



Department
for Education

THE SECRETARY OF STATE FOR EDUCATION

- AND -

THE CONTRACTOR

CALL OFF CONTRACT

for the supply of the

NLE Services under the Institute of Teaching Framework Agreement

Version Control		
Version	Date	Comments
2.0	25 May 2022	First version incorporated in Framework Agreement
2.1	3 November 2022	First version agreed for Call Off Order

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THIS CONTRACT is made on 3rd November 2022

BETWEEN

1. **THE SECRETARY OF STATE FOR EDUCATION** of Sanctuary Buildings, Great Smith Street, London, SW1P 3BT acting as part of the Crown ("The Department"); or
 2. **SCHOOL-LED DEVELOPMENT TRUST** (13429740) whose registered office is at Outwood Grange Academies Trust, Potovens Lane, Wakefield, WF1 2PF (the "Contractor");
- together, the "Parties"

WHEREAS:

- a) By way of a notice dated 19th April 2021 published on Find a Tender, the Department undertook a procurement for a service provider to be appointed to a Framework Agreement to establish and run the Institute of Teaching.
- b) The Contractor was one of the Potential Providers that submitted the most economically advantageous tender and has therefore been appointed to the framework agreement.
- c) This Call Off Contract ("the Contract") sets out the terms and conditions that govern the provision of the services.

NOW IT IS HEREBY AGREED AS FOLLOWS:-

1. INTERPRETATION

1.1. In this Contract the following words shall mean:-

"Agent"	means an organisation or individual engaged by the Department to represent it;
"Affiliate"	in relation to any person, the holding company or subsidiary of that person or any subsidiary of such holding company, and "holding company" and "subsidiary" shall have the meaning given to them in Section 1159 and Schedule 6 of the Companies Act 2006
"Appropriate Bodies"	means an organisation responsible for the quality assurance process for Newly Qualified Teacher induction;
"Best Practice Function"	means the service operated by the Contractor that develops and shares best practice in teacher development delivery, as set out in section 7 of the specification;
"Campus"	any one of the locations defined in Schedule 1 Part 1 (The Specification) where the Contractor delivers the Services;
"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:

- (1) Government Department;
- (2) Non-Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal);
- (3) Non-Ministerial Department; or
- (4) Executive Agency;

"Charge"	means the Charge made by the Contractor to the Department in accordance with the Part 1 of Schedule 2 of this Call Off Contract;
"Cohort"	means a group of Participants that are receiving training from the Contractor via any of the following ECF, NLE, NPQ or the NPQH Early Headship Coaching Offer for New Head Teachers;
"Cohort Commencement Date"	means the date that the Participants commence their induction. If this Call Off Contract covers more than one Cohort, it shall be the date that the first Cohort commences;
"Contract Date"	means the date this Contract is duly executed as stated above;
"Confidential Information"	means information as defined in this Contract which includes the Department's Confidential Information and/or the Contractor's Confidential Information including for the Contractor the information set out in Schedule 10 (Commercially Sensitive Information);
"Continuous Improvement"	means the process of ongoing effort to make incremental improvements to services being delivered by the Institute;
"Continuous Improvement Plan"	means the Contractor's continuous improvement plan developed and maintained in accordance with Schedule 15 of the Call Off Contract;
"Contracting Department"	any contracting Department as defined in Regulation 5(2) of the Public Contracts (Works, Services and Supply) (Amendment) Regulations 2000 other than the Department;
"Contract Period"	shall be the contract duration as set out in clause 2.1;
"Contractor Personnel"	all employees, agents, consultants, and contractors of the Contractor and/or of any Sub-Contractor engaged by the Contractor;
"Contractor Premises"	means any and all premises used by the Contractor for the purposes of or in connection with this Contract;
"Contractor's Solution"	means the Contractor's proposals to deliver the Call Off Contract included in Part 2 of Schedule 1 of this Call Off Contract;

"Control"	means a person that possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the other person (whether through the ownership of voting shares, by contract or otherwise) and "Controls" and "Controlled" shall be interpreted accordingly;
"Controller", "Processor," "Data Subject", "Personal Data", "Personal Data Breach", "Data Protection Officer"	have the meaning given in the GDPR;
"Correctly Submitted Invoice"	means an invoice that is delivered in timing in accordance with the Contract; is for the correct sum; in respect of goods/services supplied or delivered to the required quality (or are expected to be at the required quality); includes the date, Contractor name, contact details and bank details; quotes the relevant purchase order/contract reference and has been delivered to the nominated address;
"CPD"	means continuous professional development;
"Crown Body"	any department, office or agency of the Crown;
"the Department"	means the Department for Education and its agencies;
"the Department's Contract Manager"	means REDACTED Under FOIA Section 40 and REDACTED Under FOIA Section 40 Person ;
"Data Loss Event"	any event that results, or may result, in unauthorised access to Personal Data held by the Contractor under this Contract, and/or actual or potential loss and/or destruction of Personal Data in breach of this Contract, including any Personal Data Breach;
"Default"	<p>any breach of the obligations of the relevant Party (including abandonment of this Contract in breach of its terms, repudiatory breach or breach of a fundamental term) or any other default, act, omission, negligence or statement:</p> <p>(a) in the case of the Department, of its employees, servants, agents; or</p> <p>(b) in the case of the Contractor, of its Sub-Contractors or any Contractor Personnel,</p> <p>in connection with or in relation to the subject-matter of this Contract and in respect of which such Party is liable to the other;</p>
"DPA 2018"	Data Protection Act 2018;
"Data Protection Impact Assessment"	an assessment by the Controller of the impact of the envisaged processing on the protection of Personal Data;
"Data Protection Legislation"	(i) the GDPR, the LED and any applicable national implementing Laws as amended from time to time (ii) the DPA 2018 to the extent that it relates to processing of personal data and privacy;

	(iii) all applicable Law about the processing of personal data and privacy;
"Data Subject Access Request"	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;
"Declaration"	means a declaration made by the Contractor via the Department's digital platform that they have sufficient evidence to support a claim for an Output Payment and KPI performance;
"Delivery Solution"	means the Delivery Solution submitted with the Contractor's Quotation and included in Schedule 1: Part 2 – The Contractor's Solution;
"the Department"	means the Department for Education and its agencies;
"Department's Intellectual Property Rights"	means all Intellectual Property Rights comprised in or necessary for or arising from the performance of the Services;
"Digital Platform"	means the Contractor's technology and ICT systems including any portal that will be used to deliver any part of the Services;
"Disclosure and Barring Service or DBS"	the Home Office sponsored safeguarding services that helps employers make safer recruitment decisions and prevent unsuitable people from working with vulnerable groups, including children;
"Employee Transfer Date"	means in respect of any Transferring Contractor Employee the date on which the part of the Services to which they are assigned transfers from the Contractor to any Replacement Supplier;
"Environmental Information Regulations"	the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government Department in relation to such regulations;
"Establishment and Mobilisation"	means the Department's requirements set out in Specification that the Contractor is required to fulfil under the first Call Off Contract Agreement and in accordance with the Contractor's Solution;
Establishment and Mobilisation Costs	means the costs that form the Charges the Department pays the Contractor to deliver the Activities associated with the Establishment and Mobilisation;
"Existing IPR"	any and all IPR that are owned by or licensed to either Party which are or have been developed independently of the Contract whether prior to the date of the Contract or otherwise.
"Exit Plan"	the plan prepared by the Contractor in accordance with clause 15.11 setting out the Contractor's methodology for achieving an orderly transition of the Services from the contractor to the Department or a Replacement Supplier on the expiry or termination of this Contract;

"Expiry Date"	means 31 August 2025, being the last day of the Contract Period unless the Contract Period is extended in accordance with clause 2;
"Extension Period"	shall have the meaning given to it in clause 2.2;
"External Evaluator"	means the independent evaluator or evaluators appointed by the Department further to paragraph 17 of Schedule 1 (Part 1: The Services);
"Find and Apply"	means the digital service which allows potential teacher training candidates to search for teacher training courses;
"FOIA"	the Freedom of Information Act 2000 and any subordinate legislation made under this 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;
"First Call Off Contract"	means the first call off contract awarded by the Department under the Framework Agreement;
"Force Majeure"	<p>means any event or occurrence which is outside the reasonable control of the Party concerned and which is not attributable to any act or failure to take reasonable preventative action by that Party, including fire; flood; violent storm; pestilence; explosion; malicious damage; armed conflict; acts of terrorism; nuclear, biological or chemical warfare; or any other catastrophe, natural or man-made, but excluding:</p> <ul style="list-style-type: none"> (a) any industrial action occurring within the Contractor's or any of its Sub-Contractor's organisation, or otherwise involving the Contractor Staff; or (b) the failure by any Sub-Contractor of the Contractor to perform its obligations under any Sub-Contract.
"Framework Agreement"	means the Framework Agreement dated 25 May 2022 between the Department and the Contractor which was awarded under Regulation 33 of the Regulations and under which the Services are being called off;
"Framework Tender"	Means the tender submitted by the Contractor during the procurement process to appoint a contractor to the Framework Agreement;
"Full Degree Awarding Powers (DAPs)"	means a full authorisation from OfS (time limited for three years) to an HEI, allowing it to grant its own degree awards up to and including bachelors' degrees and research awards. Full DAPs also enable the provider to validate the awards of other HEI;
"Future Transfer Date"	means the date of termination or expiry of this Contract;
"GDPR"	the General Data Protection Regulation (Regulation (EU) 2016/679);

"Get into Teaching"	means the service operated by the Department to support individuals find a route into the teaching profession;
"Good Industry Practice"	that degree of skill, care, prudence, foresight and operating practice which would reasonably and ordinarily be expected from time to time of a skilled and experienced operator (engaged in the same type of undertaking as that of the Contractor) or any Sub-Contractor under the same or similar circumstances;
"Good Work Plan"	means the report setting out the UK Government's vision for the future of the UK labour market;
"Higher Education Institution (HEI)"	means an organisation that delivers Higher Education training;
"Her Majesty's Government"	means the duly elected Government for the time being during the reign of Her Majesty and/or any department, committee, office, servant, or officer of such Government;
"ICT"	means information and communications technology;
"Implementation Plan"	means the Implementation Plan included in Schedule 7;
"Independent Evaluation"	means the process by which the Department will facilitate an unbiased assessment of the Institute, to ensure that delivery is meeting the stated aims of the Institute, and the needs of teacher development providers, teachers, schools and the wider sector;
"Independent Evaluator"	means the organisation engaged by the Department to undertake the Independent Evaluation of the Contractor;
"Information"	has the meaning given under section 84 of the Freedom of Information Act 2000;
"Initial Teacher Training (ITT) Core Content Framework (CCF)"	means Initial Teacher Training Core Content Framework;
"IPR Claims"	any claim against the Department of infringement or alleged infringement (including the defence of such infringement or alleged infringement) of any IPRs used by or on behalf of the Contractor (including by a Sub-Contractor) in relation to the delivery of the Services save for any such claim to the extent that it is caused by any use by or on behalf of the Department of any IPRs that are relevant to this Contract in combination with any item not supplied or recommended by the Contractor pursuant to this Contract or for a purpose not reasonably to be inferred from the Specification or the provisions of this Contract;
"Intellectual Property Right"	means any copyright, rights in designs, database rights, domain names, trademarks, service marks, patents or any applications for any of the foregoing, know-how or similar rights or obligations (whether registerable or not) including Moral Rights as defined in Chapter IV of the Copyright, Designs and Patents Act 1988;

"Key Personnel" and "Key Sub-Contractor"	Any individual and / or organisation named in Schedule 9 of this Contract;
"LED"	Law Enforcement Directive (Directive (EU) 2016/680);
"Member"	means one of the members of the consortium that hold legal ownership of the Contractor;
"Members' Agreement"	means the agreement between Members of the consortium that hold the legal ownership of the Contractor as set out in Schedule 19 of the Framework Agreement;
"Mental Health at Work Commitment"	means the framework developed on standards set out in Thriving at Work;
"Mentor"	means a designated person, part of the ECF Programme, who is a suitably experienced teacher who has formal responsibility to help ensure the Participant receives the highest-quality ECF Induction Programme;
"Milestone"	means an activity, or series of activities or tasks or deliverables associated with the delivery of the Service that the Contractor is required to meet, achieve, complete or deliver by a stated date;
"Milestone Date"	means the date by which the Contractor shall achieve the related Milestone;
"National Leaders of Education (NLE)"	means the National Leaders of Education Development Framework. This programme aims to engage and mobilise outstanding leaders within the further education sector to support improvement;
"National Professional Qualifications (NPQs)"	means a national voluntary suite of qualifications designed to support the professional development of teachers and leaders;
"National Professional Qualification (NPQ) Content Frameworks"	means the six documents published on GOV.UK under National Qualification Reforms from 2021: Frameworks;
"New Degree Awarding Powers (DAPs)"	means a probationary authorisation from OfS (time limited for three years) to an HEI , allowing it to grant its own degree awards up to and including bachelors' degrees;
"New IPR"	IPR in items created by the Contractor (or by a third party on behalf of the Contractor) specifically for the purposes of a Call Off Contract and updates and amendments of these items including (but not limited to) data base schemes;
"Office for Students" or "OfS"	means the independent regulator of Higher Education in England;
"Ofsted"	Means the Office for Standards in Education, Children's Services and Skills;
"Open Book Data"	means financial information such as books of account, invoices, charge out rates, time sheets, or other time recording

	documents kept by the Contractor in connection with the provision of the Services and all vouchers, receipts, invoices, orders, contractual documentation and other documentation relating to the Services to which the Contractor is a Party;
"Participant"	means an individual who is receiving training or undertaking a any of the ECF, NLE, NPQ or the NPQH Early Headship Coaching Offer programmes with the Contractor;
"Parties"	means the organisations named in the recitals that have agreed to enter into this Contract;
"Party"	means either of the organisations named in the recitals that have agreed to enter into this Contract;
"Payment Milestone"	means a milestone that the Contractor shall meet in order for the Department to make the relevant payment as set out Table 1 of Annex 1 of Schedule 2 Part 1;
"Payment Milestone Date"	means the date that the by which the Payment Milestone shall be achieved;
"Personal Data"	shall have the same meaning as set out in the Data Protection Act 1998;
"Post Graduate Certificate in Education (PGCE)"	means a one-or two-year academic qualification that can be achieved by Participants undergoing ITT;
"Prescribed Particulars"	means the information prescribed in Schedule 13 (Staff Transfer);
"Property"	means the property, other than real property, issued or made available to the Contractor by the Client in connection with the Contract;
"Protective Measures"	appropriate technical and organisational measures which may include: 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;
"Pupil Premium"	means additional funding for schools to improve the attainment of disadvantaged children as set out in section 5 of the Specification;
"Quality Assurance Agency (QAA)"	means the organisation that safeguards standards and improves quality of Higher Education;
"Quality Assurance"	means how the Department or its representatives will measure the Contractor's performance in developing and delivering the training programme;

"Quality Assurance Framework"	means the documents that set out quality requirements and processes that the Contractor shall comply with when delivering the services;
"Quality Assurance Function"	means the Department, or external body appointed by the Department, to monitor quality assurance delivery;
"Quotation"	means the Contractor's offer submitted to the Department to undertake this Contract;
"Recruitment Milestone"	means date at which the Contractor's performance against their Recruitment Target is measured;
"Recruitment Target"	means the recruitment targets started in set by the Department relating to the number of Participants the Contractor is required to recruit to a Cohort under this Call Off Contract;
"Regulatory Bodies"	those government departments and regulatory, statutory and other entities, committees and bodies which, whether under statute, rules, regulations, codes of practice or otherwise, are entitled to regulate, investigate, or influence the matters dealt with in this Contract or any other affairs of the Department and "Regulatory Body" shall be construed accordingly;
"the Regulations"	means the Public Contracts Regulations 2015;
"Relevant Legislation"	means any statute or regulations or the EC Treaty (or any directives or regulations made under them);
"Relevant Personnel Documentation"	means the information in relation to Transferring Contractor Employees as prescribed in Part C of Schedule 13 (Staff Transfer);
"Replacement Services"	any services which are the same as or substantially similar to any of the Services and which the Department receives in substitution for any of the Services following the expiry or termination or partial termination of this Contract, whether those services are provided by the Department internally or by any third party;
"Replacement Supplier"	any third party provider of Replacement Services appointed by the Department from time to time (or where the Department is providing Replacement Services for its own account, the Department);
"Request for Information"	a request for information or an apparent request under the Code of Practice on Access to Government Information, FOIA or the Environmental Information Regulations;
"Required Insurances"	means the insurances as set out in clause 9.7;
"the School"	means the organisation named as a Party to this Contract;

"Scholarship Funding Criteria"	Means the criteria set out in Table 4 of the Specification that determines if a teacher is eligible to receive Department funded Training;
"Serious Breach"	means: <ul style="list-style-type: none"> (a) any breach referred to as a Serious Breach in the Contract; and/or (b) any breach or breaches which adversely, materially, or substantially affect the performance or delivery of the Services in part or in full, or the provisions of a safe, healthy and supportive learning environment. Serious Breach includes but is not limited to: <ul style="list-style-type: none"> (i) a breach of security that adversely affects the Personal Data or privacy of an individual; and (ii) failure to comply with Law, or acts or omissions by the Contractor that endanger the health or safety of others;
"the Services"	means the services to be performed by the Contractor as described in Schedule 1;
"Service Commencement Date"	Means 1 st November 2022;
"Service Outputs"	means the outputs (milestones, research, reports, events, etc) delivered as part of the Best Practice Function service;
"Service Failure"	means the failure of the Contractor to meet SLAs, KPIs and Milestones as described in this Call Off Contract;
"Service Threshold"	means the thresholds set out in Schedule 2 Part 2 which, if reached by the Contractor in its performance of this Contract, trigger (without prejudice to its other rights and remedies) the Department's right of termination under clause 10.5.11;
"SME"	means a micro, small or medium-sized enterprise defined in accordance with the European Commission Recommendation 2003/361/EC and any subsequent revisions;
"Social Value"	means improving the economic, social and environmental well-being of those involved with the delivery, or receiving of the Services;
"Staffing Information"	means the Staffing Information provided by the Contractor in accordance with Schedule 13;
"Start Declaration"	means a declaration made by the Contractor via the Department's digital platform that a Participant has commenced their training with the Contractor, and which is used by the Contractor as evidence to support a claim for an Output Payment and KPI performance;
"Sub-Contract"	means a contract between two or more suppliers, at any stage of remoteness from the Department in a Sub-Contracting chain, made wholly or substantially for the purpose of performing (or contributing to the performance of) the whole or any part of the Contract;
"Sub-Contractor"	the third party with whom the Contractor enters into a Sub-Contract or its servants or Agents and any third party with whom that third party enters into a Sub-Contract or its servants or

	Agents;
"Sub-processor"	any third Party appointed to process Personal Data on behalf of the Contractor related to this Contract;
"Summative Assessment"	means the assessment carried out at the end of a period of learning;
"Targeted Delivery Payments"	means payments made by the Department to the Contractor in circumstances set out in the Specification;
"Teacher Recruitment and Retention Strategy"	means the strategy the Department is taking to ensure recruitment and retention of teachers in England, as further detail at Teacher recruitment and retention strategy - GOV.UK (www.gov.uk) ;
"Teacher Reference Number (TRN)"	means a unique identifier for each teacher, allowing them to evidence teaching qualifications.
"Teachers' Standards"	means the standards (found here Teachers' standards - GOV.UK (www.gov.uk) which set the minimum requirements for teachers' practice and conduct;
"Termination Date"	means the date set out in a termination notice on which this Contract (or a part of it as the case may be) is to terminate;
"Transferring Contractor Employees"	means those employees of the Contractor who are at the Future Transfer Date employed under a contract of service or apprenticeship or otherwise in the relevant part of the undertaking which transfers on the termination or expiry of this Contract pursuant to TUPE or the Acquired Rights Directive 187/77/EC or otherwise to any Replacement Supplier;
"Transfer of Undertakings (Protection of Employment) Regulations 2006 or TUPE"	means the Transfer of Undertakings (Protection of Employment) Regulations 2006, as amended from time to time;
"Thriving at Work"	means the Stevenson / Farmer review of mental health and employers commissioned by the UK Government;
"Uplift Payment"	means a payment of £100 (or other such amount as specified by the Department) paid to the Contractor for recruiting Participants eligible for Targeted Delivery Payments;
"Variation"	means a change to the terms of this Contract agreed in accordance with Schedule 5;
"VCSE"	means voluntary, community and social enterprise;
"Working Day"	any day other than a Saturday, Sunday or public holiday in England and Wales.

1.2. References to "Contract" mean this contract (and include the Schedules). References to "clauses" and "Schedules" mean clauses of and Schedules to this Contract. The provisions of the Schedules shall be binding on the parties as if set out in full in this Contract.

1.3. Reference to the singular include the plural and vice versa and references to any gender include both genders and the neuter. References to a person include any individual, firm, unincorporated association or body corporate.

2. COMMENCEMENT AND CONTINUATION

2.1 The Contractor shall commence the Services on the Contract Date and, subject to clause 10.1 shall complete the Services on or before the Expiry Date.

- 2.2 The Department shall have the right to request in writing that the Contract Period be extended for one or more period on one or more occasions but the maximum cumulative Extension Period shall not be longer than the original Contract Period.
- 2.3 If the Department exercises its right to request an extension under clause 2.2, the last date of the Extension Period shall be the new Expiry Date and references to “Expiry Date” shall be interpreted accordingly.

3. CONTRACTOR'S OBLIGATIONS

- 3.1 The Contractor shall promptly and efficiently deliver the Services in accordance with the provisions set out in Schedule 1: Part 1 (The Services), the special conditions set out in Schedule 3 (Additional clauses) and in accordance with the Schedule 1: Part 2 (The Contractor's Solution). Where there is any conflict between the terms of this Contract and the special conditions set out in Schedule 3, the special conditions shall prevail.
- 3.2 The Contractor shall comply with the accounting and performance measures set out in Schedule 2 (Pricing and Performance Measures).
- 3.3 The Contractor implements quality management arrangements and complies with the Quality Assurance requirements set out in Schedule 2 and in Section 2B – of the Specification to ensure the Services are delivered to a consistent and high standard. The Contractor notifies the Department as soon as practicable in the event they become aware of any matter(s) which may affect the quality of the Services.
- 3.4 The Contractor attends meetings relating to the Services, Continuous Improvement and the Contractor's performance with the Department as set out in the Specification and this Contract. The Contractor is not paid separately for attending such meetings unless expressly set out in the Call Off Order.
- 3.5 The Contractor shall comply with all statutory provisions including all prior and subsequent enactments, amendments and substitutions relating to that provision and to any regulations made under it.
- 3.6 In entering into this Contract, the Contractor is confirming that:
- 3.6.1 it has read and understood the Department's expectations of all Services as set out in the Government's Contractor Code of Conduct at <https://www.gov.uk/government/publications/Contractor-code-of-conduct> and the Contractor will be deliver the Services in accordance with the Contractor Code; and
- 3.6.2 it will deliver the Services by reference to the Contractor Code as dated February 2019 and thereafter as updated from time to time.
- 3.7 The Contractor shall update the Implementation Plan, as set out at Schedule 7 (Implementation Plan) and submit it to the Department, for its approval, a finalised Implementation Plan within 6 (six) weeks of the Contract Date.
- 3.8 The Contractor shall work co-operatively and in partnership with the Department's independent evaluator as set out in the Schedule 1: Part 1 (The Services) and shall commit to supporting continuous improvement for the Contract Period by sharing knowledge and experiences with the Department, the External Evaluator and the other suppliers of similar services to the Department.
- 3.9 NOT USED.
- 3.10 NOT USED

4. DEPARTMENT'S OBLIGATIONS

- 4.1 The Department will comply with the payment provisions of Schedule 2: Part 1 (Pricing) provided that the Department has received full and accurate information and

documentation as required by Schedule 2 to be submitted by the Contractor for work completed to the satisfaction of the Department.

5. STEP-IN RIGHTS

- 5.1 Without prejudice to the Department's rights of termination under clause 10, the Department may exercise one or more of the rights set out in this clause 8 ("**Step In Rights**") if:
- 5.1.1 there is a Default by the Contractor which materially prevents or materially delays performance of the Services or any part of the Services;
 - 5.1.2 the Contractor fails to:
 - (a) meet an Establishment and Mobilisation Milestone;
 - (b) or is notified of a Service Failure;
 - 5.1.3 an event of Force Majeure occurs which materially prevents or materially delays the performance of the Services or any part of the Services;
 - 5.1.4 a Regulatory Body has advised the Department that exercise by the Department of its Step In Rights is necessary;
 - 5.1.5 serious risk exists to the health and safety of persons, property or the environment;
 - 5.1.6 it is necessary to discharge a statutory duty; or
 - 5.1.7 the Contractor becomes insolvent.
- 5.2 If the Department has a Step In Right it may serve notice on the Contractor (a "Step-In Notice") that it will take action under this clause 5 either itself or with the assistance of a third party.
- 5.3 The Step-In Notice shall set out:
- 5.3.1 the action the Department wishes to take and in particular the Services that it wishes to control (the "Required Action");
 - 5.3.2 the event triggering the Step In Rights and whether the Department believes that the Required Action is due to the Contractor's Default;
 - 5.3.3 the date on which it wishes to commence the Required Action;
 - 5.3.4 the time period which it believes will be necessary for the Required Action;
 - 5.3.5 whether the Department will require access to the Contractor's premises; and
 - 5.3.6 to the extent practicable, the effect the Department anticipates the Required Action will have on the Contractor's obligations to provide the Services during the period that the Required Action is being taken.
- 5.4 Following service of a Step-In Notice, the Department shall:
- 5.4.1 take the Required Action set out in the Step-In Notice and any consequential additional action as it reasonably believes is necessary to achieve the Required Action;
 - 5.4.2 keep records of the Required Action taken and provide information about the Required Action to the Contractor;
 - 5.4.3 co-operate wherever reasonable with the Contractor in order to enable the Contractor to continue to provide those Services of which the Department is not assuming control; and
 - 5.4.4 act reasonably in mitigating the cost that the Contractor will incur as a result of the exercise of the Step In Rights.

- 5.5 For as long as and to the extent that the Required Action continues:
- 5.5.1 the Contractor shall not be obliged to provide the Services to the extent that they are the subject of the Required Action; and
 - 5.5.2 the Department shall pay the Contractor the Charges after subtracting the Department's costs of taking the Required Action.
- 5.6 If the Contractor demonstrates to the Department's reasonable satisfaction that the Required Action has resulted in the degradation of any Services not subject to the Required Action beyond that which would have been the case had the Department not taken the Required Action, the Department may adjust the Charges.
- 5.7 Before ceasing to exercise its Step In Rights the Department shall deliver a written notice to the Contractor (a "Step-Out Notice"), specifying:
- 5.7.1 the Required Action it has taken; and
 - 5.7.2 the date on which the Department plans to end the Required Action subject to the Department being satisfied with the Contractor's ability to resume the provision of the Services and the Contractor's plan developed in accordance with clause 8.
- 5.8 The Contractor shall, following receipt of a Step-Out Notice and not less than 20 Working Days prior to the date specified in clause 5.7.1, develop for the Department's approval a draft plan relating to the resumption by the Contractor of the Services, including any action the Contractor proposes to take to ensure that the affected Services satisfy the requirements of the Contract.
- 5.9 If the Department does not approve the draft plan, it shall inform the Contractor of its reasons for not approving it and the Contractor shall then revise the draft plan taking those reasons into account and shall re-submit the revised plan to the Department for approval. The Department shall not withhold or delay its approval of the draft plan unreasonably.
- 5.10 The Contractor shall bear its own costs in connection with any Step-In under this clause 5, provided that the Department shall reimburse the Contractor's reasonable additional expenses incurred directly as a result of any Step-In action taken by the Department under clauses 5.1.3 to 5.1.6 (insofar as the primary cause of the Department serving the Step-In Notice is identified as not being the result of a Contractor's Default).

6. MANAGEMENT

- 6.1 The Contractor shall promptly comply with all reasonable requests or directions of the Department's Contract Manager in respect of the Services.
- 6.2 The Contractor shall address any enquiries about procedural or contractual matters in writing to the Department's Contract Manager. Any correspondence relating to this Contract shall quote the reference number set out in the Recitals to this Contract.
- 6.3 The Contractor's Key Personnel and Key Sub-Contractors are set out in Schedule 9 (Key Personnel and Sub-Contractors). The Contractor shall notify the Department of any changes to its Key Personnel or any proposed change of Sub-Contractors. In relation to any proposed change of Sub-Contractor the Contractor shall comply with the provisions of clause 7.6-7.8 and clause 19.19.

7. CONTRACTOR'S EMPLOYEES AND SUB-CONTRACTORS

- 7.1 The appointment by the Contractor of Sub-Contractors shall be subject always to the requirements of clause 19. Where the Contractor does enter into any Sub-Contract the provisions of clauses 7.2 to 7.10 shall apply.
- 7.2 Where the Contractor enters into a contract with one or more suppliers for the purpose of sub-contracting its obligations under the Contract (the "Sub-Contractor") it

shall ensure prompt payment in accordance with this clause 7.2. Unless otherwise agreed by the Department in writing, the Contractor shall ensure that any contract requiring payment to a Sub-Contractor shall provide for undisputed sums due to the Sub-Contractor to be made within 30 days from the receipt of a valid invoice.

- 7.3 The Contractor shall comply with clause 7.2 and shall provide, at the Department's request, sufficient evidence to demonstrate compliance. The Contractor shall comply with clause 15.2 and shall provide, at the Department's request, sufficient evidence to demonstrate compliance. The Contractor's performance of this obligation across all Call Off Contracts will be measured and monitored at a Framework Agreement level in accordance with KPI 'IoT3' of Schedule 18.
- 7.4 The Contractor shall take all reasonable steps to satisfy itself that the Contractor Personnel it engages are suitable in all respects to perform the Services.
- 7.5 The Contractor shall give to the Department, if so requested a list of all persons who are or may be at any time directly concerned with the performance of this Contract specifying the capacity in which they are concerned with the provision of the Services and giving such other particulars as the Department may reasonably require.
- 7.6 If the Department notifies the Contractor that it reasonably considers that a Sub-Contractor is not appropriately qualified or trained to provide the Services or otherwise is not providing the Services in accordance with this Contract, then the Contractor shall, as soon as is reasonably practicable, take all such steps as the Department considers necessary to remedy the situation or, if so reasonably required by the Department, shall remove the said Sub-Contractor from providing the Services and shall provide a suitable replacement (at no cost to the Department).
- 7.7 The Contractor shall take all reasonable steps to avoid changes of Sub-Contractors assigned to and accepted to provide the Services under the Contract except whenever changes are unavoidable or of a temporary nature. The Contractor shall give immediate notice in writing to the Department's Contract Manager of proposals to change Sub-Contractors.
- 7.8 The Contractor shall immediately notify the Department if they have any concerns regarding the propriety of any of its Sub-Contractors in respect of work/services rendered in connection with this Contract.
- 7.9 The Contractor acknowledges that Key Contractor Personnel and Key Sub-Contractors are essential to the proper provision of the Services. The Parties have agreed to the appointment of Key Contractor Personnel and Key Sub-Contractors listed in Schedule 9 as at the Contract Date.
- 7.10 The Contractor agrees that:
 - 7.10.1 Key Contractor Personnel shall not be released from supplying the Services without the Department's consent except by reason of long-term sickness, maternity leave, paternity leave or termination of employment or other similar reason.
 - 7.10.2 Any replacements of Key Contractor Personnel or Sub-Contractors shall be subject to the Department's consent and shall be of at least equal status, experience and skills to Key Contractor Personnel or Sub-Contractor(s) being replaced and be suitable for the responsibilities of that person or company in relation to the Services.
- 7.11 The Department shall not unreasonably withhold consent under clauses 7.10. Such consent shall be conditional on appropriate arrangements being made by the Contractor to minimise any adverse effect on Services which could be caused by a change in Key Contractor Personnel or Key Sub-Contractors.

- 7.12 The Department may require the Contractor to remove any Key Contractor Personnel or Sub-Contractors who the Department considers is in any respect unsatisfactory.
- 7.13 The Department shall not be liable for the cost of replacing any Key Contractor Personnel or Sub-Contractors and the Contractor shall indemnify the Department against all Employment Liabilities that may arise in this respect.
- 7.14 The Contractor, its employees and Sub-Contractors (or their employees), whilst on Departmental premises, shall comply with such rules, regulations and requirements (including those relating to security arrangements) as may be in force from time to time.
- 7.15 The Contractor shall ensure the security of all the Property whilst in its possession, during the supply of the Services, in accordance with the Department's reasonable security requirements as required from time to time.
- 7.16 The Parties agree that:
- 7.16.1 the Contractor shall both during and after the Contract Period indemnify the Department against all Employee Liabilities that may arise as a result of any claims brought against the Department by any person where such claim arises from any act or omission of the Contractor or any Contractor Personnel; and
- 7.16.2 the Department shall both during and after the Contract Period indemnify the Contractor against all Employee Liabilities that may arise as a result of any claims brought against the Contractor by any person where such claim arises from any act or omission of the Department or any of the Department's employees, Agents, consultants and contractors.

Staff Transfer

- 7.17 The Parties agree that:
- 7.17.1 where the commencement of the provision of the Services or any part of the Services results in one or more Relevant Transfers, Schedule 13 (Staff Transfer) shall apply as follows:
- (i) where the Relevant Transfer involves the transfer of Transferring Department Employees, Part A and Part D of Schedule 13 (Staff Transfer) shall apply;
- (ii) where the Relevant Transfer involves the transfer of Transferring Former Contractor Employees, Part B and Part D of Schedule 13 (Staff Transfer) shall apply;
- (iii) where the Relevant Transfer involves the transfer of Transferring Department Employees and Transferring Former Contractor Employees, Parts A, B and D of Schedule 13 (Staff Transfer) shall apply; and (iv) Part C of Schedule 13 (Staff Transfer) shall not apply.
- 7.17.2 where commencement of the provision of the Services or a part of the Services does not result in a Relevant Transfer, Part C of Schedule 13 (Staff Transfer) shall apply, Part D of Schedule 13 may apply and Parts A and B of Schedule 13 (Staff Transfer) shall not apply; and
- 7.17.3 Part E of Schedule 13 (Staff Transfer) shall apply on the expiry or termination of the Services or any part of the Services

7A SAFEGUARDING

- 7A.1 The Contractor shall make arrangements for ensuring that the Services are provided with a view to safeguarding and promoting the welfare of children receiving education or training. In doing so, the Contractor shall have regard to any guidance published, from time to time, by the Secretary of State for Education, which sets out the

expectations in relation to safeguarding practice within schools. References to 'must' in any such guidance shall be treated as 'should' for the purposes of this Contract, save for any references to legal requirements arising from the Safeguarding Vulnerable Groups Act 2006 in respect of referrals to the Disclosure and Barring Service. Failure to do so may constitute a Serious Breach of this Contract.

- 7A.2 The Contractor must carry out appropriate Disclosure and Barring Service checks on all applicants including those from outside the UK for employment where such applicants would be employed to work in regulated activity relating to children or vulnerable adults (as defined by the Safeguarding Vulnerable Groups Act 2006) if successful, and must seek additional information about an applicant's conduct.
- 7A.3 The Contractor shall not employ or engage, or continue to employ or engage, any person who is subject to a prohibition order made under section 141B of the Education Act 2002 to carry out teaching work (as defined in regulation 3 of the Teachers' Disciplinary (England) Regulations 2012).
- 7A.4 The Contractor shall, in circumstances where it sub-contracts the management and / or delivery of the Services under this Contract, ensure that the content of this clause 7A is included in its contract with Sub-Contractors.
- 7A.5 The Contractor and its Sub-Contractors must be able to demonstrate that they have robust record-keeping procedures in respect of safeguarding through checks on record keeping undertaken.
- 7A.6 A breach by the Contractor and / or its Sub-Contractors of this clause 7A shall constitute a Serious Breach of the Contract.

8. INTELLECTUAL PROPERTY RIGHTS (IPR)

- 8.1 Each Party keeps ownership of its own Existing IPR.
- 8.2 Pursuant to clause 2.1 the Contractor gives the Department a non-exclusive, perpetual, royalty-free, irrevocable, transferable UK-wide licence to use, change and sub-license the Contractor's Existing IPR to enable it to both:
 - 8.2.1 receive and use the Services;
 - 8.2.2 make use of the Services by a Replacement Supplier;and the Department gives the Contractor and its Sub-Contractors, if any, a licence to use the Department's Existing IPR for the purpose of fulfilling its obligations set out in this Contract during the Contract Period.
- 8.3 Any New IPR created under this Contract will be owned by the Contractor. The Contractor gives the Department a non-exclusive, perpetual, royalty-free, irrevocable, transferable UK-wide licence to use, change and sub-license the Contractor's Existing IPR and New IPR to enable it to:
 - 8.3.1 receive the Services under this Contract; and
 - 8.3.2 make use of the Services provided by a Replacement Supplier; and
 - 8.3.3 make use of the materials created under this Contract in other services related to, but not limited to, NPQs.
- 8.4 Where a Party acquires ownership of IPR incorrectly under this Contract it must do everything reasonably necessary to complete a transfer assigning them in writing to the other Party on request and at its own cost.
- 8.5 Neither Party has the right to use the other Party's IPR, including any use of the other Party's names, logos or trademarks, other than as set out in this clause 8 or as agreed in writing.
- 8.6 The Contractor shall indemnify the Department against all IPR Claims, demands, actions, costs, expenses (including legal costs and disbursements on a solicitor and

client basis), losses and damages arising from or incurred by reason of any infringement or alleged infringement (including the defence of such alleged infringement) of any Intellectual Property Right.

- 8.7 The Contractor hereby waives any Moral Rights as defined at Chapter IV of the Copyright, Designs and Patents Act 1988.
- 8.8 The Contractor warrants:
- 8.8.1 that the Contractor's Intellectual Property Rights comprise its own original work including where its Intellectual Property Rights were created by or on behalf of the Contractor;
 - 8.8.2 that the Department's Intellectual Property Rights have not and will not be copied wholly or in part from any other work or material;
 - 8.8.3 that the use of or exercise by the Contractor of the Department's Intellectual Property Rights and the Background Intellectual Property will not infringe the rights of any third party;
 - 8.8.4 that the Contractor has not granted or assigned any rights of any nature in the Department's Intellectual Property Rights to any third party except to its Sub-Contractors as appropriate.
- 8.9 The Department shall reserve the right to benefit from its investment in developing the ECF/National Professional Qualifications and support for new head policy/NLE/research.
- 8.10 The Contractor shall report to the Department on an annual basis the amount of financial income that is generated through the sale of content or materials that includes New IPR generated under this Contract. This shall include any financial income from the sale of services or products to Consortium Members or other organisations based in or outside of the United Kingdom (including other governments or authorities who deliver educational services). The Department reserves the right to share in the financial benefit from the Contractor's commercial or financial arrangements, via a reduction in the Charges and / or through the payment of a dividend.
- 8.11 The provisions of Schedule 14 (Contractor's Digital Platform) shall apply in relation to the Intellectual Property Rights in and licensing of Software.

9. WARRANTY AND INDEMNITY

- 9.1 The Contractor warrants to the Department that the obligations of the Contractor under this Contract will be performed by appropriately qualified and trained personnel using Good Industry Practice. The Department will be relying upon the Contractor's skill, expertise and experience in the performance of the Services and also upon the accuracy of all representations or statements made and the advice given by the Contractor in connection with the performance of the Services and the accuracy of any documents conceived, originated, made or developed by the Contractor as part of this Contract. The Contractor warrants that any goods supplied by the Contractor forming a part of the Services will be of satisfactory quality and fit for their purpose and will be free from defects in design, material and workmanship.
- 9.2 Without prejudice to any other remedy, if any part of the Services is not performed in accordance with this Contract then the Department shall be entitled, where appropriate to:
- 9.2.1 require the Contractor promptly to re-perform or replace the relevant part of the Services without additional charge to the Department; or
 - 9.2.2 if the Department considers it would be impracticable or inappropriate to require the Contractor to take action in accordance with clause 9.2.1, the

Department may assess the cost of remedying the failure ("the Assessed Cost") and deduct from any sums due to the Contractor the Assessed Cost for the period that such failure continues

9.3 Neither Party limits its liability for:

- (a) death or personal injury caused by its negligence, or that of its employees, agents or sub-contractors (as applicable);
- (b) fraud or fraudulent misrepresentation by it or its employees;
- (c) breach of any obligation as to title implied by section 12 of the Sale of Goods Act 1979 or section 2 of the Supply of Goods and Services Act 1982; or
- (d) any liability to the extent it cannot be limited or excluded by Law.

9.4 The Contractor's liability in respect of the indemnities in clause 16 (VAT, Income Tax and National Insurance Contributions), clause 7.11 (Employment Indemnity), clause 8.6 (IPRs Indemnity), clause 15.8 (TUPE liability), clause 15.9 (TUPE liability) Schedule 13 (Staff Transfer) and the Annexes to Schedule 13 (Staff Transfer) shall be unlimited.

9.5 The Department's liability in respect of the indemnities in clause 7.11 (Employment Indemnity), Schedule 13 (Staff Transfer) and the Annexes to Schedule 13 (Staff Transfer) shall be unlimited.

9.6 Subject to clauses 9.3 and 9.4 (Unlimited Liability) and clauses 9.9 (Consequential Losses):

- (a) the Contractor's aggregate liability in respect of loss of or damage to the Department Premises or other property or assets of the Department (including technical infrastructure, assets or equipment but excluding any loss or damage to the Department's Data or any other data) that is caused by Defaults of the Contractor occurring in each and any Contract Year shall in no event exceed £10 million;
- (b) the Contractor's aggregate liability in respect of loss of or damage to Department Data or breach of the Data Protection Legislation that is caused by Default of the Contractor occurring in each and any Contract Year shall in no event exceed £10 million;
- (c) the Contractor's aggregate liability in respect of all Service Credits incurred shall be subject to the Service Credit Cap; and
- (d) the Contractor's aggregate liability in each Contract Year in respect of all other Losses incurred by the Department under or in connection with this Contract as a result of Defaults by the Contractor shall in no event exceed:
 - i) in relation to Defaults occurring in the first Contract Year, an amount equal to 150% of the Estimated Year 1 Charges or £5 million whichever is the higher;
 - ii) in relation to Defaults occurring during any subsequent Contract Year, an amount equal to 150% of the Charges paid and/or due to be paid to the Contractor under this Contract in the Contract Year immediately preceding the occurrence of the Default or £5 million, whichever is the higher; and
 - iii) in relation to Defaults occurring after the end of the Contract Period, an amount equal to 150% of the Charges paid and/or due to be paid to the Supplier in the 12 month period immediately prior to the last day of the Contract Period or £5 million, whichever is the higher,

provided that where any Losses referred to this clause 9.6(d) have been incurred by the Department as a result of the Contractor's abandonment of this Contract or the Contractor's willful default, willful breach of a fundamental term of this Contract or wilful repudiatory breach of this Contract, the references in such

clause to 150% shall be deemed to be references to 200% and references to £5 million shall be deemed to be references to £8 million.

- 9.7 Deductions from Charges shall not be taken into consideration when calculating the Contractor's liability under clause 9.6(c).
- 9.8 Subject to clauses 9.3 and 9.5 (Unlimited Liability) and clause 9.9 (Consequential Losses) and without prejudice to the Department's obligation to pay the Charges as and when they fall due for payment:
- (a) the Department's total aggregate liability in respect of all Losses incurred by the Contractor under or in connection with this Contract as a result of early termination of this Contract by the Department pursuant to clause 10.1 shall in no event exceed the amount set out Schedule 12 (Breakage Costs);
 - (b) the Department's aggregate liability in respect of all Losses incurred by the Contractor under or in connection with this Contract as a result of Defaults of the Department shall in no event exceed:
 - i) in relation to Defaults occurring in the first Contract Year, an amount equal to the Estimated Year 1 Charges;
 - ii) in relation to Defaults occurring during any subsequent Contract Year, an amount equal to the total Charges paid and/or due to be paid under this Contract in the Contract Year immediately preceding the occurrence of the Default; and
 - iii) in relation to Defaults occurring after the end of the Contract Period, an amount equal to the total Charges paid and/or due to be paid to the Contractor in the 12 month period immediately prior to the last day of the Contract Period.
- 9.9 Subject to clauses 9.3, 9.4 and 9.5 (Unlimited Liability) and clause 9.10, neither Party shall be liable to the other Party for:
- (a) any indirect, special or consequential Loss; or
 - (b) any loss of profits, turnover, business opportunities or damage to goodwill (in each case whether direct or indirect).
- 9.10 Notwithstanding clause 9.9 but subject to clause 9.6, the Contractor acknowledges that the Department may, amongst other things, recover from the Contractor the following Losses incurred by the Department to the extent that they arise as a result of a Default by the Contractor:
- (a) any additional operational and/or administrative costs and expenses incurred by the Department, including costs relating to time spent by or on behalf of the Department in dealing with the consequences of the Default;
 - (b) any wasted expenditure or charges;
 - (c) the additional cost of procuring Replacement Services for the remainder of the Contract Period and/or replacement Deliverables, which shall include any incremental costs associated with such Replacement Services and/or replacement Deliverables above those which would have been payable under this Contract;
 - (d) any compensation or interest paid to a third party by the Department; and
 - (e) any fine or penalty incurred by the Department pursuant to Law and any costs incurred by the Department in defending any proceedings which result in such fine or penalty.
- 9.11 Each Party shall use all reasonable endeavours to mitigate any loss or damage suffered arising out of or in connection with this Contract, including any Losses for

which the relevant Party is entitled to bring a claim against the other Party pursuant to the indemnities in this Contract.

- 9.12 The Department's total liability to the Contractor under this Contract shall be limited to paying the Charges in accordance with schedule 2 (Pricing) and complying with any other contract provision in the Call Off Contract that requires a payment to be made by the Department
- 9.13 All property of the Contractor whilst on the Department's premises shall be there at the risk of the Contractor and the Department shall accept no liability for any loss or damage howsoever occurring to it.
- 9.14 Without prejudice to its liability to indemnify the Department under this Contract the Contractor shall take out and maintain in force or procure the taking out and maintenance of the Required Insurances and any other insurances as may be required by law. The Required Insurances shall be effective in each case no later than the date on which the relevant risk commences.
- 9.15 The Required Insurances referred to in clause 9.14 shall amount to:
 - 9.15.1 at least five million pounds (£5 million) in respect of public liability cover in respect of each and every occurrence;
 - 9.15.2 at least five million pounds (£5 million) in respect of employer's liability cover in respect of each and every occurrence; and
 - 9.15.3 at least five million pounds (£5 million) in respect of professional indemnity cover in respect of each and every claim;
- 9.16 The Department may review the minimum indemnity limits specified for the Required Insurances in clause 9.11 on an annual basis. Any Change that is required to the minimum indemnity limits as a result of the Department's review shall be implemented in accordance with the Change Control Procedure.
- 9.17 The Contractor shall provide to the Department by 31st August annually during the Contract Period and at other times on request evidence confirming that the Required Insurances are and remain in place.

9A FINANCIAL DISTRESS

- 9A.1 The Parties shall comply with the provisions of Schedule 4 (Financial Distress) in relation to the assessment of financial standing of the Contractor and the consequences of a change to that financial standing.
- 9A.2 In the event that a Financial Distress Event occurs the provisions of Schedule 4 (Financial Distress) shall apply.

10. TERMINATION

- 10.1 This Contract may be terminated on notice by the Department giving to the Contractor at least 90 days' notice in writing.
- 10.2 If the Department terminates the Contract under clause 10.1 the Department shall make no further payments to the Contractor except for a Breakage Costs Payment assessed in accordance with Schedule 12 (Breakage Costs) and Charges for, Services supplied by the Contractor prior to termination where the payment has yet to be made by the Department.
- 10.3 In the event of a Serious Breach of this Contract by either party which can be remedied, the other party may serve a notice on the party in breach requiring the breach to be remedied within a period specified in the notice which shall be reasonable in all the circumstances. If the breach has not been remedied by the expiry of the specified period, the party not in breach may terminate this Contract with immediate effect by notice in writing.

- 10.4 If the Department holds the view, acting reasonably, that the Contractor has committed a Serious Breach of the Contract and that it would pose a risk to the health and safety of children or vulnerable adults to permit the Contractor to continue to deliver the Services, the Department may require the Contractor to suspend delivery of the Services pending further investigations.
- 10.5 This Contract may be terminated by the Department with immediate effect by notice in writing if at any time:
- 10.5.1 the Contractor commits a Serious Breach which cannot be remedied;
 - 10.5.2 in England and Wales, a petition is presented for the Contractor's bankruptcy or a criminal bankruptcy order is made against the Contractor or it makes any composition or arrangement with or for the benefit of creditors or makes any conveyance or assignment for the benefit of creditors;
 - 10.5.3 in Scotland, if the Contractor becomes apparently insolvent within the meaning of Section 7 of the Bankruptcy (Scotland) act 1985;
 - 10.5.4 where the Contractor is a firm or a number of persons acting together in any capacity (including as trustees), any event referred to in Sub-clauses 10.5.1 or 10.5.2 occurs in respect of any partner in the firm or any of those persons (including any trustees);
 - 10.5.5 the Contractor is convicted (or being a company, any officers or representatives of the Contractor are convicted) of a criminal offence related to the business or professional conduct;
 - 10.5.6 the Contractor commits (or being a company, any officers or representatives of the Contractor commit) an act of grave misconduct in the course of the business;
 - 10.5.7 the Contractor fails (or being a company, any officers or representatives of the Contractor fail) to fulfil its obligations relating to the payment of Social Security contributions;
 - 10.5.8 the Contractor fails (or being a company, any officers or representatives of the Contractor fail) to fulfil its obligations relating to payment of taxes;
 - 10.5.9 the Contractor fails (or being a company, any officers or representatives of the Contractor fail) to disclose any serious misrepresentation in supplying information required by the Department in or pursuant to this Contract;
 - 10.5.10 any of the provisions of paragraph 4 of Schedule 4 (Financial Distress) have arisen; or
 - 10.5.11 the Contractor's performance of the Service is such that any Service Threshold is reached or exceeded.
- 10.6 Nothing in this clause 10 shall affect the coming into, or continuance in force of any provision of this Contract which is expressly or by implication intended to come into force or continue in force upon termination of this Contract.

Serious Breach due to not achieving a Milestone Date

- 10.7 If the Contractor does not achieve any Milestone Date in Schedule 16 of the First Call Off Contract awarded under the Framework Agreement, the Department reserves the right to class this as the Contractor having committed a Serious Breach and clauses 10.3 or 10.5.1 shall apply to this and any other call off contract it has been awarded under the Framework Agreement.

10A CONSEQUENCES OF TERMINATION AND EXPIRY

- 10A.1 Notwithstanding the service of a notice to terminate this Contract, the Contractor shall continue to fulfil its obligations under this Contract until the Termination Date or such other date as agreed in writing with the Department.
- 10A.2 A termination of this Contract shall not cause any other call off contracts or the Framework Agreement to terminate. For the avoidance of doubt, the Framework Agreement and all call off contracts other than the Contract shall remain in force unless and until they are terminated or expire in accordance with their own terms.
- 10A.3 The provisions of clauses 8, 9, 10A, 12, 14 and 17 and without limitation to the foregoing, any other provision of this Contract which by its terms is to be performed or observed notwithstanding termination or expiry or which is expressed to survive termination or expiry shall survive the termination or expiry of this Contract.

11. STATUS OF CONTRACTOR

- 11.1 In carrying out its obligations under this Contract the Contractor agrees that it will be acting as principal and not as the Agent of the Department.
- 11.2 The Contractor shall not say or do anything that may lead any other person to believe that the Contractor is acting as the Agent of the Department.

12. CONFIDENTIALITY

- 12.1 Except to the extent set out in this clause or where disclosure is expressly permitted elsewhere in this Contract, each party shall:
 - 12.1.1 treat the other party's Confidential Information as confidential and safeguard it accordingly; and
 - 12.1.2 not disclose the other party's Confidential Information to any other person without the owner's prior written consent.
- 12.2 clause 12 shall not apply to the extent that:
 - 12.2.1 such disclosure is a requirement of Law placed upon the party making the disclosure, including any requirements for disclosure under the FOIA, Code of Practice on Access to Government Information or the Environmental Information Regulations pursuant to clause 13 (Freedom of Information);
 - 12.2.2 such information was in the possession of the party making the disclosure without obligation of confidentiality prior to its disclosure by the information owner;
 - 12.2.3 such information was obtained from a third party without obligation of confidentiality;
 - 12.2.4 such information was already in the public domain at the time of disclosure otherwise than by a breach of this Contract; or
 - 12.2.5 it is independently developed without access to the other party's Confidential Information.
- 12.3 The Contractor may only disclose the Department's Confidential Information to the Contractor Personnel who are directly involved in the provision of the Services and who need to know the information, and shall ensure that such Contractor Personnel are aware of and shall comply with these obligations as to confidentiality.
- 12.4 The Contractor shall not, and shall ensure that the Contractor Personnel do not, use any of the Department's Confidential Information received otherwise than for the purposes of this Contract.
- 12.5 The Contractor shall ensure that its employees, servants or such professional advisors or consultants are aware of the Contractor's obligations under this Contract.

- 12.6 Nothing in this Contract shall prevent the Department from disclosing the Contractor's Confidential Information:
- 12.6.1 on a confidential basis to any Central Government Body for any proper purpose of the Department or of the relevant Central Government Body;
 - 12.6.2 to Parliament and Parliamentary Committees or if required by any Parliamentary reporting requirement;
 - 12.6.3 to the extent that the Department (acting reasonably) deems disclosure necessary or appropriate in the course of carrying out its public functions;
 - 12.6.4 on a confidential basis to a professional adviser, consultant, Contractor, or other person engaged by any of the entities described in clause 12.6.1 (including any benchmarking organisation) for any purpose relating to or connected with this Contract;
 - 12.6.5 on a confidential basis for the purpose of the exercise of its rights under this Contract, including audit rights, step-in rights and exit management rights; or
 - 12.6.6 on a confidential basis to a proposed successor body in connection with any assignment, novation or disposal of any of its rights, obligations or liabilities under this Contract.
- 12.7 The Department shall use all reasonable endeavours to ensure that any Central Government Body, Contracting Department, employee, third party or Sub-Contractor to whom the Contractor's Confidential Information is disclosed pursuant to clause 12 is made aware of the Department's obligations of confidentiality.
- 12.8 Nothing in this clause 12 shall prevent either party from using any techniques, ideas or know-how gained during the performance of the Contract in the course of its normal business to the extent that this use does not result in a disclosure of the other party's Confidential Information or an infringement of Intellectual Property Rights.
- 12.9 The parties acknowledge that, except for any information that is exempt from disclosure in accordance with the provisions of the FOIA, the content of this Contract is not Confidential Information. The Department shall be responsible for determining in its absolute discretion whether any of the content of the Contract is exempt from disclosure in accordance with the provisions of the FOIA.
- 12.10 Subject to clause 12.9, the Contractor hereby gives its consent for the Department to publish the Contract in its entirety, including from time to time agreed changes to the Contract, to the general public.
- 12.11 The Department may consult with the Contractor to inform its decision regarding any redactions but the Department shall have the final decision in its absolute discretion.
- 12.12 The Contractor shall assist and cooperate with the Department to enable the Department to publish this Contract.

13. FREEDOM OF INFORMATION

- 13.1 The Contractor acknowledges that the Department is subject to the requirements of the FOIA and the Environmental Information Regulations and shall assist and cooperate with the Department to enable the Department to comply with its information disclosure obligations.
- 13.2 The Contractor shall and shall ensure that its Sub-Contractors shall:
- 13.2.1 transfer to the Department all Requests for Information that it receives as soon as practicable and in any event within two Working Days of receiving a Request for Information;
 - 13.2.2 provide the Department with a copy of all Information in its possession, or power in the form that the Department requires within five Working Days (or

such other period as the Department may specify) of the Department's request; and

13.2.3 provide all necessary assistance as reasonably requested by the Department to enable the Department to respond to the Request for Information within the time for compliance set out in Section 10 of the FOIA or Regulation 5 of the Environmental Information Regulations.

13.3 The Department shall be responsible for determining in its absolute discretion and notwithstanding any other provision in this Contract or any other agreement whether any Information is exempt from disclosure in accordance with the provisions of the FOIA or the Environmental Information Regulations.

13.4 In no event shall the Contractor respond directly to a Request for Information unless expressly authorised to do so by the Department.

13.5 The Contractor acknowledges that (notwithstanding the provisions of clause 13) the Department may, acting in accordance with the Ministry of Justice's Code of Practice on the Discharge of the Functions of Public Authorities under Part 1 of the Freedom of Information Act 2000 ("the Code"), be obliged under the FOIA, or the Environmental Information Regulations to disclose information concerning the Contractor or the Project:

13.5.1 in certain circumstances without consulting the Contractor; or

13.5.2 following consultation with the Contractor and having taken their views into account;

13.6 provided always that where clause 13.5.1 applies the Department shall, in accordance with any recommendations of the Code, take reasonable steps, where appropriate, to give the Contractor advanced notice, or failing that, to draw the disclosure to the Contractor's attention after any such disclosure.

13.7 The Contractor shall ensure that all Information is retained for disclosure and shall permit the Department to inspect such records as requested from time to time.

14. AUDIT AND SERVICE CONTINUITY PLAN

14.1 The Contractor shall provide access at all reasonable times to the Department's internal auditors or other duly authorised staff or Agents to inspect such documents as the Department considers necessary in connection with this Contract and where appropriate speak to the Contractor's employees.

14.2 The Contractor shall provide the Department with its Service Continuity Plan in accordance with the provisions of Schedule 11 (Service Continuity Plan).

14.3 The Contractor shall comply with the provisions of Schedule 17 (Financial Reports and Audit Rights) regarding financial transparency, open book costing and audit rights.

15. TRANSFER OF RESPONSIBILITY ON EXPIRY OR TERMINATION

15.1 The Contractor shall, at no cost to the Department, promptly provide such assistance and comply with such timetable as the Department may reasonably require for the purpose of ensuring an orderly transfer of responsibility upon the expiry or other termination of this Contract. The Department shall be entitled to require the provision of such assistance both prior to and, for a reasonable period of time after the expiry or other termination of this Contract.

15.2 If to fulfil the Department's request under clause 15.1 the Contractor requires resources:

15.2.1 not normally accounted for in delivering the Services; or

15.2.2 no accounted for in the Charges; or

15.2.3 after the Expiry Date;

then the Parties shall agree a variation to the Charges for direct, reasonable and verifiable costs (which in the case of the Contractor shall not exceed the time and materials of the resources required).

- 15.3 Such assistance may include (without limitation) the delivery of documents and data in the possession or control of the Contractor which relate to this Contract, including the documents and data, if any, referred to in clause 15.8.
- 15.4 The Contractor undertakes that it shall not knowingly do or omit to do anything which may adversely affect the ability of the Department to ensure an orderly transfer of responsibility.
- 15.5 The Department and the Contractor shall act on the basis that TUPE applies on expiry or termination of the Contract where the Department is proposing to re-procure services which are substantially the same as the Services.
- 15.6 Where any of the provisions in clause 7.17 apply, the Contractor will comply with the obligations set out in Schedule 13 and:
 - 15.6.1 6 months preceding the Expiry Date (or within 20 Working Days after the Department or the Contractor has given notice to terminate the Contract), the Contractor shall disclose to the Department and shall permit the Department to disclose to any supplier that is a tenderer or is interested in tendering for services which are substantially the same as the Services, the Staffing Information of the Provisional Contractor Personnel List provided that prior to so doing any such tenderer shall have executed in writing a confidentiality undertaking in favour of the Contractor;
 - 15.6.2 the Contractor keeps the Staffing Information in the Provisional Contractor Personnel List updated at monthly intervals, to the Department and to the Replacement Supplier information in respect of each employee whom the Contractor reasonably believes will be a Transferring Contractor Employee provided that prior to so doing the Replacement Supplier nominated by the Department shall have executed in writing a confidentiality undertaking in favour of the Contractor;
 - 15.6.3 the Contractor shall make reasonable endeavours to assist the Replacement Supplier to communicate with, meet and inform and consult with the employees whom the Contractor reasonably believes will be a Transferring Contractor Employee and their trade union or other employee representatives for the purposes of complying with the Transfer of Undertakings (Protection of Employment) Regulations 2006.
- 15.7 Within a period of 21 days following the Expiry Date or Termination Date of this Contract the Contractor shall provide to the Department or the Replacement Supplier in writing the Staffing Information in relation to Transferring Contractor Employees in accordance with Schedule 13 (Staff Transfer).
- 15.8 In the event that the Department or the Replacement Supplier incurs costs, liabilities or expenditure in respect of Transferring Contractor Employees which is greater than would have been the case if the Required Information supplied by the Contractor had been accurate and complete, then such (net) greater costs, liabilities or expenditure shall be deemed to be costs suffered or incurred by the Department and / or a Replacement Supplier and the Contractor shall fully indemnify the Department for such costs both incurred by the Department itself and a Replacement Supplier if applicable.
- 15.9 The Department on its own account or on behalf of a Replacement Supplier shall be entitled to recover from the Contractor in full any legal, accountancy and other costs

actually and reasonably incurred by the Department or Replacement Supplier in connection with the Contractor's indemnity in clause 15.8.

- 15.10 This clause 15 shall continue in effect for six months following the expiry or termination of this Contract.

Exit Plan & Handover

- 15.11 The Contractor shall, within three (3) months of the Contract Date prepare and submit to the Department and shall thereafter maintain, an Exit Plan.
- 15.12 The Exit Plan shall set out the Contractor's proposals for achieving an orderly transition of Services from the Contractor to the Department and/or its Replacement Supplier at the end of the Contract Period or on the earlier termination of any part of the Contract or cessation of the provision of any part of the Services by the Contractor.
- 15.13 The Exit Plan shall include details of any risks, issues or matters relating to the termination or expiry of this Call Off Contract. It must include, but is not limited to, the following areas:
- 15.13.1 Assets and the transfer thereof;
 - 15.13.2 Systems, software and licensing;
 - 15.13.3 Data;
 - 15.13.4 Sub-Contracts;
 - 15.13.5 Training and knowledge transfer;
 - 15.13.6 Staff matters;
 - 15.13.7 Timescales for any transfer; and
 - 15.13.8 Costs of exit.
- 15.14 Within thirty (30) days of the submission of the Exit Plan, both Parties will use reasonable endeavours to agree the Exit Plan. If the Parties are unable to agree the Exit Plan the dispute shall be referred to the dispute resolution procedure in clause 24.
- 15.15 The Contractor will review and (if appropriate) update the Exit Plan in the first month of each Contract Year of the Contract Period to reflect changes to the Services. Following such update, the Contractor will submit the revised Exit Plan to the Department for review.
- 15.16 The Contractor shall implement the aspects its Exit Plan that are relevant to this Call Off Contract not less than nine (9) months prior to whichever occurs first out of the Termination Date or the Expiry Date.
- 15.17 The Contractor shall co-operate fully with the Department during any handover at the end of the Contract Period including allowing full access to, and providing copies of, all documents, reports, summaries and any other information necessary in order to achieve an effective transition without disruption to routine operational requirements.
- 15.18 Within ten (10) Working Days of being requested by the Department, the Contractor shall transfer to the Department, or any person designated by the Department, free of charge, all computerised filing, recording, documentation, planning and drawing held on software and utilised in the provision of the Services. The transfer shall be made in a fully indexed and catalogued disk format, to operate on a proprietary software package identical to that used by the Department.
- 15.19 The Contractor shall co-operate fully with the Department in order to enable an efficient and detailed knowledge transfer from the Contractor to the Department or any other Replacement Supplier at the end of the Contract Period or on the earlier

termination of any part of the Contract or cessation of the provision of any part of the Services by the Contractor and shall provide the Department free of charge with full access to Contractor Staff, copies of all documents, reports, summaries and any other information requested by the Department. The Contractor shall comply with the Department's request for information no later than fifteen (15) Working Days from the date that that request was made.

- 15.20 In the event the Contractor is delivering more than one call off contract concurrently which expire at similar time, the Department may require the Contractor under this Contract to consolidate the Exit Plans into one Exit Plan.
- 15.21 The Department reserves the right to review the Exit Plan or a consolidated Exit Plan as referred to in clause 15.20 using the governance arrangements set out in Schedule 16 of the Framework Agreement to ensure it has a holistic view of the Contractor's delivery and to ensure that all call off contracts are being delivered and managed consistently.
- 15.22 The Contractor shall ensure they have plans in place to ensure business continuity and continuation of delivery of the Services in the event there is situation where a Member leaves the consortium for any reason. The Exit Strategy must show how this gap in service provision will be resolved and how the Contractor will ensure that the delivery of Services under this Contract will continue to be delivered in accordance with the Specification and the Contractor's Solution.

16. TAX INDEMNITY

- 16.1 Where the Contractor is liable to be taxed in the UK in respect of consideration received under this contract, it shall at all times comply with the Income Tax (Earnings and Pensions) Act 2003 (ITEPA) and all other statutes and regulations relating to income tax in respect of that consideration. Where the Department has deemed the Contractor to be an Off-Payroll Contractor as defined by Her Majesty's Revenue and Customs (HMRC) the Department reserves the right to calculate Income Tax and pay it to HMRC. The amounts will be deducted from the Contractor's fee for the work provided.
- 16.2 Where the Contractor is liable to National Insurance Contributions (NICs) in respect of consideration received under this contract, it shall at all times comply with the Social Security Contributions and Benefits Act 1992 (SSCBA) and all other statutes and regulations relating to NICs in respect of that consideration. Where the Department has deemed the Contractor to be an Off-Payroll Contractor as defined by HMRC the Department reserves the right to calculate primary (employee) National Insurance contributions (NICs) and pay them to HMRC. The amounts will be deducted from the Contractor's fee for the work provided.
- 16.3 The Department may, at any time during the term of this contract, ask the Contractor to provide information which demonstrates how the Contractor complies with clauses 16.1 and 16.2 above or why those clauses do not apply to it.
- 16.4 A request under clause 16.3 above may specify the information which the Contractor must provide and the period within which that information must be provided.
- 16.5 The Department may terminate this Contract if:
 - 16.5.1 in the case of a request mentioned in clause 16.3 above if the Contractor:
 - (a) fails to provide information in response to the request within a reasonable time, or
 - (b) provides information which is inadequate to demonstrate either how the Contractor complies with clauses 16.1 and 16.2 above or why those clauses do not apply to it;

- 16.5.2 in the case of a request mentioned in clause 16.4 above, the Contractor fails to provide the specified information within the specified period, or;
- 16.5.3 it receives information which demonstrates that, at any time when clauses 16.1 and 16.2 apply, the Contractor is not complying with those clauses.
- 16.6 The Department may supply any information which it receives under clause 16.3 to the Commissioners of HMRC for the purpose of the collection and management of revenue for which they are responsible.
- 16.7 The Contractor warrants and represents to the Department that it is an independent contractor and, as such, bears sole responsibility for the payment of tax and national insurance contributions which may be found due from it in relation to any payments or arrangements made under this Contract. The Contractor shall promptly and regularly pay all National Insurance Contributions due from it as a self-employed person and shall account to the HMRC for all taxes due from it in respect of the payments made to it under this Contract.
- 16.8 If, notwithstanding clause 16.7 the HMRC and/or any other appropriate agency consider that the Contractor is an employee of the Department for the purposes of tax and/or national insurance contributions; then the Department shall be entitled to terminate this Contract immediately and deduct from the payments payable to the Contractor under the terms of this Contract, such sums as the HMRC and/or other agencies require in respect of income tax and employee national insurance contributions. The deduction of such tax and national insurance contributions will not affect the status of the Contractor as self-employed for all other purposes.
- 16.9 Without prejudice to the provisions of clause 16.8 above, the Contractor shall indemnify the Department against any liability, assessment or claim made by the HMRC or any other relevant Department arising out of the performance by the Contractor of its obligations under this Contract (other than in respect of employer's secondary national insurance contributions) and any costs, expenses, penalty fine or interest incurred or payable by the Department in connection with any such assessment or claim.
- 16.10 The Contractor authorises the Department to provide the HMRC and all other departments or agencies of the Government with any information which they may request as to fees and/or expenses paid or due to be paid under this Contract whether or not the Department is obliged as a matter of law to comply with such request.
- 16.11 The Contractor shall register for value added tax if and when required by law and shall promptly notify the Department for Work and Pensions of its liability for Class 2 and, where appropriate, Class 4 national insurance contributions.

17. DATA PROTECTION

- 17.1 The Parties acknowledge that for the purposes of the Data Protection Legislation, they are joint Controllers. Schedule 6 describes the subject matter, duration, nature and purpose of the processing and the Personal Data categories and Data Subject types in respect of which the Contractor may process to fulfil the purposes specifically set out in that Schedule 6. The Contractor shall seek relevant permission from the Data Subjects to process their Personal Data and ensure it is processed in accordance with the Data Protection Legislation and the Contractor's privacy policy
- 17.2 The Parties agree that:
- 17.2.1 they shall provide Data Subjects with a point of contact for Data Subjects and are responsible for all steps necessary to comply with the UK GDPR regarding the exercise by Data Subjects of their rights under the UK GDPR;

- 17.2.2 they shall direct Data Subjects to its Data Protection Officer or suitable alternative in connection with the exercise of their rights as Data Subjects and for any enquiries concerning their Personal Data or privacy;
 - 17.2.3 they are responsible for compliance with all duties to provide information to Data Subjects under Articles 13 and 14 of the UK GDPR;
 - 17.2.4 they are responsible for obtaining the informed consent of Data Subjects, in accordance with the UK GDPR, for Processing in connection with the Services where consent is the relevant legal basis for that Processing; and
 - 17.2.5 shall make available to Data Subjects the essence of this joint Controller arrangement and Schedule 6 (and notify them of any changes to it) concerning the allocation of responsibilities as joint Controller and its role as exclusive point of contact, the Parties having used their best endeavours to agree the terms of that essence. This must be outlined in the Contractor's privacy policy (which must be readily available by hyperlink or otherwise on all of its public facing services and marketing).
- 17.3 Notwithstanding the terms of paragraph 17.2, the Parties acknowledge that a Data Subject has the right to exercise their legal rights under the Data Protection Legislation as against the relevant Party as Data Controller.

Undertakings of both Parties

- 17.4 The Contractor and the Department each undertake that they shall:
- 17.4.1 report to the other Party every 12 (twelve) months on:
 - (a) the volume of Data Subject Access Requests (or purported Data Subject Access Requests) from Data Subjects (or third parties on their behalf);
 - (b) the volume of requests from Data Subjects (or third parties on their behalf) to rectify, block or erase any Personal Data;
 - (c) any other requests, complaints or communications from Data Subjects (or third parties on their behalf) relating to the other Party's obligations under applicable Data Protection Legislation;
 - (d) any communications from the Information Commissioner or any other regulatory authority in connection with Personal Data; and
 - (e) any requests from any third party for disclosure of Personal Data where compliance with such request is required or purported to be required by Law;that it has received in relation to the subject matter of Schedule 6 during that period;
 - 17.4.2 notify each other immediately if it receives any request, complaint or communication made as referred to in paragraphs 17.4.1(a) to (e); and
 - 17.4.3 provide the other Party with full cooperation and assistance in relation to any request, complaint or communication made as referred to in paragraphs 17.4.1(c) to (e) to enable the other Party to comply with the relevant timescales set out in the Data Protection Legislation.
 - 17.4.4 not disclose or transfer the Personal Data to any third party unless necessary for the provision of the Services and, for any disclosure or transfer of Personal Data to any third party, save where such disclosure or transfer is specifically authorised under this Contract (or is required by Law). For the avoidance of doubt to which Personal Data is transferred must be subject to equivalent obligations which are no less onerous than those set out in this Clause 17 and Schedule 6.

- 17.4.5 request from the Data Subject only the minimum information necessary to provide the Services and treat such extracted information as Confidential Information.
- 17.4.6 ensure that at all times it has in place appropriate Protective Measures to guard against unauthorised or unlawful processing of the Personal Data and/or accidental loss, destruction or damage to the Personal Data and unauthorised or unlawful disclosure of or access to the Personal Data.
- 17.4.7 take all reasonable steps to ensure the reliability and integrity of any of its Personnel who have access to the Personal Data and ensure that its Personnel:
 - (a) are aware of and comply with their duties under this Clause 17 and Schedule 6 (Processing, Personal Data and Data Subjects) and those in respect of Confidential Information;
 - (b) are informed of the confidential nature of the Personal Data, are subject to appropriate obligations of confidentiality and do not publish, disclose or divulge any of the Personal Data to any third party where that Party would not be permitted to do so;
 - (c) have undergone adequate training in the use, care, protection and handling of personal data as required by the applicable Data Protection Legislation;
- 17.4.8 ensure that it has in place Protective Measures as appropriate to protect against a Data Loss Event 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.
- 17.4.9 ensure that it has the capability (whether technological or otherwise), to the extent required by Data Protection Legislation, to provide or correct or delete at the request of a Data Subject all the Personal Data relating to that Data Subject that the Contractor holds; and
- 17.4.10 ensure that it notifies the other Party as soon as it becomes aware of a Data Loss Event.

- 17.5 Each joint Controller shall use its reasonable endeavours to assist the other Controller to comply with any obligations under applicable Data Protection Legislation and shall not perform its obligations under this Annex in such a way as to cause the other Joint Controller to breach any of its' obligations under applicable Data Protection Legislation to the extent it is aware, or ought reasonably to have been aware, that the same would be a breach of such obligations

Data Protection Breach

- 17.6 Without prejudice to clauses 17.4 and 17.5 each Party shall notify the other Party promptly and without undue delay, and in any event within 48 hours, upon becoming aware of any Personal Data Breach or circumstances that are likely to give rise to a Personal Data Breach, providing the other Party and its advisors with:
 - 17.6.1 sufficient information and in a timescale which allows the other Party to meet any obligations to report a Personal Data Breach under the Data Protection Legislation;
 - 17.6.2 all reasonable assistance, including:

- (a) co-operation with the other Party and the Information Commissioner investigating the Personal Data Breach and its cause, containing and recovering the compromised Personal Data and compliance with the applicable guidance;
- (b) co-operation with the other Party including taking such reasonable steps as are directed by the Department to assist in the investigation, mitigation and remediation of a Personal Data Breach;
- (c) co-ordination with the other Party regarding the management of public relations and public statements relating to the Personal Data Breach;
- (d) providing the other Party and to the extent instructed by the other Party to do so, and/or the Information Commissioner investigating the Personal Data Breach, with complete information relating to the Personal Data Breach, including, without limitation, the information set out in Paragraph 17.4.

17.7 Each Party shall take all steps to restore, re-constitute and/or reconstruct any Personal Data where it has lost, damaged, destroyed, altered or corrupted as a result of a Personal Data Breach as if it was that Party's own data at its own cost with all possible speed and shall provide the other Party with all reasonable assistance in respect of any such Personal Data Breach, including providing the other Party, as soon as possible and within 48 hours of the Personal Data Breach relating to the Personal Data Breach, in particular:

17.7.1 the nature of the Personal Data Breach;

17.7.2 the nature of Personal Data affected;

17.7.3 the categories and number of Data Subjects concerned;

17.7.4 the name and contact details of the Contractor's Data Protection Officer or other relevant contact from whom more information may be obtained;

17.7.5 measures taken or proposed to be taken to address the Personal Data Breach; and

17.7.6 describe the likely consequences of the Personal Data Breach.

Audit

17.8 The Contractor shall permit:

- (a) the Department, or a third-party auditor acting under the Department's direction, to conduct, at the Department's cost, data privacy and security audits, assessments and inspections concerning the Contractor's data security and privacy procedures relating to Personal Data, its compliance with this Clause and Schedule 6 and the Data Protection Legislation.
- (b) the Department, or a third-party auditor acting under the Department's direction, access to premises at which the Personal Data is accessible or at which it is able to inspect any relevant records, including the record maintained under Article 30 UK GDPR by the Contractor so far as relevant to the Department, and procedures, including premises under the control of any third party appointed by the Contractor to assist in the provision of the Services.

17.9 The Department may, in its sole discretion, require the Contractor to provide evidence of the Contractor's compliance with Clause 17.1 and 17.2 in lieu of conducting such an audit, assessment or inspection.

Impact Assessments

17.10 The Parties shall:

- 17.10.1 provide all reasonable assistance to each other to prepare any Data Protection Impact Assessment as may be required (including provision of detailed information and assessments in relation to processing operations, risks and measures);
- 17.10.2 maintain full and complete records of all Processing carried out in respect of the Personal Data in connection with this Agreement, in accordance with the terms of Article 30 UK GDPR.

ICO Guidance

- 17.11 The Parties agree to take account of any guidance issued by the Information Commissioner and/or any relevant Central Government Body. The Department may on not less than thirty (30) Working Days' notice to the Contractor amend this Department to ensure that it complies with any guidance issued by the Information Commissioner and/or any relevant Central Government Body.

Liabilities for Data Protection Breach

- 17.12 If financial penalties are imposed by the Information Commissioner on either the Department or the Contractor for a Personal Data Breach ("Financial Penalties") then the following shall occur:
- 17.12.1 If in the view of the Information Commissioner, the Department is responsible for the Personal Data Breach, in that it is caused as a result of the actions or inaction of the Department, its employees, agents, contractors (other than the Contractor) or systems and procedures controlled by the Department, then the Department shall be responsible for the payment of such Financial Penalties. In this case, the Department will conduct an internal audit and engage at its reasonable cost when necessary, an independent third party to conduct an audit of any such data incident. The Contractor shall provide to the Department and its third party investigators and auditors, on request and at the Contractor's reasonable cost, full cooperation and access to conduct a thorough audit of such data incident;
 - 17.12.2 If in the view of the Information Commissioner, the Contractor is responsible for the Personal Data Breach, in that it is not a breach that the Department is responsible for, then the Contractor shall be responsible for the payment of these Financial Penalties. The Contractor will provide to the Department and its auditors, on request and at the Contractor's sole cost, full cooperation and access to conduct a thorough audit of such data incident.
 - 17.12.3 If no view as to responsibility is expressed by the Information Commissioner, then the Department and the Contractor shall work together to investigate the relevant data incident and allocate responsibility for any Financial Penalties as outlined above, or by agreement to split any Financial Penalties equally if no responsibility for the Personal Data Breach can be apportioned. In the event that the Parties do not agree such apportionment then such Dispute shall be referred to the Dispute Resolution Procedure set out in Clause 24.
- 17.13 If either the Department or the Contractor is the defendant in a legal claim brought before a court of competent jurisdiction ("Court") by a third party in respect of a Personal Data Breach, then unless the Parties otherwise agree, the Party that is determined by the final decision of the court to be responsible for the Personal Data Breach shall be liable for the losses arising from such breach. Where both Parties are liable, the liability will be apportioned between the Parties in accordance with the decision of the Court.

17.14 In respect of any losses, cost claims or expenses incurred by either Party as a result of a Personal Data Breach (the "Claim Losses"):

17.14.1 if the Department is responsible for the relevant breach, then the Department shall be responsible for the Claim Losses;

17.14.2 if the Contractor is responsible for the relevant breach, then the Contractor shall be responsible for the Claim Losses: and

17.14.3 if responsibility is unclear, then the Department and the Contractor shall be responsible for the Claim Losses equally.

17.15 Nothing in Clauses 17.4 to 17.7 shall preclude the Department and the Contractor reaching any other agreement, including by way of compromise with a third party complainant or claimant, as to the apportionment of financial responsibility for any Claim Losses as a result of a Personal Data Breach, having regard to all the circumstances of the breach and the legal and financial obligations of the Department.

Termination

17.16 If the Contractor is in material Default under any of its obligations under this Clause 17 or Schedule 6, the Department shall be entitled to terminate this Contract in accordance Clause 10.3.

Sub-Processing

17.17 In respect of any Processing of Personal Data performed by a third party on behalf of a Party, that Party shall:

17.17.1 carry out adequate due diligence on such third party to ensure that it is capable of providing the level of protection for the Personal Data as is required by this Contract, and provide evidence of such due diligence to the other Party where reasonably requested; and

17.17.2 ensure that a suitable agreement is in place with the third party as required under applicable Data Protection Legislation.

Data Retention

17.18 The Parties agree to erase Personal Data from any computers, storage devices and storage media that are to be retained as soon as practicable after it has ceased to be necessary for them to retain such Personal Data under applicable Data Protection Legislation as set out in the table at Paragraph 1.5 of this Schedule and their privacy policy (save to the extent (and for the limited period) that such information needs to be retained by a Party for statutory compliance purposes or as otherwise required by this Agreement), and taking all further actions as may be necessary to ensure its compliance with Data Protection Legislation and its privacy policy.

18. AMENDMENT AND VARIATION

18.1 No amendment or Variation to this Contract shall be effective unless it is in writing and signed by or on behalf of each of the parties hereto. The Contractor shall comply with any formal procedures for amending or varying contracts which the Department may have in place from time to time.

18.2 In considering any amendment or Variation to this Contract, the parties shall use the Change Control Procedure as set out in Schedule 5 (Change Control Procedure).

19. ASSIGNMENT AND SUB-CONTRACTING

19.1 The benefit and burden of this Contract may not be assigned or sub-contracted in whole or in part by the Contractor without the prior written consent of the Department save as expressly set out in clause 19.2. Such consent may be given subject to any conditions which the Department considers necessary. The Department may

withdraw its consent to any Sub-Contractor where it no longer has reasonable grounds to approve of the Sub-Contractor or the Sub-Contracting arrangement and where these grounds have been presented in writing to the Contractor.

- 19.2 The Contractor may enter into Sub-Contracts for the delivery of general services that indirectly enable the Contractor to perform the Services without the requirement to seek the Department's prior consent as set out in clause 19.1.
- 19.3 Where the Department has consented to the appointment of a Sub-Contractor, pursuant to clause 19.1, the Contractor shall, as soon as reasonably practicable following a request from the Department provide to the Department a copy of the Sub-Contract entered into between the Contractor and the Sub-Contractor which should pass down to the Sub-Contractor in terms which are the same or substantially similar to the provisions in this Contract as is relevant for the delivery of the Services under the Sub-Contract.
- 19.4 Where the Department has consented to an assignment pursuant to clause 19.1 the Contractor shall evidence the assignment in writing to the Department and provide a copy of the assignment document on request.
- 19.5 The Contractor shall not terminate or materially amend the terms of any Sub-Contract whose value exceeds £10,000 (ten thousand pounds) without obtaining the Department's prior written consent.
- 19.6 The Department may require the Contractor to terminate a Sub-Contract if the acts or omissions of the Sub-Contractor have given rise to the Department's rights of termination pursuant to clause 10 unless the Sub-Contractor can remedy the breach to the Department's satisfaction with 21 days of receipt by the Contractor of written notice from the Department requiring the Sub-Contract to be terminated.
- 19.7 The Contractor shall remain responsible for all acts and omissions of its Sub-Contractors as if they were its own.
- 19.8 The Department accepts no liability to the Contractor in relation to a decision by the Department to consent to the appointment of a Sub-Contractor by the Department or to an assignment and the Contractor shall hold the Department harmless in relation to any such decisions.
- 19.9 If the Department believes there are:

- 19.9.1 Grounds for excluding a supplier from being a Sub-Contractor pursuant to the minimum requirements set out in the table below: or

Commercial organisations, charities, HEIs and consultants	Schools, trusts and ITT Providers
<ul style="list-style-type: none"> a) Does not meet with the same assessment criteria as the Contractor was subject to in respect of Parts 1 & 2 of the Selection Questionnaire; b) has unmanageable conflicts of interest or reputational risk to the Department; or the Institute; and c) has unresolved performance issues on any contract they have with the Department or the Institute. 	<ul style="list-style-type: none"> a) is not graded 'Good' or 'Outstanding' for overall effectiveness by Ofsted; b) has unmanageable conflicts of interest or poses a reputational risk to the Institute and/or Department; and c) has unresolved performance issues d) does not demonstrate sustained high performance for all pupils; e) Does not demonstrate fidelity to the ITT, ECF and NPQ frameworks as appropriate;

- 19.9.2 Compulsory grounds for excluding a Sub-Contractor pursuant to Regulation 57 of the Regulations; or
- 19.9.3 Non-compulsory grounds for excluding a Sub-Contractor pursuant to Regulation 57 of the Regulations;

- 19.10 the Department may require the Contractor to replace or not appoint the Sub-Contractor and the Contractor shall comply with such a requirement.
- 19.11 The Department reserves the right to undertake due diligence in relation to any Sub-Contractor in accordance with clause 19.8.

Promotion of Sub-Contracting opportunities

- 19.12 In respect of any Sub-Contracting opportunities that have an estimated value of more than £25,000, the Contractor shall:
- 19.12.1 subject to clause 19.14, advertise on Contracts Finder all subcontract opportunities arising from or in connection with the provision Services above a minimum threshold of £25,000 that arise during the Contract Period;
 - 19.12.2 within 90 days of awarding a Sub-Contract to a Sub-Contractor, update the notice on Contracts Finder with details of the successful subcontractor;
 - 19.12.3 monitor the number, type and value of the subcontract opportunities placed on Contracts Finder advertised and awarded in its supply chain during the Contract Period;
 - 19.12.4 provide reports on the information at clause 19.12.3 to the Department in the format and frequency as reasonably specified by the Contracting Department; and
 - 19.12.5 promote Contracts Finder to its suppliers and encourage those organisations to register on Contracts Finder.
- 19.13 Each advert referred to at clause 19.12 above shall provide a full and detailed description of the subcontract opportunity with each of the mandatory fields being completed on Contracts Finder by the Department.
- 19.14 The obligation at clause 19.12 shall only apply in respect of subcontract opportunities arising after the contract date.
- 19.15 Notwithstanding clause 19.12, the Department may by giving its prior written approval, agree that a subcontract opportunity is not required to be advertised on Contracts Finder.

Reporting on levels of spend with SMEs

- 19.16 In addition to any other Management Information requirements set out in this Contract, the Contractor agrees and acknowledges that it shall, at no charge, provide to the Department upon request, data on the level of spending with SMEs in respect of the following:
- 19.16.1 the total revenue received by SMEs under this Contract;
 - 19.16.2 the total value of Sub-Contracted revenues under this Contract (including revenues for non-SMEs/non-VCSEs); and
 - 19.16.3 the total value of Sub-Contracted revenues to SMEs and VCSEs.
- 19.17 The data referred to in 19.16 shall be provided in format that is acceptable to the Department and included in the MI Report on a monthly basis.

Value for Money when sourcing Sub-Contractors and suppliers

- 19.18 The Contractor must undertake checks on its supply chain to ensure it is reputable, and the Contractor must adhere to the principles of seeking value for money when sourcing Sub-Contractors and suppliers e.g. seeks competitive quotations/tenders.
- 19.19 The Contractor must record decisions relating to the choice of its Sub-Contractors and suppliers and provides evidence to the Department to demonstrate that the Contractor seeks value for money when appointing its Sub-Contractors.

20. THE CONTRACT (RIGHTS OF THIRD PARTIES) ACT 1999

- 20.1 This Contract shall not create any rights, under the Contracts (Rights of Third Parties) Act 1999 or otherwise, that shall be enforceable by anyone other than the Department and/or the Contractor.

21. WAIVER

- 21.1 No delay by or omission by either Party in exercising any right, power, privilege, or remedy under this Contract shall operate to impair such right, power, privilege or remedy or be construed as a waiver thereof. Any single or partial exercise of any such right, power, privilege or remedy shall not preclude any other or further exercise thereof or the exercise of any other right, power, privilege, or remedy.

22. FORCE MAJEURE

- 22.1 If either Party is prevented or delayed in the performance of any of its obligations under the Contract by Force Majeure, that Party shall immediately serve notice in writing on the other Party specifying the nature and extent of the circumstances giving rise to Force Majeure, and shall subject to service of such notice and to clause 22.3 have no liability in respect of the performance of such of its obligations as are prevented by the Force Majeure events during the continuation of such events, and for such time after they cease as is necessary for that Party, using all reasonable endeavours, to recommence its affected operations in order for it to perform its obligations.
- 22.2 If either Party is prevented from performance of its obligations for a continuous period in excess of 3 months, the other Party may terminate the Contract forthwith on service of written notice upon the Party so prevented, in which case neither Party shall have any liability to the other except that rights and liabilities which accrued prior to such termination shall continue to subsist.
- 22.3 The Party claiming to be prevented or delayed in the performance of any of its obligations under the Contract by reason of Force Majeure shall use reasonable endeavours to end Force Majeure or to find solutions by which the Contract may be performed despite the Force Majeure.

23. NOTICES

- 23.1 Any notice, demand or communication in connection with the Contract shall be in writing and may be delivered by hand, pre-paid first class post or (where being sent to an address in a different country to where posted) airmail, or e-mail, addressed to the recipient at its registered office or its address (or such other address, or e-mail address as may be notified in writing from time to time).
- 23.2 The notice, demand or communication shall be deemed to have been duly served:
- 23.2.1 if delivered by hand, when left at the proper address for service;
 - 23.2.2 if given or made by prepaid first-class post 48 hours after being posted or in the case of airmail 14 days after being posted;
 - 23.2.3 if made by e-mail, at the time of transmission, dispatched as a pdf attachment to an e-mail to the correct e-mail address without any error message or, in the case of transmission by e-mail where the time of transmission is not between 9.00 am and 5.00 pm, service shall be deemed to occur at 9.00 am on the next following Working Day (such times being local time at the address of the recipient).

24. DISPUTE RESOLUTION

- 24.1 The Parties shall use all reasonable endeavours to negotiate in good faith and settle amicably any dispute that arises during the continuance of this Contract. This shall

include escalating the dispute to a more senior level within both the Department and the Contractor with a view to reaching a settlement.

- 24.2 Any dispute not capable of resolution by the parties in accordance with the terms of clause 24 shall be settled as far as possible by mediation in accordance with the Centre for Dispute Resolution (CEDR) Model Mediation Procedure.
- 24.3 No party may commence any court proceedings/arbitration in relation to any dispute arising out of this Contract until they have attempted to settle it by mediation, but any such mediation may be terminated by either party at any time of such party wishing to commence court proceedings/arbitration.

25. DISCRIMINATION

- 25.1 The Contractor shall not unlawfully discriminate within the meaning and scope of any law, enactment, order, or regulation relating to discrimination (whether in race, gender, religion, disability, sexual orientation or otherwise) in employment.
- 25.2 The Contractor shall take all reasonable steps to secure the observance of clause 25.1 by all servants, employees or Agents of the Contractor and all Contractors and Sub-Contractors employed in the execution of the Contract.

26. LAW AND JURISDICTION

- 26.1 This Contract shall be governed by and interpreted in accordance with English Law and the parties submit to the jurisdiction of the English courts.

27. CONTINUOUS IMPROVEMENT

- 27.1 The Contractor must comply with schedule 15 of this Contract and adopts a policy of Continuous Improvement in relation to the Services pursuant to which the Contractor will regularly review with the Department, the Services and the manner in which it is providing the Services. The review will be undertaken with a view to reducing the Department's costs, and/or improving the quality and efficiency of the Services Contractor and the Department will provide to each other any information, which may be relevant to assisting the objectives of continuous improvement and in particular reducing costs.
- 27.2 As part of this obligation the Contractor shall:
- 27.2.1 undertake regular reviews of how it is operating and the provision of the Services and record and act on lessons learned;
 - 27.2.2 have processes in place to gather and action feedback and satisfaction rates from end users, the Contractor's supply chain, stakeholders and partners;
 - 27.2.3 benchmark and learn from other CPD and training and recruitment programmes;
 - 27.2.4 identify and capture best practice, emerging trends and insights from supply chain partners and stakeholders;
 - 27.2.5 draft and keep updated a Continuous Improvement Plan that is in accordance with the requirements of Schedule 15 (Continuous Improvement) and includes content that is relevant to each of Clauses 27.2.1 to 27.2.4; and
 - 27.2.6 submit the Continuous Improvement Plan to the Department in accordance with Schedule 15.
- 27.3 Should the Contractor's costs in providing the Services to the Department be reduced as a result of any changes implemented as a result of the Continuous Improvement plan, all of the cost savings shall be passed on to the Department by

way of a reduction in the Charges for the Services agreed in accordance with Schedule 5 (Contract Change Procedure).

- 27.4 Where the Contractor is delivering more than one call off contract concurrently, the Department reserves the right to review the Contractor's Continuous Improvement Plan using the governance set out in Schedule 16 of the Framework Agreement. The Department may exercise this discretion where it needs to take a holistic view of the Contractor's programme of Continuous Improvement and the impact that any proposals to implement improvements would have on the Contract and all current and future call off contracts.

28. PAYMENTS AND INVOICING

- 28.1 Except where otherwise expressly stated in the Contract the only payments to be paid by the Department for the performance by the Contractor of its obligations under the Contract shall be the Charges which shall be inclusive of all reasonable costs and expenses incurred by the Contractor in the performance of its obligations.
- 28.2 In consideration for the provision of the Services and subject to the receipt of correct invoices pursuant to clause 28.14 being issued by the Contractor, the Department shall pay the Charges in accordance with the Schedule 2.
- 28.3 Invoices in relation to Milestone Payments and / or Output Payments will be paid once the Department has verified that Milestones / Outputs have been achieved or completed, subject to accurate Declarations, MI returns and/or satisfactory evidence being submitted where required, as set out in Annex 1 to Schedule 2: Part 1 – Payment Process.
- 28.4 If Output Payments are made based on inaccurate Declarations, MI returns or evidence being submitted, and it later emerges that Output Payments were incorrectly made for Participants who did not start or remain engaged on the programme, the Department will be eligible to clawback those payments made.
- 28.5 The Contractor shall submit the first invoice by 25th January 2023 and subsequent invoices shall be submitted by the 25th of the month following the month in respect to which the invoice relates, unless otherwise stated in the contract.
- 28.6 The Department shall accept and process for payment an electronic invoice submitted for payment by the Contractor where the invoice is undisputed and where it complies with the standard on electronic invoicing. For the purposes of this paragraph, an electronic invoice complies with the standard on electronic invoicing where it complies with the European standard and any of the syntaxes published in Commission Implementing Decision (EU) 2017/1870.
- 28.7 Except where otherwise expressly stated in Schedule 2 the Contractor shall not be entitled to increase the Charges or any rates identified in Schedule 2 throughout the Contract Period.
- 28.8 The Charges are exclusive of Value Added Tax ("VAT") and all other taxes, duties and levies, but shall be inclusive of all charges, costs and expenses of whatever nature the Contractor incurs in providing the Services, and performing all other obligations of the Contractor, under the Contract (unless expressly stated otherwise in the Contract). The Contractor should notify the Department of any direct VAT charges for the delivery of the Contract. The Contractor shall identify VAT and other applicable taxes, duties and levies separately on invoices, including identifying the elements of the Charges that are subject to VAT at the standard rate or at any other rates and that are zero rated or exempt from VAT.
- 28.9 It is the responsibility of the Contractor to determine whether the Services they provide are subject to VAT. The Contractor shall take its own legal advice in determining the applicability of VAT for these Services and the Department cannot be held liable for any errors on the Contractor's behalf.

- 28.10 Payment of the Charges by the Department shall be without prejudice to any rights the Department may have by reason of any Services, or any part thereof, failing to comply with any provision of the Contract and any breach by the Contractor of the Contract shall not be deemed to be accepted or waived by the Department by reason of such payment.
- 28.11 NOT USED.
- 28.12 Invoices shall be submitted electronically by email to [\[accountspayable.OCR@education.gov.uk\]](mailto:accountspayable.OCR@education.gov.uk) by the relevant date as specified in clause 28.5. To request a statement, please email [\[accountspayable.BC@education.gov.uk\]](mailto:accountspayable.BC@education.gov.uk)
- 28.13 There is no postal address. Paper invoices or supporting documents will not be accepted. All supporting documents must be sent digitally along with the invoice to [\[accountspayable.OCR@education.gov.uk\]](mailto:accountspayable.OCR@education.gov.uk).
- 28.14 An invoice is a Correctly Submitted Invoice if it is legible and includes:
- 28.14.1 the date of the invoice;
 - 28.14.2 Contractor's full name and address;
 - 28.14.3 Contract reference number;
 - 28.14.4 Purchase Order number
 - 28.14.5 the charging period;
 - 28.14.6 a detailed breakdown of the appropriate Charges including deliverables, Milestones, Service Outputs and Outputs achieved (if applicable) and the information set out in paragraph 12.8 of Part 1 of Schedule 2;
 - 28.14.7 days and times worked (if applicable);
 - 28.14.8 Service Credits (if applicable); and
 - 28.14.9 VAT, if applicable.
- 28.15 The Department shall not pay an invoice which is not a Correctly Submitted Invoice.
- 28.16 The Department intends to pay Correctly Submitted Invoice within 5 Working Days of receipt. Correctly Submitted Invoices not paid within 30 days are subject to interest at the rate of 2% above the base rate from time to time of Barclays Bank. This clause 28.16 is a substantial remedy for late payment of any sum payable under the Contract in accordance with section 8(2) Late Payment of Commercial Debts (Interest) Act 1998.
- 28.17 The Department shall not be responsible for any delay in payment caused by receipt of invoices which is not a Correctly Submitted Invoice and shall, within 10 Working Days of receipt, return to the Contractor for correction invoices that are not Correctly Submitted Invoices together with an explanation of the need for correction.
- 28.18 At the end of the Contract Period the Contractor shall promptly draw-up a final invoice which shall cover all Services provided up to the end of the Contract Period which have not already been invoiced to the Department. The final invoice shall be submitted not later than 30 days after the end of the Contract Period.
- 28.19 The Department shall not be obliged to pay the final invoice until the Contractor has carried out all of the Services and /or achieved all of the Milestones.
- 28.20 The Contractor shall ensure that a term is included in all Sub-Contracts which requires payment to be made of all sums due to Sub-Contractors within 30 days from the receipt of a valid invoice.
- 28.21 If the Department disputes any amount specified in a Correctly Submitted Invoice it shall pay such amount of the invoice as is not in dispute and within 10 Working Days

notify the Contractor of the reasons for disputing the invoice. The Department may withhold the disputed amount pending resolution of the dispute.

- 28.22 The Parties shall use all reasonable endeavours to resolve any dispute over invoices within 10 Working Days of the dispute being raised, after which period either Party may refer the matter for resolution in accordance with clause 24.

29. QUALITY MANAGEMENT

- 29.1 The Contractor complies with the requirements in Schedule 8 and ensures they implement effective quality management arrangements to ensure that the Services are of high quality.
- 29.2 The Contractor cooperates with the Department's Quality Assurance Function (and any organisation employed by the Department to represent it). It will be the responsibility of the Quality Assurance Function to monitor the quality of the Services being provided by the Contractor.
- 29.3 The role of the Quality Assurance Function will be to provide assurance to the Department that the Services are being delivered in accordance with the Specification and the content and training materials are of an acceptable standard.
- 29.4 The Department may employ third parties to undertake some or all of the work of the Quality Assurance Function.

30. DIGITAL REQUIREMENTS

- 30.1 The Contractor's Digital Platform shall comply with the requirements of Schedule 14.

31. SOCIAL VALUE

- 31.1 The Contractor shall deliver Social Value during the Contract Period with the intention of:
- a. Tackling economic inequality by creating new jobs and skills; and
 - b. Improving health and wellbeing
- 31.2 As part of this obligation, the Contractor shall:
- 31.2.1 develop, implement and maintain a Social Value Plan that sets out, but is not limited to;
 - 31.2.1.1 a timed project plan detailing their intended Social Value Proposals that meet with the requirements of section 22 of the Specification to deliver Social Value;
 - 31.2.1.2 monitoring and reporting arrangements;
 - 31.2.1.3 records and details of activities undertaken in respect of social value and any information to allow for the reporting of the Contractor's performance against the social value related KPIs.
 - 31.2.2 deliver the Social Value Proposals included in the Contractor's Social Value Plan

Submitting and updating the Social Value Plan

- 31.3 The Contractor shall deliver to the Department, within three (3) Months of the Contract Date, its Social Value Plan which meets with the requirements set out in clause 31.2.
- 31.4 The Department shall notify the Contractor of its approval or rejection of the proposed Social Value Plan (or any updates to it) within twenty (20) Working Days of receipt.

- 31.5 Within ten (10) Working Days of receipt of the Department's notice of rejection and of the deficiencies of the proposed Social Value Plan, the Contractor shall submit to the Department a revised Social Value Plan reflecting the changes required.
- 31.6 Following the approval of the submission of the first Social Value Plan (in accordance with paragraph 31.3 of this schedule) the Contractor shall regularly review, maintain and provide the Department with an updated version of the Social Value Plan on at least a quarterly basis thereafter.
- 31.7 The Contractor shall ensure that the information that it provides to the Department within the Social Value Plan is sufficient for the Department to be able to measure the Contractor's performance against the social value KPIs.
- 31.8 In the event the Contractor is delivering more than one Call Off Contract concurrently, the Department may require the Contractor to consolidate its Social Value Proposals into one Social Value Plan and the Department reserves the right to review the consolidated plan and measure the combined performance against the social value KPIs using the governance set out in Schedule 16 of the Framework Agreement.

AS WITNESS the hands of the parties:

Authorised to sign for and on behalf of the Contractor

Signature:

Name in CAPITALS:

Witness signature:

Position in Organisation:

Address in full:

Date:

REDACTED Under FOIA Section 40 Personal Information, REDACTED Under FOIA Section 43 Commercial Interests

Authorised to sign for and on behalf of the Secretary of State for Education

Signature:

Name in CAPITALS:

Witness signature:

Position in Organisation:

Address in full:

Date:

REDACTED Under FOIA Section 40 Personal Information, REDACTED Under FOIA Section 43 Commercial Interests

SCHEDULE 1: PART 1 – THE SERVICES

1 PART A: SETTING UP AN INSTITUTE OF TEACHING

1. NAME AND BRANDING

- 1.1. The institute of teaching (herein, the 'Institute') shall be known as National Institute of Teaching (NIoT). The Contractor is not permitted to change the name without the prior written agreement of the Department.
- 1.2. The logos, branding and all associated marketing of the Institute are subject to Clause 32 of the Framework Agreement and the marketing requirements set out in section 18 of this Specification.

2. GOVERNANCE, MANAGEMENT AND RESOURCING

- 2.1. The Contractor must implement robust management arrangements and operate them in accordance with its Proposals.
- 2.2. The Contractor must ensure:
 - 2.2.1. it has documented management and quality management processes and procedures;
 - 2.2.2. there is visibility of who is responsible for the day-to-day operations and overall management of the Institute;
 - 2.2.3. there is a clear line of responsibility for decision-making and defined roles and responsibilities for all individuals employed by the Contractor;
 - 2.2.4. it keeps records (minutes and/or audio/video recordings where appropriate) of internal management meetings and any meetings involving external parties (including those with supply chain partners);
 - 2.2.5. that individuals with senior and decision-making authority and responsibility for quality assurance have the necessary skills, qualifications and experience to allow them to undertake their role effectively;
 - 2.2.6. it keeps records and details of the decisions taken that impact the operation and management of the Institute;
 - 2.2.7. it records details of all expenditure and operates a procurement policy that ensures fairness and transparency, promotes opportunities to Small and Medium Enterprises and there is segregation between the role of the buyers and with the responsibility for financial approvals and payment of invoices;
 - 2.2.8. that the governance, reporting and management arrangements it implements support the effective and efficient management and operation of the Institute and the delivery of the Services; and
 - 2.2.9. it complies with Schedule 16 of the Framework Agreement and any additional governance and/or management and reporting requirements specified in individual Call Off Orders.
- 2.3. The Contractor must put in place a governance structure that provides appropriate levels of scrutiny and quality assurance of all Services that the Institute is delivering. This governance arrangement must ensure the design and delivery of research is independently peer reviewed.

- 2.4. The Contractor must have expert understanding of the underpinning frameworks and evidence base of the Initial Teacher Training Core Content Framework (ITT), the Early Career Framework (ECF), reformed National Professional Qualifications (NPQs) and the new National Leaders of Education Development Framework (NLEs). It must also demonstrate an expert understanding of the evidence base on effective teacher development.
- 2.5. The Contractor must ensure that its staff have appropriate and necessary expertise and experience to run the Institute. This should include experience of:
- 2.5.1. designing and delivering high-quality, evidence-informed ITT programmes;
 - 2.5.2. designing and delivering in-depth and coherent annual teacher and leader development programmes that utilise a variety of evidence-informed methods;
 - 2.5.3. designing, developing, and managing robust programmes of research including:
 - a) reviewing and evaluating a wide range of evidence;
 - b) accurately synthesising complex information; and
 - c) utilising a range of primary research methods.
 - 2.5.4. evaluating programme effectiveness using findings to improve programme design for future Cohorts;
 - 2.5.5. working with a system-wide network of teacher development experts and subject leaders;
 - 2.5.6. recruiting ITT Participants, schools and/or stakeholders to engage with a programme;
 - 2.5.7. delivering a service at the scale required for the Institute (in the context of teacher training/development); and
 - 2.5.8. establishing, leading and managing an organisation that operates at scale across multiple locations.
- 2.6. The Contractor must provide and maintain an organisation chart and resource management plan for the Institute, which details the organisational structure the skills and experience of those involved in the organisation. These plans must show how those involved have the necessary expertise and experience to successfully run the Institute.
- 2.7. All plans must contain contingency measures in the event that any key personnel leave the organisation.

3. SETTING UP THE INSTITUTE'S DELIVERY MODEL, INCLUDING ITS REGIONAL CAMPUSES

Delivery model and Sub-Contractors

- 3.1. The Institute must be a national organisation that operates through at least four regional Campuses, as set out in 3.8. In this context, "national organisation" reflects the scope and reach of the Institute as a whole – for example, its role in

developing and sharing best practice will support teacher development Providers across the country. It does not mean that the Institute must deliver face-to-face training in every part of the country.

- 3.2. The Contractor's delivery model must ensure that the Institute can fulfil its role, both (a) as an exemplary deliverer of ITT, the ECF, NPQs and NLE training, and (b) in supporting other organisations to understand and implement best practice in teacher development delivery.
- 3.3. The Contractor's delivery model must clearly set out how each of the Institute's functions will be delivered; who will be involved in delivering those functions; where accountability will lie for each element; and the rationale for these happening at the determined level. The Contractor's delivery model must also set out how the Institute will operate through its Campuses. Functions or activities might be delivered on a national, regional or local level. Some might be delivered face-to-face and others might be virtual; some might use a blended approach.
- 3.4. The Contractor is permitted to use Sub-Contractors, and work with other partners, as part of its delivery model. These could include relevant organisations such as Teaching School Hubs, ITT Providers and ECF and NPQ Lead Providers and Delivery Partners. Such partners (and any other partner that is classed as being essential to the delivery of the Services) will be classed as Key Sub-Contractors and the minimum selection criteria that apply are set out in Table 1 below.

Table 1: Minimum selection criteria for different types of Key Sub-Contractors	
Commercial organisations, charities, Higher Education Institutions and consultants	Schools, trusts and ITT Providers
<p>Potential Sub-Contractors must:</p> <ol style="list-style-type: none"> i. meet with the same assessment criteria as the Contractor is subject to in respect of parts 1 & 2 of the Selection Questionnaire; ii. have no unmanageable conflicts of interest or reputational risk to the Department or the Institute; iii. have no unresolved performance issues on any contract they have with the Department. 	<p>Potential Sub-Contractors must:</p> <ol style="list-style-type: none"> i. demonstrate sustained high performance for all pupils; ii. demonstrate fidelity to the ITT, ECF and NPQ frameworks as appropriate; iii. be graded Good or Outstanding for overall effectiveness by Ofsted; iv. have no unmanageable conflicts of interest or reputational risk to the Institute; v. have no unresolved performance issues.

- 3.5. The Contractor must include details of all of their proposed Sub-Contractors in their Delivery Solution which are submitted with each Quotation.
- 3.6. The Department reserves the right to undertake due diligence on any Sub-Contractors or partner organisations in the Contractor's delivery model, to ensure compliance with the minimum criteria in Table 1. Clause 7 of the Call Off Contract set out the provisions relating to Sub-Contractors (including removal thereof in accordance with Clause 7.12).
- 3.7. One of the Institute's principal roles is to support and promote teacher

development delivery across the sector. This means that other Teacher Development Providers must be able to understand and emulate how the Institute delivers ITT, the ECF and NPQs in an exemplary way. To enable this, the Contractor must publish details of its approach and delivery model online.

The Institute's Campuses and where they are located

- 3.8. The Institute must operate four (or more) Campuses.
- 3.9. In respect of the Contractor's choice of Campus and their locations, the following applies:
 - 3.9.1. It is not a requirement for the Institute to have a specific base or headquarters but if the Contractor's delivery model includes a base or headquarters, this must not be in London.
 - 3.9.2. The base or headquarters may be one of the Institute's Campuses.
 - 3.9.3. One of the Campuses must be in one of the following regions: North East, North West, Yorkshire and the Humber¹.
 - 3.9.4. No more than one of the Institute's Campuses may be in London.
- 3.10. The Campuses shall be in the following locations:
 - 3.10.1. location 1 – Institute of Teaching North West;
 - 3.10.2. location 2 – Institute of Teaching North East;
 - 3.10.3. location 3 – Institute of Teaching London & South East;
 - 3.10.4. location 4 – Institute of Teaching Midlands & South West;

The Contractor's headquarters is located at Tauheedul Islam Girls' High School, Blackburn. Each Campus will have a regional anchor, (a "**Foundation College**") as set out in 3.10.5 to 3.10.8 below. The role of each Foundation Colleges is further described in Schedule 18 Q1a: Setting up the Institute.

 - 3.10.5. location 1 – Star Academies;
 - 3.10.6. location 2 – Outwood Grange Academies Trust;
 - 3.10.7. location 3 – Harris Federation;
 - 3.10.8. location 4 – Oasis Community Learning;
- 3.11. NOT USED
- 3.12. The Contractor is not permitted to change any of the Campuses, as set out in paragraph 3.10 above, without the express prior written agreement of the Department under a Variation in accordance with Schedule 5 of the Call Off Contract. In the event the Contractor proposes to change or add to any of its Campuses, it must consider and comply with the requirements set out in section 3 of this Service Specification.

¹ The regions are: North East, North West, Yorkshire and the Humber, East Midlands, West Midlands, East of England, London, South East and South West. As defined by the Office for National Statistics: <https://www.ons.gov.uk/methodology/geography/ukgeographies/administrativegeography/england>

- 3.13. The Contractor's delivery model and choice of Campus locations must always take account of the following:
- 3.13.1. local need, including where the Institute is most likely to benefit disadvantaged schools and Cohorts, and where additional high-quality capacity is most needed;
 - 3.13.2. ability for the Institute to be successful in delivering in these areas;
 - 3.13.3. how the Institute will work collaboratively to add to the capacity in those areas. This includes taking into account other organisations operating there such as Teaching School Hubs. Teaching School Hubs may form part of the Institute's delivery model as a Sub-Contractor and/or Campus.
- 3.14. The Contractor should continually assess, monitor and reflect underrepresented geographical areas of particular need within its strategy for growing the programme.
- 3.15. The Department reserves the right post Framework Award to specify more targeted requirements, constraints or geographical preferences relative to the Institute's Campuses to ensure they are delivering on the strategic aims and objectives of improving education standards in all areas. Any changes to this section 3 (or any others that are relative to the Institute's Campuses and locations thereof) must be agreed under a Variation in accordance with Schedule 5 (Contract Change Procedure).

4. NOT USED

5. NOT USED

5.1.

5.2.

6. NOT USED

2 PART B: DELIVERY REQUIREMENTS

7. EXEMPLARY DELIVERY REQUIREMENTS

- 7.1. The Institute must meet the requirements of existing ITT, ECF and NPQ Lead Providers, and of the NLE development programme, as described in this Service Specification in sections 8-11. It must deliver training in a manner that demonstrates high fidelity to the frameworks underpinning the programmes it is delivering (i.e. the ITT Core Content Framework, the ECF, NPQ and NLE frameworks, as well as the Department standard for teachers' professional development²).
- 7.2. The Contractor must design and deliver all of its teacher development programmes (ITT, ECF, NPQs and NLE) in an exemplary way. This means that the Contractor must:
- 7.2.1. Exemplify how ITT, ECF, NPQs and NLE programmes can be designed, sequenced and delivered as part of an overall coherent**

² <https://www.gov.uk/government/publications/teachers-standards>

teacher development journey from trainee through to executive headship, and subsequently to system leadership.

- a) It will ensure programmes are designed and delivered to introduce knowledge and practise experiences at appropriate times for maximum efficiency and impact. The Institute will design programmes to create an overall progression model where Participants gradually and deliberately build their expertise over time. The Institute will use of a range of methods to achieve this, carefully and intentionally orchestrating these as part of the overall programme design.
- b) It will create a consistent and coherent shared body of knowledge, language and expectations understood by all Participants across different programmes.

7.2.2. Use expert understanding of evidence to inform and implement teacher development delivery approaches.

- a) It will have a deep and nuanced understanding of the existing evidence on teacher development, including the evidence underpinning the NPQ for Leading Teacher Development. It will use this understanding to make informed judgements about how to deliver effective teacher development. The Institute will be able to identify where strength of evidence supports an approach being implemented with high fidelity. The Institute will also identify opportunities to build the evidence base by regularly reviewing literature, liaising with other experts and practitioners, and running trials on approaches to delivery. This could include applying learning from cognitive science or behavioural science to teacher development and the testing of cutting-edge delivery approaches, where appropriate.
- b) It will demonstrate how it will constantly learn and adapt in light of new evidence. The Institute will monitor the effectiveness of its programmes through rigorous ongoing monitoring and evaluation, demonstrating a commitment to evidence-informed practice, continuous improvement, and innovation.
- c) It will focus on identifying and developing approaches that support teachers to improve their practice with maximum effectiveness and efficiency prioritising delivery approaches that are scalable and reliable, as well as learning about how to successfully scale approaches.
- d) It will focus on how it can use evidence to develop approaches that will work for all pupils, especially those from disadvantaged backgrounds.
- e) It will develop and exemplify the most effective approaches for contextualising teacher development to meet the needs of all Participants, accounting for their subject, phase, and setting.

7.2.3. Create a world-leading faculty.

- a) It will ensure that trainees and teachers have access to leading specialists, expert colleagues and high-quality subject and phase experts including those with proven track records of achieving exceptional pupil outcomes.
- b) It will build a cadre of exceptional teacher educators. Develop new models for recruiting, selecting, and training mentors/teacher

educators who are exceptional teachers, as well as highly trained teacher educators. The Institute will lead the way in raising the status of teacher education and teacher educators in schools, in alignment with the NPQ for Leading Teacher Development.

- c) It will create a growing community of teachers and leaders who have undergone training and development through the Institute with a shared commitment to improving the quality of evidence-informed teaching in schools.

7.2.4. Develop models of school partnership and placement that maximise the impact of school-based training experiences.

- a) It will ensure that the school-based elements of training are of the highest quality.
- b) It will design and deliver programmes that ensure seamless coherence and alignment between in-school and centre experience. Sequenced theoretical content must be seamlessly interwoven with, and supported by, structured and sequenced opportunities to observe, deconstruct and practise aspects of effective teaching. There must be opportunities to receive informed, targeted, aligned, consistent and actionable feedback, enabling progression to more complex knowledge and practise.
- c) It will exemplify how participation in teacher development can drive school improvement in a wide range of schools, including schools who have historically been less involved in ITT and teacher development programmes.

7.2.5. Exemplify delivery approaches that meet the needs of all Participants.

- a) It will ensure that training is designed and delivered to promote a sustainable approach to teacher workload and wellbeing.
- b) It will design and deliver training in a way that supports the diversity of the teaching workforce, enabling Participants from all backgrounds to thrive in their careers. (For example, ensuring delivery is compatible with flexible working).

7.3. The Contractor will meet the requirements of exemplary delivery as set out in the Contractor's Final Tender submission in Schedule 18 of the Framework Agreement, Q2a – Q2e inclusive.

7.4. If the Contractor requires flexibility on specific delivery requirements below in order to fulfil the Institute's purpose as an exemplary deliverer of teacher training and development, these will be considered by the Department on a case-by-case basis.

The Contractor's Delivery Solution for exemplary ECF, NPQ and NLE Services

7.5. The Contractor delivers the Call Off Contract in accordance with its Delivery Solution included in Schedule 1 Part 2 (the Contractor's Solution).

8. NOT USED

9. NOT USED

10. NOT USED

11. NATIONAL LEADERS OF EDUCATION REQUIREMENTS

11.1. The Contractor must design and deliver an exemplary development programme utilising the NLE development framework alongside wider school / trust improvement evidence, for Participants that have provisionally been identified by the Department (or bodies acting on its behalf) as meeting the Department's rigorous NLE standards³ or other Participants that have been identified by the Department who will be undertaking school improvement activity on behalf of the Department. In doing so, the Contractor will create a professional network of the strongest school leaders equipped with the knowledge and skills to provide effective support to underperforming schools and their trusts.

11.2. The aim of the development programme is to ensure Participants:

11.2.1. Have a deep, up-to-date knowledge and understanding of the latest research and evidence in each domain of the NLE development framework

11.2.2. Can transfer their knowledge and practice effectively to other schools and their trusts where appropriate.

Programme Delivery

11.3. The Contractor must deliver the programme to at least two Cohorts of NLEs. It is anticipated that the first Call Off Order will include a requirement to deliver to Cohort 1 comprising of approximately 100 Participants, and Cohort 2 comprising of approximately 75 Participants. The Department reserves the right to Order the delivery of the programme to additional Cohorts of approximately 50-150 Participants as required. Exact volumes, delivery timescales and numbers of Cohorts will be confirmed at the Call Off stage.

11.4. Cohort 1 shall commence as early as possible in academic year 2022/23 but no later than end of December 2022.

11.5. Cohort 2 shall commence in the summer term 2023 but no later than end of July 2023

Programme Design

11.6. The design and structure of the development programme (including sequencing, delivery methods and assessment approach) is set out in the Contractor's Solution and shall:

11.6.1. be an exemplary leader development programme, meaning that it demonstrates high fidelity to the NLE framework (including how its content can be applied in both a school and trust environment), and is designed and delivered in an exemplary way, in line with the

³ Published February 2020

requirements below, as well as those outlined in section 7;

11.6.2. For those that are pursuing full NLE accreditation:

11.6.2.1. be delivered in a period of up to 6 school terms (or two academic years);

11.6.3. For those that are not pursuing full NLE accreditation:

11.6.3.1. be delivered over a period that is sufficient for the Participant to complete the training

11.6.4. include the creation of professional development communities so that NLEs can network, share exemplary best practice and continue their development beyond the timeframe of the programme delivered by the Contractor;

11.6.5. include complete self-audit for participants at the start and inform and enable self-reflection and formative assessment throughout. .

11.6.6. include mechanisms to track Participant progress and communicate this to the Department;

11.6.7. be based on a combination of asynchronous and synchronous delivery which includes in person (i.e. face to face) delivery as well as other live sessions, which could include online lectures/seminars, peer group work, mentoring or talks and briefings from experts or government officials.; and

11.6.8. be delivered over 22.5 hours, of which a minimum of 4 hours will be via in person (including via online methods) delivery.

11.7. The Contractor shall submit their programme design and have it approved by the Department one month in advance of the date specified in paragraph 11.4 above. The requirements relating to submitting content for review and approval are set out in Schedule 8 (Quality Assurance) of the Call Off Contract.

11.8. In line with the Institute's broader continuous improvement responsibilities, the Contractor must use Participant feedback, lessons learnt and updates to the associated evidence base to identify potential improvements to the programme and propose these to the Department for agreement.

12. NOT USED

13. COMMERCIAL MATTERS AND PAYMENT

13.1. The Contractor is paid for the delivery of Services in accordance with Schedule 2 of the Call Off Contract.

13.2. Not used

13.3. Not used

13.4. Not used

- 13.5. Not used
- 13.6. Not used
- 13.7. Not used
- 13.8. Not used
- 13.9. Not used
- 13.10. Not used
- 13.11. Not used
- 13.12. Not used
- 13.13. Not used
- 13.14. Not used

14. QUALITY ASSURANCE (QA)

- 14.1. The Contractor is responsible for ensuring that any Services it delivers (including those by any partners or Sub-Contractors) are quality assured in accordance with, and that they comply with, Schedule 8 of the Call Off Contract.

15. PERFORMANCE REQUIREMENTS

- 15.1. The Contractor must comply with the performance requirements and meet the SLAs and KPI targets specified in in Schedule 2 of the Call Off Contract.
- 15.2. The Contractor must also comply with the performance management and reporting requirements set out in Schedule 16 of the Framework Agreement.

16. EVALUATION

- 16.1. The Institute will be subject to its own specific evaluation as well as being evaluated in the same way as other ECF and NPQ Lead Providers.
- 16.2. The Department intends to commission an independent evaluation of the Institute to ensure that lessons are learned for future delivery. The Contractor will be required to take measures to ensure an independent evaluation of the IoT can be conducted. These measures may include collecting appropriate MI and working with the Department and/or an independent evaluator to encourage participation in any research fieldwork. The nature of the evaluation will be determined in due course, and specific requirements will be determined in conjunction with the successful bidder.
- 16.3. The aim of the evaluation will be to ensure that delivery is meeting the stated aims of the Institute, and the needs of teacher development Providers, teachers, schools and the wider sector. The scope of the evaluation and detail of the method are still being developed. Broadly, this is likely to comprise a process evaluation focussing on the successes and challenges during implementation; in addition to measuring specific outcomes such as any effects on teaching practices and Participant retention.
- 16.4. The Department will endeavour to ensure that any evaluation activity is

proportionate and low burden to all. However, the Contractor must participate in the evaluation activity as specified by the Department and ensure that teachers and schools are aware of the importance of engaging in the evaluation and take action to encourage teachers and schools to respond to evaluation activity. The Contractor must also support continuous improvement by sharing knowledge and experiences of the successes and challenges faced, with the Independent Evaluator and the Department. The Contractor must make efforts to align their own evaluation activities with that of the Independent Evaluator where appropriate.

17. CONTRACT MANAGEMENT AND MANAGEMENT INFORMATION (MI)

- 17.1. The Contractor must put in place and maintain effective management arrangements throughout the Contract Period. The Contractor must comply with the requirements of Part 2 of Schedule 2 of the Call Off Contract and Schedule 16 of the Framework Agreement.

18. COMMUNICATIONS AND MARKETING

- 18.1. The Contractor must develop a communications and marketing strategy, which effectively promotes the offer of the Institute to the teacher and leader development sector.
- 18.2. The Contractor must maintain and update their communications and marketing strategy, to be reviewed by the Department on a monthly basis as part of contract management arrangements.
- 18.3. The Contractor's approach to communications and marketing must include, but not be limited to:
 - 18.3.1. a list of all proposed activities, inclusive of events (virtual or physical) and marketing activities.
 - 18.3.2. the rationale for the proposed activities.
 - 18.3.3. a clear timeline of when each activity will be conducted and, if applicable, any milestones the activity aligns to - e.g. teacher resignation dates.
- 18.4. The Contractor must adhere to the following minimum requirements for the Institute within its communications and marketing strategy:
 - 18.4.1. implement the communications and marketing strategy complying with the Department's branding guidelines. Seek the approval of and work collaboratively with the Department in the development of, or refresh of the branding for the Institute and also any major strategic developments or shifts in the marketing of the programme;
 - 18.4.2. demonstrate and articulate a clear connection with the Department's 'Teaching' brand and set out in detail how the programme brand will be integrated with the wider teaching brand. The Contractor should specifically consider how they present this relationship from an audience perspective so the audience understand the range of options available to them and why they may choose one over the other;
 - 18.4.3. submit all media plans and materials (e.g. press releases, media interviews or media statements) for clearance by the Department's press office. These materials/plans should be sent at least 48 hours in advance

(not including weekends) of their proposed use. The Contractor must take on board all required amendments from the Department's Press Office;

- 18.4.4. where using plans with language in communications that has not previously been signed off by the Department, the Contractor must submit the marketing materials 5 working days ahead of publication for the Department to review. The Department will provide comments and or clearance within 3 days. In the event the Department expects the Contractor to make changes, these must be carried out with the marketing materials resubmitted to the Department for clearance before publication;
 - 18.4.5. positively contribute towards the Department's wider aim of increasing the overall appeal of teaching so that it is viewed as a more attractive profession;
 - 18.4.6. adhere to government guidelines when designing marketing materials. Guidelines will be provided upon award of the Call Off Contract and will be updated regularly where needed.
- 18.5. The Contractor must utilise permitted Communications and Marketing activity to raise awareness of, and increase demand for, recruitment, for example but not limited to matters such as:
- 18.5.1. work with the Department to maximise the likelihood that any ITT candidate with the potential to teach but who is not successful in their application for the Institute or who registers interest but does not apply for the Institute applies via an alternative training route; and
 - 18.5.2. signpost any potential ITT candidate that has an initial engagement with the Institute and is interested in teaching but not this specific route to Get Into Teaching.
- 18.6. The Contractor must be flexible and proactive in adapting their delivery to align with wider Department Communications and Marketing activity and Cabinet Office guidance.
- 18.7. All spend on communication and marketing activity within the scope of the Government Communications Service (GCS) Professional Assurance (PASS) controls is restricted. The PASS is the Cabinet Office process through which the Department gains approval for all communications spend.
- 18.8. The Contractor must base its delivery model on the assumption that only communications and marketing activity that is outside the scope of the PASS, in other words no-cost activity, is permitted. Activities considered in scope of PASS may only be undertaken with prior approval from the Cabinet Office and the Department, see 18.10 below. Activity considered in scope of PASS is:
- 18.8.1. Advertising including TV; radio; digital advertising; outdoor; print; advertorials; recruitment; costs of media; fees and commission for media buying; media planning; creative development and production;
 - 18.8.2. Marketing activities including: design and branding; direct and relationship marketing; customer relationship management programmes; telemarketing; campaign help lines; partnership marketing; sponsorship marketing; field or experiential marketing; merchandising; advertiser funded programming; audio-visual activity; storage and distribution of

marketing materials;

- 18.8.3. Consultation activities including associated publicity, events, resources and materials, research, analysis and evaluation;
 - 18.8.4. Communication strategy, planning, concept and proposition testing and development;
 - 18.8.5. Market research that informs marketing and advertising activity and evaluation of marketing and advertising activity;
 - 18.8.6. Printing and publications;
 - 18.8.7. Events, conferences and exhibitions, including stakeholder, public and internal communication events, but excluding training events;
 - 18.8.8. Public Relations (PR) activity; and
 - 18.8.9. Digital activity including website and application development; search engine marketing, including pay-per-click; digital display advertising; content partnerships; email marketing; mobile and SMS marketing; interactive online content.
- 18.9. Examples of no-cost activities are:
- 18.9.1. Non-paid social media posts;
 - 18.9.2. Existing Department e-mail channels;
 - 18.9.3. Webinars or online engagement events;
 - 18.9.4. Networking, engagement, and other business development activity related to the recruitment of schools and Sub-Contractors.
- 18.10. If, in the event any budget is allocated towards these marketing activities listed (18.8.1 to 18.8.9 inclusive), the Contractor must follow the Cabinet Office approvals process (PASS) for the approval of all its intended marketing spend under the Framework Agreement or a Call Off Contract:
- 18.10.1. the requested budget allocation will be considered as part of the wider overarching teacher recruitment campaign PASS that the Department submits, and the Contractor will be required to jointly write relevant sections with the Department;
 - 18.10.2. the Contractor acknowledges that marketing spend is approved via PASS on a financial year basis (1st April to 31st March) and therefore will likely span recruitment cycles. The Contractor must take this into account in its planning. The Contractor must not commit any marketing budget, for example booking media or advertising slots, without PASS approval for the relevant financial year being in place. The PASS process is subject to change and there is no guarantee that any level of marketing spend approved under the Framework Agreement or Call Off Contract will remain the same year-to-year;
 - 18.10.3. any marketing budget allocation that is approved under PASS will also be subject to [Cabinet Office guidance](#) on procuring communications services for approved spending including but not limited to paid-for media. All new

contracts entered into by the Contractor for the supply of any communications services approved by PASS must be procured through government frameworks approved by the Cabinet Office. For guidance on procurement through approved frameworks please refer to the [Crown Commercial Service website](#).

- 18.10.4. furthermore, the Contractor must report to the Department regularly against the performance indicators included in the PASS submission for submission to Cabinet Office. The cycle of approvals and reporting will be agreed before the Call Off Contract commences based on the phases of the proposed campaign activity.
- 18.11. To help raise awareness of the Institute, the Department may carry out its own Department-led communications and marketing activities. The Department may do this by utilising its own network of stakeholders, commissioning all no-cost communications and marketing activities available to its disposal and, at its own discretion and subject to approvals. The Contractor must not seek to place any reliance on such Department-led awareness raising activity within its tender submission.
- 18.12. The Contractor must ensure Management Information relating to the Communications and Marketing service is captured and reports are made available to the Department at agreed times.
- 18.13. When requested, the Contractor must provide further analysis and evaluation of its Communication and Marketing activities to the Department.

19. DIGITAL REQUIREMENTS

- 19.1. The Contractor must develop a website for the Institute that is publicly accessible. This website must provide prospective trainees, teachers and leaders with thorough information on the Institute's offer: exemplary delivery of ITT, ECF, NPQ and NLE programmes, as well as its role in developing and sharing evidence and best practice.
- 19.2. The Department will develop, host and manage a digital platform to register the schools and teachers who will be accessing the ECF Full Induction Programme and full suite of NPQs offered by the Contractor. The Department's Digital Platform will also host advice and guidance about the ECF and NPQ programmes on offer to schools.
- 19.3. The Department will provide the Contractor with timely access to the Participant data in order to set up user accounts and manage progress and attendance on the Contractor's platforms.
- 19.4. Participant data, such as TRN, name and date of birth, will be validated by the Department before being shared with the Contractor.
- 19.5. The Contractor must develop, host and manage a Digital Platform with the capability of hosting the Contractor's NLE content.
- 19.6. The Contractor's website and any other digital or technology solution must:
- 19.6.1. comply with the requirements of Schedule 14 the Call Off Contract;
 - 19.6.2. comply with government technology standards and guidance and service

standard⁴;

- 19.6.3. ensure that suitable assurance certification be provided in the form of ISO2700 or equivalent. As a minimum the Contractor shall provide evidence that it holds and thereafter maintains Cyber Essentials certification;
- 19.7. The Contractor must collaborate with the Department to test the shared end-to-end user journey including any points at which the Department's and the Contractor's digital platforms integrate. The Contractor must ensure that all digital elements delivered as part of its Service and any Ordered Services, including by any Sub-Contractors:
 - 19.7.1. are tested with representative users of the service including those who are low on the digital inclusion scale and have impairments. Insight from the Contractor's user testing, as well as feedback from users of the live service, must be shared with Department and used to develop, resolve issues and continually improve the services;
 - 19.7.2. undergo and pass a penetration test before the launch date and periodically thereafter for the lifetime of the platform;
 - 19.7.3. have operational security processes in place;
 - 19.7.4. have a documented process for managing source code;
 - 19.7.5. have a documented process for changing, upgrading or deploying new versions of the software;
 - 19.7.6. provide evidence that these activities have been conducted, highlighting the risks found and mitigations applied;
 - 19.7.7. provide opportunities for users to give feedback on their service via digital and other channels e.g. via service support, complaints processes, phone, feedback forms;
 - 19.7.8. detail their process for reviewing user feedback, ensuring issues are communicated to Department as appropriate and resolved in a timely manner. The Contractor must set out their approach to achieve continuous service improvement in consultation with Department;
 - 19.7.9. comply with GDPR requirements where personal data is held by the Contractor, notifying users of what data is being held, who has access to it and how to change permissions on its use;
 - 19.7.10. ensure notifications to users be triggered at the right place in the journey to satisfy the needs of end users for example, account creation notifications for the Contractor's platform;
 - 19.7.11. ensure that where attachments, downloadable PDFs or print-friendly versions are provided on the Contractor's platform, then in addition to the HTML content, the Contractor must ensure they are accessible. This will be done by having a logical structure based on tags and headings,

⁴ <https://www.gov.uk/government/publications/technology-code-of-practice/technology-code-of-practice-related-guidance#security> & <https://www.gov.uk/service-manual/service-standard>

meaningful document properties, readable body text, good colour contrast and text alternatives for images. More information on accessible PDFs is available on GOV.UK and at Microsoft;

- 19.7.12. ensure that prior to the commencement of the programme, and then reviewed at periodic points throughout service delivery, the Contractor must audit their compliance with WCAG 2.1 level AA accessibility requirements and identify opportunities to improve accessibility as part of testing, feedback, and continuous improvement. In line with the Public Sector Bodies (Websites and Mobile Applications) Accessibility Regulations 2018, the Contractor must make their platform accessible and publish an Accessibility Statement. See [here: https://www.gov.uk/guidance/make-your-website-or-app-accessible-and-publish-an-accessibility-statement#publish-your-accessibility-statement](https://www.gov.uk/guidance/make-your-website-or-app-accessible-and-publish-an-accessibility-statement#publish-your-accessibility-statement) for more details;
 - 19.7.13. have the capability to capture Participant data and to record a Participant's progress throughout their learning journey, and enable the export of data, for example, through modern RESTful APIs as outlined in the [Technology Code of Practice \(https://www.gov.uk/guidance/the-technology-code-of-practice\)](https://www.gov.uk/guidance/the-technology-code-of-practice), or through user interfaces provided by the Department;
 - 19.7.14. be able to provide Department with training attendance data to evidence ongoing engagement with the ECF Full Induction Programme and the suite of NPQs;
- 19.8. The Contractor must follow the Cabinet Office spending controls⁵ relating to the approval of technology or digital spending under the Contract. As part of this process, the Contractor must consult with the Department during the development of its proposals and submit them to the Department. The Contractor must not commit to any technology or digital spending without prior approval by the Department being in place.

20. EXIT STRATEGY

- 20.1. The Contractor must prepare and submit its Exit Strategy and Exit Plan relating to the Framework Agreement in accordance with Schedule 17 of the Framework Agreement.
- 20.2. For each Call Off Contract, the Contractor must comply with the requirements of clause 15.

21. CONTINUOUS IMPROVEMENT

- 21.1. The Contractor must, within three months of the Service Commencement Date, submit its Continuous Improvement Plan (CIP) in accordance with Schedule 15 of the Call Off Contract.

22. SOCIAL VALUE

- 22.1. The Contractor must be committed to delivering Social Value during the Contract Period with a specific focus on:

⁵ <https://www.gov.uk/government/collections/cabinet-office-controls>

- 22.1.1. tackling economic inequality by creating new jobs and skills; and
- 22.1.2. improving health and wellbeing.
- 22.2. The Contractor must develop, submit, and maintain a Social Value Plan in accordance with clause 31 of the Call Off Contract.
- 22.3. The Contractor must meet the objectives set out in paragraph 22.1 by making commitments in its Social Value Plan to undertake activities, implement policies and develop initiatives that:
 - 22.3.1. create employment and training opportunities, particularly for those who face barriers to employment and/or are located in deprived areas; and
 - 22.3.2. seek to improve the health and wellbeing (including physical and mental health) of the Contractor Personnel and influence, Sub-Contractors, Participants, customers and communities to do the same through the delivery of the Call Off Contract.
- 22.4. The Contractor must deliver the proposals set out in accordance with the Contractor's Solution

SCHEDULE 1: PART 2 – THE CONTRACTOR'S SOLUTION

REDACTED Under FOIA Section 43 Commercial Interests

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REDACTED Under FOIA Section 43 Commercial Interests

SCHEDULE 2: PART 1 – PRICING

1. Definitions

1.1. In this Schedule, the following terms shall have the meanings set out below:

“Charges”	means the fees payable by the Department for the performance of the Services by the Contractor as set out in the tables in Annex 1 of this Schedule.
“Output”	means the successful completion of specific deliverables per Participant, per case study.
“Output Date”	means the date by which the Contractor shall achieve the Output”
“Output Payment”	means the price the Department will pay the Contractor for each Output or Service Output achieved.
“Paragraph”	means a paragraph of this Schedule 2: Part 1 unless expressly indicated to the contrary.
“Per Participant Price”	means the price set per participant for each person undertaking training as set out in the Pricing Schedule.
“Pricing Schedule”	means the pricing breakdown submitted by the Contractor with their Quotation for this Call Off Contract based on the Framework Prices set out in the Framework Agreement.
“Service Fee”	means a monthly fee paid for any of the following ECF, NPQ and Best Practice Function related Services and calculated in accordance with Annex 1 of this Schedule.
“Total Contract Value”	means the total value of the Services to be delivered under this Call Off Contract. The Total Contract Value is stated in the table at Annex 2 and detailed in the Contractor’s Pricing Schedule included at Annex 2.
“TRN”	means Teacher Reference Number.

2. General

- 2.1 The Department shall pay the Contractor the Charges in accordance with Annex 1 and as set out in Annex 2 [as included relevant to the Services being delivered] for delivery of the Services, based on costs as agreed in line with the submitted Pricing Schedule, subject to satisfying the Department’s payment conditions for the delivery of Services. These include satisfactorily meeting the KPIs, Service Levels and Performance Management, as set out in Part 2 of this Schedule 2 (Performance Measures).
- 2.2 The Charges are inclusive of all expenses incurred by the Contractor in relation to its provision of the Services and unless agreed otherwise in writing between the Contractor and the Department, the Contractor shall not be entitled to claim any expenses in addition to the Charges.

- 2.3 Indexation shall not apply to the Charges.
- 2.4 At any time during the Contract Period (including, for the avoidance of doubt, at any time before and/or after payment by the Department to the Contractor) the Department shall be entitled to validate any claim for payment made by the Contractor. At all times the Contractor shall provide all necessary assistance as requested by the Department (including without limitation, procuring the consent of Participants) to enable the Department to validate any claim for payment made by the Contractor.

3. Fees to Participants

- 3.1 Neither the Contractor nor its Agents or Sub-Contractors shall levy any charge on Participants except as expressly permitted in advance and in writing by the Department (at its sole discretion).

4. Charges to Schools (School Contribution)

- 4.1 Neither the Contractor nor its Agents or Sub-Contractors shall levy any charge on a School except where expressly agreed in advance and in writing by the Department (at its sole discretion). For the avoidance of doubt, Schools can be charged under a School Call Off Contract that they place an Order for.

5. Recovery of Sums Due

- 5.1 Whenever under the Contract any sum of money is recoverable from the Contractor, or payable by the Contractor (including any sum which the Contractor is liable to pay to the Department in respect of any breach of the Contract), the Department may set off the sum from any sum due, or which at any later time may become any other agreement or contract with the Department or the Crown.
- 5.2 Any overpayment by either Party, whether of the Charges or of VAT or otherwise shall be the sum of money recoverable by the Party who made the overpayment from the Party in receipt of the overpayment.
- 5.3 The Contractor shall make any payments due to the Department without any deductions whether by way of offset, counterclaim, discount, abatement or otherwise unless the Contractor has a valid court order requiring an amount equal to such deduction to be paid by Department to the Contractor.
- 5.4 All payments due shall be made within 28 days once agreed between the parties that a sum of money is recoverable, unless otherwise specified in the Contract, in cleared funds, to such bank or building society as the recipient Party may from time to time direct.
- 5.5 Not used.

6. Disputed Claims

- 6.1 Notwithstanding paragraph 2.5 of this Schedule 2, payment by the Department of all or any part of any Charges rendered or other claim for payment by the Contractor shall not signify approval. The Department reserves the right to verify Charges after the date of payment and subsequently to recover any sums, which have been overpaid.
- 6.2 If any part of a claim rendered by the Contractor is disputed or subject to question by the Department either before or after payment then, upon request, the Contractor shall provide such further documentary and oral evidence as the Department may

reasonably require to verify its liability to pay the amount which is disputed or subject to question and the Contractor shall promptly provide such evidence in a form satisfactory to the Department.

- 6.3 If any part of a claim for the Charges by the Contractor is disputed or subject to question by the Department, the Department shall not withhold payment of any part of the claim for the Charges which is not in dispute.
- 6.4 If any of the Charges rendered by the Contractor are paid but any part of is the Charges are disputed or subject to question by the Department and such part is subsequently agreed or determined not to have been properly payable then the Contractor shall immediately repay such part of the Charges to the Department.
- 6.5 The Department shall be entitled to deduct from sums due to the Contractor by way of offset any amounts owed to it or which are in dispute or subject to question either in respect of the Charges for which payment is being made or any previous Charges.

7. Adjustment of the Charges

- 7.1 The Charges may only be varied by means of a Contract Change Notice, and in accordance with the provisions of this Contract.
- 7.2 The Department reserves the right to adjust the monthly Service Fee in the following circumstances:
 - 7.2.1 If the staffing headcount profile of the Contractor is less than 75% of what was specified in the Pricing Schedule when the Contractor submits their first bi-annual FTE profile as per paragraph 8.2; and / or
 - 7.2.2 If the Contractor fails to recruit at least 75% of the Recruitment Target for NPQ or ECF Services by a Recruitment Milestone.
- 7.3 In the circumstances set out in paragraphs 7.2.1 and 7.2.2, if the Department decides to adjust the monthly Service Fee, the Department will use Open Book Data to validate the actual costs incurred by the Contractor and adjust the Charges accordingly via a Contract Change Notice.

8. Financial Reporting and Audit

- 8.1 The Contractor complies with the provision of Schedule 17.
- 8.2 The Contractor shall provide, during the Contract Period, bi-annual (and prior to any Gainshare Assessment) updates to the Pricing Schedule that compares the forecast to the actual costs incurred. The Contractor will also supply a bi-annual profile of deployed FTE for the Cohort duration, which is updated for actuals every month and submitted to the Department. The first bi-annual update will be required at February 2023 and then at 6 months intervals after that point.
- 8.3 The Contractor shall co-operate fully and in a timely manner with any reasonable request from time to time of the Department or any Audit Agents and at the expense of the Contractor to provide documents, or to procure the provision of documents, relating to this Contract, and to provide, or to procure the provision of, any oral or written explanation relating to the same.
- 8.4 The Contractor shall instruct its external auditor to provide reasonable co-operation with the Audit Agents for the purposes of verifying financial information.
- 8.5 The Department shall during each audit comply with those security, sites, systems and facilities operating procedures of the Contractor that the Department deems reasonable and use its reasonable endeavours to ensure that the conduct of each audit does not unreasonably disrupt the Contractor or delay the provision of the Services.

9 Pricing of Variations

- 9.1 The provisions of this paragraph 9 shall apply to the pricing of any Variation (or proposed Variation) and the calculation of any change to the Charges consequent upon a Variation (or proposed Variation).
- 9.2 The Parties acknowledge that a Variation or proposed Variation may have an impact on the Charges in one or more of the following ways:
- 9.2.1 One-off cost, in which case paragraph 9.5 shall apply;
- 9.2.2 Subject to the Contractor's obligation to mitigate increases in the Charges, a Process Variation may result in an amendment to the Charges, in which case paragraph 9.6 apply;
- 9.2.3 The cost of any up-front investment by the Contractor in order to achieve a Variation as set out in paragraph 9.2.2 in which case paragraph 9.12 shall apply.
- 9.3 In any of the cases referred to in paragraphs 9.2.1 to 9.2.3 above, and without prejudice to paragraph 9.4, the Contractor shall use the Pricing Schedule provided by the Department to demonstrate and justify any claim for additional or reduced Charges arising as a result of any proposed Variation.
- 9.4 Where a Variation is requested by either Party under the Change Control Procedure then, subject to the terms of the Change Control Procedure, the Contractor shall at its own cost prepare, populate and submit for the Department's approval a specific version of the Pricing Schedule demonstrating the impact of the proposed Variation which shall:
- 9.4.1 Be based on and reflect the principles of the Pricing Schedule, having regard to any assumptions stated in the Pricing Schedule which affect the Charges;
- 9.4.2 Include estimated volumes of each type of resource to be employed and the applicable average annual salary for resource employed specified in the Pricing Schedule;
- 9.4.3 Include full disclosure of any assumptions underlying such a quotation. The Department reserves the right to request further clarity around these assumptions and the underlying calculations until it is satisfied as to their validity; and
- 9.4.4 Include evidence of the cost of any assets required for the Variation.
- 9.5 Where paragraph 9.2.1 applies:
- 9.5.1 The Contractor shall be paid in full upon completion, or by an agreed Schedule of milestone payments (both payment options subject to meeting specified acceptance criteria agreed at the outset).
- 9.5.2 The Department shall issue a separate purchase order and the Contractor shall raise a separate invoice or credit note in respect of the one-off cost.
- 9.6 Where paragraph 9.2.2 applies:
- 9.6.1 Any necessary changes to the Charges shall be effected by means of changes to the relevant Price Per Participant, Service Fee and/or Output Payments set out in of the relevant Tables of this Schedule; and
- 9.6.2 Any necessary changes to the Charges will be in accordance with the original requirements for the completion of the Pricing Schedule as set out in the Invitation to Tender, for example the maximum cap on Service Fee will still apply.
- 9.7 The Charges shall not be adjusted more than on a bi-annual basis. The date any Charges adjustment ("Price Adjustment Effective Date") takes effect shall be at the

start of the six-month period immediately following implementation of the Variation in question. For example, where a Process Variation is implemented during the month of September in a Contract Year; the relevant Charges shall be adjusted with effect from 1 January in that Contract Year. If there are several adjustments in one six-month period, these will be aggregated to make one adjustment at the start of the next six month period.

- 9.8 The Department shall provide the Contractor with a revised copy of the relevant Tables of this Schedule by the date any such Variation takes effect (1 January, 1 April, 1 July, 1 October).
- 9.9 A Process Variation shall be implemented timeously, and such implementation shall not await the Price Adjustment Effective Date.
- 9.10 If a Process Variation is implemented and there is a demonstrable financial loss to a Party due to the relevant Charges not being adjusted until the Price Adjustment Effective Date (first day of next quarter), then the Party impacted in this way can seek recovery of the amount due in the following manner:
 - 9.10.1 if it is the Contractor, by notifying the Department and providing supporting documentation and then (if the claim is accepted by the Department) submitting a separate invoice; or
 - 9.10.2 if it is the Department, by issuing a credit note request and supporting documentation.
- 9.11 Any request to seek recovery of such an amount must be submitted within 3 (three) months of the Price Adjustment Effective Date.
- 9.12 Where paragraph 9.2.3 applies, the Process Variation element shall be dealt with in accordance with paragraph 9.6 above and any up-front investment required to implement such a Process Variation shall itself be dealt with through an adjustment to the relevant Charges under paragraph 9.6 above or treated as a one-off cost in accordance with paragraph 9.5 above.
- 9.13 Following implementation of a Variation, the Department shall make any necessary consequential changes and/or updates to the relevant Tables in Schedule 2: Part 1.

10 Gainshare Assessment

- 10.1 The Department reserves the right to assess (a **"Gainshare Assessment"**) on an annual basis and or within 12 months of the end of the Contract Period if the actual cost of the delivering the Services under this Call Off Contract is less than the amount of Charges paid by the Department. If the Gainshare Assessment identifies that the Contractor's Cost of delivering the Services was less than the Charges already paid to the Contractor for the Services included in the Gainshare Assessment, the Department will recover an amount (**"Gainshare Payment"**) equal to 50% of the savings generated.
- 10.2 For example, if the Gainshare Assessment identifies the actual cost of delivering the Services was £50,000 (fifty thousand) less than the total amount of Charges paid to the Contractor for the Services, the Department would be entitled to a £25,000 Gainshare Payment.
- 10.3 The Contractor pays the Department the Gainshare Payment by crediting the amount to the invoice that is raised immediately after the Gainshare Payment is identified, or if no invoice is due, the Contractor issues a credit note equal to the Gainshare Payment to the Department on the 25th day of the month after the Gainshare Payment has been identified.
- 10.4 In addition to the provisions of 10.1 to 10.3 of this schedule, if this Contract is for any of the following services:

10.4.1 Establishment and Mobilisation;

10.4.2 NPQ services for the 2022/23 Cohorts;

10.4.3 ECF services for the 2023/24 and/or 2024/25 Cohorts

the Department reserves the right to require the Contractor to repay the whole amount of any gainshare savings to the Department.

10.5 If 10.4 applies, the Contractor shall:

10.5.1 provide and maintain a financial forecast and details of costs incurred and income generated by the Institute. The forecast shall identify any costs that have changed, or are likely to change, since the award of the Call Off Order;

10.5.2 provide Open Book Data relating to the actual cost incurred in the delivery of the Services and identify and quantify any savings; and

10.5.3 repay any savings in a timeframe that is acceptable to the Department but as soon as practicable after the savings have been realised. For example, any savings that the realised in October 2023 and the Department has required the Contractor to pay should be credited to the invoice, or a credit note raised for the equivalent value, and submitted to the Department in November 2023.

ANNEX 1 TO SCHEDULE 2: PART 1 – PAYMENT PROCESS - NLE

1. General

1.1 The Charges payable to the Contractor by the Department shall consist of

1.1.1 The Output Payments, consisting of;

- a) Cohort start payments
- b) Cohort retention payments

All subject to and in accordance with the provisions of this Contract.

2. Per Cohort Price

2.1 The Contractor shall provide the Services in accordance with the Per Participant Price listed in Table 1 below.

REDACTED Under FOIA Section 43 Commercial Interests	

2.2 The Per Cohort Price must be exclusive of VAT. Any VAT costs incurred must be recovered by the Contractor as per clause 28.8 of Section 28 of this Call Off Contract.

3. Output Payments

3.1 Subject to the terms of the Contract, the Department shall pay the Contractor the applicable Output Payment for each Output Date that is achieved in accordance with the requirements of the Contract.

3.2 The Department will conduct a full reconciliation and validation of Output Payments once every financial year to ensure that the Contractor have not been overpaid or underpaid for Outputs completed. The first reconciliation will take place in [insert month on award].

3.3 The Output Payment will comprise 100% of the Total Contract Value.

3.4 In order to trigger payment for Output 1 – Cohort Start for Cohort 1, Participants must start on the programme by end of December 2022. In order to trigger payment for Output 1 – Cohort Start for Cohort 2, Participants must start on the programme by end of July 2023. If a Participant that was signed up prior to 21 November 2022 does not intend on starting the programme, the Department may replace them with another Participant by 28 November 2022 .

3.5 Where the Department are unable to provide four weeks' notice of Participant(s) withdrawing, and is unable to provide replacement Participant(s) the Contractor will be eligible to claim the full payment for Output 1.

3.6 In order to trigger payment for Outputs 2-4 (Retention Points 2 – 4), the Contractor must ensure that Participants are enrolled and engaged in the programme. The Department reserves the right to reduce the relevant an output payment in proportion to the number of Participants who are pursuing full NLE accreditation only that have withdrawn prior to the Output Date that is due for payment. The Contractor will need to have a policy on what happens if a Participant drops off the programme.

REDACTED Under FOIA Section 43 Commercial Interests		

If an MI return or evidence submitted by the Contractor of continued engagement is not accurate, and when the Department validates and verifies the data provided it emerges that payments have been made for Participants who did not start or remain on the course, the Department will clawback payments made.

Payment will be made based upon the successful delivery of each individual output as set out in table 3a and 3b below

The Output Payment will be re-calculated at the Output Date, and will be based on the number of active Participants in the Cohort at that point.

ANNEX 2 TO SCHEDULE 2: PART 1 – CONTRACT PRICING INFORMATION - NLE

1. General

1.1 The Contractor shall provide the Services in accordance with the Pricing Schedule as set out in Tables 1-2 below:

REDACTED Under FOIA Section 43 Commercial Interests	

*The Output Based Performance Payments value is the maximum amount payable and actual payments are subject to successful achievement of the Outputs.

1.2 The Total Contract Value is broken down as follows:

REDACTED Under FOIA Section 43 Commercial Interests			

SCHEDULE 2: PART 2 – PERFORMANCE AND CONTRACT MANAGEMENT

In this section the words below have the following meaning:

“Contract Performance Review”	means a monthly review of the Contractor’s performance under this Call Off Contract.
“Improvement Plan”	means a plan for improvement that the Department can request from the Contractor within ten (10) Working Days in the event of failure.
“KPI”	means the Key Performance Indicators as set out in Annex A of this Schedule.
“Management Information”	means the data and information relevant to the Services and performance the Contractor shall collate and provide to the Department in accordance with this schedule.
“Management Information Report”	means the report containing the Management Information that the Contractor is required to submit to the Department in accordance with this schedule.
“Performance Management”	means how the Department will measure the Contractor’s performance and progress against the Service Specification (Schedule 1: Part 1), the Contractor’s Solution (Schedule 1: Part 2), the Implementation Plan (Schedule 7), and Pricing (Annex 1 of Schedule 2: Part 1).
“Performance Manager”	means the person the Contractor will appoint to ensure that the Contract is delivered as specified in the Contract and that Service Levels, Recruitment Targets and KPIs are achieved.
“Reporting Period”	means the reporting period that occurs every calendar month from 25th of each month to the 24th of the following month and will commence on the Contract Commencement Date.
“Service Credits”	means the service credits as set out in table 3 of this Schedule.
“Service Level”	means the Service Levels as set out in Table 1 of this Schedule by which the Contractor’s performance will be measured.

1 SERVICE LEVELS AND KPIS

- 1.1 This section sets out the Service Levels and Key Performance Indicators (KPIs) against which the Parties shall measure the Contractor’s performance.
- 1.2 The objective of the Service Levels and KPIs is to:
 - 1.2.1 ensure that the Services are of a consistently high quality and meet the requirements of the Department;
 - 1.2.2 provide a mechanism whereby the Department can attain meaningful recognition of inconvenience and/or loss resulting from the Contractor’s failure to deliver the Services; and
 - 1.2.3 incentivise the Contractor to meet the performance standards and to remedy

any failure to meet the required standards expeditiously.

Service Levels

- 1.3 The Contractor shall ensure compliance with the Service Levels listed in Table 1 (Service Levels).
- 1.4 The Contractor and the Department shall monitor the Contractor's performance against each of the Service Levels listed in Table 1 (Service Levels).
- 1.5 The Contractor shall complete and return the monthly Department Reporting Template outlining performance against the Service Levels to date and confirm whether they have been achieved.
- 1.6 If the Contractor fails to meet any one Service Level in any Reporting Period, the Department reserves the right to take action in line with paragraphs 2.11 to 2.15 (Consequence of Service Failure).
- 1.7 Service Levels are set out in Table 1 below:

Table 1 Call Off Service Levels			
Subject	Ref	Service Level	Level to be Achieved
Appeals	APP1	Delivery of an internal process to resolve appeals within three (3) months from the date submitted by the appellant.	100% of the internal processes as defined in the Contractor's Appeals Policy to be undertaken within the three (3) month appeal window.
	APP2	If unresolved within three (3) months from the date submitted by the appellant and all internal processes exhausted, a complete appeal bundle is to be sent to the Department and/or its designated External Body who will act as the final arbiter.	Refer 100% of unresolved appeals for arbitration on expiration of the three (3) month appeal window.
Communication	C1	Provide a meaningful response to one hundred per cent (100%) of queries raised by the Department and correspondence within three (3) Working Days from the date of receipt or within such other timescales for response as provided specifically for within the terms of the contract. In the event the query raised is complex the Contractor can request an extension of time, which will be subject to agreement by the Department.	100% of responses submitted within three Working Days.
	C2	One hundred per cent (100%) compliance with the timescales set out in clause 23.2 (Freedom of Information)	100% compliance with timescales.
Digital	D1	Digital Service Levels are set out in Annex A of Schedule 14	As set out in Schedule 14
Finance	F1	Ensure that valid invoices are submitted to the Department by the twenty-fifth (25th) of the month for the relevant Reporting Period.	100% of invoices to be submitted by 25 th of the month for the relevant Reporting Period

	F2	Comply and respond to any requests for Open Book or financial validation data within ten (10) Working Days.	100% of responses made to requests for Open book or financial validation data made within 10 Working Days.
	F3	Ensure that all financial discrepancies identified by the Department are 100% accurately reconciled ahead of the next invoice period and any variances to invoicing values offset.	100% of financial discrepancies accurately reconciled and invoicing values offset by the next Reporting Period deadline following identification or notification of the discrepancy.
	F4	Ensure that all Sub-Contractors are paid in accordance clause 7.2	100% of undisputed sums due to the Sub-Contractor to be made within 30 days from the receipt of a valid invoice
Management Information	MI1	Submit accurate and complete MI Reports to the Department by the twenty-fifth (25th) of each month.	100% of required monthly management information submitted by the 25 th of each month.
	MI2	Ensure that all MI Report data discrepancies identified by the Department including any missing data or inaccurate data are 100% accurately addressed ahead of the next submission of the MI Report.	Resolve 100% of discrepancies by next reporting deadline following notification from the Department.
Meetings	RM2	Contractor's Attendance at CPR	100%
Quality and Improvement	QI1	Updating of the Contractor's Continuous Improvement Plan and report progress to the Department.	Meet 100% of deadlines agreed.
	QI2	Cooperate with the requirements of the QA Function by supplying information, facilitating visits, and otherwise supporting the implementation and ongoing work of the QA function.	Respond and comply with to 100% of QA Function requirements and requests.
Records and questionnaires	RQ1	All satisfaction questionnaires shall be completed in full and returned to the Department within ten (10) Working Days from the date of completion, and any information requested by the Department shall be provided by the Contractor to the Department within five (5) Working Days from the date of the request.	95% of satisfaction questionnaires to be returned within 10 Working Days from the date of completion and submit 100% of information requested by the department within 5 Working Days.

KPIS

- 1.8 The Parties shall monitor the Contractor's performance against each of the KPIs listed in Annex A of this Schedule (KPIs). The Contractor's performance will be measured, and their performance rated in accordance with the criteria set out in Table A below:

Table A – KPI Performance rating and performance management implications		
Rating	Criteria	Performance management implications
Good	The Contractor is meeting or exceeding the KPI target	N/A
Approaching Target	The Contractor is close to meeting the KPI target	Declared this a Service Failure and the Department reserves the right to take action in line with paragraphs 2.11 to 2.15 (Consequence of Service Failure) of this Schedule
Requires Improvement	The performance of the Contractor is below that of the KPI target	This will be deemed a Service Failure and the Contractor will be required to develop and implement an Improvement Plan in accordance with 2.3.1 of this schedule. A suspended Service Credit will also be issued.
Inadequate	The performance of the Contractor is significantly below that of the KPI target	This will be deemed a Service Failure and the Contractor will be required to develop and implement an Improvement Plan in accordance with 2.3.1 of this schedule. A Service Credit will also be applied.

1.9 If at the agreed final measurement or final reporting milestone for an individual KPI, the Contractor:

1.9.1 achieves a rating of 'Good' for an individual KPI, performance measures will be achieved, and no further action will be required;

1.9.2 achieves a rating of 'Approaching Target', 'Requires Improvement' or 'Inadequate' for any KPI, the Contractor will be subject to the equivalent performance management implications set out in Table A above.

1.10 In line with the cross-government transparency agenda the Department reserves the right to make the Contractor's performance against the KPIs in Annex A of this Schedule available in the public domain, which may include publishing them on gov.uk and including them in any related transparency reporting.

2 CONSEQUENCE OF SERVICE FAILURE

2.1 Where the Service Failure is a result of the Contractor failing to meet any one Service Level by the dates set out in Table 1 of Schedule 2 Part 2 the Contractor must agree and implement a plan to rectify the Service Failure within agreed timescales. Where the Service Failure is as a result of the Contractor failing to meet any one Service Level by the dates set out in Table 1 of Schedule 2 Part 2 for two consecutive Monthly Reporting Periods, and the Contractor has not addressed and resolved the Service Level failure within the time agreed between the Contractor and the Department, the Department will apply a Service Credit.

2.2 Where the Service Failure is as a result of the Contractor failing to meet one or more of Service Levels that relate to Recruitment by the dates set put in Table 1 of Schedule 2 Part 2, the Contractor must agree and implement a plan to rectify the Service Failure within agreed timescales. If the Contractor fails to address and resolve the Service Level Failure relating to Recruitment within the timescales agreed the Department may apply a Service Credit at its discretion.

- 2.3 Without prejudice to any other rights or remedies arising under this Contract, including under clause 10 (Termination) for material breach, if the Contractor incurs a Service Failure in any Relevant Period, the Contractor acknowledges and agrees that the Department shall have the right to exercise (in its absolute and sole discretion) all or any of the following remedial actions:
- 2.3.1 The Department shall be entitled to require the Contractor, and the Contractor agrees to prepare and provide to the Department, a plan for improvement (an "Improvement Plan") within ten (10) Working Days of a written request by the Department for such Improvement Plan. Such Improvement Plan shall be subject to the Department's prior approval and the Contractor will be required to implement any approved Improvement Plan, as soon as reasonably practicable;
 - 2.3.2 The Department shall be entitled to require the Contractor, and the Contractor agrees to attend, within a reasonable time one (1) or more meetings at the request of the Department in order to resolve the issues raised by the Department in its notice to the Contractor requesting such meetings;
 - 2.3.3 The Department shall be entitled to serve a notice of improvement ("Improvement Notice") on the Contractor and the Contractor shall implement such requirements for improvement as set out in the Improvement Notice;
 - 2.3.4 The Department shall be entitled to issue interim performance measures and/or milestones in order to monitor the Contractor's implementation of any Improvement Plan or Improvement Notice;
 - 2.3.5 If not already applied to the Service Failure prior to this point, apply a Service Credit.
- 2.4 In the event that the Department has, in its absolute and sole discretion, invoked one or more of the remedies set in paragraph 2.2 and 2.3 above the Department may suspend the Contractor from the Framework Agreement in accordance with clause 7.11 of the Framework Agreement pending the Department being satisfied that the Contractor has;
- 2.4.1 implemented the requirements for improvement set out in the Improvement Notice; and/or
 - 2.4.2 implemented an Improvement Plan approved by the Department; and/or
 - 2.4.3 met the interim performance measures and/or milestones.
- 2.5 Whether or not the Department has exercised its rights under pursuant to paragraph 2.4 in the event that the Department has, in its absolute and sole discretions invoked one or more of the remedies set out in paragraph 2.3 above and allowed the Contractor reasonable opportunity to remedy the Service Failure, and the Contractor either:
- 2.5.1 fails to implement such requirements for improvement as set out in the Improvement Notice; and/or
 - 2.5.2 fails to implement an Improvement Plan approved by the Department; and/or
 - 2.5.3 fails to meet the interim performance measures and/or milestones,

then (without prejudice to any other rights and remedies of termination provided for in this Contract), the Department shall be entitled to terminate this Contract and with immediate effect by notice in writing in accordance with clause 10.5.1. Termination of the Contract will be considered a Material Default and the Department may at its absolute discretion terminate the Framework Agreement as per paragraph 7.4 of the Framework Agreement.

3 SERVICE CREDITS

- 3.1 Accrual of Service Credits shall entitle the Department to a reduction in the Charges.
- 3.2 Financial consequences of Service Credits will be calculated against the Total Contract Value. The Contractor shall off-set the value of any Service Credits against the Charges for the Contract up to a maximum of 5% (the "Service Credit Cap") of the Total Contract Value.
- 3.3 The Contractor confirms that it will take Service Credits and the potential financial consequences into account when calculating the Charges. Both Parties agree that the Service Credits are a reasonable method of adjusting the Charges to reflect failure to meet minimum performance standards.
- 3.4 The financial consequences that will be applied in the event of a Service Credit are broken down in Table 3 below.
- 3.5 Table 3: Service Credits

Service Credits accrued:	Financial consequence equivalent to:
1 Service Credit	1% of Call Off Contract Value
2 Service Credits	2% of Call Off Contract Value
3 Service Credits	3% of Call Off Contract Value
4 Service Credits	4% of Call Off Contract Value
5 or more Service Credits	5% of Call Off Contract Value

4 PERFORMANCE MANAGEMENT

- 4.1 The Department shall monitor the Contractor's performance and progress against the Service Specification (Schedule 1: Part 1), the Contractor's Solution (Schedule 1: Part 2), the Mobilisation Plan (Schedule 16), the Implementation Plan (Schedule 7), and Pricing (Annex 1 of Schedule 2: Part 1) within a Reporting Period and during Contract Performance Review meetings. The Contractor shall cooperate with the Department in this regard and provide any information and evidence reasonably required by the Department within five (5) Working Days of a request being received.
- 4.2 The Contractor shall appoint a named Performance Manager who will cooperate with the Department to ensure that the Services are delivered as specified in the Contract and that Service Levels, Recruitment Targets and KPIs are achieved.
- 4.3 Unless otherwise agreed, the Contractor shall attend a monthly Contract Performance Review Meeting (CPR). The purpose of the CPR meetings is to encourage an open and regular dialogue between the Parties. The Contractor shall ensure the Department is furnished with the latest Management Information prior to each CPR meeting. The Parties shall review performance, discuss opportunities for continuous improvement, and address any complaints or persistent problems encountered.
- 4.4 Performance reviews shall be documented. The Contractor shall provide any information and data requested by the Department to facilitate the reviews and arrange, where necessary, access to any of Contractor Premises or delivery

locations, including those operated by Sub-Contractors.

- 4.5 The Department may instruct the Contractor to take appropriate remedial action where the Department reasonably considers that the Implementation Plan and/or a Performance Improvement Plan is not being complied with, and the Contractor shall take such remedial action.
- 4.6 If there is a failure to achieve a Service Level, Recruitment Target or KPI, the Contractor shall use all reasonable endeavours to immediately minimise the impact of any failure and to prevent such a failure from recurring.
- 4.7 The Contractor shall ensure that all systems and processes used for the monitoring and recording of performance are robust.
- 4.8 Where the Contractor is delivering more than one call off contract concurrently, the Department shall at its discretion review the Contractor's consolidated performance under this Contract and other call off contracts being delivered at the same time, using the governance set out in Schedule 16 of the Framework Agreement

5 CONTRACT MANAGEMENT

- 5.1 The Contractor's management arrangements shall include (without limitation) arrangements to ensure that:
 - 5.1.1 The Services are delivered in accordance with this Contract;
 - 5.1.2 The needs of Participants and mentors are fulfilled;
 - 5.1.3 The Services are delivered to a high quality throughout the Contract Period; and
 - 5.1.4 Effective quality assurance and improvement processes are in place.
- 5.2 The Contractor shall ensure that the Services are flexible and responsive to suggestions and requests put forward by the Department.
- 5.3 The Contractor shall have a clear plan for continuous review of the effectiveness of all its programmes (including how this will involve Participants in making positive changes to programmes year upon year).
- 5.4 The Contractor shall share information and work with the Department to make changes and/or improvements to the Services. The Contractor is required to continually assess, monitor, and reflect geographical areas of particular need within their strategy for increasing engagement and recruitment to all programmes.
- 5.5 The Contractor shall attend CPR meetings and proactively participate in any joint collaborative meetings that the Department convenes. These meetings will cover, but not be limited to:
 - 5.5.1 emerging challenges, joint solutions, recruitment, sharing best practice and lessons learnt, exploring opportunities for efficiency/resource improvements, and identifying future opportunities to work more collaboratively with the Department and/or other teacher development provider.
- 5.6 The Department may organise regular monitoring and spot checks of the premises at which the Services (or part of them) are being performed, at any time to ensure that the Contractor is complying with its obligations under this Call Off Contract and the Contractor shall co-operate fully, at its own cost, with the Department. The

Department shall use all reasonable endeavours to ensure that the onsite monitoring will not interfere with the delivery of the Services by the Contractor.

- 5.7 The Contractor's performance and MI provided under this (and any other) Call Off Contract will be used by the Department in accordance Schedule 18 of the Framework Agreement.

Management Information

- 5.8 The Contractor shall collect a range of data and report on its performance against the KPIs set out in Tables [A, B, C, D] of Annex A of this Schedule and the Service Levels set out in Table 1 of this Schedule.
- 5.9 The Contractor submits the Management Information (MI) Report on a monthly basis. The Department may amend the reporting frequency and format in respect of any or all Management Information or waive the requirement for any aspect of the Management Information to be reported upon, by giving the Contractor not less than one (1) months' notice in writing.
- 5.10 The content and format of the MI Report shall be agreed with the Department but unless otherwise stated, it shall be presented in a tabular format or MS Excel and it shall include the formulas and calculations used by the Contractor to calculate the performance.
- 5.11 The Contractor shall include in its MI Report suitable commentary and narrative statements in respect of the report performance, including specifying any reasons for reported failures.
- 5.12 The Department will use the data presented by the Contractor and the Management Information (MI) Report to inform CPRs and contract management discussions, trigger payments, progress against Milestones and KPIs, reporting performance to other government departments, for Quality Assurance purposes as well as to support an independent evaluation of the Contractor. The Department will share data and the contents of the MI Report for these purposes.
- 5.13 The Contractor ensures it (and its Sub-Contractors do likewise) receives the necessary consent and puts in place data sharing agreements where necessary (with Participants, Sub-Contractors, third parties and the like), in relation to the collation and sharing of any data that is reported in its MI Report.
- 5.14 In addition to the Management Information requirements, the Contractor must respond to ad-hoc requests for information relating to the Activities and or Services from the Department.
- 5.15 Where any discrepancies, omissions or errors are identified in the MI Report, the Contractor shall correct and rectify the MI Report as soon as practicable.
- 5.16 For the avoidance of doubt, the Contractor is responsible for the collection of data including data collected by Sub-Contractors and ensuring it is collected in a timely, secure, consistent and compliant manner.
- 5.17 For ECF and NPQ programmes, the MI data shall be presented and submitted via a Department hosted and maintained digital solution.
- 5.18 In the absence of the digital solution, the Department will require the Contractor to collect Participant and school data using a spreadsheet developed by the

Department. An example of the data the Department would expect to be collected is detailed in Table 6 below:

Table 6 example MI requirements		
Frequency	Data Category	Examples
Monthly	Participant information	NLE participants Start/withdrawal/deferral/restart dates Withdrawal/deferral reasons and details E-learning engagement data Virtual training attendance data Participant satisfaction scores relating to online training and delivery All participants (including, but not limited to NLE participants): Registration data to online Welcome Module Conference attendance data Conference satisfaction results Participant survey results
Annually	Programme Details	Curriculum design Samples of NLE fieldwork and case studies
Monthly	Performance	Performance against the Mobilisation Plan Performance against the Implementation Plan Key risk review Emerging issues / concerns
Quarterly	Performance	Performance against KPIs and Service Levels Continuous Improvement Plan Risk Register QA reports Data handling
Quarterly	Finance & Transparency	Promotion of Sub-Contracting opportunities on Contracts Finder Levels of spending with SMEs
Monthly	Complaints	Details of complainant Date, details and outcome of the complaint
Ad hoc		Any further information the Department may reasonably request

- 5.19 As the Contractor will be required to provide personal information about Participants and schools, the Contractor must ensure this data collection template is returned to the Department using an encrypted system such as Egress.
- 5.20 To support recruitment activity the Department will provide a list of Eligible Establishments and schools that fall within the clearly defined definitions of disadvantaged schools and schools requiring additional support.
- 5.21 Collection of the URN and Teacher Reference Number (TRN) will provide an opportunity to share the privacy notice(s) and collect consent for data sharing and analysis, collect contact details and consent to receive communications from the Department, Contractor, QA Function and the Independent Evaluator. The Contractor

will, upon request, need to provide evidence that any trainee/participant/school participating in the programme has had sight of a privacy notice and authorised the collection and use of their information.

6 NOT USED

7 NOT USED

ANNEX A TO SCHEDULE 2: PART 2 – KEY PERFORMANCE INDICATORS

- 1.1 The KPIs in Tables E below set out the measures the Department will use to monitor the Contractor's performance. The KPIs will be applied to each Contract, with the Cohort specific targets and milestones included in the Contract in Part 2 of Schedule 2.

Table E – Key Performance Indicators for NLE services						
Ref	Type	Measure	Monitoring and reporting frequency	Target & Milestone	KPI rating and reporting	
NLE1	Initial engagement	The percentage of NLE Participants who attend Launch Conference in person	Annually. Initial engagement rates will be measured in the month following the Launch Conference (C1: Jan 2023; C2: Jan 2024)	90%	Good	≥ 90%
					Approaching Target	≥ 80% <90%
					Requires Improvement	≥ 70% and <80%
					Inadequate	<70%
NLE2	Retention	The percentage of NLE Participants who commence the development programme during the Contract Period and complete all learning hours.	Monthly monitoring throughout the duration of the programme, Success against target will be measured annually. Retention rates will be measured from the Launch Conference (C1: Dec 2022; C2: Dec 2023) through to the Impact Conference (C1: Nov 2023; C2: Nov 2024).	80%	Good	≥80%
					Approaching Target	≥ 70% and <80%
					Requires Improvement	≥ 60% and <70%
					Inadequate	<60%
NLE3	Satisfaction	Percentage of NLE Participants who commence the development programme during the Contract	Annually. Satisfaction rates will be measured through a survey completed by all NLE participants following the Impact Conference.	80%	Good	≥80%
					Approaching Target	≥ 70% and <80%
					Requires Improvement	≥ 60% and <70%

		Period and rate the course 'good' or above at the end of the programme			Inadequate	<60%
NLE4	Impact	Percentage of NLE participants successfully deployed to target schools who complete a case study of deployment	Annually. Impact will be measured in the month following the Impact Conference (C1: Dec 2023; C2: Dec 2024)	90%	Good	≥90%
					Approaching Target	≥ 80% and <90%
					Requires Improvement	≥ 70% and <80%
					Inadequate	<70%

SCHEDULE 3: ADDITIONAL CLAUSES

1. Departmental Security Standards

“BPSS”

“Baseline Personnel Security Standard”

a level of security clearance described as pre-employment checks in the National Vetting Policy. Further information can be found at:
<https://www.gov.uk/government/publications/government-baseline-personnel-security-standard>

“CCSC”

“Certified Cyber Security Consultancy”

is NCSC's approach to assessing the services provided by consultancies and confirming that they meet NCSC's standards. This approach builds on the strength of CLAS and certifies the competence of contractors to deliver a wide and complex range of cyber security consultancy services to both the public and private sectors. See website:

<https://www.ncsc.gov.uk/scheme/certified-cyber-consultancy>

“CCP”

“Certified Professional”

is a NCSC scheme in consultation with government, industry and academia to address the growing need for specialists in the cyber security profession and are building a community of recognised professionals in both the UK public and private sectors. See website:

<https://www.ncsc.gov.uk/scheme/certified-professional>

“CC”

“Common Criteria”

the Common Criteria scheme provides assurance that a developer's claims about the security features of their product are valid and have been independently tested against recognised criteria.

“CPA”

“Commercial Product Assurance”

[formerly called “CESG Product Assurance”]

is an ‘information assurance scheme’ which evaluates commercial off the shelf (COTS) products and their developers against published security and development standards. These CPA certified products can be used by government, the wider public sector and industry. See website:
<https://www.ncsc.gov.uk/scheme/commercial-product-assurance-cpa>

“Cyber Essentials”

“Cyber Essentials Plus”

Cyber Essentials is the government backed, industry supported scheme to help organisations protect themselves against common cyber-attacks. Cyber Essentials and Cyber Essentials Plus are levels within the scheme.

There are a number of certification bodies that can be approached for further advice on the scheme; the link below points to one of these providers:
<https://www.iasme.co.uk/apply-for-self-assessment/>

"Data"	shall have the meanings given to those terms by the GDPR
"Data Controller"	
"Data Processor"	
"Personal Data"	
"Sensitive Personal Data"	
"Data Subject", "Process" and "Processing"	
"Department's Data"	is any data or information owned or retained in order to meet departmental business objectives and tasks, including:
"Department's Information"	<ul style="list-style-type: none"> (a) any data, text, drawings, diagrams, images or sounds (together with any repository or database made up of any of these components) which are embodied in any electronic, magnetic, optical or tangible media, and which are: <ul style="list-style-type: none"> (i) supplied to the Contractor by or on behalf of the Department; or (ii) which the Contractor is required to generate, process, store or transmit pursuant to this Contract; or (b) any Personal Data for which the Department is the Data Controller;
"Department"	means the Department for Education
"Department"	
"Departmental Security Standards"	means the Department's security policy or any standards, procedures, process or specification for security that the Contractor is required to deliver.
"Digital Marketplace / GCloud"	the Digital Marketplace is the online framework for identifying and procuring cloud technology and people for digital projects. Cloud services (e.g. web hosting or IT health checks) are on the G-Cloud framework.
"FIPS 140-2"	this is the Federal Information Processing Standard (FIPS) Publication 140-2, (FIPS PUB 140-2), entitled 'Security Requirements for Cryptographic Modules'. This document is the de facto security standard used for the accreditation of cryptographic modules.
General Data Protection Regulation (GDPR)	replaces Data Protection Act clauses for use in contracts that are live on or after 25 th May 2018.
"Good Industry Practice"	means the exercise of that degree of skill, care, prudence, efficiency, foresight and timeliness as would be expected from a leading company within the relevant industry or business sector.
"Industry Good Practice"	

“Good Industry Standard”	means the implementation of products and solutions, and the exercise of that degree of skill, care, prudence, efficiency, foresight and timeliness as would be expected from a leading company within the relevant industry or business sector.
“Industry Good Standard”	
“GSC”	means the Government Security Classification Policy which establishes the rules for classifying HMG information. The policy is available at:
“GSCP”	https://www.gov.uk/government/publications/government-security-classifications
“HMG”	means Her Majesty’s Government
“ICT”	means Information and Communications Technology (ICT) is used as an extended synonym for information technology (IT), used to describe the bringing together of enabling technologies used to deliver the end-to-end solution
“ISO/IEC 27001” “ISO 27001”	is the International Standard for Information Security Management Systems Requirements
“ISO/IEC 27002” “ISO 27002”	is the International Standard describing the Code of Practice for Information Security Controls.
“ISO 22301”	is the International Standard describing for Business Continuity
“IT Security Health Check (ITSHC)”	means an assessment to identify risks and vulnerabilities in systems, applications and networks which may compromise the confidentiality, integrity or availability of information held on that IT system.
“IT Health Check (ITHC)”	
“Penetration Testing”	
“Need-to-Know”	the Need-to-Know principle is employed within HMG to limit the distribution of classified information to those people with a clear ‘need to know’ in order to carry out their duties.
“NCSC”	The National Cyber Security Centre (NCSC) formerly CESG is the UK government’s National Technical Department for Information Assurance. The NCSC website is https://www.ncsc.gov.uk
“OFFICIAL”	the term ‘OFFICIAL’ is used to describe the baseline level of ‘security classification’ described within the Government Security Classification Policy (GSCP) which details the level of protection to be afforded to information by HMG, for all routine public sector business, operations and services.
“OFFICIAL-SENSITIVE”	the ‘OFFICIAL–SENSITIVE’ caveat is used to identify a limited subset of OFFICIAL information that could have more damaging consequences (for individuals, an organisation or government generally) if it were lost, stolen or published in the

media, as described in the Government Security Classification Policy.

“Secure Sanitisation”

Secure sanitisation is the process of treating data held on storage media to reduce the likelihood of retrieval and reconstruction to an acceptable level. Some forms of sanitisation will allow you to re-use the media, while others are destructive in nature and render the media unusable. Secure sanitisation was previously covered by “Information Assurance Standard No. 5 - Secure Sanitisation” (“IS5”) issued by the former CESG. Guidance can now be found at:

<https://www.ncsc.gov.uk/guidance/secure-sanitisation-storage-media>

The disposal of physical documents and hardcopy materials advice can be found at:

<https://www.cpni.gov.uk/secure-destruction>

“Security and Information Risk Advisor”

“CCP SIRA”

“SIRA”

the Security and Information Risk Advisor (SIRA) is a role defined under the NCSC Certified Professional (CCP) Scheme. See also:

<https://www.ncsc.gov.uk/articles/about-certified-professional-scheme>

“SPF”

“HMG Security Policy Framework”

This is the definitive HMG Security Policy which describes the expectations of the Cabinet Secretary and Government’s Official Committee on Security on how HMG organisations and third parties handling HMG information and other assets will apply protective security to ensure HMG can function effectively, efficiently and securely.

<https://www.gov.uk/government/publications/security-policy-framework>

“Tailored Assurance”

[formerly called “CTAS”, or,

“CESG Tailored Assurance”]

is an ‘information assurance scheme’ which provides assurance for a wide range of HMG, MOD, Critical National Infrastructure (CNI) and public sector Departments procuring IT systems, products and services, ranging from simple software components to national infrastructure networks.

<https://www.ncsc.gov.uk/documents/ctas-principles-and-methodology>

- 1.1. The Contractor shall comply with Departmental Security Standards for Contractors, which include but are not limited to the following clauses.
- 1.2. As the Contractor will be handling information at OFFICIAL on behalf of the Department, the requirements under Cabinet Office Procurement Policy Note – Use of Cyber Essentials Scheme certification - Action Note 09/14 25 May 2016, or any subsequent updated document, are mandated; that “contractors supplying products or services to HMG shall have achieved, and retain certification at the appropriate level, under the HMG Cyber Essentials Scheme”. The certification scope must be relevant to the services supplied to, or on behalf of, the Department.

- 1.3. The Contractor shall be able to demonstrate conformance to, and show evidence of such conformance to, the ISO/IEC 27001 (Information Security Management Systems Requirements) standard, including the application of controls from ISO/IEC 27002 (Code of Practice for Information Security Controls).
- 1.4. The Contractor shall have achieved, and be able to maintain, independent certification to ISO/IEC 27001 (Information Security Management Systems Requirements). The ISO/IEC 27001 certification must have a scope relevant to the services supplied to, or on behalf of, the Department. The scope of certification and the statement of applicability must be acceptable, following review, to the Department, including the application of controls from ISO/IEC 27002 (Code of Practice for Information Security Controls).
- 1.5. The Contractor shall follow the UK Government Security Classification Policy (GSCP) in respect of any Departmental Data being handled in the course of providing the Services, and will handle this data in accordance with its security classification. (In the event where the Contractor has an existing Protective Marking Scheme then the Contractor may continue to use this but must map the HMG security classifications against it to ensure the correct controls are applied to the Departmental Data).
- 1.6. The Contractor shall have in place and shall maintain procedural, personnel, physical and technical safeguards to protect Departmental Data, including but not limited to: physical security controls; good industry standard policies and process; anti-virus and firewalls; security updates and up-to-date patching regimes for anti-virus solutions; operating systems, network devices, and application software, user access controls and the creation and retention of audit logs of system use.
- 1.7. Any data in transit using either physical or electronic transfer methods across public space or cyberspace, including mail and couriers systems, or third party provider networks must be protected via encryption which has been certified to FIPS 140-2 standard or a similar method approved by the Department prior to being used for the transfer of any Departmental Data.
- 1.8. Storage of Departmental Data on any portable devices or media shall be limited to the absolute minimum required to deliver the stated business requirement and shall be subject to clause 1.9 and 1.10 below.
- 1.9. Any portable removable media (including but not constrained to pen drives, flash drives, memory sticks, CDs, DVDs, or other devices) which handle, store or process Departmental Data to deliver and support the Services, shall be under the control and configuration management of the contractor or (sub-)contractors providing the service, shall be both necessary to deliver the Services and shall be encrypted using a product which has been certified to FIPS140-2 standard or another encryption standard that is acceptable to the Department.
- 1.10. All portable ICT devices, including but not limited to laptops, tablets, smartphones or other devices, such as smart watches, which handle, store or process Departmental Data to deliver and support the Services, shall be under the control and configuration management of the contractor or Sub-Contractors providing the Services, and shall be necessary to deliver the Services. These devices shall be full-disk encrypted using a product which has been certified to FIPS140-2 standard or another encryption standard that is acceptable to the Department.
- 1.11. Whilst in the Contractor's care all removable media and hardcopy paper documents containing Departmental Data must be handled securely and secured under lock and key when not in use and shall be securely destroyed when no longer required, using either a cross-cut shredder or a professional secure disposal organisation.
- 1.12. When necessary to hand carry removable media and/or hardcopy paper documents containing Departmental Data, the media or documents being carried shall be kept under cover and transported in such a way as to ensure that no unauthorised person

has either visual or physical access to the material being carried. This clause shall apply equally regardless of whether the material is being carried inside or outside of company premises.

- 1.13. At the end of the Contract Period or in the event of equipment failure or obsolescence, all Departmental information and data, in either hardcopy or electronic format, that is physically held or logically stored on the Contractor's ICT infrastructure must be securely sanitised or destroyed and accounted for in accordance with the current HMG policy using a NCSC approved product or method. Where sanitisation or destruction is not possible for legal, regulatory or technical reasons, such as a Storage Area Network (SAN) or shared backup tapes, then the Contractor or Sub-Contractor shall protect the Department's information and data until the time, which may be long after the end of the contract, when it can be securely cleansed or destroyed.
- 1.14. Access by the Contractor or Sub-Contractor staff to Departmental Data shall be confined to those individuals who have a "need-to-know" in order to carry out their role; and have undergone mandatory pre-employment screening, to a minimum of HMG Baseline Personnel Security Standard (BPSS); or hold an appropriate National Security Vetting clearance as required by the Department. All Contractor or Sub-Contractor staff must complete this process before access to Departmental Data is permitted.
- 1.15. All Contractor or Sub-Contractor employees who handle Departmental Data must have annual awareness training in protecting information.
- 1.16. The Contractor shall, as a minimum, have in place robust Business Continuity arrangements and processes including IT disaster recovery plans and procedures that conform to ISO 22301 to ensure that the delivery of the contract is not adversely affected in the event of an incident. An incident shall be defined as any situation that might, or could lead to, a disruption, loss, emergency or crisis to the services delivered. If a ISO 22301 certificate is not available the Contractor will provide evidence of the effectiveness of their ISO 22301 conformant Business Continuity arrangements and processes including IT disaster recovery plans and procedures. This should include evidence that the Contractor has tested or exercised these plans within the last 12 months and produced a written report of the outcome, including required actions.
- 1.17. Any suspected or actual breach of the confidentiality, integrity or availability of Departmental Data being handled in the course of providing the Services, or any non-compliance with these Departmental Security Standards for Contractors, or other Security Standards pertaining to the Services, shall be investigated immediately and escalated to the Department by a method agreed by both parties.
- 1.18. The Contractor shall ensure that any IT systems and hosting environments that are used to handle, store or process Departmental Data shall be subject to independent IT Health Checks (ITHC) using a NCSC approved ITHC provider before go-live and periodically (at least annually) thereafter. The findings of the ITHC relevant to the Services being provided are to be shared with the Department and all necessary remedial work carried out. In the event of significant security issues being identified, a follow up remediation test may be required.
- 1.19. The Contractor or Sub-Contractors providing the Services will provide the Department with full details of any storage of Departmental Data outside of the UK or any future intention to host Departmental Data outside the UK or to perform any form of ICT management, support or development function from outside the UK. The Contractor or Sub-Contractor will not go ahead with any such proposal without the prior written agreement from the Department.

- 1.20. The Department reserves the right to audit the Contractor or Sub-Contractors providing the Services within a mutually agreed timeframe but always within seven days of notice of a request to audit being given. The audit shall cover the overall scope of the service being supplied and the Contractor's, and any Sub-Contractors, compliance with the clauses contained in this Section.
- 1.21. The Contractor shall contractually enforce all these Departmental Security Standards for Contractors onto any third-party Contractors, Sub-Contractors or partners who could potentially access Departmental Data in the course of providing the Services.
- 1.22. The Contractor and Sub-Contractors shall undergo appropriate security assurance activities as determined by the Department. The Contractor and any Sub-Contractors shall support the provision of appropriate evidence of assurance and the production of the necessary security documentation such as completing the Department Security Assurance Model (DSAM) process or the Business Service Assurance Model (BSAM). This will include obtaining any necessary professional security resources required to support the Contractor and Sub-Contractor's security assurance activities such as: a NCSC Certified Cyber Security Consultancy (CCSC) or NCSC Certified Professional (CCP) Security and Information Risk Advisor (SIRA).

SCHEDULE 4 – FINANCIAL DISTRESS

1. INTRODUCTION AND DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

“Economic and Financial Standing Assessment” or “Assessment”	means an assessment of the Contractor’s and their Key Sub-Contractor’s economic and financial standing undertaken by the Contractor in accordance with this Schedule;
“Financial Distress Event”	means any one of the instances described in 4.1.1 to 4.1.10 of this schedule;
“Financial Distress Service Continuity Plan”	The plan produced by the Contractor in the event the Contractor suffers a Financial Distress Event;
“Financial Monitoring Plan”	The plan produced by the Contractor and updated in accordance with this Contract;

1.2 The Contractor acknowledges and agrees that the financial stability and solvency of the Contractor and its Key Sub-Contractors is critical to the stability and operation of the Institute and successful delivery of the Services and that any deterioration, or potential deterioration, of their financial position may have an adverse effect on the performance by them and its ability to comply with its obligations under this Call Off Contract and to deliver the Services.

2. GENERAL

- 2.1 The Contractor shall undertake an Economic and Financial Standing Assessment on the Contractor and its Key Sub-Contractors and submit the results, in the format specified by the Department, along with their last two sets of audited accounts on an annual basis and no later than [insert on award of Call Off Contract] of each year of the Contract.
- 2.2 If the Department deems, from the Assessment and audited accounts submitted, that there is a risk to the delivery of and/or continued performance of the Services, the Department may ask the Contractor to submit a Financial Distress Service Continuity Plan, as described in paragraph 5.
- 2.3 The Contractor shall monitor its own financial standing and that of its Key Sub-Contractors on a regular basis throughout the Contract Period and update their Financial Monitoring Plan in accordance with Schedule 8 of the Framework Agreement.
- 2.4 In the event the Contractor is delivering the Contract and other Call Off Contracts concurrently, the Department may require the Contractor to undertake one consolidated Assessment and provide the results to the Department which reserves the right to consider them using the governance set out in Schedule 16 of the Framework Agreement.

3. FINANCIAL MONITORING PLAN

3.1 The Contractor shall develop and maintain a Financial Monitoring Plan.

- 3.2 The Financial Monitoring Plan shall be designed by the Contractor and agreed with the Department to ensure that the Department has an early and clear warning indicator of any Financial Distress Event affecting the Contractor and/or Key Sub-Contractors which may affect the Services. The content and design is to be proportionate for the circumstances taking into account the delivery and nature of the Services, the use and type of Sub-Contractors and the identity of the Contractor.
- 3.3 Except where the Department has agreed otherwise, the Contractor shall within four (4) weeks of the Contract Date, prepare and submit for approval by the Department, its Financial Monitoring Plan which shall set out the Contractor's proposals for the monitoring and reporting of its financial stability, and that of its Key Sub-Contractors, to the Department on a regular basis throughout the Contract Period.
- 3.4 The Financial Monitoring Plan to include (but shall not be limited to):
- (i) a summary of the Contractor's and Key Sub-Contractors' financial positions at the Contract Date which include but not limited to credit ratings, financial ratios, details of current liabilities, value of marketable securities, cash in hand and bank, account receivables, Trustees' reports, routine management accounts etc;
 - (ii) how the Contractor and Key Sub-Contractors' financial standing will be reviewed on a regular basis throughout the Contract Period against historical financial standing to show any trend (including use of credit ratings, financial ratios and/or other financial indicators);
 - (iii) the Contractor's proposals for reporting financial standing to the Department (including the template reporting forms which the Contractor intends to use);
 - (iv) the frequency of monitoring and reporting activity;
 - (v) provision of reporting lines for the supply chain to notify the Department of incidents of non-payment of valid and undisputed invoices; and
 - (vi) any other provisions which in the reasonable opinion of the Contractor may be required by the Department to assess current financial standing of the Contractor and Key Sub-Contractors and which enable quick and easy assessment of any movement in financial standing.
- 3.5 The Department shall notify the Contractor of its approval or rejection of the proposed Financial Monitoring Plan (or any updates to it) within twenty (20) Working Days of receipt. The Contractor shall make any reasonable amendments to the Financial Monitoring Plan as may be requested by the Department.
- 3.6 Within ten (10) Working Days of receipt of the Department's notice of rejection and of the deficiencies of the proposed Financial Monitoring Plan, the Contractor shall submit to the Department a revised Financial Monitoring Plan reflecting the changes required.
- 3.7 Following the approval of the submission of the first Financial Monitoring Plan, the Contractor shall regularly review, maintain and provide the Department with an updated version of the Financial Monitoring Plan on at least a quarterly basis thereafter.
- 3.8 The Contractor shall comply with their Financial Monitoring Plan throughout the Contract Period.

- 3.9 In the event the Contractor is delivering the Contract and other call off contracts concurrently, the Department may require the Contractor to maintain and update one Financial Monitoring Plan reflecting all of the Services it is delivering. The Department reserves the right to review the consolidated Financial Monitoring Plan using the governance set out in Schedule 16 of the Framework Agreement.

4. FINANCIAL DISTRESS EVENTS

- 4.1 In addition to its obligations set out in paragraph 3, the Contractor shall as soon as practicable notify the Department in writing if any of the following Financial Distress Events occur in respect of the Contractor or a Key Sub-Contractor:
- 4.1.1 there is a material deterioration of its (or any Consortium Member's or respective parent company's) financial standing;
 - 4.1.2 the appointment of an administrator or receiver;
 - 4.1.3 late filing of statutory accounts with Companies House;
 - 4.1.4 it issues a profits warning or other similar public announcement about a deterioration in its finances or prospects;
 - 4.1.5 it is being publicly investigated for improper financial accounting and reporting, fraud or any other financial impropriety;
 - 4.1.6 it commits a material breach of covenant to its lenders;
 - 4.1.7 a Key Sub-Contractor not being paid any sums properly due under a specified invoice that is not subject to a genuine dispute;
 - 4.1.8 it is subject to any claims, litigation, investigations, actions or decisions in respect of financial indebtedness;
 - 4.1.9 in the auditor's opinion the Contractor or Key Sub-Contractor or respective parent company is no longer a 'going concern';
 - 4.1.10 there is a sudden and/or unexpected change in the Chief Executive Officer and/or the Finance Director (or equivalents).
- 4.2 The notification shall include a summary explanation and background information relevant to the Financial Distress Event.
- 4.3 If the Contractor is delivering more than one call off contract concurrently, the notification shall be consolidated and include details relevant to all of the call off contracts that it is currently delivering.

5. CONSEQUENCES OF FINANCIAL DISTRESS EVENTS

- 5.1 In the event of a Financial Distress Event occurring, then the Contractor shall, and shall procure that any affected Key Sub-Contractor shall, as soon as reasonably practicable, comply with the obligations of paragraph 4 of this schedule.
- 5.2 Where the Department reasonably believes that the Financial Distress Event is likely to adversely impact on the performance of the Services under this or on the Department's request as per clause 2.2, the Contractor shall submit to the Department for approval a Financial Distress Service Continuity Plan as soon as is reasonably practicable and shall provide any further financial information as the Department may reasonably require to assess financial standing and risks.

- 5.3 The Financial Distress Service Continuity Plan shall set out how the Contractor intends to ensure it is still able to deliver the Services under this (and any other) Call Off Contract and resolve any issues that were a contributory factor to the event occurring.
- 5.4 Where the Contractor is delivering the Contract and other call off contracts under the Framework Agreement, it shall consolidate their proposals into one Financial Distress Service Continuity Plan.
- 5.5 If the Department acting reasonably considers that the Financial Distress Service Continuity Plan is insufficient to remedy the effects of the Financial Distress Event on the Service, then it may require the Contractor (and/or key sub-contractor) to redraft and resubmit an improved and updated plan or may require the issue to be escalated via the Dispute Resolution Procedure.
- 5.6 If the Department approves the Financial Distress Service Continuity Plan, then the Contractor shall execute and continue to review the Financial Distress Service Continuity Plan (with submissions to the Department for Approval where it is updated).
- 5.7 Where the Parties agree that the Financial Distress Event no longer adversely affects the delivery of the Services, the Contractor shall be relieved of its obligations in respect of the current Financial Distress Service Continuity Plan.
- 5.8 If the Department acting reasonably considers that the Financial Distress Service Continuity Plan is insufficient to remedy the effects of the Financial Distress Event on the Service, then it may require the Contractor (and/or Key Sub-Contractor) to redraft and resubmit an improved and updated plan or may require the issue to be escalated via the Dispute Resolution Procedure.
- 5.9 If the Department approves the Financial Distress Service Continuity Plan, then the Contractor shall execute and continue to review the plan (with submissions to the Department for Approval where it is updated).
- 5.10 Where the Parties agree that the Financial Distress Event no longer adversely affects the delivery of the Services, the Contractor shall be relieved of its obligations in respect of the current Financial Distress Service Continuity Plan.

6. TERMINATION RIGHTS

- 6.1 The Department shall be entitled to terminate this Contract under clause 7.4 if:
 - 6.1.1 the Contractor fails to notify the Department of a Financial Distress Event;
 - 6.1.2 the Contractor 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 5.5.
 - 6.1.3 the severity of the Financial Distress Event means the Contractor will no longer be able to deliver the Services and it is not practicable to put in place a Financial Distress Service Continuity Plan.

SCHEDULE 5 – CHANGE CONTROL PROCEDURE

1 INTRODUCTION

- 1.1 This Schedule 5 sets out the Change Control Procedure to be used by the Department and the Contractor to effect changes to this Contract.

2 PRINCIPLES

- 2.1 The Parties acknowledge that minor changes to the Contract may be necessary to reflect operational and administrative procedures during the Contract Period and that such minor changes may be agreed in writing between the Parties' respective contract managers.
- 2.2 The Contractor shall use reasonable endeavours to incorporate minor changes requested by the Department within the current Charges and shall not serve a Contractor Notice of Change unless the change involves a demonstrable material increase to its costs or requires a material change to the Contract.
- 2.3 Either Party may request a Variation provided that such Variation does not amount to a material change. For the avoidance of doubt, the Contractor must request a Variation in the event it is unable or wishes to change its method of delivery or Service Proposals.
- 2.4 The Contractor must request a Variation where it anticipates not delivering or is not delivering the Services or a part of the Services on an ongoing basis for a period that exceeds 5 (five) Working Days.
- 2.5 The Department and the Contractor shall conduct discussions relating to proposed changes to this Contract in good faith. Neither party shall unreasonably withhold or delay consent to the other party's proposed changes.
- 2.6 Until such time as a Change Control Notice (CCN) has been signed by both parties, the Contractor shall continue to provide the Services in accordance with this Contract.
- 2.7 Any work undertaken in connection with any proposed change to this Contract by the Contractor, its Sub-Contractors or Agents (other than that which has previously been agreed in accordance with the provisions of paragraph 2.5 of this Schedule 5) shall be undertaken entirely at the expense and liability of the Contractor unless otherwise agreed between the Department and the Contractor in advance.
- 2.8 Any discussions, negotiations or other communications which may take place between the parties in connection with any proposed change to this Contract, including but not limited to the submission of any written communications, prior to the

signing by both parties of the relevant CCN, shall be without prejudice to the rights of either party.

- 2.9 The pricing of Variations shall be in accordance with Part 1 of Schedule 2

3 PROCEDURE

- 3.1 Should either party wish to amend this Contract, that party's Contract Manager shall submit a draft CCN in the format at Annex 1 to this Schedule 5 for discussion detailing the proposed change to the other party's Contract Manager.
- 3.2 Discussion between the parties following the submission of a draft CCN shall result in either:
- 3.2.1. no further action being taken on that draft CCN; or
 - 3.2.2. agreement between the parties on the changes to be made to Contract (including agreement on the date upon which the changes are to take effect (the "effective date")), such agreement to be expressed in the form of proposed revisions to the text of the relevant parts of this Contract.
- 3.3 Where agreement is reached in accordance with paragraph 3.2.2, the party submitting the draft CCN shall prepare the final CCN for execution by both parties. The final CCN, the content of which has been agreed between the parties in accordance with paragraph 3.2.2 of this Schedule 5, shall be uniquely identified by a sequential number allocated by the Department.
- 3.4 Two (2) copies of each CCN shall be signed by the Contractor and submitted to the Department not less than ten (10) Working Days prior to the effective date agreed in accordance with paragraph 3.2.2 of this Schedule 5.
- 3.5 Subject to the agreement reached in accordance with paragraph 3.2.2 of this Schedule 5 remaining valid, the Department shall sign both copies of the approved CCN within five (5) Working Days of receipt by the Department. Following signature by the Department, one (1) copy of the signed CCN shall be returned to the Consultant by the Department.
- 3.6 A CCN signed by both parties shall constitute a valid variation or amendment to the Contract for the purposes of clause 18.2 of the Contract.
- 3.7 The Department may at its absolute discretion reject any request for a Variation proposed by the Contractor.

ANNEX 1 TO SCHEDULE 5 - CONTRACT CHANGE NOTE PRO FORMA

- Contract Change Note for the Contract Change Procedure**

Contract Reference Number: [to be inserted post award]

Sequential Number: [to be allocated by the Department's Framework Manager]

Title: [CCN title]

Originator: [the Department / the Contractor]

Date change first proposed: [date]

Number of pages attached: [pages]

WHEREAS the Contractor and the Department entered into a Contract for the provision of [insert services description eg National Professional Qualifications and NPQH Early Headship Coaching Offer for New Headteachers] related services dated [date] and now wish to amend that Contract;

Reason for proposed change

[Party proposing change to complete]

Full details of proposed change

[Party proposing change to complete]

Details of likely impact, if any, of proposed change on other aspects of the Call Off Contract

[Party proposing change to complete]

IT IS AGREED as follows:

1. With effect from [date] it is proposed that the Contract shall be amended as set out below:
[Details of the amendments to the Contract to be inserted here – to include the explicit changes required to the text in order to effect the change, i.e. clause/Schedule/paragraph number, required deletions and insertions etc.]
2. Save as herein amended, all other terms and conditions of the Contract inclusive of any previous CCNs shall remain in full force and effect.
3. The amendments shall be made by way of a Deed of Variation in accordance with clause 18 (Amendment and Variation) of this Contract.

Signed for and on behalf of [the Contractor]

By

Name

Title

Date

Signed for and on behalf of the Department

By

Name

Title

Date

SCHEDULE 6: PROCESSING, PERSONAL DATA AND DATA SUBJECTS

- 1.1 This Schedule shall be completed by the Department, who may take account of the view of the Contractor as Joint Controller as well as the Processors, however the final decision as to the content of this Schedule shall be with the Contractor at its absolute discretion.
- 1.2 The contact details of the Controller's Data Protection Officer are: REDACTED Under FOIA Section 40 Personal
- 1.3 The contact details of the Processor's Data Protection Officer are: REDACTED Under FOIA Section 40 Pb
- 1.4 The Processor shall comply with any further written instructions with respect to processing by the Controller.
- 1.5 Any such further instructions shall be incorporated into this Schedule.
- 1.6 .

For ECF, NPQ, NLE and / or Best Practice Function service delivery	
Description	Details
Identity of Controller for each Category of Personal Data	<p>The Parties are joint Controllers for the purposes of the Data Protection Legislation in respect of:</p> <ul style="list-style-type: none"> Deciding what the purpose or outcome of the Processing will be; Deciding what type of Personal Data is to be collected, as set out in the table below; Collecting the Personal Data; and Processing the Personal Data. <p>The Contractor is the Controller in respect of:</p> <ul style="list-style-type: none"> Processing the Personal Data in order to meet its obligations under this Contract. <p>The Department is the Controller in respect of:</p> <ul style="list-style-type: none"> Deciding which individuals to collect Personal Data about; <p>Longitudinal and/or historical impact analysis to support long-term evaluation of NLE delivery, and understanding of the teaching workforce, its development and the impact of NLEs</p>
Subject matter of the processing	<p>The processing is needed in order to ensure (as appropriate depending on the Services):</p> <ul style="list-style-type: none"> a) that the Contractor can effectively deliver the contract to provide the design and exemplary delivery of the NLE training programme: and b) that the Department can effectively manage the delivery of the Contract by the Contractor.
Duration of the processing	The processing will take place throughout the lifetime of the contract.
Nature and purposes of the processing	<p><u>Legal Basis for Processing:</u></p> <p>(i) Personal Data is shared and processed on the legal basis that the processing is necessary for the performance of a task in the public interest pursuant to Section 14 of the Education Act 2002.</p>

	<p>(ii) Personal Data shared for the purposes that the Contractor can deliver the Services and the Department can deliver its policy objectives, is shared and processed on the basis that the Data Subject has given consent to the processing.</p> <p><u>Nature for Processing:</u> 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 (whether or not by automated means) related to Participants to enable the recruitment, design, delivery, monitoring and evaluation of programme impacts and outcomes.</p> <p>The processing instructed by the Contractor will be undertaken in accordance with the Contractor's Solution (see Q1C).</p> <p><u>Purpose for Processing:</u> The purpose of processing is to allow for the recruitment and delivery of training to Participants.</p> <p>The Contractor has an obligation to process data in the nature outlined above in order to fulfil the contractual requirements.</p> <p>The processing instructed by the Contractor as Joint Controller will be undertaken in accordance with the Contractor's Solution (see Q1A).</p> <p><u>Method and Format of Transferring the Data</u> Personal Data of all Participants will be transferred from the Processor to the Department in accordance with the process agreed between the Parties</p> <p>The Controller reserves the right to request data that is not captured in this Schedule if the need arises.</p>
Type of Personal Data being Processed	<ol style="list-style-type: none"> 1 Teacher Reference Number (TRN) (if applicable) 2 Full name 3 Gender 4 Ethnicity 5 Email address(es) 6 Telephone number(s) 7 Home address 8 Date of birth (if available) 9 Job role 10 Cohort 11 Confirmation the Participant is still on the course 12 Confirmation if the Participant has been 'inactive' 13 Confirmation if the Participant has withdrawn 14 Withdrawal date (if applicable) 15 Reason for withdrawal (if applicable) 16 Confirmation if the Participant has deferred 17 Deferral date (if applicable) 18 Reason for deferral (if applicable) 19 Length of deferral 20 Restart date (if previously deferred) 21 Qualification/Support offer end date 22 Outcome of qualification / training 23 Satisfaction survey completion

Categories of Data Subject	NLE participants;
<p>Plan for return and destruction of the data once the processing is complete</p> <p>UNLESS requirement under union or member state law to preserve that type of data</p>	<p>The data may be retained (in a restricted folder) by the Controller and the Processor as long as is required for the purpose(s) of this Contract; this period shall not exceed 7 years. All data will be deleted or destroyed after this period unless the Controller wishes to keep the data for longer period for research and statistical purposes only. Confirmation of destruction will be provided by the Processor to the Controller, within 15 Working Days of a request being made.</p>

SCHEDULE 7: IMPLEMENTATION PLAN

1. GENERAL

- 1.1 The Contractor must develop, submit to the Department and then maintain an Implementation Plan which sets out how they will deliver the Services.

2. IMPLEMENTATION PLAN

- 2.1 The Contractor develops, implements, and maintains an Implementation Plan that is in a format which is acceptable to the Department.

- 2.2 The Contractor's Implementation Plan shall:

- 2.2.1 detail the activities, deliverables, milestones and Service Outputs in relation to developing and sharing best practice that the Contractor will undertake in order to deliver the Services;
- 2.2.2 include a start and end date associated with each task and activity; and
- 2.2.3 show the resources (including any Sub-Contractors) involved in delivering the activities and tasks;

Submitting, updating and administering the Implementation Plan

- 2.3 The Contractor's first Implementation Plan included in this Contract will be the version submitted by the Contractor in their Quotation to deliver the Services.
- 2.4 The Contractor shall update its Implementation Plan in accordance with Clause 3.7 of this Contract and regularly review, maintain their Implementation Plan. As a minimum, the Implementation plan shall be subject to a full annual review and update that takes account of the identification and prioritisation of research topics that will be delivered during the Contract Period.
- 2.5 The Contractor submits revisions of its Implementation Plan which meets with the requirements set out in this Schedule to the Department for approval.
- 2.6 The Department shall notify the Contractor of its decision to approve or reject the proposed Implementation Plan (or any updates to it) within five (5) Working Days of receipt. In the event the Department fails to notify the Contractor of its decision, then the Implementation Plan will be deemed to have been approved.
- 2.7 The approved Implementation Plan will be incorporated in this Schedule 7.
- 2.8 Within three (3) Working Days of receipt of a notice of rejection of the Contractor's Implementation Plan, the Contractor shall submit to the Department a revised Implementation Plan reflecting the changes required.

SCHEDULE 8 QUALITY ASSURANCE

1 DEFINITIONS

1.1 In this Schedule, the following terms shall have the meanings set out below:

“Inspection”	means an inspection of the Contractor undertaken by the QA Function;
“Inspection Report”	means the report produced by the QA Function following an Inspection of the Contractor;
“Ofsted Judgement”	means the judgement (of either ‘Outstanding’, ‘Good’, ‘Requires Improvement’ or ‘Inadequate’) of Ofsted of the Contractor;
“Quality Failure”	means where Quality Assurance processes have identified a failure to adhere to the Quality Assurance Framework or any other failure to meet the quality requirements set out in the Contract;
“QA Function”	means the Department, Ofsted or any other the third party appointed by the Department to monitor Quality Assurance delivery in accordance with the Specification;
“Quality Assurance”	means how the Department or its representatives will measure the Contractor’s performance in developing and delivering the training programme;
“Quality Assurance Framework”	means the documents that set out quality requirements and processes that the Contractor shall comply with when delivering the services;
“Remedial Action Plan”	means the plan developed and implemented by the Contractor to address the most urgent issues/concerns identified by the QA Function;
“Service Credit”	shall have the same meaning as set out in Part 2 of Schedule 2;
“Service Failure”	shall have the same meaning as set out in Part 2 of Schedule 2;
“Service Improvements”	means a type of service improvement, categorised in accordance with paragraph 2.10 of this Schedule, recommended by the Quality Assurance function.

2 GENERAL

- 2.1 The Contractor complies with the Quality Assurance requirements set out in this Schedule and the Quality Assurance Framework.
- 2.2 The Contractor ensures they implement effective quality management arrangements to ensure the Services are provided in accordance with the Specification.
- 2.3 The QA Function will monitor the quality of the Services being provided by the Contractor. The Department may employ third parties (a **“QA Agent”**) to undertake some or all the work of the QA Function.
- 2.4 The Contractor supports the work of, and collaborates with, the QA Function and takes the necessary actions as recommended by the Department or QA Agent.
- 2.5 The QA Function will quality assure the Contractor and its Sub-Contractors to ensure the Contractor is complying with Quality Assurance Framework and the Contract. They shall do this by quality assuring areas including, but not limited to, the following:
- 2.5.1 content development – reviewing and approving all curriculum content as further described in paragraph 7 in this schedule;

- 2.5.2 research outputs – reviewing the quality of published research and open-source materials;
- 2.5.3 training delivery – including attending training sessions where relevant, engage with sample Sub-Contractors and Participants;
- 2.5.4 ongoing contractual requirements – ensuring the Contractor is complying with its obligations, including reviewing, and using data produced by the Contractor;
- 2.5.5 Contractor's QA systems – sample checking/reviewing the Contractor's QA system and management arrangements; and
- 2.5.6 any specific areas set out in the Call Off Order.
- 2.6 Quality Assurance arrangements specific to each of the Institute's functions (designing curriculum content; delivering ITT, the ECF, NPQs and NLEs; and delivering its role in building and sharing best practice) are detailed below. Further specific requirements may be included in the Call Off Order.
- 2.7 The Department reserves the right to amend the Quality Assurance arrangements as necessary to ensure they are working effectively, and Department is satisfied that the Services are being delivered to a high standard.
- 2.8 The Contractor shall cooperate with the ongoing requirements of the QA Function in supplying information, facilitating visits to the Contractor, its Sub-Contractors and Participants, and otherwise supporting the work of the QA Function to make assessments of quality according to an agreed Quality Assurance Framework.
- 2.9 The Contractor shall engage with the QA Function as required, including facilitating the QA Function's contact with Sub-Contractors and/or Participants. The number and frequency of interactions between the QA Function and the Contractor will be depend on the quality of the Services that is being provided by the Contractor.
- 2.10 The QA Function may make recommendations that the Contractor will be required to action in relation to:
 - 2.10.1 Service Improvements – improvements that arise out of continuous improvements (in addition to those included within the Contractor's Continuous Improvement Plan), lessons learnt, user feedback and best practice or any other action that at the QA Function's discretion would benefit from being implemented by the Contractor and which affect Call Off Contracts; and
 - 2.10.2 Quality and Performance Improvements – where Quality Assurance processes have identified a failure on behalf of the Contractor in respect of:
 - 2.10.2.1 adherence to the "Quality Assurance Framework";
 - 2.10.2.2 poor practice;
 - 2.10.2.3 breaches of contract; or
 - 2.10.2.4 any other action that at the QA Function's discretion needs to be addressed to ensure that the quality of the Services that are being provided in accordance with the requirements set out in the Contract and / or Framework Agreement.
- 2.11 The Contractor must support the Quality Assurance arrangements and take the necessary actions as recommended by the QA Function.

3 SERVICE IMPROVEMENTS

- 3.1 Where the QA Function makes service improvement recommendations, they shall be under one of the following categories:
- 3.1.1 continuous improvement – service development and improvement activity that is within the general scope of the obligation on the Contractor to apply continuous improvement, respond to feedback and adopt best practice in regard to content and delivery for both ongoing and future Cohorts.
 - 3.1.2 service development – activity that requires the Contractor to make considerable revisions to their content and/or delivery to a level whereby it is not possible to implement mid-Cohort and therefore will only be required for future Cohorts. In this instance the Contractor should attempt to implement any such aspects of the recommendation that can be made under paragraph 3.1.1 but will not be required to implement the full recommendation until the next Call Off Contract.
 - 3.1.3 urgent service development – activity that requires the Contractor to make immediate and significant revisions to their content and/or delivery in regard to ongoing Cohorts.
- 3.2 The Contractor implements service improvements that are in accordance with the requirements set out in this Call Off Contract (or minor additions or amendments to) at their own cost.
- 3.3 If the Department requires changes that are additional to those set out in the Call Off Contract and result in additional cost to the Contractor, the cost is assessed and any payment is made in accordance with Schedule 2: Part 1 Pricing via a Variation.
- 3.4 If the Contractor fails to implement a Service Improvement recommendation to the required standard as set out by the Department and within the specified timescale then the Department may, at its sole discretion, apply a Service Credit or any other.

4 QUALITY AND PERFORMANCE

- 4.1 Where the QA Function identifies quality and/or performance issues they will be identified under one of the following categories:
- 4.1.1 recommendation – minor issues or concerns that will need to be resolved by the Contractor within the scope and timescale of the recommendation.
 - 4.1.2 A Quality Failure – significant issues or concerns that represent a material failure to meet the quality requirements or quality framework.
- 4.2 If the Contractor receives a Quality Failure, then the Department will issue a suspended Service Credit. If, in the opinion of the QA Function, the Quality Failure has not been resolved in full within the timescales imposed by the Department then it will be considered a Service Failure, and the Department reserves the right to take action in line with paragraph 2 (Consequence of Service Failure) of Part 2 of Schedule 2.

Inspection Reports and Ofsted Judgements

- 4.3 The Department will use Inspection Reports and Ofsted Judgements, to help the Department determine if the Contractor is adhering to the Quality Assurance Requirements and Quality Assurance Framework.
- 4.4 The Contractor will be inspected in accordance with <https://www.gov.uk/government/publications/early-career-framework-and-national-professional-qualification-inspection-framework-and-handbook>
- 4.5 The Contractor will be subject to the actions set out in Table 1 below as a direct response to an Ofsted Judgement of the Contractor made after the award of this Contract:

Table 1 – Action and impact of Ofsted judgements

Ofsted judgement of the Contractor	Action
Outstanding	<p><u>Immediate action</u> No formal action required – any recommendations identified can be incorporated within the Contractor's existing Continuous Improvement Plan(s).</p> <p><u>Service Credits</u> None</p> <p><u>Other implications</u> None</p> <p><u>Re-Inspection timescales</u> The Contractor will be inspected again within 2 years.</p>
Good	<p><u>Immediate action</u> Where there are recommendations identified the Department reserves the right to request the Contractor to develop an Improvement Plan and resolve any identified issues within a timely manner.</p> <p><u>Service Credits</u> None</p> <p><u>Other implications</u> None</p> <p><u>Re-Inspection timescales</u> The Contractor will be inspected again within 2 years</p>
Requires Improvement	<p><u>Immediate action</u> The Contractor will be required to</p> <ol style="list-style-type: none"> I. to develop and implement an Improvement Plan to address the recommendations contained in the Inspection Report; II. identify and act on lessons learnt for future inspections; III. manage stakeholders; and IV. set out and implement proposals to manage and repair any reputational damage to the Institute. <p><u>Service Credits</u> The Department reserves the right to issue a suspended Service Credit.</p> <p><u>Other implications</u> If the Contractor does not receive a judgement of 'Outstanding' or 'Good' after its next subsequent inspection, then it will be considered a Service Failure and the Department reserves the right to take action in line with paragraph 2.3 to 2.5 of Schedule 2: Part 2 – Performance (Consequence of Service Failure)</p> <p><u>re-Inspection timescales</u> The Contractor will be inspected again within 1 year.</p>
Inadequate	<p><u>Immediate action</u> The Contractor will be required to:</p> <ol style="list-style-type: none"> I. develop and implement a Remedial Action Plan to address the most urgent issues/concerns identified in the Inspection Report. The Remedial Action Plan shall be implemented prior to the wider publication of the Inspection Report; and II. develop and implement an Improvement Plan to address recommendations contained in the Inspection report; III. identify and act on lessons learnt for future inspections; IV. manage stakeholders, and

	<p>V. set out proposals to manage and repair any reputational damage to the Institute.</p> <p><u>Service Credits</u></p> <p>The Department reserves the right to issue a suspended Service Credit as per paragraph 4.4.</p> <p><u>Other implications</u></p> <p>A judgement of 'Inadequate' will be considered a Service Failure and the Department reserves the right to take action in line with paragraph 2.3 to 2.5 of Schedule 2: Part 2 – Performance (Consequence of Service Failure)</p> <p>If the Contractor does not receive a judgement of 'Outstanding' or 'Good' at the subsequent inspection, it will be considered a Service Failure and the Department reserves the right to take action in line with paragraph 2.3 to 2.5 of Schedule 2: Part 2 – Performance (Consequence of Service Failure) and issue a Service Credit.</p> <p><u>re-Inspection timescales</u></p> <p>The Contractor will be inspected again within 1 year.</p>
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- 4.6 Notwithstanding the actions set out in Table 1 above, if, after having considered the content of the Inspection Report, the Department believes the Inspection identified issues that have, or are considered likely to have, a negative impact on Services, Participant satisfaction or the reputation of the Institute, the Department reserves the right to consider there has been a Service Failure and take action in line with paragraph 2.3 to 2.5 of Schedule 2: Part 2 – Performance (Consequence of Service Failure).
- 4.7 Where an Improvement Plan is required, it should include clear actions and mitigations to address the recommendations including, timelines, milestones and any interim performance measures to enable management of progress against the Improvement Plan. All Improvement Plans will need to be agreed with the Department in line with the following schedule:
- 4.7.1 First version submitted to the Department for review and comment no less than 1 week prior to the publication of the Inspection Report; and
 - 4.7.2 the version of the Improvement Plan to be implemented is to be agreed with the Department no later than 2 weeks after the publishing of the Inspection Report it is responding to.
- 4.8 In the event the Contractor is delivering the Contract and one or more other call off contracts concurrently, the Department may require the Contractor to consolidate its Improvement Plan / Remedial Action Plan under the Contract and one or more of the call off contracts into one Improvement Plan / Remedial Action Plan and the Department reserves the right to review the consolidated plan(s) under the governance set out in Schedule 16 of the Framework Agreement.
- 4.9 If the Contractor is issued a suspended Service Credit and the Contractor delivers the improvements set out in its Improvement Plan within the specified timescales, then the Service Credit will be rescinded. If, in the Department's opinion and at its sole discretion, the Contractor has not delivered the improvements set out in its Improvement Plan within the specified timescales the Service Credit will be applied to the Charges.

5 QUALITY ASSURANCE REPORTING

- 5.1 The Department reserves the right to use (which may include publishing under Government transparency policy) reporting data on the Contractor's performance against the QA Function requirements as a means of demonstrating the quality and performance of the framework. The reporting metrics are likely to be, but are not limited to:

5.1.1 Service Improvements – % of recommendations adopted within timescales.

5.1.2 quality and performance – number of recommendations and Quality Failure.

6 COMPLAINTS

6.1 The Contractor shall implement, maintain and operate effective and clear procedures for receiving, investigating and responding to complaints.

6.2 The Contractor shall provide the Department with information about the number and nature of complaints it receives and the outcome of each complaint it processes and in accordance with 6.3.2 & 6.3.3 below. This information shall be provided with the Management Information report.

6.3 In addition, the Contractor shall ensure;

6.3.1 complaints are investigated by individuals not involved in the subject matter of the complaint;

6.3.2 report all complaints about the Services to Department within three (3) Working Days from the date of the complaint;

6.3.3 provide a meaningful response to all complainants by telephone or in person, as well as in writing, copying in the Department, within five (5) Working Days from the date of the complaint.

7 QUALITY ASSURANCE OF THE CONTRACTOR'S CURRICULUM AND TRAINING CONTENT DESIGN

7.1 The Contractor is responsible for ensuring the design and development of ITT, ECF, NPQ and NLE curriculum and training content is in accordance with the requirements set out in the Specification.

7.2 The Contractor must submit ITT, ECF, NPQ and NLE related content for review by the QA Function as set out in in this Schedule.

7.3 Should there be changes to the programme content made by the Department or requested to be made by the Contractor, a further review of the content for the relevant programme must be undertaken in a timely manner prior to the start of a Cohort Commencement Date. The Department reserves the right to instruct the Contractor to delay the start of Cohort if they are not satisfied that the programme content has been agreed by the Department.

ITT

7.4 Not used.

7.5 Not used.

7.6 Not used.

THE ECF

7.7 Not used.

7.8 Not used.

7.9 Not used.

7.10 Not used.

7.11 Not used.

7.12 Nut used.

7.13 Not used.

7.14 Not used.

7.15 Not used.

- 7.16 Not used.
- 7.17 Not used.
- 7.18 Not used.
- 7.19 Not used.
- 7.20 Not used.
- 7.21 Not used.
- 7.22 Not used.
- 7.23 Not used.

- 7.24 Not used.
- 7.25 Not used.
- 7.26 Not used.
- 7.27 Not used.
- 7.28 Not used.

NLE

- 7.29 The Contractor's NLE curriculum content will be subject to review and quality assurance. The Contractor must submit specified content for quality review and sign off by the QA Function.
- 7.30 The outcome of the review by the QA Function will be communicated to the Contractor in accordance with the Milestones set out in Table 1 of Schedule 16 of the Call Off Contract to deliver the Establishment and Mobilisation Services. Where the curriculum content has met expectations, the Contractor will be able to conclude content development and will be permitted to deliver content without further planned content quality reviews by the Department. Where curriculum content falls below expectations, the Contractor will be required to respond to feedback promptly, provide adequate reassurance and re-submit their amended content before delivery can commence.

8 QUALITY ASSURANCE OF DELIVERY

- 8.1 The Contractor is responsible for ensuring the exemplary delivery of ITT, the ECF, NPQs and the NLE development programme.
- 8.2 The Contractor's delivery of ITT, ECF, NPQs and NLE programmes will be subject to quality assurance by the QA Function.
- 8.3 For ITT, Ofsted currently acts as the external quality assurance agent for ITT provision in England and it inspects all accredited ITT providers. The Contractor would be subject to this oversight if it became an accredited ITT provider.
- 8.4 For ECF and NPQs, the Department is currently developing its QA Function and has confirmed Ofsted will act as a QA Agent to inspect service delivery under the Framework Agreement. It is anticipated that the QA Agent will conduct field visits to the Contractor and a sample of its Sub-Contractors (where relevant) during the Contract Period. The QA Function will begin inspection of the Contractor during the academic year 2022/23 and its quality assessments will support and inform the Department's management of the Contractor (including identifying Service Improvements and Quality and Performance Improvements).
- 8.5 For the NLE development programme, the Department is currently developing its QA Function. It is anticipated that arrangements will include field visits to the Contractor and a sample of its Sub-Contractors (where relevant); reviews of the Contractor's

documentation relating to service delivery (such as project management, governance or risk management documents) and reviews of evidence provided by the Contractor to demonstrate performance against the contract KPIs.

8.6 NOT USED

9 NOT USED

SCHEDULE 9: KEY PESONNEL AND SUB-CONTRACTORS

Key Personnel

The individuals listed in the table below are Key Personnel:

Name	Role	Period of Involvement
[REDACTED]	[REDACTED]	REDACTED Under FOIA Section 40 Personal Info [REDACTED] [REDACTED]
[REDACTED]	[REDACTED]	[REDACTED] [REDACTED]
[REDACTED]	[REDACTED]	[REDACTED] [REDACTED]
[REDACTED]	[REDACTED]	[REDACTED] [REDACTED] [REDACTED]
[REDACTED]	[REDACTED]	[REDACTED] [REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED]	[REDACTED] [REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED]	[REDACTED] [REDACTED]

Key Sub-Contractors

The Contractor may Sub-Contract its obligations under the Contract to the Sub-Contractors listed in the table below:

SCHEDULE 10: COMMERCIALLY SENSITIVE INFORMATION

- 1 The Department acknowledges that the Contractor has requested that the following information be treated as Commercially Sensitive Information;

Refence	Document name or details of Commercially Sensitive Information	Period
1	Pricing Schedule	For the Contract Period plus any retention period
2	Schedule 1 Part 2 (Delivery Solution)	For the Contract Period plus any retention period

- 2 The Department will consult with the Contractor on any request for information, identified as Commercially Sensitive, under the FOIA.
- 3 The Department reserves the right to disclose any Commercially Sensitive Information held within this Contract in response to a request under the FOIA as set out at clause 13 of this Contract.
- 4 The Department will automatically publish all information provided by the Contractor not identified in this Schedule as constituting Commercially Sensitive Information provided that it satisfies the requirements of the FOIA.
- 5 The Department reserves the right to determine whether any information provided in this Schedule does constitute Commercially Sensitive Information prior to publication.

SCHEDULE 11 - SERVICE CONTINUITY PLAN

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

“Business Continuity Plan”	has the meaning given in paragraph 2.2.1(ii);
“Business Continuity Services”	has the meaning given in paragraph 4.2.2;
“Department”	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: Government Department; or Non-Ministerial Department.
“Disaster”	the occurrence of one or more events which, either separately or cumulatively, mean that the Services, or a material part of the Services will be unavailable for a period of 1 week or which is reasonably anticipated will mean that the Services or a material part of the Services will be unavailable for that period;
“Disaster Recovery Plan”	has the meaning given in paragraph 2.2.1(iii);
“Disaster Recovery Services”	the services embodied in the processes and procedures for restoring the Services following the occurrence of a Disaster;
“Disaster Recovery System”	the system identified by the Contractor in the Contractor Solution which shall be used for the purpose of delivering the Disaster Recovery Services;
“Insolvency Continuity Plan”	has the meaning given in paragraph 2.2.1(iv).
“Related Service Provider”	any person who provides the Services to the Department in relation to this Contract from time to time, which persons include as at the Contract Date;
“Review Report”	has the meaning given in paragraphs 7.2.1 to 7.2.3;

“Service Continuity Plan” means the plan prepared pursuant to paragraph 2 of this Schedule which incorporates the Business Continuity Plan, Disaster Recovery Plan and the Insolvency Continuity Plan;

2 SERVICE CONTINUITY PLAN

- 2.1 Within 40 Working Days from the Contract Date the Contractor shall prepare and deliver to the Department for the Department’s written approval a Service Continuity Plan, which shall detail the processes and arrangements that the Contractor 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 Services (including where caused by an Insolvency Event of the Contractor, any Key Sub-Contractor and/or any Contractor Group member); and
 - 2.1.2 the recovery of the Services in the event of a Disaster.
- 2.2 The Service Continuity Plan shall:
- 2.2.1 be divided into four parts:
 - (i) Part A which shall set out general principles applicable to the Service Continuity Plan;
 - (ii) Part B which shall relate to business continuity (the **“Business Continuity Plan”**);
 - (iii) Part C which shall relate to disaster recovery (the **“Disaster Recovery Plan”**);
 - (iv) Part D which shall relate to an Insolvency Event of the Contractor, any Key Sub-Contractors and/or any Contractor Group member (the **“Insolvency Continuity Plan”**); and
- unless otherwise required by the Department in writing, be based upon and be consistent with the provisions of paragraphs 3, 4, 5 and 6.
- 2.3 Following receipt of the draft Service Continuity Plan from the Contractor, the Department shall:
- 2.3.1 review and comment on the draft Service Continuity Plan as soon as reasonably practicable; and
 - 2.3.2 notify the Contractor in writing that it approves or rejects the draft Service Continuity Plan no later than 20 Working Days after the date on which the draft Service Continuity Plan is first delivered to the Department.
- 2.4 If the Department rejects the draft Service Continuity Plan:
- 2.4.1 the Department shall inform the Contractor in writing of its reasons for its rejection; and
 - 2.4.2 the Contractor shall then revise the draft Service Continuity Plan (taking reasonable account of the Department’s comments) and shall re-submit a revised draft Service Continuity Plan to the Department for the Department’s approval within 20 Working Days of the date of the Department’s notice of rejection. The provisions of paragraph 2.3.1 and this paragraph 2.3.2 shall apply again to any resubmitted draft Service Continuity Plan, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

3 SERVICE CONTINUITY PLAN: PART A – GENERAL PRINCIPLES AND REQUIREMENTS

3.1 Part A of the Service Continuity Plan shall:

- 3.1.1 set out how the business continuity, disaster recovery and insolvency continuity elements of the plan link to each other;
- 3.1.2 provide details of how the invocation of any element of the Service Continuity Plan may impact upon the operation of the Services and any services provided to the Department by a Related Service Provider;
- 3.1.3 contain an obligation upon the Contractor to liaise with the Department and (at the Department's request) any Related Service Provider with respect to issues concerning business continuity, disaster recovery and insolvency continuity where applicable;
- 3.1.4 detail how the Service Continuity Plan links and interoperates with any overarching and/or connected disaster recovery, business continuity and/or insolvency continuity plan of the Department and any of its other Related Service Providers in each case as notified to the Contractor by the Department 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 multi-channels (including but without limitation a web-site (with FAQs), e-mail, phone and fax) for both portable and desk top configurations, where required by the Department;
- 3.1.6 contain a risk analysis, including:
 - a) failure or disruption scenarios and assessments and estimates of frequency of occurrence;
 - b) identification of any single points of failure within the Services and processes for managing the risks arising therefrom;
 - c) identification of risks arising from the interaction of the Services with the Services provided by a Related Service Provider;
 - d) identification of risks arising from an Insolvency Event of the Contractor, any Key Sub-Contractors and/or Contractor Group member; and
 - e) a business impact analysis (detailing the impact on business processes and operations) 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 (including roles and responsibilities) for the Contractor (and any Sub-Contractors) and for the Department;
- 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 ensure that there is no more than the accepted amount of data loss and to preserve data integrity;

- 3.1.11 identify the responsibilities (if any) that the Department has agreed it will assume in the event of the invocation of the Service Continuity Plan; and
- 3.1.12 provide for the provision of technical advice and assistance to key contacts at the Department as notified by the Department from time to time to inform decisions in support of the Department's business continuity plans.

3.2 The Service Continuity Plan shall be designed so as to ensure that:

- 3.2.1 the Services are provided in accordance with this Agreement at all times during and after the invocation of the Service Continuity Plan;
- 3.2.2 the adverse impact of any Disaster; service failure; an Insolvency Event of the Contractor, any Key Sub-Contractor and/or any Contractor Group member; or disruption on the operations of the Department, is minimal as far as reasonably possible;
- 3.2.3 it complies with the relevant provisions of ISO/IEC 22301 and all other industry standards from time to time in force; and
- 3.2.4 there is a process for the management of disaster recovery testing detailed in the Service Continuity Plan.

3.3 The Service Continuity Plan shall be upgradeable and sufficiently flexible to support any changes to the Services, to the business processes facilitated by and the business operations supported by the Services, and/or changes to the Contractor Group structure.

3.4 The Contractor shall not be entitled to any relief from its obligations under the Performance Indicators or to any increase in the Charges to the extent that a Disaster occurs as a consequence of any breach by the Contractor of this Contract.

4 SERVICE CONTINUITY PLAN: PART B – BUSINESS CONTINUITY

PRINCIPLES AND CONTENTS

4.1 The Business Continuity Plan shall set out the arrangements that are to be invoked to ensure that the business processes and operations facilitated by the Services remain supported and to ensure continuity of the business operations supported by the Services including, unless the Department expressly states otherwise in writing:

- 4.1.1 the alternative processes (including business processes), options and responsibilities that may be adopted in the event of a failure in or disruption to the Services; and
- 4.1.2 the steps to be taken by the Contractor upon resumption of the Services in order to address any prevailing effect of the failure or disruption including a root cause analysis 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 Services;
- 4.2.2 set out the Services to be provided and the steps to be taken to remedy the different levels of failures of and disruption to the Services (such services and steps, the “**Business Continuity Services**”);
- 4.2.3 specify any applicable Performance Indicators with respect to the provision of the Business Continuity Services and details of any agreed relaxation to the Performance Indicators in respect of other Services during any period of

invocation of the Business Continuity Plan; and

- 4.2.4 clearly set out the conditions and/or circumstances under which the Business Continuity Plan is invoked.

5 SERVICE CONTINUITY PLAN: PART C – DISASTER RECOVERY

PRINCIPLES AND CONTENTS

- 5.1 The Disaster Recovery Plan shall be designed so as to ensure that upon the occurrence of a Disaster the Contractor ensures continuity of the business operations of the Department 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 Disaster Recovery Plan shall be invoked only upon the occurrence of a Disaster.
- 5.3 The Disaster Recovery Plan shall include the following:
- 5.3.1 the technical design and build specification of the Disaster Recovery System;
 - 5.3.2 details of the procedures and processes to be put in place by the Contractor in relation to the Disaster Recovery System and the provision of the Disaster Recovery Services and any testing of the same including but not limited to the following:
 - 5.3.3 data centre and disaster recovery site audits;
 - 5.3.4 backup methodology and details of the Contractor's approach to data back-up and data verification;
 - 5.3.5 identification of all potential disaster scenarios;
 - 5.3.6 risk analysis;
 - 5.3.7 documentation of processes and procedures;
 - 5.3.8 hardware configuration details;
 - 5.3.9 network planning including details of all relevant data networks and communication links;
 - 5.3.10 invocation rules;
 - 5.3.11 Service recovery procedures; and
 - 5.3.12 steps to be taken upon resumption of the Services to address any prevailing effect of the failure or disruption of the Services;
 - 5.3.13 any applicable Performance Indicators with respect to the provision of the Disaster Recovery Services and details of any agreed relaxation to the Performance Indicators in respect of other Services during any period of invocation of the Disaster Recovery Plan;
 - 5.3.14 details of how the Contractor shall ensure compliance with security standards ensuring that compliance is maintained for any period during which the Disaster Recovery Plan is invoked;
 - 5.3.15 access controls to any disaster recovery sites used by the Contractor in relation to its obligations pursuant to this Schedule; and

5.3.16 testing and management arrangements.

6 SERVICE CONTINUITY PLAN: PART D – INSOLVENCY CONTINUITY PLAN PRINCIPLES AND CONTENTS

- 6.1 The Insolvency Continuity Plan shall be designed by the Contractor to permit continuity of the business operations of the Department supported by the Services through continued provision of the Services following an Insolvency Event of the Contractor, any Key Sub-Contractor and/or any Contractor Group member with, as far as reasonably possible, minimal adverse impact.
- 6.2 The Insolvency Continuity Plan shall include the following:
- 6.2.1 communication strategies which are designed to minimise the potential disruption to the provision of the Services, including key contact details in respect of the supply chain and key contact details for operational and contract Contractor Personnel, Key Sub-Contractor personnel and Contractor Group member personnel;
 - 6.2.2 identification, explanation, assessment and an impact analysis of risks in respect of dependencies between the Contractor, Key Sub-Contractors and Contractor Group members where failure of those dependencies could reasonably have an adverse impact on the Services;
 - 6.2.3 plans to manage and mitigate identified risks;
 - 6.2.4 details of the roles and responsibilities of the Contractor, Key Sub-Contractors and/or Contractor Group members to minimise and mitigate the effects of an Insolvency Event of such persons on the Services;
 - 6.2.5 details of the recovery team to be put in place by the Contractor (which may include representatives of the Contractor, Key Sub-Contractors and Contractor Group members); and
 - 6.2.6 sufficient detail to enable an appointed insolvency practitioner to invoke the plan in the event of an Insolvency Event of the Contractor.

7 REVIEW AND AMENDMENT OF THE SERVICE CONTINUITY PLAN

- 7.1 The Contractor shall review and update the Service Continuity Plan (and the risk analysis on which it is based):
- 7.1.1 on a regular basis and as a minimum once every 6 months;
 - 7.1.2 within three calendar months of the Service Continuity Plan (or any part) having been invoked pursuant to paragraph 9;
 - 7.1.3 within 14 days of a Financial Distress Event;
 - 7.1.4 within 30 days of a Corporate Change Event; and
 - 7.1.5 where the Department requests any additional reviews (over and above those provided for in paragraphs 7.1.1 to 7.1.4 by notifying the Contractor to such effect in writing, whereupon the Contractor shall conduct such reviews in accordance with the Department's written requirements. Prior to starting its review, the Contractor shall provide an accurate written estimate of the total costs payable by the Department for the Department's approval. The costs of both Parties of any such additional reviews shall be met by the Department

except that the Contractor shall not be entitled to charge the Department for any costs that it may incur above any estimate without the Department's prior written approval.

- 7.2 Each review of the Service Continuity Plan pursuant to paragraph 7.1 shall be a review of the procedures and methodologies set out in the Service Continuity Plan and shall assess their suitability having regard to any change to the Services 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 Service Continuity Plan or the last review of the Service Continuity 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 Service Continuity Plan. The review shall be completed by the Contractor within the period required by the Service Continuity Plan or, if no such period is required, within such period as the Department shall reasonably require. The Contractor shall, within 20 Working Days of the conclusion of each such review of the Service Continuity Plan, provide to the Department a report (a "**Review Report**") setting out:
 - 7.2.1 the findings of the review;
 - 7.2.2 any changes in the risk profile associated with the Services; and
 - 7.2.3 the Contractor's proposals (the "**Contractor's Proposals**") for addressing any changes in the risk profile and its proposals for amendments to the Service Continuity Plan following the review detailing the impact (if any and to the extent that the Contractor can reasonably be expected to be aware of the same) that the implementation of such proposals may have on any services or systems provided by a third party.
- 7.3 Following receipt of the Review Report and the Contractor's Proposals, the Department shall:
 - 7.3.1 review and comment on the Review Report and the Contractor's Proposals as soon as reasonably practicable; and
 - 7.3.2 notify the Contractor in writing that it approves or rejects the Review Report and the Contractor's Proposals no later than 20 Working Days after the date on which they are first delivered to the Department.
- 7.4 If the Department rejects the Review Report and/or the Contractor's Proposals:
 - 7.4.1 the Department shall inform the Contractor in writing of its reasons for its rejection; and
 - 7.4.2 the Contractor shall then revise the Review Report and/or the Contractor's Proposals as the case may be (taking reasonable account of the Department's comments and carrying out any necessary actions in connection with the revision) and shall re-submit a revised Review Report and/or revised Contractor's Proposals to the Department for the Department's approval within 20 Working Days of the date of the Department's notice of rejection. The provisions of paragraph 7.4.1 and this paragraph 7.4.2 shall apply again to any resubmitted Review Report and Contractor's Proposals, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.
- 7.5 The Contractor shall as soon as is reasonably practicable after receiving the Department's approval of the Contractor's Proposals (having regard to the significance of any risks highlighted in the Review Report) effect any change in its practices or procedures necessary so as to give effect to the Contractor's Proposals.

Any such change shall be at the Contractor's expense unless it can be reasonably shown that the changes are required because of a material change to the risk profile of the Services.

- 7.6 In the event the Contractor is delivering the Contract and other call off contracts concurrently, the Department may require the Contractor to consolidate (where appropriate) the contents of the Service Continuity Plan for the Contract and the other call off contracts. The Department may undertake reviews of any consolidated Service Continuity Plan using the governance set out in Schedule 16 of the Framework Agreement.

8 TESTING OF THE SERVICE CONTINUITY PLAN

- 8.1 The Contractor shall test the Service Continuity Plan on a regular basis (and in any event not less than once in every Contract Year). Subject to paragraph 8.2, the Department may require the Contractor to conduct additional tests of some or all aspects of the Service Continuity Plan at any time where the Department considers it necessary, including where there has been any change to the Services or any underlying business processes, or on the occurrence of any event which may increase the likelihood of the need to implement the Service Continuity Plan.
- 8.2 If the Department requires an additional test of the Service Continuity Plan, it shall give the Contractor written notice and the Contractor shall conduct the test in accordance with the Department's requirements and the relevant provisions of the Service Continuity Plan. The Contractor's costs of the additional test shall be borne by the Department unless the Service Continuity Plan fails the additional test in which case the Contractor's costs of that failed test shall be borne by the Contractor.
- 8.3 The Contractor shall undertake and manage testing of the Service Continuity Plan in full consultation with the Department and shall liaise with the Department in respect of the planning, performance, and review, of each test, and shall comply with the reasonable requirements of the Department in this regard. Each test shall be carried out under the supervision of the Department or its nominee.
- 8.4 The Contractor shall ensure that any use by it or any Sub-Contractor of "live" data in such testing is first approved with the Department. Copies of live test data used in any such testing shall be (if so required by the Department) destroyed or returned to the Department on completion of the test.
- 8.5 The Contractor shall, within 20 Working Days of the conclusion of each test, provide to the Department a report setting out:
- 8.1.1 the outcome of the test;
 - 8.1.2 any failures in the Service Continuity Plan (including the Service Continuity Plan's procedures) revealed by the test; and
 - 8.1.3 the Contractor's proposals for remedying any such failures.
- 8.6 Following each test, the Contractor shall take all measures requested by the Department, (including requests for the re-testing of the Service Continuity Plan) to remedy any failures in the Service Continuity Plan and such remedial activity and re-testing shall be completed by the Contractor, at no additional cost to the Department, by the date reasonably required by the Department and set out in such notice.
- 8.7 For the avoidance of doubt, the carrying out of a test of the Service Continuity Plan (including a test of the Service Continuity Plan's procedures) shall not relieve the Contractor of any of its obligations under this Agreement.
- 8.8 The Contractor shall also perform a test of the Service Continuity Plan in the event of any major reconfiguration of the Services or as otherwise reasonably requested by the Department.

9 INVOCATION OF THE SERVICE CONTINUITY PLAN

- 9.1 In the event of a loss of any critical part of the Service or a Disaster, the Contractor shall immediately invoke the business continuity and disaster recovery provisions in the Service Continuity Plan, including any linked elements in other parts of the Service Continuity Plan, and shall inform the Department promptly of such invocation. In all other instances the Contractor shall invoke the business continuity and disaster recovery plan elements only with the prior consent of the Department.
- 9.2 The Insolvency Continuity Plan element of the Service Continuity Plans, including any linked elements in other parts of the Service Continuity Plan, shall be invoked by the Contractor:
 - 9.1.1 where an Insolvency Event of a Key Sub-Contractor and/or Contractor Group member (other than the Contractor) could reasonably be expected to adversely affect delivery of the Services; and/or
 - 9.1.2 where there is an Insolvency Event in relation to the Contractor and the insolvency arrangements enable the Contractor to invoke the Insolvency Continuity Plan.

SCHEDULE 12 – BREAKAGE COSTS

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

“Applicable Contractor Personnel”	<p>any Contractor Personnel who:</p> <ul style="list-style-type: none">(i) at the Termination Date:<ul style="list-style-type: none">a) are employees of the Contractor;b) are Dedicated Contractor Personnel;c) have not transferred (and are not in scope to transfer at a later date) to the Department or the Replacement Supplier as a result of the operation of TUPE; and(ii) are dismissed or given notice of dismissal by the Contractor within:<ul style="list-style-type: none">d) 40 Working Days of the Termination Date; ore) such longer period required by Law, their employment contract (as at the Termination Date) or an applicable collective agreement; and(iii) have not resigned or given notice of resignation prior to the date of their dismissal by the Contractor; and(iv) the Contractor can demonstrate to the satisfaction of the Department:<ul style="list-style-type: none">a) are surplus to the Contractor's requirements after the Termination Date notwithstanding its obligation to provide services to its other customers;b) are genuinely being dismissed for reasons of redundancy; andc) have been selected for redundancy by the Contractor on objective grounds other than the fact that the Contractor is entitled to reimbursement under this provision in respect of such employees;
“Assets”	<p>means all assets and rights used by the Contractor to provide the Services in accordance with this Contract but excluding any assets belonging to the Department;</p>
“Breakage Costs Payment”	<p>an amount equal to the Redundancy Costs and the Contract Breakage Costs as at the Termination Date as determined in accordance with paragraph 2;</p>
“Contract Breakage Costs”	<p>the amounts payable by the Contractor to its Key Sub-Contractors or other third parties (as applicable) for terminating all relevant Key Sub-Contracts as a direct result of the early termination of this Contract;</p>
“Dedicated Contractor Personnel”	<p>all Contractor Personnel then assigned to the Services or any part of the Services. If the Contractor is unsure as to whether Contractor Personnel are or should be regarded as so assigned, it shall consult with the Department whose view shall be determinative provided that the employee has been materially involved in the provision of the Services or any part</p>

of the Services;

“Former Contractor”	a contractor supplying services to the Department before the Relevant Transfer Date that are the same as or substantially similar to the Services (or any part of the Services) and shall include any Sub-Contractor of such Contractor
“Redundancy Costs”	<p>the total sum of any of the following sums paid to Applicable Contractor Personnel, each amount apportioned between the Contractor and the Department based on the time spent by such employee on the Services as a proportion of the total Service duration:</p> <p>(a) any statutory redundancy payment; and</p> <p>(b) in respect of an employee who was a Transferring Former Contractor Employee any contractual redundancy payment (or where such a contractual benefit on redundancy is a benefit payable from a pension scheme, the increase in cost to the Contractor as a net present value compared to the benefit payable on termination of employment without redundancy), provided that such employee was entitled to such contractual redundancy payment immediately prior to his or her transfer to the Contractor as a result of the operation of TUPE;</p>
“Relevant Transfer”	a transfer of employment to which TUPE applies.
“Relevant Transfer Date”	in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place.
“Request for Estimate”	a written request sent by the Department to the Contractor, requiring that the Contractor provide it with an accurate estimate of the Breakage Costs Payment that would be payable if the Department exercised its right under clause 25.11 (Termination) to terminate this Contract for convenience on a specified Termination Date;
“Termination Estimate”	has the meaning given in paragraph 8.2;
“Transferring Former Contractor Employees”	in relation to a Former Contractor, those employees of the Former Contractor to whom TUPE will apply on the Relevant Transfer Date; and

2 BREAKAGE COSTS PAYMENT

2.1 The Contractor may recover through the Breakage Costs Payment only those costs incurred by the Contractor directly as a result of the termination of this Contract on notice under Clause 10.1 which:

- (a) would not have been incurred had this Contract continued until expiry of the Contract Period;
- (b) are unavoidable, proven, reasonable, and not capable of recovery;
- (c) are incurred under arrangements or agreements that are directly associated with this Contract;
- (d) are not Contract Breakage Costs relating to contracts or Sub-Contracts with Affiliates of the Contractor; and

- (e) relate directly to the termination of the Services.

Limitation on Breakage Costs Payment

- 2.2 The Breakage Costs Payment shall not exceed the lower of:
- (a) the relevant limit set out in Annex 1 (Maximum Breakage Costs); and
 - (b) 120% of the estimate for the Breakage Costs Payment set out in any relevant Termination Estimate.

Redundancy Costs

- 2.3 The Department shall not be liable under this Schedule for any costs associated with Contractor Personnel (whether relating to redundancy, redeployment or otherwise) other than the Redundancy Costs.
- 2.4 Where the Contractor can demonstrate that a member of Contractor Personnel will be made redundant following termination of this Contract, but redeployment of such person is possible and would offer value for money to the Department when compared with redundancy, then the Department shall pay the Contractor the actual direct costs incurred by the Contractor or its Sub-Contractor arising out of the redeployment of such person (including retraining and relocation costs) subject to a maximum amount of £30,000 per relevant member of the Contractor Personnel.

Contract Breakage Costs

- 2.5 The Contractor shall be entitled to Contract Breakage Costs only in respect of Sub-Contracts which:
- (a) are not assigned or novated to a Replacement Supplier at the request of the Department); and
 - (b) the Contractor can demonstrate:
 - (i) are surplus to the Contractor's requirements after the Termination Date, whether in relation to use internally within its business or in providing services to any of its other Departments; and
 - (ii) have been entered into by it in the ordinary course of business.
- 2.6 The Contractor shall seek to negotiate termination of any Sub-Contracts with the relevant Sub-Contractor (as the case may be) using all reasonable endeavours to minimise the cancellation or termination charges.
- 2.7 Except with the prior written agreement of the Department, the Department shall not be liable for any costs (including cancellation or termination charges) that the Contractor is obliged to pay in respect of:
- (a) the termination of any contractual arrangements for occupation of, support of and/or services provided for Contractor premises which may arise as a consequence of the termination of this Contract; and/or
 - (b) Assets not yet installed at the Termination Date.

3 MITIGATION OF CONTRACT BREAKAGE COSTS AND REDUNDANCY COSTS AND UNRECOVERED COSTS

- 3.1 The Contractor agrees to use all reasonable endeavours to minimise and mitigate Contract Breakage Costs and Redundancy Costs by:
- (a) the appropriation of Assets, employees and resources for other purposes;
 - (b) at the Department's request, assigning any Sub-Contracts to the Department or a third party acting on behalf of the Department; and

- (c) in relation to Sub-Contracts that are not to be assigned to the Department or to another third party, terminating those contracts at the earliest possible date without breach or where contractually permitted.

- 3.2 If Assets, employees and resources can be used by the Contractor for other purposes, then there shall be an equitable reduction in the Contract Breakage Costs, and Redundancy Costs payable by the Department or a third party to the Contractor. In the event of any dispute arising over whether the Contractor can use any Assets, employees and/or resources for other purposes and/or over the amount of the relevant equitable reduction, the dispute shall be determined in accordance with the procedure set out in clause 39 (Dispute Resolution).

4 FULL AND FINAL SETTLEMENT

- 4.1 Any Breakage Costs paid under this Schedule shall be in full and final settlement of any claim, demand and/or proceedings of the Contractor in relation to any termination by the Department pursuant to clause 10.2 (Termination) and the Contractor shall be excluded from all other rights and remedies it would otherwise have been entitled to in respect of any such termination.

5 INVOICING FOR THE BREAKAGE COSTS

- 5.1 All sums due under this Schedule shall be payable by the Department to the Contractor in accordance with the payment terms set out in Schedule 2 (Financials).

6 SET OFF

- 6.1 The Department shall be entitled to set off any outstanding liabilities of the Contractor against any amounts that are payable by it pursuant to this Schedule.

7 NO DOUBLE RECOVERY

- 7.1 If any amount payable under this Schedule (in whole or in part) relates to or arises from any Assets that are to transfer to the Department then, to the extent that the Department makes any payments pursuant to the Exit Plan that the Contractor shall draft in accordance with clause 15.14 of the Contract in respect of such Assets, such payments shall be deducted from the amount payable pursuant to this Schedule.
- 7.2 The value of the Breakage Costs Payment shall be reduced or extinguished to the extent that the Contractor has already received the Charges or the financial benefit of any other rights or remedy given under this Contract so that there is no double counting in calculating the relevant payment.
- 7.3 Any payments that are due in respect of Assets that are to transfer to the Department shall be calculated in accordance with provisions agreed between the Parties and detailed in the Exit Plan.
- 7.4 Where the Department has terminated the Contract under Clause 10.1 and one or more other call off contracts under the equivalent clause to Clause 10.1 in the other call off contracts, the Contractor shall not be entitled to double count and / or double recover any costs including but not limited to those associated with Assets, employees, properties or any other item that is used across the Contract and one or more of the other call off contracts.

8 ESTIMATE OF TERMINATION PAYMENT AND COMPENSATION PAYMENT

- 8.1 The Department may issue a Request for Estimate at any time during the Contract Period provided that no more than 2 Requests for Estimate may be issued in any 6 month period.

- 8.2 The Contractor shall within 20 Working Days of receiving the Request for Estimate (or such other timescale agreed between the Parties), provide an accurate written estimate of the Breakage Costs that would be payable by the Department based on a postulated Termination Date specified in the Request for Estimate (such estimate being the “Termination Estimate”). The Termination Estimate shall:
- (a) be based on the relevant amounts set out in the Financial Model;
 - (b) include:
 - (i) details of the mechanism by which the Termination Payment is calculated;
 - (ii) full particulars of the estimated Contract Breakage Costs in respect of each Sub-Contract and appropriate supporting documentation; and
 - (iii) such information as the Department may reasonably require; and
 - (c) state the period for which that Termination Estimate remains valid, which shall be not less than 20 Working Days.
- 8.3 The Contractor acknowledges that issue of a Request for Estimate shall not be construed in any way as to represent an intention by the Department to terminate this Contract.

ANNEX 1: MAXIMUM BREAKAGE COSTS PAYMENT

The table below sets out, by Contract Year, the maximum amount of Breakage Costs that the Department shall be liable to pay to the Contractor pursuant to this Contract for termination on notice under Clause 10.1:

REDACTED Under FOIA Section 43 Commercial Interests [REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

SCHEDULE 13 – STAFF TRANSFER

1. DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

“Contractor's Final Contractor Personnel List”	a list provided by the Contractor of all Contractor Personnel who will transfer under the Employment Regulations on the Service Transfer Date;
“Contractor's Provisional Contractor Personnel List”	a list prepared and updated by the Contractor of all Contractor Personnel 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 Contractor;
“Former Supplier”	a supplier supplying services to the Department before the Relevant Transfer Date that are the same as or substantially similar to the Services (or any part of the Services) and shall include any sub-contractor of such supplier (or any sub-contractor of any such sub-contractor);
“New Fair Deal”	<p>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:</p> <ul style="list-style-type: none">(a) any amendments to that document immediately prior to the Relevant Transfer Date;(b) any similar pension protection in accordance with the Annexes AnnexD1-Annex D3 inclusive to Part D of this Schedule as notified to the Supplier by the Department;
“Notified Sub-Contractor”	a Sub-Contractor identified in the Annex to this Schedule to whom Transferring Department Employees and/or Transferring Former Supplier Employees will transfer on a Relevant Transfer Date;
“Old Fair Deal”	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;

“Replacement Sub-Contractor”	a sub-contractor of the Replacement Supplier to whom Transferring Supplier Employees will transfer on a Service Transfer Date (or any sub-contractor of any such sub-contractor);
“Relevant Transfer”	a transfer of employment to which the Employment Regulations applies;
“Relevant Transfer Date”	in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place. For the purposes of Part D and its Annexes, where the Contractor or a Sub-Contractor was the Former Supplier and there is no Relevant Transfer of the Fair Deal Employees because they remain continuously employed by the Contractor (or Sub-Contractor), references to the Relevant Transfer Date shall become references to the Contract Date;
“Service Transfer”	any transfer of the Services (or any part of the Services), for whatever reason, from the Contractor or any Sub-Contractor to a Replacement Supplier or a Replacement Sub-Contractor;
“Service Transfer Date”	the date of a Service Transfer or, if more than one, the date of the relevant Service Transfer as the context requires;
“Staffing Information”	in relation to all persons identified on the Contractor’s Provisional Contractor Personnel List or Contractor’s Final Contractor Personnel List, as the case may be, all information required in Annex E2 (<i>Table of Staffing Information</i>) in the format specified and with the identities of Data Subjects anonymised where possible. The Department may acting reasonably make changes 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 Contractor Employees”	those employees of the Contractor and/or the Contractor’s Sub-Contractors to whom the Employment Regulations will apply on the Service Transfer Date.
“Transferring Department Employees”	those employees of the Department 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

2. INTERPRETATION

- 2.1 Where a provision in this Schedule imposes an obligation on the Contractor to provide an indemnity, undertaking or warranty, the Contractor shall procure that each of its Sub-Contractors shall comply with such obligation and provide such indemnity, undertaking or warranty to the Department, Former Supplier, Replacement Supplier or Replacement Sub-Contractor, as the case may be.

PART A: TRANSFERRING DEPARTMENT EMPLOYEES AT COMMENCEMENT OF SERVICES

1. RELEVANT TRANSFERS

1.1 The Department and the Contractor agree that:

- (a) the commencement of the provision of the Services or of each relevant part of the Services will be a Relevant Transfer in relation to the Transferring Department Employees; and
- (b) as a result of the operation of the Employment Regulations, the contracts of employment between the Department and the Transferring Department Employees (except in relation to any terms disapplied through operation of regulation 10(2) of the Employment Regulations) will have effect on and from the Relevant Transfer Date as if originally made between the Contractor and/or any Notified Sub-Contractor and each such Transferring Department Employee.

1.2 The Department shall comply with all its obligations under the Employment Regulations and shall perform and discharge all its obligations in respect of the Transferring Department Employees in respect of the period arising up to (but not including) the Relevant 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 which in any case are attributable in whole or in part to the period up to (but not including) the Relevant Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between: (i) the Department; and (ii) the Contractor and/or any Notified Sub-Contractor (as appropriate).

2. DEPARTMENT INDEMNITIES

2.1 Subject to Paragraph 2.2, the Department shall indemnify the Contractor and any Notified Sub-Contractor against any Employee Liabilities arising from or as a result of:

- (a) any act or omission by the Department in respect of any Transferring Department Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Department Employee occurring before the Relevant Transfer Date;
- (b) the breach or non-observance by the Department before the Relevant Transfer Date of:
 - (i) any collective agreement applicable to the Transferring Department Employees; and/or
 - (ii) any custom or practice in respect of any Transferring Department Employees which the Department is contractually bound to honour;
- (c) any claim by any trade union or other body or person representing the Transferring Department Employees arising from or connected with any failure by the Department to comply with any legal obligation to such trade union, body or person arising before the Relevant Transfer Date;

- (d) any proceeding, claim or demand by HMRC or other statutory Department in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
 - (i) in relation to any Transferring Department Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory Department relates to financial obligations arising before the Relevant Transfer Date; and
 - (ii) in relation to any employee who is not a Transferring Department Employee and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Department to the Contractor and/or any Notified Sub-Contractor as appropriate, to the extent that the proceeding, claim or demand by the HMRC or other statutory Department relates to financial obligations arising before the Relevant Transfer Date.
- (e) a failure of the Department 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 Department Employees arising before the Relevant Transfer Date;
- (f) any claim made by or in respect of any person employed or formerly employed by the Department other than a Transferring Department Employee for whom it is alleged the Contractor and/or any Notified Sub-Contractor as appropriate may be liable by virtue of the Employment Regulations and/or the Acquired Rights Directive; and
- (g) any claim made by or in respect of a Transferring Department Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Department Employee relating to any act or omission of the Department 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 Contractor or any Sub-Contractor to comply with regulation 13(4) of the Employment Regulations.

2.2 The indemnities in Paragraph 2.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Contractor or any Sub-Contractor (whether or not a Notified Sub-Contractor) whether occurring or having its origin before, on or after the Relevant Transfer Date including any Employee Liabilities:

- (a) arising out of the resignation of any Transferring Department Employee before the Relevant Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Contractor and/or any Sub-Contractor to occur in the period from (and including) the Relevant Transfer Date; or
- (b) arising from the failure by the Contractor or any Sub-Contractor to comply with its obligations under the Employment Regulations.

2.3 If any person who is not identified by the Department as a Transferring Department Employee claims, or it is determined in relation to any person who is not identified by the Department as a Transferring Department Employee, that his/her contract of employment has been transferred from the Department to the Contractor and/or any Notified Sub-Contractor pursuant to the Employment Regulations or the Acquired Rights Directive then:

- (a) the Contractor shall, or shall procure that the Notified Sub-Contractor shall, within 5 Working Days of becoming aware of that fact, give notice in writing to the Department; and
- (b) the Department may offer (or may procure that a third party may offer) employment to such person within 15 Working Days of receipt of the notification by the Contractor and/or any Notified Sub-Contractor, or take such other reasonable steps as the Department considers appropriate to deal with the matter provided always that such steps are in compliance with Law.

2.4 If an offer referred to in Paragraph 2.3b is accepted, or if the situation has otherwise been resolved by the Department, the Contractor shall, or shall procure that the Notified Sub-Contractor shall, immediately release the person from his/her employment or alleged employment.

2.5 If by the end of the 15 Working Day period specified in Paragraph 2.3(b):

- (a) no such offer of employment has been made;
- (b) such offer has been made but not accepted; or
- (c) the situation has not otherwise been resolved,

the Contractor and/or any Notified Sub-Contractor may within 5 Working Days give notice to terminate the employment or alleged employment of such person.

2.6 Subject to the Contractor and/or any Notified Sub-Contractor acting in accordance with the provisions of Paragraphs 2.3 to 2.5 and in accordance with all applicable proper employment procedures set out in applicable Law, the Department shall indemnify the Contractor and/or any Notified Sub-Contractor (as appropriate) against all Employee Liabilities arising out of the termination of employment pursuant to the provisions of Paragraph 2.5 provided that the Contractor takes, or procures that the Notified Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities.

2.7 The indemnity in Paragraph 2.6:

- (a) shall not apply to:
 - (i) any claim for:
 - (A) discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or
 - (B) equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,in any case in relation to any alleged act or omission of the Contractor and/or any Sub-Contractor; or
 - (ii) any claim that the termination of employment was unfair because the Contractor and/or Notified Sub-Contractor neglected to follow a fair dismissal procedure; and
- (b) shall apply only where the notification referred to in Paragraph 2.3(a) is made by the Contractor and/or any Notified Sub-Contractor (as appropriate) to the Department within 6 months of the Effective Date.

- 2.8 If any such person as is referred to in Paragraph 2.3 is neither re-employed by the Department nor dismissed by the Contractor and/or any Notified Sub-Contractor within the time scales set out in Paragraph 2.5 such person shall be treated as having transferred to the Contractor and/or any Notified Sub-Contractor and the Contractor shall, or shall procure that the Notified Sub-Contractor shall, comply with such obligations as may be imposed upon it under applicable Law.

3. CONTRACTOR INDEMNITIES AND OBLIGATIONS

- 3.1 Subject to Paragraph 3.2, the Contractor shall indemnify the Department against any Employee Liabilities arising from or as a result of:
- (a) any act or omission by the Contractor or any Sub-Contractor in respect of any Transferring Department Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Department Employee whether occurring before, on or after the Relevant Transfer Date;
 - (b) the breach or non-observance by the Contractor or any Sub-Contractor on or after the Relevant Transfer Date of:
 - (i) any collective agreement applicable to the Transferring Department Employees; and/or
 - (ii) any custom or practice in respect of any Transferring Department Employees which the Contractor or any Sub-Contractor is contractually bound to honour;
 - (c) any claim by any trade union or other body or person representing any Transferring Department Employees arising from or connected with any failure by the Contractor or any Sub-Contractor to comply with any legal obligation to such trade union, body or person arising on or after the Relevant Transfer Date;
 - (d) any proposal by the Contractor or a Sub-Contractor made before the Relevant Transfer Date to make changes to the terms and conditions of employment or working conditions of any Transferring Department Employees to their material detriment on or after their transfer to the Contractor or the relevant Sub-Contractor (as the case may be) on the Relevant Transfer Date, or to change the terms and conditions of employment or working conditions of any person who would have been a Transferring Department Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Relevant Transfer Date as a result of or for a reason connected to such proposed changes;
 - (e) any statement communicated to or action undertaken by the Contractor or any Sub-Contractor to, or in respect of, any Transferring Department Employee before the Relevant Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Department in writing;
 - (f) any proceeding, claim or demand by HMRC or other statutory Department in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
 - (i) in relation to any Transferring Department Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory Department

relates to financial obligations arising on or after the Relevant Transfer Date; and

- (ii) in relation to any employee who is not a Transferring Department Employee, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Department to the Contractor or a Sub-Contractor, to the extent that the proceeding, claim or demand by HMRC or other statutory Department relates to financial obligations arising on or after the Relevant Transfer Date;
 - (g) a failure of the Contractor or any Sub-Contractor 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 Department Employees in respect of the period from (and including) the Relevant Transfer Date;
 - (h) any claim made by or in respect of a Transferring Department Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Department Employee relating to any act or omission of the Contractor or any Sub-Contractor in relation to their obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the Department's failure to comply with its obligations under regulation 13 of the Employment Regulations; and
 - (i) a failure by the Contractor or any Sub-Contractor to comply with its obligations under paragraph 2.8 above.
- 3.2 The indemnities in Paragraph 3.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Department whether occurring or having its origin before, on or after the Relevant Transfer Date including, without limitation, any Employee Liabilities arising from the Department's failure to comply with its obligations under the Employment Regulations.
- 3.3 The Contractor shall comply, and shall procure that each Sub-Contractor shall comply, with all its obligations under the Employment Regulations (including its obligation to inform and consult in accordance with regulation 13 of the Employment Regulations) and shall perform and discharge, and shall procure that each Sub-Contractor shall perform and discharge, all its obligations in respect of the Transferring Department Employees, from (and including) the Relevant 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 any other sums due under the Admission Agreement which in any case are attributable in whole or in part to the period from and including the Relevant Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between the Department and the Contractor.

4. INFORMATION

- 4.1 The Contractor shall, and shall procure that each Sub-Contractor shall, promptly provide to the Department in writing such information as is necessary to enable the Department to carry out its duties under regulation 13 of the Employment Regulations. The Department shall promptly provide to the Contractor and each Notified Sub-Contractor in writing such information as is necessary to enable the Contractor and each Notified Sub-Contractor to carry out their respective duties under regulation 13 of the Employment Regulations.

5. PRINCIPLES OF GOOD EMPLOYMENT PRACTICE

- 5.1 The Parties agree that the Principles of Good Employment Practice issued by the Cabinet Office in December 2010 apply to the treatment by the Contractor of employees whose employment begins after the Relevant Transfer Date, and the Contractor undertakes to treat such employees in accordance with the provisions of the Principles of Good Employment Practice.
- 5.2 The Contractor shall, and shall procure that each Sub-Contractor shall, comply with any requirement notified to it by the Department relating to pensions in respect of any Transferring Department Employee as set down in:
- (a) the Cabinet Office Statement of Practice on Staff Transfers in the Public Sector of January 2000, revised December 2013;
 - (b) Old Fair Deal; and/or
 - (c) the New Fair Deal.
- 5.3 Any changes embodied in any statement of practice, paper or other guidance that replaces any of the documentation referred to in Paragraphs 5.1 or 5.2 shall be agreed in accordance with the Change Control Procedure.

6. PENSIONS

- 6.1 The Contractor shall, and/or shall procure that each of its Sub-Contractors shall, comply with:
- (a) the requirements of Part 1 of the Pensions Act 2008, section 258 of the Pensions Act 2004 and the Transfer of Employment (Pension Protection) Regulations 2005 for all transferring staff; and
 - (b) Part D (and its Annexes) to this Staff Transfer Schedule.

PART B: TRANSFERRING FORMER SUPPLIER EMPLOYEES AT COMMENCEMENT OF SERVICES

1. RELEVANT TRANSFERS

1.1 The Department and the Contractor agree that:

- (a) the commencement of the provision of the Services or of any relevant part of the Services will be a Relevant Transfer in relation to the Transferring Former Supplier Employees; and
- (b) as a result of the operation of the Employment Regulations, the contracts of employment between each Former Supplier and the Transferring Former Supplier Employees (except in relation to any terms disapplied through the operation of regulation 10(2) of the Employment Regulations) shall have effect on and from the Relevant Transfer Date as if originally made between the Contractor and/or Notified Sub-Contractor and each such Transferring Former Supplier Employee.

1.2 The Department shall procure that each Former Supplier shall comply with all its obligations under the Employment Regulations and shall perform and discharge all its obligations in respect of all the Transferring Former Supplier Employees in respect of the period up to (but not including) the Relevant 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 which in any case are attributable in whole or in part in respect of the period up to (but not including) the Relevant Transfer Date) and the Contractor shall make, and the Department shall procure that each Former Supplier makes, any necessary apportionments in respect of any periodic payments.

2. FORMER SUPPLIER INDEMNITIES

2.1 Subject to Paragraph 2.2, the Department shall procure that each Former Supplier shall indemnify the Contractor and any Notified Sub-Contractor against any Employee Liabilities arising from or as a result of:

- (a) any act or omission by the Former Supplier in respect of any Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee arising before the Relevant Transfer Date;
- (b) the breach or non-observance by the Former Supplier arising before the Relevant Transfer Date of:
 - (i) any collective agreement applicable to the Transferring Former Supplier Employees; and/or

- (ii) any custom or practice in respect of any Transferring Former Supplier Employees which the Former Supplier is contractually bound to honour;
- (c) any proceeding, claim or demand by HMRC or other statutory Department in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
 - (i) in relation to any Transferring Former Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory Department relates to financial obligations arising before the Relevant Transfer Date; and
 - (ii) in relation to any employee who is not a Transferring Former Supplier Employee and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Former Supplier to the Contractor and/or any Notified Sub-Contractor as appropriate, to the extent that the proceeding, claim or demand by HMRC or other statutory Department relates to financial obligations in respect of the period to (but excluding) the Relevant Transfer Date;
- (d) a failure of the Former Supplier 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 Former Supplier Employees in respect of the period to (but excluding) the Relevant Transfer Date;
- (e) any claim made by or in respect of any person employed or formerly employed by the Former Supplier other than a Transferring Former Supplier Employee for whom it is alleged the Contractor and/or any Notified Sub-Contractor as appropriate may be liable by virtue of this Contract and/or the Employment Regulations and/or the Acquired Rights Directive; and
- (f) any claim made by or in respect of a Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee relating to any act or omission of the Former Supplier 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 Contractor or any Sub-Contractor to comply with regulation 13(4) of the Employment Regulations.

2.2 The indemnities in Paragraph 2.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Contractor or any Sub-Contractor whether occurring or having its origin before, on or after the Relevant Transfer Date including, without limitation, any Employee Liabilities:

- (a) arising out of the resignation of any Transferring Former Supplier Employee before the Relevant Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Contractor or any Sub-Contractor to occur in the period from (and including) the Relevant Transfer Date; or
- (b) arising from the failure by the Contractor and/or any Sub-Contractor to comply with its obligations under the Employment Regulations.

2.3 If any person who is not identified by the Department as a Transferring Former Supplier Employee claims, or it is determined in relation to any person who is not identified by the Department as a Transferring Former Supplier Employee, that

his/her contract of employment has been transferred from a Former Supplier to the Contractor and/or any Notified Sub-Contractor pursuant to the Employment Regulations or the Acquired Rights Directive then:

- (a) the Supplier shall, or shall procure that the Notified Sub-Contractor shall, within 5 Working Days of becoming aware of that fact, give notice in writing to the Department and, where required by the Department, to the Former Supplier; and
- (b) the Former Supplier may offer (or may procure that a third party may offer) employment to such person within 15 Working Days of the notification by the Contractor and/or the Notified Sub-Contractor or take such other reasonable steps as the Former Supplier considers appropriate to deal with the matter provided always that such steps are in compliance with applicable Law.

2.4 If an offer referred to in Paragraph (b) is accepted, or if the situation has otherwise been resolved by the Former Supplier and/or the Department, the Contractor shall, or shall procure that the Notified Sub-Contractor shall, immediately release the person from his/her employment or alleged employment.

2.5 If by the end of the 15 Working Day period specified in Paragraph (b):

- (a) no such offer of employment has been made;
- (b) such offer has been made but not accepted; or
- (c) the situation has not otherwise been resolved,

the Contractor and/or any Notified Sub-Contractor may within 5 Working Days give notice to terminate the employment or alleged employment of such person.

2.6 Subject to the Contractor and/or any Notified Sub-Contractor acting in accordance with the provisions of Paragraphs 2.3 to 2.5 and in accordance with all applicable proper employment procedures set out in Law, the Department shall procure that the Former Supplier indemnifies the Contractor and/or any Notified Sub-Contractor (as appropriate) against all Employee Liabilities arising out of the termination of employment pursuant to the provisions of Paragraph 2.5 provided that the Contractor takes, or shall procure that the Notified Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities.

2.7 The indemnity in Paragraph 2.6:

- (a) shall not apply to:
 - (i) any claim for:
 - (A) discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or
 - (B) equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,

in any case in relation to any alleged act or omission of the Contractor and/or any Sub-Contractor; or

- (ii) any claim that the termination of employment was unfair because the Contractor and/or Notified Sub-Contractor neglected to follow a fair dismissal procedure; and
- (b) shall apply only where the notification referred to in Paragraph (a) is made by the Contractor and/or any Notified Sub-Contractor (as appropriate) to the Department and, if applicable, the Former Supplier, within 6 months of the Contract Date.

2.8 If any such person as is described in Paragraph 2.3 is neither re-employed by the Former Supplier nor dismissed by the Contractor and/or any Notified Sub-Contractor within the time scales set out in Paragraph 2.5, such person shall be treated as having transferred to the Contractor or Notified Sub-Contractor and the Contractor shall, or shall procure that the Notified Sub-Contractor shall, comply with such obligations as may be imposed upon it under the Law.

3. CONTRACTOR INDEMNITIES AND OBLIGATIONS

3.1 Subject to Paragraph 3.2, the Contractor shall indemnify the Department and/or the Former Supplier against any Employee Liabilities arising from or as a result of:

- (a) any act or omission by the Contractor or any Sub-Contractor in respect of any Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee whether occurring before, on or after the Relevant Transfer Date;
- (b) the breach or non-observance by the Contractor or any Sub-Contractor on or after the Relevant Transfer Date of:
 - (i) any collective agreement applicable to the Transferring Former Supplier Employee; and/or
 - (ii) any custom or practice in respect of any Transferring Former Supplier Employees which the Contractor or any Sub-Contractor is contractually bound to honour;
- (c) any claim by any trade union or other body or person representing any Transferring Former Supplier Employees arising from or connected with any failure by the Contractor or a Sub-Contractor to comply with any legal obligation to such trade union, body or person arising on or after the Relevant Transfer Date;
- (d) any proposal by the Contractor or a Sub-Contractor prior to the Relevant Transfer Date to make changes to the terms and conditions of employment or working conditions of any Transferring Former Supplier Employees to their material detriment on or after their transfer to the Contractor or a Sub-Contractor (as the case may be) on the Relevant Transfer Date, or to change the terms and conditions of employment or working conditions of any person who would have been a Transferring Former Supplier Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Relevant Transfer Date as a result of or for a reason connected to such proposed changes;
- (e) any statement communicated to or action undertaken by the Contractor or a Sub-Contractor to, or in respect of, any Transferring Former Supplier Employee before the Relevant Transfer Date regarding the Relevant Transfer

which has not been agreed in advance with the Department and/or the Former Supplier in writing;

- (f) any proceeding, claim or demand by HMRC or other statutory Department in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
 - (i) in relation to any Transferring Former Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory Department relates to financial obligations arising on or after the Relevant Transfer Date; and
 - (ii) in relation to any employee who is not a Transferring Former Supplier Employee, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Former Supplier to the Contractor or a Sub-Contractor, to the extent that the proceeding, claim or demand by the HMRC or other statutory Department relates to financial obligations arising on or after the Relevant Transfer Date;
- (g) a failure of the Contractor or any Sub-Contractor 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 Former Supplier Employees in respect of the period from (and including) the Relevant Transfer Date;
- (h) any claim made by or in respect of a Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee relating to any act or omission of the Contractor or any Sub-Contractor in relation to obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the Former Supplier's failure to comply with its obligations under regulation 13 of the Employment Regulations; and
- (i) a failure by the Contractor or any Sub-Contractor to comply with its obligations under Paragraph 2.8 above

3.2 The indemnities in Paragraph 3.1 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Former Supplier whether occurring or having its origin before, on or after the Relevant Transfer Date including, without limitation, any Employee Liabilities arising from the Former Supplier's failure to comply with its obligations under the Employment Regulations.

3.3 The Contractor shall comply, and shall procure that each Sub-Contractor shall comply, with all its obligations under the Employment Regulations (including without limitation its obligation to inform and consult in accordance with regulation 13 of the Employment Regulations) and shall perform and discharge, and shall procure that each Sub-Contractor shall perform and discharge, all its obligations in respect of all the Transferring Former Supplier Employees, on and from the Relevant 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 any other sums due under the Admission Agreement which in any case are attributable in whole or in part to the period from (and including) the Relevant Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between the Contractor and the Former Supplier.

4. **INFORMATION**

- 4.1 The Contractor shall, and shall procure that each Sub-Contractor shall, promptly provide to the Department and/or at the Department's direction, the Former Supplier, in writing such information as is necessary to enable the Department and/or the Former Supplier to carry out their respective duties under regulation 13 of the Employment Regulations. The Department shall procure that the Former Supplier shall promptly provide to the Contractor and each Notified Sub-Contractor in writing such information as is necessary to enable the Contractor and each Notified Sub-Contractor to carry out their respective duties under regulation 13 of the Employment Regulations.

5. PRINCIPLES OF GOOD EMPLOYMENT PRACTICE

- 5.1 The Contractor shall, and shall procure that each Sub-Contractor shall, comply with any requirement notified to it by the Department relating to pensions in respect of any Transferring Former Supplier Employee as set down in:
- (a) the Cabinet Office Statement of Practice on Staff Transfers in the Public Sector of January 2000, revised December 2013;
 - (b) Old Fair Deal; and/or
 - (c) the New Fair Deal.
- 5.2 Any changes embodied in any statement of practice, paper or other guidance that replaces any of the documentation referred to in Paragraph 5.1 shall be agreed in accordance with the Change Control Procedure.

6. PROCUREMENT OBLIGATIONS

- 6.1 Notwithstanding any other provisions of this Part B, where in this Part B the Department 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 Department's contract with the Former Supplier contains a contractual right in that regard which the Department may enforce, or otherwise so that it requires only that the Department must use reasonable endeavours to procure that the Former Supplier does or does not act accordingly.

7. PENSIONS

- 7.1 The Contractor shall, and shall procure that each Sub-Contractor shall, comply with:
- (a) the requirements of Part 1 of the Pensions Act 2008, section 258 of the Pensions Act 2004 and the Transfer of Employment (Pension Protection) Regulations 2005 for all transferring staff; and
 - (b) Part D (and its Annexes) to this Staff Transfer Schedule.

PART C: NO TRANSFER OF EMPLOYEES AT COMMENCEMENT OF SERVICES

1. PROCEDURE IN THE EVENT OF TRANSFER

- 1.1 The Department and the Contractor agree that the commencement of the provision of the Services or of any part of the Services will not be a Relevant Transfer in relation to any employees of the Department and/or any Former Supplier.
- 1.2 If any employee of the Department and/or a Former Supplier claims, or it is determined in relation to any employee of the Department and/or a Former Supplier, that his/her contract of employment has been transferred from the Department and/or the Former Supplier to the Contractor and/or any Sub-Contractor pursuant to the Employment Regulations or the Acquired Rights Directive then:
 - (a) the Contractor shall, and shall procure that the relevant Sub-Contractor shall, within 5 Working Days of becoming aware of that fact, give notice in writing to the Department and, where required by the Department, give notice to the Former Supplier; and
 - (b) the Department and/or the Former Supplier may offer (or may procure that a third party may offer) employment to such person within 15 Working Days of the notification by the Contractor or the Sub-Contractor (as appropriate) or take such other reasonable steps as the Department or Former Supplier (as the case may be) considers appropriate to deal with the matter provided always that such steps are in compliance with applicable Law.
- 1.3 If an offer referred to in Paragraph 12(b) is accepted (or if the situation has otherwise been resolved by the Department and/or the Former Supplier), the Contractor shall, or shall procure that the Sub-Contractor shall, immediately release the person from his/her employment or alleged employment.
- 1.4 If by the end of the 15 Working Day period specified in Paragraph 1.2(b):
 - (a) no such offer of employment has been made;
 - (b) such offer has been made but not accepted; or

(c) the situation has not otherwise been resolved,

the Contractor and/or the Sub-Contractor may within 5 Working Days give notice to terminate the employment or alleged employment of such person.

2. INDEMNITIES

2.1 Subject to the Contractor and/or the relevant Sub-Contractor acting in accordance with the provisions of Paragraphs 1.2 to 1.4 and in accordance with all applicable employment procedures set out in applicable Law and subject also to Paragraph 2.4, the Department shall:

- (a) indemnify the Contractor and/or the relevant Sub-Contractor against all Employee Liabilities arising out of the termination of the employment of any employees of the Department referred to in Paragraph 1.2 made pursuant to the provisions of Paragraph 1.4 provided that the Contractor takes, or shall procure that the Notified Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities; and
- (b) procure that the Former Supplier indemnifies the Contractor and/or any Notified Sub-Contractor against all Employee Liabilities arising out of termination of the employment of the employees of the Former Supplier referred to in Paragraph 1.2 made pursuant to the provisions of Paragraph 1.4 provided that the Contractor takes, or shall procure that the relevant Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities.

2.2 If any such person as is described in Paragraph 1.2 is neither re employed by the Department and/or the Former Supplier as appropriate nor dismissed by the Contractor and/or any Sub-Contractor within the 15 Working Day period referred to in Paragraph 1.4 such person shall be treated as having transferred to the Contractor and/or the Sub-Contractor (as appropriate) and the Contractor shall, or shall procure that the Sub-Contractor shall, comply with such obligations as may be imposed upon it under Law.

2.3 Where any person remains employed by the Contractor and/or any Sub-Contractor pursuant to Paragraph 2.2, all Employee Liabilities in relation to such employee shall remain with the Contractor and/or the Sub-Contractor and the Contractor shall indemnify the Department and any Former Supplier, and shall procure that the Sub-Contractor shall indemnify the Department and any Former Supplier, against any Employee Liabilities that either of them may incur in respect of any such employees of the Contractor and/or employees of the Sub-Contractor.

2.4 The indemnities in Paragraph 2.1:

- (a) shall not apply to:
 - (i) any claim for:
 - (A) discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or
 - (B) equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,
- in any case in relation to any alleged act or omission of the Contractor and/or any Sub-Contractor; or

- (ii) any claim that the termination of employment was unfair because the Contractor and/or any Sub-Contractor neglected to follow a fair dismissal procedure; and
- (b) shall apply only where the notification referred to in Paragraph 1.2(a) is made by the Contractor and/or any Sub-Contractor to the Department and, if applicable, Former Supplier within 6 months of the Contract Date.

3. **PROCUREMENT OBLIGATIONS**

- 3.1 Where in this Part C the Department 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 Department's contract with the Former Supplier contains a contractual right in that regard which the Department may enforce, or otherwise so that it requires only that the Department must use reasonable endeavours to procure that the Former Supplier does or does not act accordingly.

PART D: PENSIONS

1. **DEFINITIONS**

- 1.1 In this Part D and Part E, the following words have the following meanings and they shall supplement Schedule 1: Definitions, and shall be deemed to include the definitions set out in the Annexes to this Part D:

"Actuary"	a Fellow of the Institute and Faculty of Actuaries;
"Admission Agreement"	either or both of the CSPS Admission Agreement (as defined in Annex D1: CSPS) or the LGPS Admission Agreement) as defined in Annex D3: LGPS), as the context requires;
"Best Value Direction"	the Best Value Authorities Staff Transfers (Pensions) Direction 2007 or the Welsh Authorities Staff Transfers (Pensions) Direction 2012 (as appropriate);
"Broadly Comparable"	(a) in respect of a pension scheme, a status satisfying the condition that there are no identifiable employees who will suffer material detriment overall in terms of future accrual of pension benefits as assessed in accordance with Annex A of New Fair Deal and demonstrated by the issue by the Government Actuary's Department of a broad comparability certificate; and/or

- (b) in respect of benefits provided for or in respect of a member under a pension scheme, benefits that are consistent with that pension scheme's certificate of broad comparability issued by the Government Actuary's Department,

and **"Broad Comparability"** shall be construed accordingly;

"CSPS"

the schemes as defined in Annex D1 to this Part D;

"Direction Letter/Determination"

has the meaning in Annex D2 to this Part D;

"Fair Deal Eligible Employees"

means each of the CSPS Eligible Employees, the NHSPS Eligible Employees and/or the LGPS Eligible Employees (as applicable) (and shall include any such employee who has been admitted to and/or remains eligible to join a Broadly Comparable pension scheme at the relevant time in accordance with paragraph 10 or 11 of this Part D);

"Fair Deal Employees"

any of:

- (a) Transferring Department Employees;
- (b) Transferring Former Supplier Employees; and/or
- (c) employees who are not Transferring Department Employees or Transferring Former Supplier Employees but to whom the Employment Regulations apply on the Relevant Transfer Date to transfer their employment to the Contractor or a Sub-Contractor, and whose employment is not terminated in accordance with the provisions of paragraphs 2.5 of Parts A or B or paragraph 1.4 of Part C;
- (d) where the Contractor or a Sub-Contractor was the Former Supplier, the employees of the Contractor (or Sub-Contractor)
- (e) who at the Relevant Transfer Date are or become entitled to New Fair Deal or Best Value Direction protection in respect of any of the Statutory Schemes or a Broadly Comparable pension scheme provided in accordance with paragraph 10 of this Part D as notified by the Department;

"Fund Actuary"	a Fund Actuary as defined in Annex D3 to this Part D;
"LGPS"	the scheme as defined in Annex D3 to this Part D; and
"NHSPS"	the schemes as defined in Annex D2 to this Part D.

2. PARTICIPATION

- 2.1 In respect of all or any Fair Deal Employees each of Annex D1: CSPA, Annex **D2Error! Reference source not found.**: NHSPS and/or Annex D3: LGPS shall apply, as appropriate.
- 2.2 The Contractor undertakes to do all such things and execute any documents (including any relevant Admission Agreement and/or Direction Letter/Determination, if necessary) as may be required to enable the Contractor to participate in the appropriate Statutory Scheme in respect of the Fair Deal Employees and shall bear its own costs in such regard.
- 2.3 The Contractor undertakes:
 - (a) to pay to the Statutory Schemes all such amounts as are due under the relevant Admission Agreement and/or Direction Letter/Determination or otherwise and shall deduct and pay to the Statutory Schemes such employee contributions as are required; and
 - (b) subject to where it expressly states otherwise in Annex D3: LGPS to be fully responsible for all other costs, contributions, payments and other amounts relating to its participation in the Statutory Schemes, including for the avoidance of doubt any exit payments and the costs of providing any bond, indemnity or guarantee required in relation to such participation.
- 2.4 Where the Contractor is the Former Supplier (or a Sub-Contractor is a sub-contractor of the Former Supplier) and there is no Relevant Transfer of the Fair Deal Employees because they remain continuously employed by the Contractor (or Sub-Contractor) at the Contract Date, this Part D and its Annexes shall be modified accordingly so that the Contractor (or Sub-Contractor) shall comply with its requirements from the Contract Date or, where it previously provided a Broadly Comparable pension scheme, from the date it is able to close accrual of its Broadly Comparable pension scheme (following appropriate consultation and contractual changes as appropriate) if later. The Contractor (or Sub-Contractor) shall make arrangements for a bulk transfer from its Broadly Comparable pension scheme to the relevant Statutory Scheme in accordance with the requirements of the previous contract with the Department.

3. PROVISION OF INFORMATION

- 3.1 The Contractor undertakes to the Department:
 - (a) to provide all information which the Department may reasonably request concerning matters referred to in this Part D as expeditiously as possible;
 - (b) not to issue any announcements to any Fair Deal Employee prior to the Relevant Transfer Date concerning the matters stated in this Part D without

the consent in writing of the Department (such consent not to be unreasonably withheld or delayed); and

- (c) retain such records as would be necessary to manage the pension aspects in relation to any current or former Fair Deal Eligible Employees arising on expiry or termination of this Contract.

4. INDEMNITIES

4.1 The Contractor shall indemnify and keep indemnified the Department, [NHS Pensions,] any Replacement Supplier and/or any Replacement Sub-Contractor on demand from and against all and any Losses whatsoever suffered or incurred by it or them which:

- (a) arise out of or in connection with any liability towards all and any Fair Deal Employees in respect of service on or after the Relevant Transfer Date which arises from any breach by the Contractor of this Part D, and/or the CSPA Admission Agreement and/or the Direction Letter/Determination and/or the LGPS Admission Agreement;
- (b) relate to the payment of benefits under and/or participation in a pension scheme (as defined in section 150(1) Finance Act 2004) provided by the Contractor or a Sub-Contractor on and after the Relevant Transfer Date until the Termination Date or Expiry Date of this Contract, including the Statutory Schemes or any Broadly Comparable pension scheme provided in accordance with paragraphs 10 or 11 of this Part D;
- (c) relate to claims by Fair Deal Employees of the Contractor and/or of any Sub-Contractor or by any trade unions, elected employee representatives or staff associations in respect of all or any such Fair Deal Employees which Losses:
 - (i) relate to any rights to benefits under a pension scheme (as defined in section 150(1) Finance Act 2004) in respect of periods of employment on and after the Relevant Transfer Date until the Termination Date or Expiry Date of this Contract;
 - (ii) arise out of the failure of the Contractor and/or any relevant Sub-Contractor to comply with the provisions of this Part D before the Termination Date or Expiry Date of this Contract; and/or
- (d) arise out of or in connection with the Contractor (or its Sub-Contractor) allowing anyone who is not an NHSPS Fair Deal Employee to join or claim membership of the NHSPS at any time during the Contract Period.

4.2 The indemnities in this Part D **Error! Reference source not found.** and its Annexes:

- (a) shall survive termination of this Contract; and
- (b) shall be unlimited as contained in Clause 9.4(*Limitation of Liability*).

5. DISPUTES

5.1 The Dispute Resolution Procedure will not apply to any dispute (i) between the Department and/or the Contractor or (ii) between their respective actuaries and/or the Fund Actuary about any of the actuarial matters referred to in this Part D and its Annexes shall in the absence of agreement between the Department and/or the Contractor be referred to an independent Actuary:

- (a) who will act as an expert and not as an arbitrator;
- (b) whose decision will be final and binding on the Department and/or the Contractor; and
- (c) whose expenses shall be borne equally by the Department and/or the Contractor unless the independent Actuary shall otherwise direct.

5.2 The independent Actuary shall be agreed by the Parties or, failing such agreement the independent Actuary shall be appointed by the President for the time being of the Institute and Faculty of Actuaries on the application by the Parties.

6. THIRD PARTY RIGHTS

6.1 The Parties agree Clause 43 (Third Party Rights) does not apply and that the CRTPA applies to this Part D to the extent necessary to ensure that any Fair Deal Employee will have the right to enforce any obligation in respect of to him or her by the Contractor under this Part D, in his or her or its own right under section 1(1) of the CRTPA.

6.2 Further, the Contractor must ensure that the CRTPA will apply to any Sub-contract to the extent necessary to ensure that any Fair Deal Employee will have the right to enforce any obligation owed to them by the Sub-Contractor in his or her own right under section 1(1) of the CRTPA.

7. BREACH

7.1 The Contractor agrees to notify the Department should it breach any obligations it has under this Part D and agrees that the Department shall be entitled to terminate its Contract for Serious Breach in the event that the Contractor:

- (a) commits an irremediable breach of any provision or obligation it has under this Part D; or
- (b) commits a breach of any provision or obligation it has under this Part D which, where capable of remedy, it fails to remedy within a reasonable time and in any event within 28 days of the date of a notice from the Department giving particulars of the breach and requiring the Contractor to remedy it.

8. TRANSFER TO ANOTHER EMPLOYER/SUB-CONTRACTORS

8.1 Save on expiry or termination of this Contract, if the employment of any Fair Deal Eligible Employee transfers to another employer (by way of a transfer under the Employment Regulations or other form of compulsory transfer of employment), the Contractor shall or shall procure that any relevant Sub-Contractor shall:

- (a) notify the Department as far as reasonably practicable in advance of the transfer to allow the Department to make the necessary arrangements for participation with the relevant Statutory Scheme(s);
- (b) consult with about, and inform those Fair Deal Eligible Employees of, the pension provisions relating to that transfer; and
- (c) procure that the employer to which the Fair Deal Eligible Employees are transferred (the "**New Employer**") complies with the provisions of this Part D and its Annexes provided that references to the "Contractor" will become references to the New Employer, references to "Relevant Transfer Date" will become references to the date of the transfer to the New Employer and

references to "Fair Deal Employees" will become references to the Fair Deal Eligible Employees so transferred to the New Employer.

9. PENSION ISSUES ON EXPIRY OR TERMINATION

- 9.1 The provisions of Part E: Employment Exit Provisions apply in relation to pension issues on expiry or termination of this Contract.
- 9.2 The Contractor shall (and shall procure that any of its Sub-Contractors shall) prior to the termination of this Contract provide all such co-operation and assistance (including co-operation and assistance from the Broadly Comparable pension scheme's Actuary) as the Replacement Supplier and/or NHS Pension and/or CSPA and/or the relevant Administering Department and/or the Department may reasonably require, to enable the Replacement Supplier to participate in the appropriate Statutory Scheme in respect of any Fair Deal Eligible Employee that remains eligible for New Fair Deal protection following a Service Transfer.

10. BROADLY COMPARABLE PENSION SCHEME ON RELEVANT TRANSFER DATE

- 10.1 If the terms of any of paragraphs 4 of Annex D2: NHSPS or 3.1 of Annex D3: LGPS applies, the Contractor must (and must, where relevant, procure that each of its Sub-Contractors will) ensure that, with effect from the Relevant Transfer Date until the day before the Service Transfer Date, the relevant Fair Deal Employees will be eligible for membership of a pension scheme under which the benefits are Broadly Comparable to those provided under the relevant Statutory Scheme, and then on such terms as may be decided by the Department.
- 10.2 Such Broadly Comparable pension scheme must be:
- (a) established by the Relevant Transfer Date;
 - (b) a registered pension scheme for the purposes of Part 4 of the Finance Act 2004;
 - (c) capable of receiving a bulk transfer payment from the relevant Statutory Scheme or from a Former Supplier's Broadly Comparable pension scheme (unless otherwise instructed by the Department);
 - (d) capable of paying a bulk transfer payment to the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (unless otherwise instructed by the Department); and
 - (e) maintained until such bulk transfer payments have been received or paid (unless otherwise instructed by the Department).
- 10.3 Where the Contractor has provided a Broadly Comparable pension scheme pursuant to the provisions of this paragraph 10, the Contractor shall (and shall procure that any of its Sub-Contractors shall):
- (a) supply to the Department details of its (or its Sub-Contractor's) Broadly Comparable pension scheme and provide a full copy of the valid certificate of broad comparability (which remains valid as at the Relevant Transfer Date) covering all relevant Fair Deal Employees, as soon as it is able to do so before the Relevant Transfer Date (where possible) and in any event no later than seven (7) days after receipt of the certificate;
 - (b) be fully responsible for all costs, contributions, payments and other amounts relating to the setting up, certification of, ongoing participation in and/or

withdrawal and exit from the Broadly Comparable pension scheme, including for the avoidance of doubt any debts arising under section 75 or 75A of the Pensions Act 1995;

- (c) instruct any such Broadly Comparable pension scheme's Actuary to provide all such co-operation and assistance in agreeing bulk transfer process with the Actuary to the Former Supplier's Broadly Comparable pension scheme or the Actuary to the relevant Statutory Scheme (as appropriate) and to provide all such co-operation and assistance with any other Actuary appointed by the Department (where applicable). This will be with a view to the bulk transfer terms providing day for day and/or pound for pound (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes) credits in the Broadly Comparable pension scheme in respect of any Fair Deal Eligible Employee who consents to such a transfer; and
- (d) provide a replacement Broadly Comparable pension scheme in accordance with this paragraph 10 with immediate effect for those Fair Deal Eligible Employees who are still employed by the Contractor and/or relevant Sub-Contractor and are still eligible for New Fair Deal protection in the event that the Contractor and/or Sub-Contractor's Broadly Comparable pension scheme is closed to future accrual and/or terminated. The relevant Fair Deal Eligible Employees must be given the option to transfer their accrued benefits from the previous Broadly Comparable pension scheme to the new Broadly Comparable pension scheme on day for day and/or pound for pound terms (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes).

10.4 Where the Contractor has provided a Broadly Comparable pension scheme pursuant to the provisions of this paragraph 10, the Contractor shall (and shall procure that any of its Sub-Contractors shall) prior to the termination of this Contract:

- (a) allow and make all necessary arrangements to effect, in respect of any Fair Deal Eligible Employee that remains eligible for New Fair Deal protection, following a Service Transfer, the bulk transfer of past service from any such Broadly Comparable pension scheme into the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable). The bulk transfer terms provided shall be on a past service reserve basis which should be calculated allowing for projected final salary at the assumed date of retirement, leaving service or death (in the case of final salary benefits). The actuarial basis for this past service reserve basis should be aligned to the funding requirements of the Broadly Comparable pension scheme in place at the time the bulk transfer terms are offered. The bulk transfer terms shall be subject to an underpin in relation to any service credits awarded in the Broadly Comparable pension scheme in accordance with paragraph (c) such that the element of the past service reserve amount which relates to such service credits shall be no lower than that required by the bulk transfer terms that were agreed in accordance with paragraph (c) but using the last day of the Fair Deal Eligible Employees' employment with the Contractor or Sub-Contractor (as appropriate) as the date used to determine the actuarial assumptions; and
- (b) if the transfer payment paid by the trustees of the Broadly Comparable pension scheme is less (in the opinion of the Actuary to the Replacement Supplier's Broadly Comparable pension scheme (or to the relevant Statutory Scheme if applicable)) than the transfer payment which would have been paid had paragraph (a) been complied with, the Contractor shall (or shall procure that the Sub-Contractor shall) pay the amount of the difference to the

Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable) or as the Department shall otherwise direct. The Contractor shall indemnify the Department or the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (as the Department directs) for any failure to pay the difference as required under this paragraph.

11. BROADLY COMPARABLE PENSION SCHEME IN OTHER CIRCUMSTANCES

11.1 If the terms of any of paragraphs 2.2 of Annex D1: CSPS, 5.2 of Annex D2: NHSPS and/or 3.2 of Annex D3: LGPS apply, the Contractor must (and must, where relevant, procure that each of its Sub-Contractors will) ensure that, with effect from the cessation of participation in the Statutory Scheme, until the day before the Service Transfer Date, the relevant Fair Deal Eligible Employees will be eligible for membership of a pension scheme under which the benefits are Broadly Comparable to those provided under the relevant Statutory Scheme at the date of cessation of participation in the relevant Statutory Scheme, and then on such terms as may be decided by the Department.

11.2 Such Broadly Comparable pension scheme must be:

- (a) established by the date of cessation of participation in the Statutory Scheme;
- (b) a registered pension scheme for the purposes of Part 4 of the Finance Act 2004;
- (c) capable of receiving a bulk transfer payment from the relevant Statutory Scheme (where instructed to do so by the Department);
- (d) capable of paying a bulk transfer payment to the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (unless otherwise instructed by the Department); and
- (e) maintained until such bulk transfer payments have been received or paid (unless otherwise instructed by the Department).

11.3 Where the Contractor has provided a Broadly Comparable pension scheme pursuant to the provisions of this paragraph 11, the Contractor shall (and shall procure that any of its Sub-Contractors shall):

- (a) supply to the Department details of its (or its Sub-Contractor's) Broadly Comparable pension scheme and provide a full copy of the valid certificate of broad comparability (which remains valid as at the date of cessation of participation in the Statutory Scheme) covering all relevant Fair Deal Eligible Employees, as soon as it is able to do so before the cessation of participation in the Statutory Scheme (where possible) and in any event no later than seven (7) days after receipt of the certificate;
- (b) be fully responsible for all costs, contributions, payments and other amounts relating to the setting up, certification of, ongoing participation in and/or withdrawal and exit from the Broadly Comparable pension scheme, including for the avoidance of doubt any debts arising under section 75 or 75A of the Pensions Act 1995; and
- (c) where required to do so by the Department, instruct any such Broadly Comparable pension scheme's Actuary to provide all such co-operation and assistance in agreeing a bulk transfer process with the Actuary to the relevant Statutory Scheme and to provide all such co-operation and assistance with any other Actuary appointed by the Department (where applicable). The

Contractor must ensure that day for day and/or pound for pound (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes) credits in the Broadly Comparable pension scheme are provided in respect of any Fair Deal Employee who consents to such a transfer from the Statutory Scheme and the Contractor shall be fully responsible for any costs of providing those credits in excess of the bulk transfer payment received by the Broadly Comparable pension scheme; and

- (d) provide a replacement Broadly Comparable pension scheme in accordance with this paragraph 11 with immediate effect for those Fair Deal Eligible Employees who are still employed by the Contractor and/or relevant Sub-Contractor and are still eligible for New Fair Deal protection in the event that the Contractor and/or Sub-Contractor's Broadly Comparable pension scheme is closed to future accrual and/or terminated. The relevant Fair Deal Eligible Employees must be given the option to transfer their accrued benefits from the previous Broadly Comparable pension scheme to the new Broadly Comparable pension scheme on day for day and/or pound for pound terms (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes).

11.4 Where the Contractor has provided a Broadly Comparable pension scheme pursuant to the provisions of this paragraph 11, the Contractor shall (and shall procure that any of its Sub-Contractors shall) prior to the termination of this Contract allow and make all necessary arrangements to effect, in respect of any Fair Deal Eligible Employee that remains eligible for New Fair Deal protection, following a Service Transfer, the bulk transfer of past service from any such Broadly Comparable pension scheme into the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable). The bulk transfer terms provided shall be sufficient to secure day for day and/or pound for pound credits (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes) in the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable). For the avoidance of doubt, should the amount offered by the Broadly Comparable pension scheme be less than the amount required by the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) to fund the required credits ("**the Shortfall**"), the Contractor or the Sub-Contractor (as agreed between them) must pay the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable) the Shortfall as required, provided that in the absence of any agreement between the Contractor and any Sub-Contractor, the Shortfall shall be paid by the Contractor. The Contractor shall indemnify the Department or the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (as the Department directs) for any failure to pay the Shortfall under this paragraph.

12. **RIGHT OF SET-OFF**

12.1 The Department shall have a right to set off against any payments due to the Contractor under this Contract an amount equal to:

- (a) any unpaid employer's contributions or employee's contributions or any other financial obligations under the CSPA or any CSPA Admission Agreement in respect of the CSPA Eligible Employees whether due from the Contractor or from any relevant Sub-Contractor or due from any third party under any indemnity, bond or guarantee;
- (b) any unpaid employer's contributions or employee's contributions or any other financial obligations under the NHSPA or any Direction Letter/Determination

in respect of the NHSPS Eligible Employees whether due from the Contractor or from any relevant Sub-Contractor or due from any third party under any indemnity, bond or guarantee; or

- (c) any unpaid employer's contributions or employee's contributions or any other financial obligations under the LGPS or any LGPS Admission Agreement in respect of the LGPS Eligible Employees whether due from the Contractor or from any relevant Sub-Contractor or due from any third party under any indemnity, bond or guarantee;

and shall pay such set off amount to the relevant Statutory Scheme.

- 12.2 The Department shall also have a right to set off against any payments due to the Contractor under this Contract all reasonable costs and expenses incurred by the Department as result of Paragraph 12.1 above.

ANNEX D1: CSPA

1. DEFINITIONS

- 1.1 In this Annex D1: CSPA to Part D: Pensions, the following words have the following meanings:

"CSPA Admission Agreement"

an admission agreement in the form available on the Civil Service Pensions website immediately prior to the Relevant Transfer Date to be entered into for the CSPA in respect of the Services;

"CSPA Eligible Employee"

any CSPA Fair Deal Employee who at the relevant time is an active member or eligible to

participate in the CSPA under a CSPA Admission Agreement;

"CSPA Fair Deal Employee"

a Fair Deal Employee who at the Relevant Transfer Date is or becomes entitled to protection in respect of the CSPA in accordance with the provisions of New Fair Deal;

"CSPA"

the Principal Civil Service Pension Scheme available to Civil Servants and employees of bodies under Schedule 1 of the Superannuation Act 1972 (and eligible employees of other bodies admitted to participate under a determination under section 25 of the Public Service Pensions Act 2013), as governed by rules adopted by Parliament; the Partnership Pension Account and its (i) Ill health Benefits Arrangements and (ii) Death Benefits Arrangements; the Civil Service Additional Voluntary Contribution Scheme; and "alpha" introduced under The Public Service (Civil Servants and Others) Pensions Regulations 2014.

2. FUTURE SERVICE BENEFITS

- 2.1 In accordance with New Fair Deal, the Contractor and/or any of its Sub-Contractors to which the employment of any CSPA Fair Deal Employee compulsorily transfers as a result of either the award of this Contract or a Relevant Transfer, if not an employer which participates automatically in the CSPA, shall each secure a CSPA Admission Agreement to ensure that CSPA Fair Deal Employees or CSPA Eligible Employees as appropriate shall be either admitted into, or offered continued membership of, the relevant section of the CSPA that they currently contribute to, or were eligible to join immediately prior to the Relevant Transfer Date or became eligible to join on the Relevant Transfer Date. The Contractor and/or any of its Sub-Contractors shall procure that the CSPA Fair Deal Employees continue to accrue benefits in the CSPA in accordance with the provisions governing the relevant section of the CSPA for service from (and including) the Relevant Transfer Date.
- 2.2 If the Contractor and/or any of its Sub-Contractors enters into a CSPA Admission Agreement in accordance with paragraph 2.1 but the CSPA Admission Agreement is terminated during Contract Period of this Contract for any reason at a time when the Contractor or Sub-Contractor still employs any CSPA Eligible Employees, the Contractor shall (and procure that its Sub-Contractors shall) at no extra cost to the Department, offer the remaining CSPA Eligible Employees membership of a pension scheme which is Broadly Comparable to the CSPA on the date those CSPA Eligible Employees ceased to participate in the CSPA in accordance with the provisions of paragraph 11 of Part D.

ANNEX D: NHSPS

1. DEFINITIONS

1.1 In this Annex D2: NHSPS to Part D: Pensions, the following words have the following meanings:

"Direction Letter/Determination"	an NHS Pensions Direction or Determination (as appropriate) issued by the Secretary of State in exercise of the powers conferred by section 7 of the Superannuation (Miscellaneous Provisions) Act 1967 or by section 25 of the Public Service
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Pensions Act 2013 (as appropriate) and issued to the Contractor or a Sub-Contractor of the Contractor (as appropriate) relating to the terms of participation of the Contractor or Sub-Contractor in the NHSPS in respect of the NHSPS Fair Deal Employees;

“NHS Broadly Comparable Employees”

means each of the Fair Deal Employees who at a Relevant Transfer Date was a member of, or was entitled to become a member of, or but for their compulsory transfer of employment would have been entitled to be or become a member of, the NHSPS as a result of either:

- (a) their employment with the Department, an NHS Body or other employer which participates automatically in the NHSPS; or
- (b) their employment with a Former Supplier who provides access to either the NHSPS pursuant to a Direction Letter/Determination or to a Broadly Comparable pension scheme in respect of their employment with that Former Supplier (on the basis that they are entitled to protection under New Fair Deal (or previous guidance), having been formerly in employment with the Department, an NHS Body or other employer who participated automatically in the NHSPS in connection with the Services, prior to being employed by the Former Supplier),

but who is now ineligible to participate in the NHSPS under the rules of the NHSPS and in respect of whom the Department has agreed are to be provided with a Broadly Comparable pension scheme to provide Pension Benefits that are Broadly Comparable to those provided under the NHSPS.

“NHSPS Eligible Employees”

any NHSPS Fair Deal Employee who at the relevant time is an active member or eligible to participate in the NHSPS under a Direction Letter/Determination Letter.

“NHSPS Fair Deal Employees”

means other than the NHS Broadly Comparable Employees, each of the Fair Deal Employees who at a Relevant Transfer Date was a member of, or was entitled to become a member of, or but for their compulsory transfer of employment would have been entitled to be or become a member of, the NHSPS as a result of either:

- (a) their employment with the Department, an NHS Body or other employer which participates automatically in the NHSPS; or
- (b) their employment with a Former Supplier who provides access to either the NHSPS pursuant to a Direction Letter/Determination or to a Broadly Comparable pension scheme in respect of their employment with that Former Supplier (on the basis that they are entitled to protection under New Fair Deal (or previous guidance), having been formerly in employment with the Department, an NHS Body or other employer who participated automatically in the NHSPS in connection with the Services, prior to being employed by the Former Supplier),

and, in each case, being continuously engaged for more than fifty per cent (50%) of their employed time in the delivery of services (the same as or similar to the Services).

For the avoidance of doubt, an individual who is in or entitled to become a member of the NHSPS as a result of being engaged in the Services and being covered by an "open" Direction Letter/Determination or other NHSPS "access" facility but who has never been employed directly by the Department, an NHS Body or other body which participates automatically in the NHSPS is not an NHSPS Fair Deal Employee;

"NHS Body"

has the meaning given to it in section 275 of the National Health Service Act 2006 as amended by section 138(2)(c) of Schedule 4 to the Health and Social Care Act 2012;

"NHS Pensions"

NHS Pensions as the administrators of the NHSPS or such other body as may from time to time be responsible for relevant administrative functions of the NHSPS;

"NHSPS"

the National Health Service Pension Scheme for England and Wales, established pursuant to the Superannuation Act 1972 and the Public Service Pensions Act 2013 governed by subsequent regulations under those Acts including the NHS Pension Scheme Regulations;

"NHS Pension Scheme Regulations"	as appropriate, any or all of the National Health Service Pension Scheme Regulations 1995 (SI 1995/300), the National Health Service Pension Scheme Regulations 2008 (SI 2008/653), the National Health Service Pension Scheme Regulations 2015 (2015/94) and any subsequent regulations made in respect of the NHSPS, each as amended from time to time;
"NHS Premature Retirement Rights"	rights to which any NHSPS Fair Deal Employee (had they remained in the employment of the Department, an NHS Body or other employer which participates automatically in the NHSPS) would have been or is entitled under the NHS Pension Scheme Regulations, the NHS Compensation for Premature Retirement Regulations 2002 (SI 2002/1311), the NHS (Injury Benefits) Regulations 1995 (SI 1995/866) and section 45 of the General Whitley Council conditions of service, or any other legislative or contractual provision which replaces, amends, extends or consolidates the same from time to time;
"Pension Benefits"	any benefits payable in respect of an individual (including but not limited to pensions related allowances and lump sums) relating to old age, invalidity or survivor's benefits provided under an occupational pension scheme; and

2. MEMBERSHIP OF THE NHSPS

- 2.1 In accordance with New Fair Deal, the Contractor and/or any of its Sub-Contractors to which the employment of any NHSPS Fair Deal Employee compulsorily transfers as a result of either the award of this Contract or a Relevant Transfer, if not an NHS Body or other employer which participates automatically in the NHSPS, shall each secure a Direction Letter/Determination to enable the NHSPS Fair Deal Employees to retain either continuous active membership of or eligibility for the NHSPS for so long as they remain employed in connection with the delivery of the Services under this Contract.
- 2.2 Where it is not possible for the Contractor and/or any of its Sub-Contractors to secure a Direction Letter/Determination on or before the Relevant Transfer Date, the Contractor must secure a Direction Letter/Determination as soon as possible after the Relevant Transfer Date, and in the period between the Relevant Transfer Date and the date the Direction Letter/Determination is secure, the Provider must ensure that:
- (a) all employer's and NHSPS Fair Deal Employees' contributions intended to go to the NHSPS are kept in a separate bank account; and
 - (b) the Pension Benefits and Premature Retirement Rights of NHSPS Fair Deal Employees are not adversely affected.

- 2.3 The Contractor must supply to the Department a complete copy of each Direction Letter/Determination within 5 Working Days of receipt of the Direction Letter/Determination.
- 2.4 The Contractor must ensure (and procure that each of its Sub-Contractors (if any) ensures) that all of its NHSPS Fair Deal Employees have a contractual right to continuous active membership of or eligibility for the NHSPS for so long as they have a right to membership or eligibility of that scheme under the terms of the Direction Letter/Determination.
- 2.5 The Contractor will (and will procure that its Sub-Contractors (if any) will) comply with the terms of the Direction Letter/Determination, the NHS Pension Scheme Regulations (including any terms which change as a result of changes in Law) and any relevant policy issued by the Department of Health and Social Care in respect of the NHSPS Fair Deal Employees for so long as it remains bound by the terms of any such Direction Letter/Determination.
- 2.6 Where any employee omitted from the Direction Letter/Determination supplied in accordance with paragraph 2.5 of this Annex are subsequently found to be an NHSPS Fair Deal Employee, the Contractor will (and will procure that its Sub-Contractors (if any) will) treat that person as if they had been an NHSPS Fair Deal Employee from the Relevant Transfer Date so that their Pension Benefits and NHS Premature Retirement Rights are not adversely affected.
- 2.7 The Contractor will (and will procure that its Sub-Contractors (if any) will) provide any indemnity, bond or guarantee required by NHS Pensions in relation to a Direction Letter/Determination.

3. NHS PREMATURE RETIREMENT RIGHTS

- 3.1 From the Relevant Transfer Date until the Service Transfer Date, the Contractor must provide (and/or must ensure that its Sub-Contractors (if any) provide) NHS Premature Retirement Rights in respect of the NHSPS Fair Deal Employees that are identical to the benefits they would have received had they remained employees of the Department, an NHS Body or other employer which participates automatically in the NHSPS.

4. NHS BROADLY COMPARABLE EMPLOYEES

- 4.1 The Contractor shall (and procure that its Sub-Contractors shall), with effect from the Relevant Transfer Date, offer the NHSPS Broadly Comparable Employees membership of a pension scheme which is Broadly Comparable to NHSPS on the Relevant Transfer Date in accordance with paragraph 10 of Part D. For the avoidance of doubt, this requirement is separate from any requirement to offer a Broadly Comparable pension scheme in accordance with paragraph 5.2 below.

5. BREACH AND CANCELLATION OF ANY DIRECTION LETTER/DETERMINATION(S)

- 5.1 The Contractor agrees that the Department is entitled to make arrangements with NHS Pensions for the Department to be notified if the Contractor (or its Sub-Contractors) breaches the terms of its Direction Letter/Determination. Notwithstanding the provisions of the foregoing, the Contractor shall notify the Department in the event that it (or its Sub-Contractor) breaches the terms of its Direction Letter/Determination.
- 5.2 If the Contractor (or its Sub-Contractors, if relevant) ceases to participate in the NHSPS for whatever reason, the Contractor (or any such Sub-Contractor, as

appropriate) shall offer the NHSPS Eligible Employees membership of a pension scheme which is Broadly Comparable to the NHSPS on the date the NHSPS Eligible Employees ceased to participate in the NHSPS in accordance with the provisions of paragraph 11 of Part D.

6. COMPENSATION

6.1 If the Contractor (or its Sub-Contractor, if relevant) is unable to provide the NHSPS Fair Deal Employees with either membership of:

- (a) the NHSPS (having used its best endeavours to secure a Direction Letter/Determination); or
- (b) a Broadly Comparable pension scheme,

the Department may in its sole discretion permit the Contractor (or any of its Sub-Contractors) to compensate the NHSPS Fair Deal Employees in a manner that is Broadly Comparable or equivalent in cash terms, the Contractor (or Sub-Contractor as relevant) having consulted with a view to reaching agreement with any recognised trade union or, in the absence of such body, the NHSPS Fair Deal Employees. The Contractor must meet (or must procure that the relevant Sub-Contractor meets) the costs of the Department determining whether the level of compensation offered is reasonable in the circumstances.

6.2 This flexibility for the Department to allow compensation in place of Pension Benefits is in addition to and not instead of the Department's right to terminate the Contract under paragraph 7 (*Breach*) of Part D of this Schedule.

7. CONTRACTOR INDEMNITIES

7.1 The Contractor must indemnify and keep indemnified the Department and any Replacement Supplier against all Losses arising out of any claim by any NHSPS Fair Deal Employee or any NHS Broadly Comparable Employees that the provision of (or failure to provide) Pension Benefits and NHS Premature Retirement Rights from the Relevant Transfer Date, or the level of such benefit provided, constitutes a breach of his or her employment rights.

ANNEX D3: LGPS

1. DEFINITIONS

- 1.1 In this Annex D3: LGPS to Part D: Pensions, the following words have the following meanings:

"2013 Regulations"	the Local Government Pension Scheme Regulations 2013 (SI 2013/2356) (as amended from time to time);
"Administering Department"	in relation to the Fund [insert name] , the relevant administering Department of that Fund for the purposes of the 2013 Regulations;
"Fund Actuary"	the actuary to a Fund appointed by the Administering Department of the Fund;
"Fund"	[insert name], a pension fund within the LGPS;
["Initial Contribution Rate"]	[XX %] of pensionable pay (as defined in the 2013 Regulations);]
"LGPS"	the Local Government Pension Scheme as governed by the LGPS Regulations, and any other regulations (in each case as amended from time to time) which are from time to time applicable to the Local Government Pension Scheme;
"LGPS Admission Agreement"	an admission agreement within the meaning in Schedule 1 of the 2013 Regulations;
"LGPS Admission Body"	an admission body (within the meaning of Part 3 of Schedule 2 of the 2013 Regulations);
"LGPS Eligible Employees"	any LGPS Fair Deal Employee who at the relevant time is an active member or eligible to participate in the LGPS under an LGPS Admission Agreement;
"LGPS Fair Deal Employees"	any Fair Deal Employee who at the Relevant Transfer Date is or becomes entitled to protection in respect of the LGPS or a pension scheme that is Broadly Comparable to the LGPS in accordance with the provisions in accordance with the provisions of New Fair Deal and/or the Best Value Direction; and
"LGPS Regulations"	the 2013 Regulations and The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (SI 2014/525), and any other regulations (in each

case as amended from time to time) which are from time to time applicable to the LGPS.

2. CONTRACTOR TO BECOME AN LGPS ADMISSION BODY

- 2.1 In accordance with the principles of New Fair Deal and/or the Best Value Direction, the Contractor and/or any of its Sub-Contractors to which the employment of any LGPS Fair Deal Employee compulsorily transfers as a result of either the award of this Contract or a Relevant Transfer, if not a scheme employer which participates automatically in the LGPS, shall each become an LGPS Admission Body by entering into an LGPS Admission Agreement on or before the Relevant Transfer Date to enable the LGPS Fair Deal Employees to retain either continuous active membership of or eligibility for the LGPS on and from the Relevant Transfer Date for so long as they remain employed in connection with the delivery of the Services under this Contract.

OPTION 1

- 2.2 [Any LGPS Fair Deal Employees who:

- (a) were active members of the LGPS (or a Broadly Comparable pension scheme) immediately before the Relevant Transfer Date shall be admitted to the LGPS with effect on and from the Relevant Transfer Date; and
- (b) were eligible to join the LGPS (or a Broadly Comparable pension scheme) but were not active members of the LGPS (or a Broadly Comparable pension scheme) immediately before the Relevant Transfer Date shall retain the ability to join the LGPS on or after the Relevant Transfer Date if they wish to do so.]

OPTION 2

- 2.3 [Any LGPS Fair Deal Employees whether:

- (a) active members of the LGPS (or a Broadly Comparable pension scheme) immediately before the Relevant Transfer Date; or
- (b) eligible to join the LGPS (or a Broadly Comparable pension scheme) but not active members of the LGPS (or a Broadly Comparable pension scheme) immediately before the Relevant Transfer Date

shall be admitted to the LGPS with effect on and from the Relevant Transfer Date. The Contractor shall not automatically enrol or re-enrol for the purposes of the Pensions Act 2008 any LGPS Fair Deal Employees in any pension scheme other than the LGPS unless they cease to be eligible for membership of the LGPS.]

- 2.4 The Contractor will (and will procure that its Sub-Contractors (if any) will) provide at its own cost any indemnity, bond or guarantee required by an Administering Department in relation to an LGPS Admission Agreement.

3. BROADLY COMPARABLE SCHEME

- 3.1 If the Contractor and/or any of its Sub-Contractors is unable to obtain an LGPS Admission Agreement in accordance with paragraph 2.1 because the Administering Department will not allow it to participate in the Fund, the Contractor shall (and procure that its Sub-Contractors shall), with effect from the Relevant Transfer Date, offer the LGPS Fair Deal Employees membership of a pension scheme which is Broadly Comparable to LGPS on the Relevant Transfer Date in accordance with the provisions of paragraph 10 of Part D.

- 3.2 If the Contractor and/or any of its Sub-Contractors becomes an LGPS Admission Body in accordance with paragraph 2.1 but the LGPS Admission Agreement is terminated during the Contract Period of this Contract for any reason at a time when the Contractor or Sub-Contractors still employs any LGPS Eligible Employees, the Contractor shall (and procure that its Sub-Contractors shall) at no extra cost to the Department, offer the remaining LGPS Eligible Employees membership of a pension scheme which is Broadly Comparable to the LGPS on the date the LGPS Eligible Employees ceased to participate in the LGPS in accordance with the provisions of paragraph 11 of Part D.

4. DISCRETIONARY BENEFITS

- 4.1 Where the Contractor and/or any of its Sub-Contractors is an LGPS Admission Body, the Contractor shall (and procure that its Sub-Contractors shall) comply with its obligations under regulation 60 of the 2013 Regulations in relation to the preparation of a discretionary policy statement.

5. LGPS RISK SHARING

- 5.1 Subject to paragraphs 5.4 to 5.10, if at any time during the Contract Period of the Contract the Administering Department, pursuant to the LGPS Admission Agreement or the LGPS Regulations, requires the Contractor or any Sub-Contractor to pay employer contributions or other payments to the Fund in aggregate in excess of the Initial Contribution Rate, the excess of employer contributions above the Initial Contribution Rate for a Contract Year (the "**Excess Amount**") shall be paid by the Contractor or the Sub-Contractor, as the case may be, and the Contractor shall be reimbursed by the Department.

- 5.2 Subject to paragraphs 5.4 to 5.9 and 5.11, if at any time during the Contract Period, the Administering Department, pursuant to the LGPS Admission Agreement or the LGPS Regulations, requires the Contractor or any Sub-Contractor to pay employer contributions or payments to the Fund in aggregate below the Initial Contribution Rate for a Contract Year, the Contractor shall reimburse the Department an amount equal to A-B (the "**Refund Amount**") where:

A = the amount which would have been paid if contributions and payments had been paid equal to the Initial Contribution Rate for that Contract Year; and

B = the amount of contributions or payments actually paid by the Contractor or Sub-Contractor for that Contract Year, as the case may be, to the Fund.

- 5.3 Subject to paragraphs 5.4 to 5.10, where the Administering Department obtains an actuarial valuation and a revised rates and adjustment certificate under the LGPS Regulations and/or the terms of the LGPS Admission Agreement when the LGPS Admission Agreement ceases to have effect and the Contractor or any Sub-Contractor is required to pay any exit payment under Regulation 64(2) of the 2013 Regulations (the "**Exit Payment**"), such Exit Payment shall be paid by the Contractor or any Sub-Contractor (as the case may be) and the Contractor shall be reimbursed by the Department.

- 5.4 The Contractor and any Sub-Contractors shall at all times be responsible for the following costs:

- (a) any employer contributions relating to the costs of early retirement benefits arising on redundancy or as a result of business efficiency under Regulation 30(7) of the 2013 Regulations or otherwise;

- (b) any payment of Fund benefits to active members on the grounds of ill health or infirmity of mind or body under Regulation 35 of the 2013 Regulations or otherwise;
- (c) any payment of Fund benefits to deferred or deferred pensioner members on the grounds of ill health or infirmity of mind or body under Regulation 38 of the 2013 Regulations or otherwise;
- (d) any employer contributions relating to the costs of early or flexible retirement where the actuarial reduction is waived in whole or in part or a cost neutral reduction is not applied with the consent of the Contractor or any relevant Sub-Contractor including without limitation any decision made under Regulation 30(8) of the 2013 Regulations or Schedule 2 of The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014;
- (e) any employer contributions relating to the costs of enhanced benefits made at the discretion of the Contractor or any relevant Sub-Contractors including without limitation additional pension awarded under Regulation 31 of the 2013 Regulations or otherwise;
- (f) any increase to the employer contribution rate resulting from the award of pay increases by the Contractor or relevant Sub-Contractors in respect of all or any of the LGPS Eligible Employees in excess of the pay increases assumed in the Fund's most recent actuarial valuation (unless the Contractor and/or any Sub-Contractor is contractually bound to provide such increases on the Relevant Transfer Date);
- (g) to the extent not covered above, any other costs arising out of or in connection with the exercise of any discretion or the grant of any consent under the LGPS Regulations by the Contractor or any relevant Sub-Contractors where a member does not have an absolute entitlement to that benefit under the LGPS;
- (h) any cost of the administration of the Fund that are not met through the Contractor's or Sub-Contractor's employer contribution rate, including without limitation an amount specified in a notice given by the Administering Department under Regulation 70 of the 2013 Regulations;
- (i) the costs of any reports and advice requested by or arising from an instruction given by the Contractor or a Sub-Contractor from the Fund Actuary; and/or
- (j) any interest payable under the 2013 Regulations or LGPS Administration Agreement.

- 5.5 For the purposes of calculating any Exit Payment, Excess Amount or Refund Amount, any part of such an amount which is attributable to any costs which the Contractor or Sub-Contractors are responsible for in accordance with paragraph 5.4 above shall be disregarded and excluded from the calculation. In the event of any dispute as to level of any cost that should be excluded from the calculation, the opinion of the Fund Actuary shall be final and binding.
- 5.6 Where the Administering Department obtains an actuarial valuation and a revised rates and adjustment certificate under the LGPS Regulations and/or the terms of the LGPS Admission Agreement when the LGPS Admission Agreement ceases to have effect and the Contractor or any Sub-Contractor receives payment of an exit credit payment under Regulation 64(2) of the 2013 Regulations (the “**Exit Credit**”), the Contractor shall (or procure that any Sub-Contractor shall) reimburse the Department

an amount equal to the Exit Credit within twenty (20) Working Days of receipt of the Exit Credit.

5.7 The Contractor shall (or procure that the Sub-Contractor shall) notify the Department in writing within twenty (20) Working Days:

- (k) of the end of each Contract Year of any Excess Amount or Refund Amount due in respect of the Contract Year that has just ended and provide a reasonable summary of how the Excess Amount or Refund Amount was calculated; and
- (l) of being informed by the Administering Department of any Exit Payment or Exit Credit that is determined by as being due from or to the Contractor or a Sub-Contractor and provide a copy of any revised rates and adjustments certificate detailing the Exit Payment or Exit Credit and its calculation.

5.8 Within twenty (20) Working Days of receiving the notification under paragraph 5.7 above, the Department shall either:

- (a) notify the Contractor in writing of its acceptance of the Excess Amount, Refund Amount or Exit Payment;
- (b) request further information or evidence about the Excess Amount, Refund Amount or Exit Payment from the Contractor; and/or
- (c) request a meeting with the Contractor to discuss or clarify the information or evidence provided.

5.9 Where the Excess Amount, Refund Amount or Exit Payment is agreed following the receipt of further information or evidence or following a meeting in accordance with paragraph 5.8 above, the Department shall notify the Contractor in writing. In the event that the Contractor and the Department are unable to agree the amount of the Excess Amount, Refund Amount or Exit Payment then they shall follow the Dispute Resolution Procedure.

5.10 Any Excess Amount or Exit Payment agreed by the Department or in accordance with the Dispute Resolution Procedure shall be paid by the Department within timescales as agreed between Department and Contractor. The amount to be paid by the Department shall be an amount equal to the Excess Amount or Exit Payment less an amount equal to any corporation tax relief which has been claimed in respect of the Excess Amount or Exit Payment by the Contractor or a Sub-Contractor.

5.11 Any Refund Amount agreed by the Department or in accordance with the Dispute Resolution Procedure as payable by the Contractor or any Sub-Contractor to the Department, shall be paid by the Contractor or any Sub-Contractor forthwith as the liability has been agreed. In the event the Contractor or any Sub-Contractor fails to pay any agreed Refund Amount, the Department shall demand in writing the immediate payment of the agreed Refund Amount by the Contractor and the Contractor shall make payment within seven (7) Working Days of such demand.

5.12 This paragraph 5 shall survive termination of this Contract.

PART E: EMPLOYMENT EXIT PROVISIONS

1. PRE-SERVICE TRANSFER OBLIGATIONS

1.1 The Contractor agrees that within 20 Working Days of the earliest of:

- (a) receipt of a notification from the Department of a Service Transfer or intended Service Transfer;
- (b) receipt of the giving of notice of early termination or any Partial Termination of this Contract;
- (c) the date which is 12 months before the end of the Contract Period; and
- (d) receipt of a written request of the Department at any time (provided that the Department shall only be entitled to make one such request in any 6 month period),

it shall provide in a suitably anonymised format so as to comply with the DPA, the Contractor's Provisional Contractor Personnel List, together with the Staffing Information and it shall provide an updated Contractor's Provisional Contractor Personnel List at such intervals as are reasonably requested by the Department.

1.2 At least 20 Working Days prior to the Service Transfer Date, the Contractor shall provide to the Department or at the direction of the Department to any Replacement Supplier and/or any Replacement Sub-Contractor:

- (a) the Contractor's Final Contractor Personnel List, which shall identify which of the Contractor Personnel are Transferring Contractor Employees; and
- (b) the Staffing Information in relation to the Contractor's Final Contractor Personnel List (insofar as such information has not previously been provided).

1.3 The Department shall be permitted to use and disclose information provided by the Contractor under Paragraphs 1.1 and 1.2 for the purpose of informing any prospective Replacement Supplier and/or Replacement Sub-Contractor.

1.4 The Contractor warrants, for the benefit of the Department, any Replacement Supplier, and any Replacement Sub-Contractor 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 Paragraph (a), (b) and (c), the Contractor agrees, that it shall not, and agrees to procure that each Sub-Contractor shall not, assign any person to the provision of the Services who is not listed on the Contractor's Provisional Contractor Personnel List and shall not without the approval of the Department (not to be unreasonably withheld or delayed):

- (a) replace or re-deploy any Contractor Personnel listed on the Contractor Provisional Contractor Personnel 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 he/she replaces;

- (b) make, promise, propose, permit or implement any material changes to the terms and conditions of employment of the Contractor Personnel (including pensions and any payments connected with the termination of employment);
- (c) increase the proportion of working time spent on the Services (or the relevant part of the Services) by any of the Contractor Personnel save for fulfilling assignments and projects previously scheduled and agreed;
- (d) 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 Contractor's Provisional Contractor Personnel List;
- (e) 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); or
- (f) terminate or give notice to terminate the employment or contracts of any persons on the Contractor's Provisional Contractor Personnel List save by due disciplinary process,

and shall promptly notify, and procure that each Sub-Contractor shall promptly notify, the Department or, at the direction of the Department, any Replacement Supplier and any Replacement Sub-Contractor of any notice to terminate employment given by the Contractor or relevant Sub-Contractor or received from any persons listed on the Contractor's Provisional Contractor Personnel List regardless of when such notice takes effect.

1.6 During the Contract Period, the Contractor shall provide, and shall procure that each Sub-Contractor shall provide, to the Department any information the Department may reasonably require relating to the manner in which the Services are organised, which shall include:

- (a) the numbers of employees engaged in providing the Services;
- (b) the percentage of time spent by each employee engaged in providing the Services;
- (c) the extent to which each employee qualifies for membership of any of the Statutory Schemes or any Broadly Comparable scheme set up pursuant to the provisions of any of the Annexes to Part D (Pensions) of this Schedule 13 (Staff Transfer) (as appropriate); and
- (d) a description of the nature of the work undertaken by each employee by location.

1.7 The Contractor shall provide, and shall procure that each Sub-Contractor shall provide, all reasonable cooperation and assistance to the Department, any Replacement Supplier and/or any Replacement Sub-Contractor to ensure the smooth transfer of the Transferring Contractor 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 Contractor Employees to be paid as appropriate. Without prejudice to the generality of the foregoing, within 5 Working Days following the Service Transfer Date, the Contractor shall provide, and shall procure that each Sub-Contractor shall provide, to the Department or, at the direction of the Department, to any Replacement Supplier and/or any Replacement Sub-Contractor (as appropriate), in respect of each person on the Contractor's Final Contractor Personnel List who is a Transferring Contractor Employee:

- (a) the most recent month's copy pay slip data;

- (b) details of cumulative pay for tax and pension purposes;
- (c) details of cumulative tax paid;
- (d) tax code;
- (e) details of any voluntary deductions from pay; and
- (f) bank/building society account details for payroll purposes.

2. **EMPLOYMENT REGULATIONS EXIT PROVISIONS**

- 2.1 The Department and the Contractor 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 Agreement or otherwise) resulting in the Services being undertaken by a Replacement Supplier and/or a Replacement Sub-Contractor. Such change in the identity of the supplier of such services may constitute a Relevant Transfer to which the Employment Regulations and/or the Acquired Rights Directive will apply. The Department and the Contractor further agree that, as a result of the operation of the Employment Regulations, where a Relevant Transfer occurs, the contracts of employment between the Contractor and the Transferring Contractor Employees (except in relation to any contract terms disapplied through operation of regulation 10(2) 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 Sub-Contractor (as the case may be) and each such Transferring Contractor Employee.
- 2.2 The Contractor shall, and shall procure that each Sub-Contractor shall, comply with all its obligations in respect of the Transferring Contractor Employees arising under the Employment Regulations in respect of the period up to (and including) the Service Transfer Date and shall perform and discharge, and procure that each Sub-Contractor shall perform and discharge, all its obligations in respect of all the Transferring Contractor Employees arising in respect of the period up to (and including) 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 all such sums due as a result of any Fair Deal Employees' participation in the Schemes which in any case are attributable in whole or in part to the period ending on (and including) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between: (i) the Contractor and/or the Sub-Contractor (as appropriate); and (ii) the Replacement Supplier and/or Replacement Sub-Contractor.
- 2.3 Subject to Paragraph 2.4, the Contractor shall indemnify the Department and/or the Replacement Supplier and/or any Replacement Sub-Contractor against any Employee Liabilities arising from or as a result of:
- (a) any act or omission of the Contractor or any Sub-Contractor in respect of any Transferring Contractor Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Contractor Employee whether occurring before, on or after the Service Transfer Date;
 - (b) the breach or non-observance by the Contractor or any Sub-Contractor occurring on or before the Service Transfer Date of:

- (i) any collective agreement applicable to the Transferring Contractor Employees; and/or
 - (ii) any other custom or practice with a trade union or staff association in respect of any Transferring Contractor Employees which the Contractor or any Sub-Contractor is contractually bound to honour;
- (c) any claim by any trade union or other body or person representing any Transferring Contractor Employees arising from or connected with any failure by the Contractor or a Sub-Contractor to comply with any legal obligation to such trade union, body or person arising on or before the Service Transfer Date;
- (d) any proceeding, claim or demand by HMRC or other statutory Department in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
 - (i) in relation to any Transferring Contractor Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory Department relates to financial obligations arising on and before the Service Transfer Date; and
 - (ii) in relation to any employee who is not identified in the Contractor's Final Contractor Personnel List, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Contractor to the Department and/or Replacement Supplier and/or any Replacement Sub-Contractor, to the extent that the proceeding, claim or demand by HMRC or other statutory Department relates to financial obligations arising on or before the Service Transfer Date;
- (e) a failure of the Contractor or any Sub-Contractor 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 Contractor Employees in respect of the period up to (and including) the Service Transfer Date);
- (f) any claim made by or in respect of any person employed or formerly employed by the Contractor or any Sub-Contractor other than a Transferring Contractor Employee identified in the Contractor's Final Contractor Personnel List for whom it is alleged the Department and/or the Replacement Supplier and/or any Replacement Sub-Contractor may be liable by virtue of this Contract and/or the Employment Regulations and/or the Acquired Rights Directive; and
- (g) any claim made by or in respect of a Transferring Contractor Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Contractor Employee relating to any act or omission of the Contractor or any Sub-Contractor 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 Department and/or Replacement Supplier to comply with regulation 13(4) of the Employment Regulations.

2.4 The indemnities in Paragraph 2.3 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Replacement Supplier and/or any Replacement Sub-Contractor whether occurring or having its origin before, on or after the Service Transfer Date, including any Employee Liabilities:

- (a) arising out of the resignation of any Transferring Contractor Employee before the Service Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Replacement Supplier and/or any Replacement Sub-Contractor to occur in the period on or after the Service Transfer Date); or
- (b) arising from the Replacement Supplier's failure, and/or Replacement Sub-Contractor's failure, to comply with its obligations under the Employment Regulations.

2.5 If any person who is not identified in the Contractor's Final Contractor Personnel list claims, or it is determined in relation to any person who is not identified in the Contractor's Final Contractor Personnel list, that his/her contract of employment has been transferred from the Contractor or any Sub-Contractor to the Replacement Supplier and/or Replacement Sub-Contractor pursuant to the Employment Regulations or the Acquired Rights Directive, then:

- (a) the Department shall procure that the Replacement Supplier shall, or any Replacement Sub-Contractor shall, within 5 Working Days of becoming aware of that fact, give notice in writing to the Contractor; and
- (b) the Contractor may offer (or may procure that a Sub-Contractor may offer) employment to such person within 15 Working Days of the notification by the Replacement Supplier and/or any and/or Replacement Sub-Contractor 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.

2.6 If such offer is accepted, or if the situation has otherwise been resolved by the Contractor or a Sub-Contractor, the Department shall procure that the Replacement Supplier shall, or procure that the Replacement Sub-Contractor shall, immediately release or procure the release of the person from his/her employment or alleged employment.

2.7 If after the 15 Working Day period specified in Paragraph 2.5(b) has elapsed:

- (a) no such offer of employment has been made;
- (b) such offer has been made but not accepted; or
- (c) the situation has not otherwise been resolved

the Department shall advise the Replacement Supplier and/or Replacement Sub-Contractor, as appropriate that it may within 5 Working Days give notice to terminate the employment or alleged employment of such person.

2.8 Subject to the Replacement Supplier and/or Replacement Sub-Contractor acting in accordance with the provisions of Paragraphs 2.5 to 2.7, and in accordance with all applicable proper employment procedures set out in applicable Law, the Contractor shall indemnify the Replacement Supplier and/or Replacement Sub-Contractor against all Employee Liabilities arising out of the termination of employment pursuant to the provisions of Paragraph 2.7 provided that the Replacement Supplier takes, or shall procure that the Replacement Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities.

2.9 The indemnity in Paragraph 2.8:

- (a) shall not apply to:
 - (iii) any claim for:

(A) discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or

(B) equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,

in any case in relation to any alleged act or omission of the Replacement Supplier and/or Replacement Sub-Contractor; or

(iv) any claim that the termination of employment was unfair because the Replacement Supplier and/or Replacement Sub-Contractor neglected to follow a fair dismissal procedure; and

(b) shall apply only where the notification referred to in 2.5(a) is made by the Replacement Supplier and/or Replacement Sub-Contractor to the Contractor within 6 months of the Service Transfer Date.

2.10 If any such person as is described in Paragraph 2.5 is neither re-employed by the Contractor or any Sub-Contractor nor dismissed by the Replacement Supplier and/or Replacement Sub-Contractor within the time scales set out in Paragraphs 2.5 to 2.7, such person shall be treated as a Transferring Contractor Employee.

2.11 The Contractor shall comply, and shall procure that each Sub-Contractor shall comply, with all its obligations under the Employment Regulations and shall perform and discharge, and shall procure that each Sub-Contractor shall perform and discharge, all its obligations in respect of any person identified in the Contractor's Final Contractor Personnel 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:

(a) the Contractor and/or any Sub-Contractor; and

(b) the Replacement Supplier and/or the Replacement Sub-Contractor.

2.12 The Contractor shall, and shall procure that each Sub-Contractor shall, promptly provide to the Department and any Replacement Supplier and/or Replacement Sub-Contractor, in writing such information as is necessary to enable the Department, the Replacement Supplier and/or Replacement Sub-Contractor to carry out their respective duties under regulation 13 of the Employment Regulations. The Department shall procure that the Replacement Supplier and/or Replacement Sub-Contractor, shall promptly provide to the Contractor and each Sub-Contractor in writing such information as is necessary to enable the Contractor and each Sub-Contractor to carry out their respective duties under regulation 13 of the Employment Regulations.

2.13 Subject to Paragraph 2.14, the Department shall procure that the Replacement Supplier indemnifies the Contractor on its own behalf and on behalf of any Replacement Sub-Contractor and its sub-contractors against any Employee Liabilities arising from or as a result of:

- (a) any act or omission of the Replacement Supplier and/or Replacement Sub-Contractor in respect of any Transferring Contractor Employee identified in the Contractor's Final Contractor Personnel List or any appropriate employee representative (as defined in the Employment Regulations) of any such Transferring Contractor Employee;
- (b) the breach or non-observance by the Replacement Supplier and/or Replacement Sub-Contractor on or after the Service Transfer Date of:
 - (v) any collective agreement applicable to the Transferring Contractor Employees identified in the Contractor's Final Contractor Personnel List; and/or
 - (vi) any custom or practice in respect of any Transferring Contractor Employees identified in the Contractor's Final Contractor Personnel List which the Replacement Supplier and/or Replacement Sub-Contractor is contractually bound to honour;
- (c) any claim by any trade union or other body or person representing any Transferring Contractor Employees identified in the Contractor's Final Contractor Personnel List arising from or connected with any failure by the Replacement Contractor and/or Replacement Sub-Contractor to comply with any legal obligation to such trade union, body or person arising on or after the Service Transfer Date;
- (d) any proposal by the Replacement Supplier and/or Replacement Sub-Contractor to change the terms and conditions of employment or working conditions of any Transferring Contractor Employees identified in the Contractor's Final Contractor Personnel List on or after their transfer to the Replacement Supplier or Replacement Sub-Contractor (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 Contractor's Final Contractor Personnel List who would have been a Transferring Contractor Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Service Transfer Date as a result of or for a reason connected to such proposed changes;
- (e) any statement communicated to or action undertaken by the Replacement Supplier or Replacement Sub-Contractor to, or in respect of, any Transferring Contractor Employee identified in the Contractor's Final Contractor Personnel List on or before the Service Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Contractor in writing;
- (f) any proceeding, claim or demand by HMRC or other statutory Department in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
 - (vii) in relation to any Transferring Contractor Employee identified in the Contractor's Final Contractor Personnel List, to the extent that the proceeding, claim or demand by HMRC or other statutory Department relates to financial obligations arising after the Service Transfer Date; and
 - (viii) in relation to any employee who is not a Transferring Contractor Employee identified in the Contractor's Final Contractor Personnel List, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her

employment from the Contractor or Sub-Contractor, to the Replacement Supplier or Replacement Sub-Contractor to the extent that the proceeding, claim or demand by HMRC or other statutory Department relates to financial obligations arising after the Service Transfer Date;

- (g) a failure of the Replacement Supplier or Replacement Sub-Contractor 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 Contractor Employees identified in the Contractor's Final Contractor Personnel List in respect of the period from (and including) the Service Transfer Date; and
- (h) any claim made by or in respect of a Transferring Contractor Employee identified in the Contractor's Final Contractor Personnel List or any appropriate employee representative (as defined in the Employment Regulations) of any such Transferring Contractor Employee relating to any act or omission of the Replacement Supplier or Replacement Sub-Contractor in relation to obligations under regulation 13 of the Employment Regulations.

2.14 The indemnities in Paragraph 2.13 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Contractor and/or any Sub-Contractor (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 Contractor and/or any Sub-Contractor (as applicable) to comply with its obligations under the Employment Regulations.

ANNEX E1: LIST OF NOTIFIED SUB-CONTRACTORS

ANNEX E2: STAFFING INFORMATION

EMPLOYEE INFORMATION (ANONYMISED)

Name of Transferor:

Number of Employees in-scope to transfer:

Completion notes:

- 1. If you have any Key Sub-Contractors, please complete all the above information for any staff employed by such Key Sub-Contractor(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.*

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

SCHEDULE 14 - CONTRACTOR'S DIGITAL PLATFORM

1. DEFINITIONS

1.1. In this Schedule, the following words shall have the following meanings and:

"Commercial off the shelf Software" or "COTS Software"	Non-customised software where the IPR may be owned and licensed either by the Contractor or a third party depending on the context, and which is commercially available for purchase and subject to standard licence terms
"Contractor System"	means the information and communications technology systems and software used by the Contractor in supplying the Services, including the Provider's hosted website or webpages (relevant to the services), mobile app, COTS software, the Provider's equipment, configuration and management utilities, calibration and testing tools and related cabling.
"Critical Service Level Failure"	means a failure by the Contractor to meet any Service Level for a continuous period of 7 days or a combined period of more than 14 days in a 28-day period;
"Department Property"	the property, other than real property and IPR, including the Department System, any equipment issued or made available to the Contractor by the Department in connection with this Contract;
"Department Software"	any software which is owned by or licensed to the Department and which is or will be used by the Contractor for the purposes of providing the Services;
"Department System"	the Department's computing environment (consisting of hardware, software and/or telecommunications networks or equipment) used by the Department or the Contractor in connection with this Contract which is owned by or licensed to the Department by a third party and which interfaces with the Contractor System or which is necessary for the Department to receive the Services;
"Defect"	<p>any of the following:</p> <ul style="list-style-type: none">a) any error, damage or defect to the Contractor's System that affects the delivery of the Services; orb) any error or failure of code within the software which causes any part of the Contractor's or Department System to malfunction or to produce unintelligible or incorrect results; orc) any failure to provide the performance, features and functionality specified by the Contractor (including any adverse effect on response times) regardless of whether or not it prevents the relevant part of the Contractor's System from passing any test required under this Contract; ord) any failure of any part of the Contractor's System to operate in conjunction with or interface with any other part of the Contractor's or Department System in order to provide the performance, features and functionality required to deliver the Services;

"Emergency Maintenance"	ad hoc and unplanned maintenance provided by the Contractor where either Party reasonably suspects that the ICT Environment or the Services, or any part of the ICT Environment or the Services, has or may have developed a fault;
"ICT Environment"	the Department System and the Contractor System;
"Licensed Software"	all and any Software licensed by or through the Contractor, its Sub-Contractors or any third party to the Department for the purposes of or pursuant to this Contract, including any COTS Software;
"Maintenance Schedule"	has the meaning given to it in paragraph 5 of this Schedule;
"Malicious Software"	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;
"New Release"	an item produced primarily to extend, alter or improve the Contractor System or any part of it by providing additional functionality or performance enhancement (whether or not defects in the Software are also corrected) while still retaining the original designated purpose of that part of the Contractor's System;
"Open Source Software"	computer software that has its source code made available subject to an open-source licence under which the owner of the copyright and other IPR in such software provides the rights to use, study, change and distribute the software to any and all persons and for any and all purposes free of charge;
"Operating Environment"	means the Department System and any premises (including the Department Premises, the Contractor's premises or third party premises) from, to or at which: <ul style="list-style-type: none"> a) the Services are (or are to be) provided; or b) the Contractor manages, organises or otherwise directs the provision or the use of the Services; or c) where any part of the Contractor System is situated;
"Permitted Maintenance"	has the meaning given to it in paragraph 5.2 of this Schedule;
"Service Levels"	means the service levels set out in Table A of this Schedule 14;
"Service Level Failure"	means a failure by the Contractor to meet the Service Level Performance Measure in respect of a Service Level;
"Service Level Performance Measure"	shall be as set out against the relevant Service Level in Table A of this Schedule 14.

"Software"	Specially Written Software COTS Software and non-COTS Contractor and third party Software;
"Source Code"	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 all related design comments, flow charts, technical information and documentation necessary for the use, reproduction, maintenance, modification and enhancement of such software;
"Specially Written Software"	any software (including database software, linking instructions, test scripts, compilation instructions and test instructions) created by the Contractor (or by a Sub-Contractor or other third party on behalf of the Contractor) 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;

2. LICENSED SOFTWARE WARRANTY

2.1. The Contractor represents and warrants that:

- 2.1.1. it has and shall continue to have all necessary rights in and to the Licensed Software used by the Contractor (and/or any Sub-Contractor) which are necessary for the performance of the Contractor's obligations under this Contract;
- 2.1.2. all components of the Specially Written Software shall:
 - 2.1.2.1. be free from Defects, material design and programming errors;
 - 2.1.2.2. perform in all material respects in accordance with the Annex A of this Schedule; and
 - 2.1.2.3. not infringe any IPR.

3. PROVISION OF THE DIGITAL PLATFORM

3.1. The Contractor shall:

- 3.1.1. ensure that the release of any new COTS Software, or upgrade to any Software complies with the interface requirements of the Department and (except in relation to new Software or upgrades which are released to address Malicious Software) shall notify the Department three (3) Months before the release of any new COTS Software or Upgrade;
- 3.1.2. ensure that all Software including upgrades, updates and New Releases used by or on behalf of the Contractor are currently supported versions of that Software and perform in all material respects in accordance with the relevant specification;
- 3.1.3. ensure that the Contractor System will be free of all encumbrances;
- 3.1.4. ensure that the Contractor System is fully compatible with any Contractor Software, Contractor System, or otherwise used by the Contractor in connection with this Contract;
- 3.1.5. minimise any disruption to the Services and the ICT Environment and/or the Department's operations when providing the Services;
- 3.1.6. Correct any Defects as soon as practicable;

Non-functional requirements:

- 3.1.7. ensure that the Digital Platform is fully scalable to meet current and future needs, without having any negative impact upon the performance (and user experience) of the Digital Platform;
- 3.1.8. have an understanding of non-functional requirements and build them into the Digital Platform i.e. volumetrics, usability, security, accessibility, interoperability, reliability,

maintainability, availability, scalability, portability and compatibility;

- 3.1.9. makes use of Software that complies with Good Industry Practice including availability, change, incident, knowledge, problem, release & deployment, request fulfilment, service asset and configuration, service catalogue, service level and service portfolio management. If such Software has been assessed under the ITIL Software Scheme as being compliant to "Bronze Level", then this shall be deemed acceptable.

Accessibility:

- 3.1.10. ensure its Digital Platform meets industry standards for accessibility and is compliant with WCAG V2.1 to 'AA' Standard <https://www.w3.org/TR/WCAG21/> and ISO 9241-171:2008 (Ergonomics of human-system Interface);
- 3.1.11. ensure that the Digital Platform is compatible with the following 'Assistive Technologies': JAWS, Zoomtext, Dragon NaturallySpeaking, and Dolphin Supernova or equivalent.

Hosting:

- 3.1.12. ensure the Digital Platform is hosted within the UK mainland, ensuring all development, management, support, processing and storage of Departmental Data remains within the UK and in compliance with domestic standards. Hosting within the European Union (EU) is also acceptable, provided that the supplier can demonstrate its adherence to the Information Commissioner's Office's (ICO) regarding data hosted in the EU.

4. AUDIT

- 4.1. The Contractor shall allow any auditor access to the Contractor Premises to:
 - 4.1.1. inspect the ICT Environment and the wider service delivery environment (or any part of them);
 - 4.1.2. review any records created during the design and development of the Contractor System and pre-operational environment such as information relating to testing;
 - 4.1.3. review the Contractor's quality management systems relating to the Contractor's System including all relevant quality plans.

5. MAINTENANCE OF THE ICT ENVIRONMENT

- 5.1. The Contractor shall create and maintain a rolling schedule of planned maintenance to the ICT Environment ("**Maintenance Schedule**") and make it available to the Department.
- 5.2. The Contractor shall only undertake such planned maintenance (which shall be known as "**Permitted Maintenance**") in accordance with the Maintenance Schedule.
- 5.3. The Contractor shall give as much notice as is reasonably practicable to the Department prior to carrying out any Emergency Maintenance.
- 5.4. The Contractor shall carry out any necessary maintenance (whether Permitted Maintenance or Emergency Maintenance) where it reasonably suspects that the ICT Environment or any part thereof has or may have developed a fault. Any such maintenance shall be carried out in such a manner and at such times so as to avoid (or where this is not possible so as to minimise) disruption to the ICT Environment and the provision of the Services.

6. MALICIOUS SOFTWARE

- 6.1. The Contractor shall, throughout the Contract Period, use the latest versions of anti-virus definitions and software available from an industry accepted anti-virus software vendor to check for, contain the spread of, and minimise the impact of Malicious Software.
- 6.2. If Malicious Software is found, the Parties shall co-operate 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 provision of the Services to its desired operating efficiency.
- 6.3. Any cost arising out of the actions of the Parties taken in compliance with the provisions of paragraph 6.2 shall be borne by the Parties as follows:

- 6.3.1. by the Contractor, where the Malicious Software originates from the Contractor Software, the third party Software supplied by the Contractor or the Government Data (whilst the Government Data was under the control of the Contractor) unless the Contractor can demonstrate that such Malicious Software was present and not quarantined or otherwise identified by the Department when provided to the Contractor; and
- 6.3.2. by the Department, if the Malicious Software originates from the Department Software or the Department Data (whilst the Department Data was under the control of the Department).

7. SERVICE MANAGEMENT SOFTWARE & STANDARDS

- 7.1. The Contractor complies with relevant industry and HM Government standards and best practice guidelines in the management of the Services, including the following and/or their equivalents:
 - a) ITIL v3 2011;
 - b) ISO/IEC 20000-1 2011 "ITSM Specification for Service Management";
 - c) ISO/IEC 20000-2 2012 "ITSM Code of Practice for Service Management";
 - d) ISO 10007 "Quality management systems – Guidelines for configuration management"; and
 - e) BS25999-1:2006 "Code of Practice for Business Continuity Management" and, ISO/IEC 27031:2011, ISO 22301 and ISO/IEC 24762:2008 in the provision of "IT Service Continuity Strategy" or "Disaster Recovery" plans.

8. SERVICE LEVELS

- 8.1. If the level of performance of the Contractor's System:
 - 8.1.1. is likely to or fails to meet any Service Level Performance Measure; or
 - 8.1.2. is likely to cause or causes a Critical Service Level Failure to occur, the Contractor shall immediately notify the Department in writing and the Department, in its absolute discretion and without limiting any other of its rights, may:
 - 8.1.3. require the Contractor to immediately take all remedial action that is reasonable to mitigate the impact on the Department and to rectify or prevent a Service Level Failure from taking place or recurring; or
 - 8.1.4. apply the measures outlined in paragraph 2 of part 2 of Schedule 2 (Consequence of Service Failure).

9. PLANNED MAINTENANCE

- 9.1. The current planned maintenance times are as specified in the Contractor's latest Maintenance Schedule which shall be notified to the Department in accordance with Paragraph 5.1.

10. FAILURE TO MEET THE SERVICE LEVELS

- 10.1. The Contractor shall at all times meet the Service Level Performance Measure for each Service Level.
- 10.2. The Contractor acknowledges that any Service Level Failure shall entitle the Department to the rights set out in paragraph 8 of this Schedule.
- 10.3. The Contractor shall send MI Reports to the Department detailing the level of compliance which was achieved against each Service Level Performance Criteria in accordance with the provisions of part 2 of Schedule 2.

Table A - Service Levels

Service Level Performance Criteria	Service Level Reference	Description	Service Level Performance Measure Required Compliance (%)
Contractor's System	CS1	The Contractor's System shall be resilient and made available 24 hours per day, fifty-two (52) weeks a year, except for agreed downtime and maintenance. Plans should be made if the system is to be offline.	100%
Maintenance and Upgrades	MU1	All essential scheduled maintenance and/or system upgrades to the Contractor's System shall occur outside the hours of 07:30 to 20:00 GMT (or BST as appropriate) Monday to Friday.	100%
	MU2	The Contractor shall provide prior notification of maintenance and/or system upgrades to the Department.	100%
	MU3	Where applicable (e.g. on a website or app), a message shall be placed on the Contractor's System at least 2 weeks in advance of any maintenance or upgrade taking place, followed by subsequent reminders 48 and 24 hours prior to the maintenance or upgrade.	100%
	MU4	When required the Contractor and Department shall ensure any system maintenance/upgrades are tested prior to the upgraded version release going live.	100%
Correction of Defects	D1	Defects to be corrected within 24hrs of identification.	99%

SCHEDULE 15 CONTINUOUS IMPROVEMENT

1 GENERAL

- 1.1 The Contractor shall, in accordance with this Schedule have an ongoing obligation throughout the Contract Period to identify new or potential improvements to the Services and how the Institute operates, pursuant to which it shall regularly review with the Department the Services and the manner in which it is providing them and how it is operating with a view to:
- 1.1.1 reducing the Department's costs (including the Charges); and
 - 1.1.2 improving the quality and efficiency of how the Institute operates and the Services provides.

2 THE CONTINUOUS IMPROVEMENT PLAN

- 2.1 The Contractor must include in its Continuous Improvement Plan a programme of continuous improvement to how it operates and the Services it provides. The Contractor will ensure that the continuous improvement programme takes account of:
- (a) the need to maintain and increase the levels of quality outputs;
 - (b) proven tools and methodologies that may be of financial or operational benefit to the Department;
 - (c) procedures to ensure that the Services are, at all times, provided in accordance with good industry practice and which are at least comparable with the level of change and innovation generally being used by similar services;
 - (d) any issues identified and resolved in respect of the Services, including lessons learned;
 - (e) the needs of the Participants and Schools;
 - (f) feedback from end users/Participants, schools and other stakeholder groups;
 - (g) identifying the emergence of new and evolving technologies, which could improve the Services;
 - (h) identifying changes in behaviour by the Department that could/would result in a cost saving and a reduction in the Charges;
 - (i) identifying and implementing efficiencies in the Contractor's internal processes and administration that may lead to cost savings and reductions in the Charges;
 - (j) identifying and implementing efficiencies in the way the Department interacts with the Contractor that may lead to cost savings and reductions in the Charges;
 - (k) identifying and implementing efficiencies in the Contractor's supply chain that may lead to cost savings and reductions in the Charges;
 - (l) baselining the quality of the Services it provides and its cost structure and demonstrating the efficacy of its Continuous Improvement Plan on each element during the Framework Period;
 - (m) ways in which it can provide Social Value; and
 - (n) measuring and reducing the sustainability impacts of the Contractor's operations and supply-chains pertaining to the Services and identifying opportunities to assist the Department in meeting its sustainability objectives.

3 SUBMITTING AND UPDATING THE CONTINUOUS IMPROVEMENT PLAN

- 3.1 The Contractor shall deliver to the Department, within three (3) Months of the Contract Date, its Continuous Improvement Plan which sets out full details of the review conducted pursuant to clause 27.2.5.
- 3.2 The Department shall notify the Contractor of its approval or rejection of the proposed Continuous Improvement Plan (or any updates to it) within twenty (20) Working Days of

receipt.

- 3.3 Within ten (10) Working Days of receipt of the Department's notice of rejection and of the deficiencies of the proposed Continuous Improvement Plan, the Contractor shall submit to the Department a revised Continuous Improvement Plan reflecting the changes required.
- 3.4 Following the approval of the submission of the first Continuous Improvement Plan (in accordance with paragraph 3.1 of this schedule) the Contractor shall regularly review, maintain and provide the Department with an updated version of the Continuous Improvement Plan (including to comply with clause 27 of this Contract) on at least a quarterly basis thereafter.
- 3.5 The Contractor shall ensure that the information that it provides to the Department within the Continuous Improvement Plan is sufficient for the Department to decide whether any improvement to the way in the which the Institute operates or improvement to the Services should be implemented including (where applicable) whether any improvement would give rise to any addition to or reduction in the Charges or whether it could be implemented within the current pricing of the Framework Agreement or any subsequent Call Off Contract. The Contractor shall provide any further information that the Department requests in connection with any improvements to the Services identified by the Contractor.
- 3.6 In the event the Department agrees to Contractor implementing any changes as a result of the Continuous Improvement plan, the changes (including any changes to the Framework Prices or Call Off Order pricing) shall be formally agreed by means of a Variation to the Framework Agreement and/or relevant Call Off Order(s) in accordance with Contract Change Procedure of the Framework Agreement and Call Off Contract.
- 3.7 In the event the Contractor is delivering the Contract and one or more other call off contracts concurrently, the Department may require the Contractor to consolidate its continuous improvement programme under the Contract and one or more of the call off contracts into one Continuous Improvement Plan and the Department reserves the right to review the consolidated plan under the governance set out in Schedule 16 of the Framework Agreement.

SCHEDULE 16 – NOT USED

f

SCHEDULE 17: FINANCIAL REPORTS AND AUDIT RIGHTS

PART A - Financial Transparency Objectives and Open Book Data

1 FINANCIAL TRANSPARENCY OBJECTIVES

- 1.1 The Contractor shall co-operate with the Department in order to achieve the following objectives:

Understanding the Charges

- (a) for the Department to understand any payment sought from it by the Contractor including an analysis of the costs, and time spent by Contractor Personnel in providing the Services;
- (b) for the Department to be able to understand the impact of any proposed Change on the Charges;

Agreeing the impact of Change

- (c) for both Parties to agree the quantitative impact of any Changes that affect ongoing costs and to identify how these could be mitigated and/or reflected in the Contractor's Charges;
- (d) for both Parties to be able to review, address issues with and re-forecast progress in relation to the provision of the Services;

Continuous improvement

- (e) for the Parties to challenge each other with ideas for efficiency and improvements; and
- (f) to enable the Department to demonstrate that it is achieving value for money for the taxpayer relative to current market prices.

2 OPEN BOOK DATA

- 2.1 The Contractor shall keep or cause to be kept full and proper books of account in relation to the provision of the Services and the entries made therein shall be kept up-to-date at all times and shall include all such matters and things which are usually entered in books of account in the United Kingdom kept by persons or companies engaged in concerns of a similar nature in accordance with best accountancy practices.
- 2.2 Such books of account, invoices, charge out rates, time sheets, or other time recording documents kept by the Contractor in connection with the provision of the Services and all vouchers, receipts, invoices, orders, contractual documentation and other documentation relating to the Services to which the Contractor is a Party ("**Open Book Data**") shall be open to inspection by the Department or any persons appointed to act on the Department's behalf at any reasonable time having made prior appointment with the Contractor. The Department shall be entitled to ask for a copy of the Open Book Data or any part thereof which (subject to the prior payment of the Contractor's reasonable copying and administrative charges) the Contractor shall provide within 10 Working Days of the Department's written request.
- 2.3 If the Department reasonably considers the Open Book Data does not accurately represent and detail sums relating to this Contract, and the Services then the Contractor shall provide the Department with documentary evidence relating to such sums and contractual obligations.
- 2.4 During the Contract Period, and for a period of 7 years following the end of the Contract Period, the Contractor shall:
- (a) maintain and retain the Open Book Data; and
 - (b) disclose and allow the Department and/or the auditor (whether internal or external) of the Department access to the Open Book Data.

PART B - Audit Rights

1 AUDIT RIGHTS

- 1.1 The Contractor shall co-operate fully and in a timely manner with any reasonable request from time to time of the Department or any Audit Agents and at the expense of the Contractor to provide documents, or to procure the provision of documents, relating to this Contract, and to provide, or to procure the provision of, any oral or written explanation relating to the same.
- 1.2 The Contractor shall instruct its external auditor to provide reasonable co-operation with the Audit Agents for the purposes of verifying financial information.
- 1.3 The Department shall during each audit comply with those security, sites, systems and facilities operating procedures of the Contractor that the Department deems reasonable and use its reasonable endeavours to ensure that the conduct of each audit does not unreasonably disrupt the Contractor or delay the provision of the Services.