

Framework Schedule 6 (Order Form Template and Call-Off Schedules)

RM6268 Vehicle Lease, Fleet Management and Salary Sacrifice

Order Form

CALL-OFF REFERENCE: **C28678**

THE BUYER: **Defra**

BUYER ADDRESS **Seacole Building, 2 Marsham Street,
London, SW1P 4DF**

THE SUPPLIER: **Novuna Vehicle Solutions**

SUPPLIER ADDRESS:

[REDACTED]

REGISTRATION NUMBER:

[REDACTED]

DUNS NUMBER:

[REDACTED]

SID4GOV ID:

APPLICABLE FRAMEWORK CONTRACT

This Order Form is for the provision of the Call-Off Deliverables and dated 1st March 2025

It's issued under the Framework Contract with the reference number **RM6268** for the provision of **Vehicle Lease, Fleet Management and Salary Sacrifice**.

CALL-OFF LOT(S):

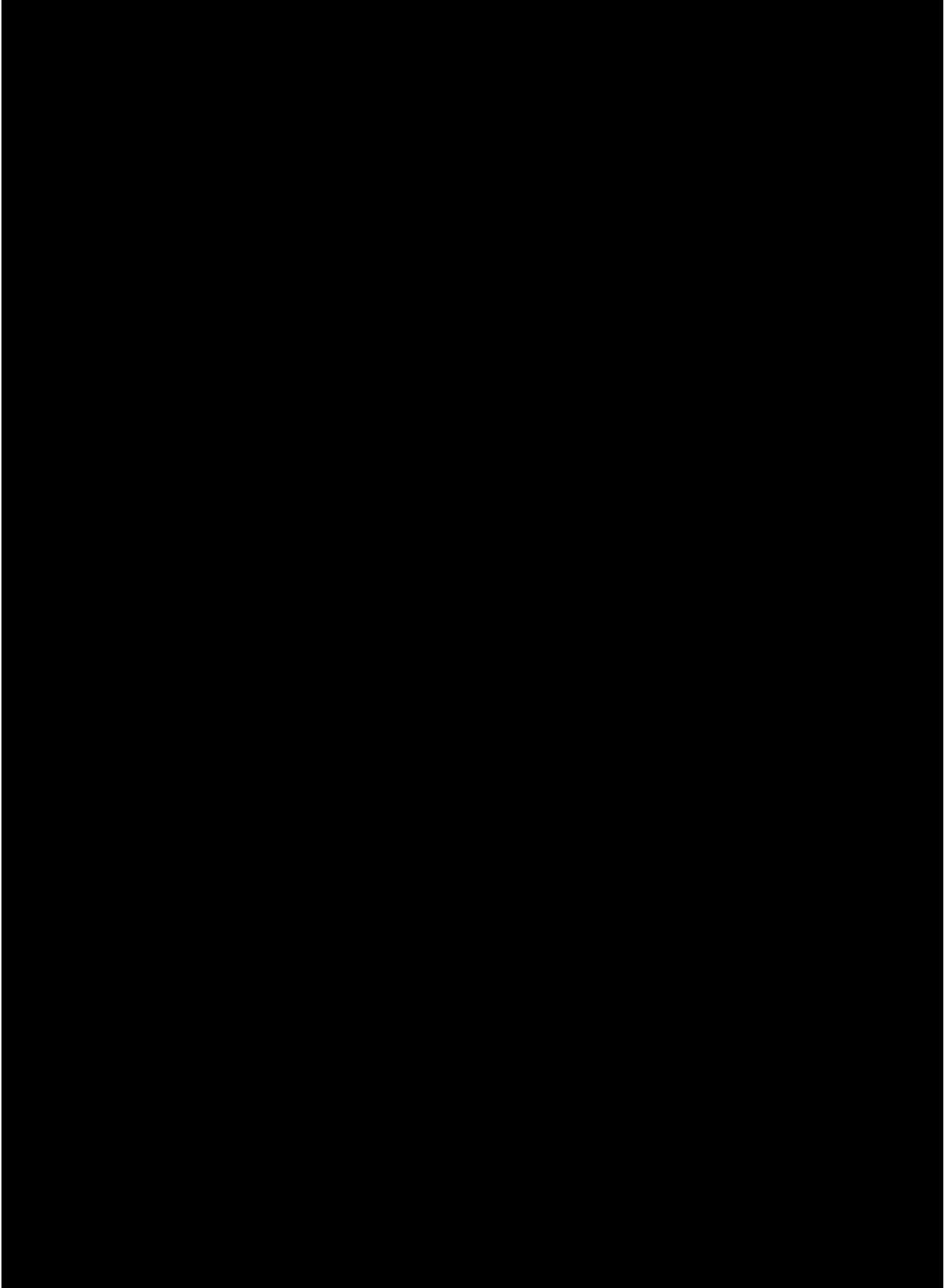
Lot 1, 2a & 3

CALL-OFF INCORPORATED TERMS

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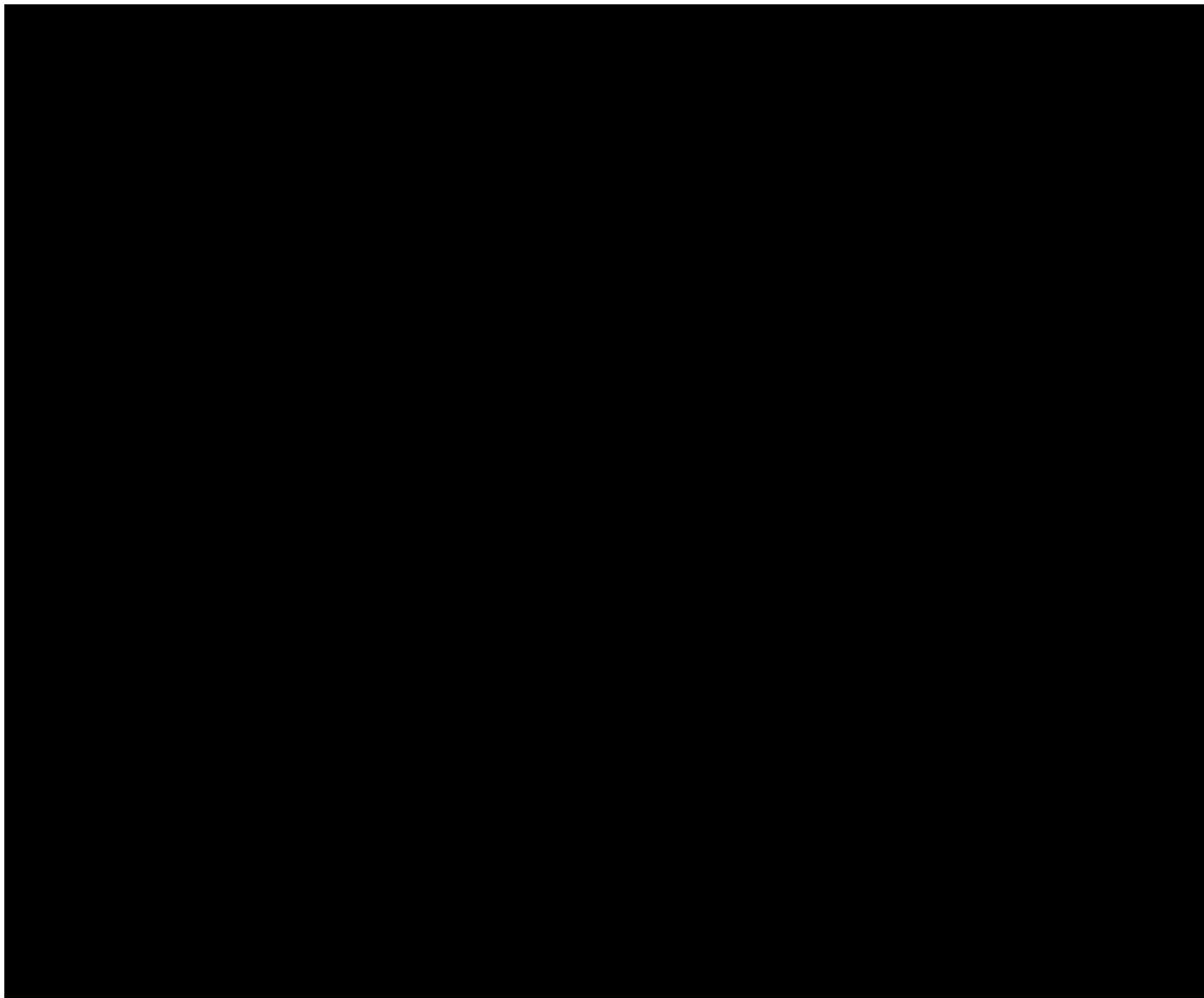
This is a Bronze Contract.

The following documents are incorporated into this Call-Off Contract. Where numbers are missing we are not using those schedules. If the documents conflict, the following order of precedence applies:



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CALL-OFF START DATE: **1st March 2025**

CALL-OFF EXPIRY DATE: **28th February 2026**

CALL-OFF INITIAL PERIOD: **12 Months**

CALL-OFF DELIVERABLES

See details in Call-Off Schedule 20 (Call-Off Specification)]

MAXIMUM LIABILITY

The limitation of liability for this Call-Off Contract is stated in Clause 11.2 of the Core Terms.

The Estimated Year 1 Charges used to calculate liability in the first Contract Year is **£4,000,000.00**

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CALL-OFF CHARGES

See details in Call-Off Schedule 5 (Pricing Details)

REIMBURSABLE EXPENSES

[REDACTED]

PAYMENT METHOD

[REDACTED]

BUYER'S AUTHORISED REPRESENTATIVE

[REDACTED]

BUYER'S ENVIRONMENTAL POLICY

Available online at: [Environment Agency quality policy and commitment to sustainable business - GOV.UK \(www.gov.uk\)](#)

BUYER'S SECURITY POLICY

Appended at Call-Off Schedule 9 - Security v3.4

SUPPLIER'S AUTHORISED REPRESENTATIVE

[REDACTED]

SUPPLIER'S CONTRACT MANAGER

[REDACTED]

PROGRESS REPORT FREQUENCY

On the first Working Day of each calendar month

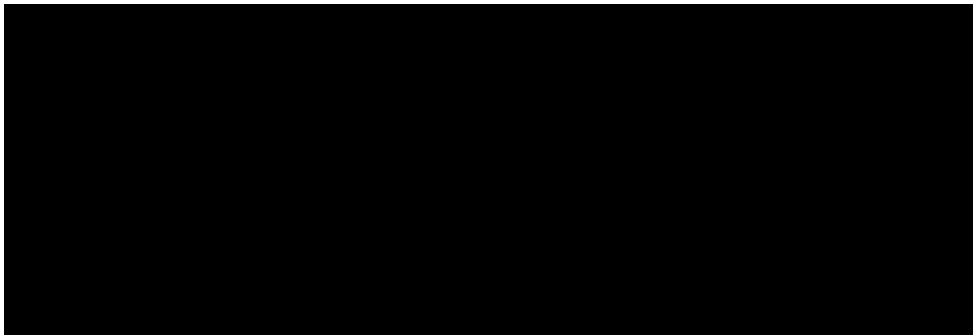
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PROGRESS MEETING FREQUENCY

Quarterly

KEY STAFF



KEY SUBCONTRACTOR(S)



COMMERCIALLY SENSITIVE INFORMATION

See Joint Schedule 4

SERVICE CREDITS



ADDITIONAL INSURANCES



GUARANTEE

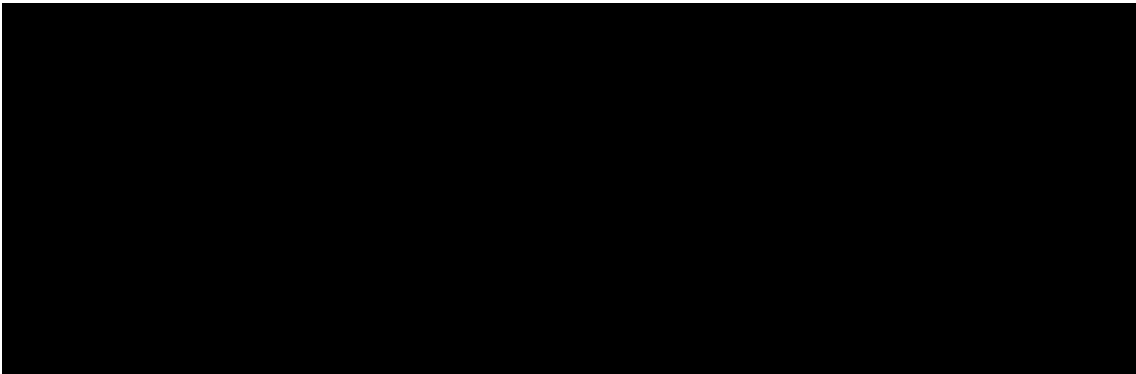


SOCIAL VALUE COMMITMENT

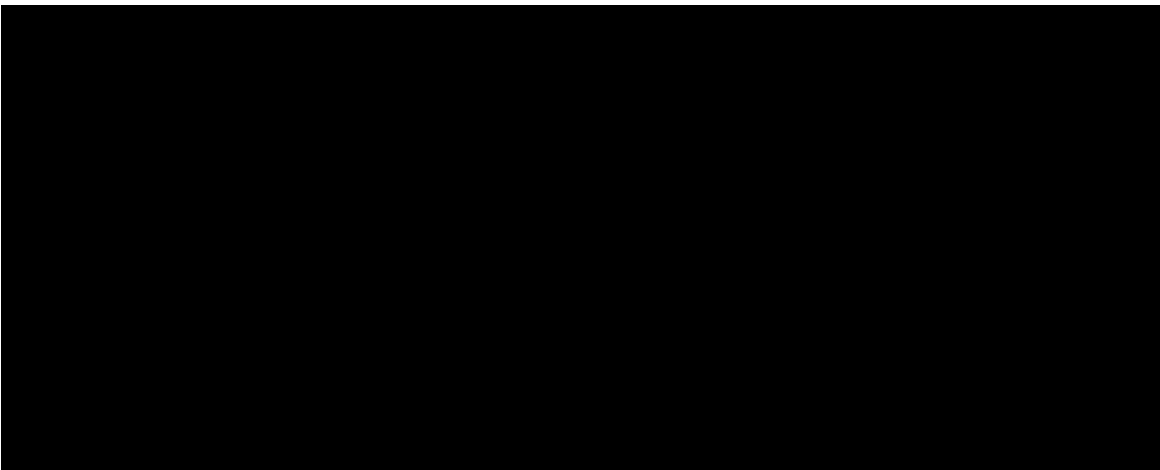
The Supplier agrees, in providing the Deliverables and performing its obligations under the Call-Off Contract, that it will comply with the social value commitments in Call-Off Schedule 4 (Call-Off Tender)]

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For and on behalf of the Supplier:



For and on behalf of the Buyer:





Defra Group Fleet Services Fleet Strategy - A safer, greener, leaner fleet leader (2020-30)

Vision

Our fleet will be a class leading zero emitting sustainable fleet that reduces emissions, supports operations, provides great value for money, leads by example and inspires others to take radical action to decarbonise their fleet in order to tackle the climate emergency.

We will use our collective expertise to transform our fleet, working closely with operational partners to achieve the best environmental outcomes at the lowest cost that deliver for all.

Our people will be at the heart of all we do – pioneering innovative and inventive fleet sustainability solutions, being inclusive, diverse, trusted, visible and transparent, and working in partnership at all times.

Built around a better future

Our strategy is built upon our corporate ambition to be a net carbon zero organisation by 2030 and exploring how to become an 'absolute zero' organisation by 2050.

Fleet emissions make up a significant contribution (around 9 per cent) of the organisation's corporate emissions. This means changes in our fleet composition will result in a significant reduction in emissions of climate warming gases.

Our strategy supports the overarching sustainability eMission2030 plan to reduce our total emissions by at least 30 per cent by 2025 and show clearly how we can reach a 45 per cent reduction by 2030. (5,807 tonne reduction from 18/19 baseline).

Our strategy aligns with the following United Nations Sustainable Development Goals, designed to help create a better world by 2030.



What we want to achieve



A zero emission sustainable fleet

We will continue to transform our fleet into the lowest emitting, most sustainable fleet possible by taking the following actions;

- **Reducing whole fleet emissions:** By 31 December 2030 overall fleet emissions will be reduced by a minimum of 45% from 31 December 2020 levels.

- **Eliminating lease car & commercial vehicle emissions:** By 31 December 2027 our lease car and commercial vehicle fleet under 3.5T will be 100% zero tailpipe emitting.
- **Reducing LGV emissions:** By 31 December 2030 our LGV fleet will be 100% ultra-low tailpipe emission vehicles.
- **Reducing plant emissions:** By 31 December 2030 emissions from plant will be reduced by a minimum of 50% from 31 December 2020 levels.
- **Reducing boat emissions:** By 31 December 2030 emissions from boats will be reduced by a minimum of 50% from 31 December 2020 levels.
- **Reducing our lease car fleet:** By 31 December 2030 our lease car fleet will be reduced by 50% from 31 December 2020 levels.
- **Reducing our Commercial Fleet:** By 31 December 2030 our commercial fleet size will be reduced by 25% from 31 December 2020 levels.
- **Understand and manage our embodied carbon:** We will need to fully understand how the embodied carbon in fleet assets can be calculated, managed and reduced, including the setting of targets by 2023.



A high performing, cost effective fleet that meets our needs

We will ensure our fleet is the right shape and size to meet operational needs, whilst minimising costs through the following:

- **Reducing costs:** By 31 December 2030 our equivalent operating costs will be reduced by at least 25% from 31 December 2020 levels.
- **Increasing utilisation rates:** Commercial vehicle utilisation rates will be increased year on year until 2025, through greater sharing and removal of poorly utilised assets.
- **Ensuring legal compliance:** By 31 December 2023 we will achieve DVSA Earned Recognition accreditation for our LGV Fleet.
- **Ensuring Health Safety & Wellbeing:** 100% of outstanding actions from critical incidents complete within agreed timescales.
- **Supporting business requirements:** Ensure there are mechanisms in place to collect and act upon business feedback and incorporate it into continuous improvement plans.
- **Delivering sustainable contracts that support business priorities:** Develop and maintain a 5-year contract plan that includes carbon reduction plans for supply chain.
- **Reviewing mobility options:** We will continue to review, trial and implement appropriate mobility service options that have the ability to transform our travel options.



A high performing team with a supportive culture

Our team will fully support our work to tackle the climate emergency and delivery our strategy. We need to ensure we have the best, most capable team possible by having the following in place.

- Workforce Plan and People Plan
- Continued focus on the wellbeing of everyone
- Ensuring equality, diversity, and inclusion (EDI) remains part of our DNA

- Increased learning opportunities, acquisition of new skills and professional development through better learning and development plans
- Increased digital abilities
- Improved reward and recognition

How we'll do this

There are several policies, plans and changes needed to deliver our ambitious goals.



The journey to a zero emission sustainable fleet

We will review the way we manage our fleet assets to ensure we deliver the changes needed to become a net carbon emitting fleet.

Better asset management: Develop and implement a new, more centralised asset replacement policy and process for our commercial fleet. This will generate efficiencies by making better use of technology (e.g., circular economy), usage rates and cost modelling to determine how we replace, manage and release assets.

More innovative, sustainable, and strategic supply chains: Develop a long-term contract plan that enables us to obtain the most innovative, cost-effective solutions for providing fleet mobility whilst ensuring that our supply chain is net carbon zero by 2030. Eliminate waste from products and materials by working with our suppliers to design it out.

Innovation: Develop and implement better ways of presenting and sharing key fleet data to allow better business decisions, improve fleet performance and monitor against our targets. Integrate technological and digital solutions (e.g., telematics, connected cars) to improve fleet performance as well as enhancing safety and environmental performance.

Enabling smart travel choices: We will deliver a service that ensures people have access to the most cost effective and sustainable method of travel for their role. Working with industry experts, we will implement changes to our fleet composition through the use of new and innovative mobility services.

Transforming our operating principles: We will transform and update our operating principles to radically reduce the number of poorly utilised assets, leading to cost reductions in both our lease car and commercial fleet. We will embed the use of better asset sharing and minimize the number of assets we own.

Expanding our charge point network: Establish the most effective and cost-efficient charging infrastructure that ensures operational effectiveness of our fleet.

Embed our new lease car policy: Embed the new lease car policy and review the eligibility of all drivers to both reduce the size and emissions of our lease car fleet.

Think big: We will ensure this strategy continues to be aligned with [eMission 2030](#) and wider Government and Environment Agency goals.



Ensuring a high performing, cost effective fleet that meets our needs

As well as delivering high quality, low emitting, safe and compliant fleet assets we also need to ensure that their performance meets business requirements and makes sound commercial sense. To achieve this, we will;

Better align our funding streams: Review the long-term funding requirement for both capital and revenue streams across the entire fleet.

Meet and exceed statutory compliance requirements: Develop a new and more sustainable approach to how we manage the assets that fall under our Operators Licence, working towards the DVSA Earned Recognition accreditation.

Continue to prioritise Health, Safety & Wellbeing: We will provide HSW assurance on all our assets, including reviewing all of our guidance to ensure it is of high quality. We will continue to improve operational processes where fleet related Safety Critical Incidents identify such needs.

Improve collaboration with partners: Have a full plan of stakeholder engagement which includes regular dialogue and partnership working with our end users, responding to feedback to ensure optimal fleet performance and continually improve our service offering.

Actively collaborate with external partners to achieve environmental outcomes. Look to continuously benchmark our service against public and private fleet operators and make improvements wherever possible.

Adapt the way we maintain the fleet: Plan our long-term needs for fleet service, inspection and repair; bearing in mind the need to service a different fleet in the future.



A high performing team with a supportive culture

Our fleet colleagues are key to supporting and delivering our work to tackle the climate emergency and delivery this strategy. We need to ensure we have the best, most capable team possible by.

Investing in our people: We will put people at the heart of all we do and ensure we are a trusted, diverse, and inclusive team where everyone feels respected and can be the best version of themselves.

Having the right culture: We will ensure our team culture is one that recognises and supports the climate emergency, is fully aware of all aspects of our EDI strategy and action plan and has an excellent working relationship with business partners.

Having a flexible workforce: We will ensure our team are flexible and agile to be able to rapidly respond to changing needs and requirements.

Having high levels of competency: Develop and revise a strong Workforce and People Plan that enables us to have a highly skilled and competent workforce, both now and for the future, including our continued high use of Apprenticeship schemes.

Continuous Improvement programmes: We will have a structured and ongoing programme to build continuous improvement into all we do, making better use of innovative solutions where available.

Environment Agency - Vehicle Leasing Sustainability Strategy (March 2020)

eMission2030 is our sustainability strategy. It outlines the commitments we will achieve to address the urgency and scale of the climate, environmental and social issues we currently face in our operations and supply chain. The [UN Sustainable Development Goals](#) were used as a framework for its development but most importantly it has also been developed with direct input from staff, suppliers, partners and peers.

Successfully meeting the eMission 2030 commitments will be reliant upon an open, transparent and partnership approach with our suppliers to work on the risks, opportunities and solutions together.

eMission 2030 is broken down into four priority areas;

- Responding to the climate emergency
- Reducing and optimising our use of resources
- Benefiting people and communities
- Deliver environmental net gain

Each priority area has three commitments beneath it stating what we are going to achieve. In addition, there is a suite of milestone targets that demonstrate how we will make progress against these commitments over the 10-year strategy period. It is important to note that these four priority areas are not independent of each other. They all interact and rely each other to be successfully achieved in full.

We are committed to achieving net zero carbon in our operations and supply chains by 2030. This means that by 2030, we will aim to balance the carbon emissions we produce with those we take out of the atmosphere so that we are no longer contributing to climate change. We will achieve this through a two stage approach, the first of which is a 45% reduction which this contract will need to help us achieve. The next stage is to balance the remaining emissions through investing in programmes and projects that absorb or sequester carbon from the atmosphere. This could be in our own work or through externally certified projects.

A carbon reduction target will be set for this contract, which will need to be met as part of the contract performance. This target will include the whole lifecycle of services provided, in addition to your direct operations, for example maintenance, repair and breakdown. The supplier will be expected to carry out valid carbon reduction activity throughout the life of the contract and provide us with relevant data, evidence and examples to demonstrate the progress being made.

We will work with the successful supplier to ensure that they understand our eMission 2030 commitments, their importance to us and how they link to the delivery of the services under this contract. Being open and transparent with us about the social and environmental impacts of the work delivered under this contract, the risks and opportunities and working with us to address these will be critical to achieving our objectives.

We will only purchase products and services that are the most environmentally responsible throughout their lifecycle. The supplier may be asked to provide a supply chain map of the products and services offered as part of this contract. This includes any significant subcontractors. Suppliers will be expected to communicate our sustainability requirements throughout their supply chain, partners and wider organisation. The supplier is responsible for ensuring that all parties working under this contract are aware of, compliant with and competent to be able to deliver the sustainability requirements.

Waste

We aim to eliminate waste from products and materials. It is our intention to not buy any product until we know how it will be disposed of at end of life and that we are happy that the option provided is the most environmentally preferable option available. The supplier will need to provide us with details on how they will eliminate waste, and how vehicles and batteries will be disposed of at end of life. This

covers the full range of services covered in this contract, for example breakdown and maintenance services.

All waste generated from the work including but not limited to replaced parts, oils, paints and batteries will be classified as the supplier's waste and the supplier will be required to manage this waste correctly in accordance with all relevant and current legislation, including but not limited to disposing of it at authorised waste facilities and providing full and transparent details of all final waste destinations. All and any waste will be removed from site and the waste hierarchy applied with no waste sent to landfill. Appropriate Duty of Care documentation should be completed and be available for audit/inspection at any time.

Supply Chain

The Supplier is required to inform us of any sustainability and resilience risks that exist with the supply, manufacture and delivery (from sourcing of materials to end of life) of the products under this contract which may affect its cost, availability, delivery times and ongoing use.

Risks to be considered include but are not limited to;

- the impact of climate change and extreme weather events
- material scarcity issues
- new or proposed legislation
- impacts in the supply chain that go against the sustainability standards and objectives outlined in this schedule
- reputational impact

The Supplier will share this information with us and work to reduce the risk or impact. The intelligence on this is to be updated annually or as more information about the risks occurs, whichever is more frequent.

People and Communities

We consider the delivery of high-quality services to be dependent on a workforce that is inclusive, well-motivated, well-led and has appropriate opportunities for training and skills development. We are committed to ensuring the people we employ and those in our supply chain are paid a [real living wage](#), have good working conditions, and are protected from modern slavery. The supplier will need to demonstrate through the life of this contract that they are working on and addressing these issues, this will include the subcontractor network. All organisations with 250 or more employees must publish and report specific figures about their gender pay gap, and we expect suppliers to progress towards equalising this. Suppliers should understand the risks of modern slavery in supply chains and take appropriate action to identify and address those risks, with particular focus on supporting victims of modern slavery.

Equality, Diversity and Inclusion

We are committed to creating a culture where everyone is respected, can bring their whole self to work, and their uniqueness is supported and valued. We have developed an [Equality, Diversity and Inclusion](#) (EDI) policy which sets out how we create an equal, diverse and inclusive place to work. Suppliers and partners should share our aspirations for EDI and ensure that relevant EDI risks and opportunities are successfully managed throughout the service delivery.

Appendix 6 – Health & Safety Policy

The Supplier

All works provided by the Supplier must be executed in accordance with the latest Health & Safety Legislation, they must have in place appropriate Health and Safety policies, procedures, and risk assessments at all times during the framework term. It is deemed that the Supplier is wholly responsible for the Health and Safety of their personnel, Sub-Contractors and Maintenance Providers.

The Supplier must be able to demonstrate at all times throughout the life of the framework they have effective arrangements for managing risk (risk assessments), lone working and supervision for those of their staff undertaking maintenance and similar work on sites and premises.

The Supplier will ensure that all delivery vehicles and drivers comply with the current Transport Legislation for the UK and if working to EU Drivers Regulations they comply with said regulations.

The Supplier will be responsible for reporting accidents and incidents, involving their undertaking of the framework, to the Contract Manager. The Supplier must provide a copy of their investigation report within 14 days, and the report must consider the guidance contained in the HSE publication HSG 245, 'Investigating Accidents and Incidents'. The Supplier will also share lessons learnt and best practice in relation to accidents and incidents relative to similar contracts.

The Supplier must ensure all Sub-Contractors and/or Maintenance Providers selected to deliver the requirements of this framework demonstrate a robust Health and Safety Management System complimented by a strong health and safety culture at all levels of the organisation. The supplier will be deemed wholly responsible for the health and safety performance of their supply chain.

All Maintenance Providers and/or engineers used to deliver work under this framework must be fully trained and competent to undertake the work as directed.

Working on Environment Agency premises

The following site safety rules and regulations must be adhered to by any personnel the Supplier instructs to carry out works to deliver this framework:

1. All maintenance engineers must be competent in using a spill kit.
2. Must sign into a premises or site and are aware of specific site safety rule, including but not limited to specific PPE, pollution prevention equipment or other safety equipment, and what to do in an emergency.
3. Personal Protective Equipment (PPE) - All Suppliers, Maintenance Providers and their agent's staff, must have the required PPE for Environment Agency sites. This PPE must be in a safe, clean and serviceable condition. The minimum requirements are Hard Hat, Safety Footwear, and Hi-Vis jacket. Plus additional PPE as required by the Supplier, or Supplier's specific risk assessments for tasks being carried out.
4. Control of Substances Hazardous to Health (COSHH) requirements – A COSHH sheet for the product is to be sent to site prior attendance on site.
5. If the risks are particularly high, for example requiring access to confined spaces or hot work, permit to work arrangements must be agreed.
6. Adhere to our requirements with regards to Plant-People interface, in particular zone working around mobile plant. Refer to Environment Agency Operating Instruction 723_06.

Maintenance Provider removal from network

In addition to the regular monitoring and review of the Supplier's performance carried out as part of the framework management arrangements, we will operate a yellow and red card system where there is significant failing of Health & Safety performance reserving the right to suspend and / or remove specific Maintenance Providers. This system will be used across the network providing services to fulfil this framework. These will operate independently to any legal proceedings should these be invoked.

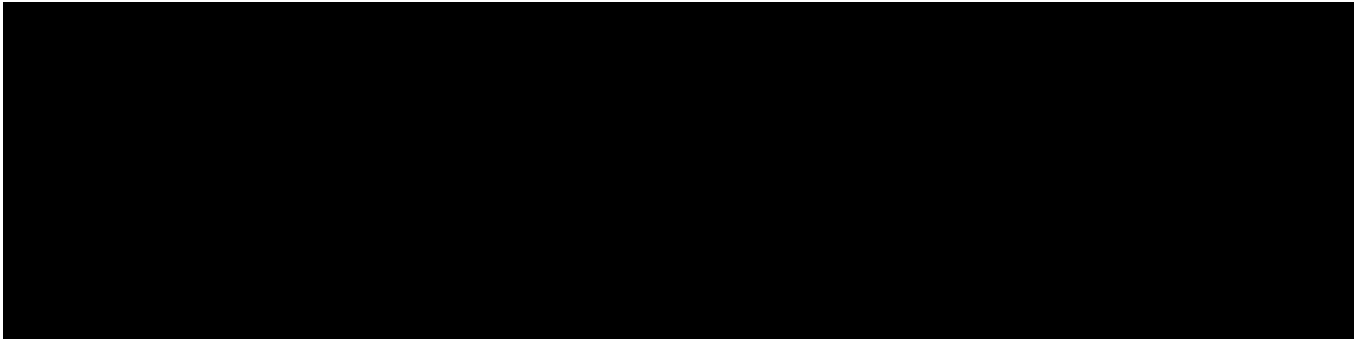
1. The yellow/red card assessment procedure will be triggered in the following circumstances:
 - a. Act or omission by a Maintenance Provider leading to an infringement of Health, Safety or Environmental legislation or has the potential to lead to Health, Safety or Environmental prosecution
 - b. Act or omission by a Maintenance Provider leading to any Health, Safety or Environmental prosecution
 - c. Any act or omission by a Maintenance Provider or its agents which significantly contributes to another Maintenance Provider's failure to comply with their legal duties
 - d. Any act of negligence by a Maintenance Provider or its agents which significantly increases the risk to others during or after the execution of the services provided by under the framework
 - e. Repetitive (6 number) breaches of Health, Safety or Environmental legislation within a six month period across a Maintenance Providers network
 - f. Management failings, requiring intervention by our staff or others to prevent any of the above.
2. Where any of these circumstances occur the Contract Manager will notify the Supplier that the yellow/red Card assessment procedure is to be triggered.
3. The particular incident will then be reviewed by the Contract Manager with support from their Health, Safety and Well Being Business Partner. The findings will be reported to the Supplier with a copy of the report. The findings of the report will then be discussed by our representatives and the Supplier. Dependent on the findings and discussions the Contract Manager, or other designated officer, will decide whether a card should be issued and if so whether it should be yellow or red. The decision will be communicated in writing to the Supplier.
4. Where two individual incidents that have resulted in yellow cards, by the Maintenance Provider or its agents within any six-month period, a red card will be issued.
5. Where four incidents that have resulted in yellow cards, by the Maintenance Provider or its agents within any twelve-month period, a red card will be issued.
6. Following the issue of a yellow/red card the Supplier will prepare an Action Plan, including the possible suspension of the Maintenance Provider and/or its agents, to address the failures that led to the incident and a training/monitoring programme to demonstrate improved performance will be agreed. The Maintenance Provider and/or its agent's performance will be reviewed on a monthly basis by the Supplier and reports will be sent to the Contract Manager. Six months after the occurrence of the initial incident the Supplier must provide evidence the Maintenance Provider or its agents performance has improved. If we are satisfied with the evidenced improvements the yellow/red card will be withdrawn.

7. Where a yellow card is issued, failure to implement or deliver the improvements identified within the Action Plan within agreed timescales will result in a yellow card being replaced by a red card.
8. Where a red card is issued, failure to implement or deliver the improvements identified within the Action Plan within agreed timescales will result in a twelve month suspension of the Maintenance Provider from the framework.
9. In addition to the ongoing review/monitoring process, depending on the nature and severity of the incident or management failures, the effects of a red card will be one or more of the following:
 - a. Two red cards issued within a twelve month period will result in the Maintenance Provider or its agents suspension from the framework for twelve months
 - b. Four red cards issued over the term of the framework will result in removal of the Maintenance Provider or its agents concerned.
10. The Supplier is permitted to challenge the findings or outcomes of either a yellow or red Card through the framework dispute resolution process.

Call-Off Schedule 1 (Transparency Reports)

- 1.1 The Supplier recognises that the Buyer is subject to PPN 01/17 (Updates to transparency principles v1.1 (<https://www.gov.uk/government/publications/procurement-policy-note-0117-update-to-transparency-principles>)). The Supplier shall comply with the provisions of this Schedule in order to assist the Buyer with its compliance with its obligations under that PPN.
- 1.2 Without prejudice to the Supplier's reporting requirements set out in the Framework Contract, within three (3) Months of the Start Date the Supplier shall submit to the Buyer for Approval (such Approval not to be unreasonably withheld or delayed) draft Transparency Reports consistent with the content requirements and format set out in the Annex of this Schedule.
- 1.3 If the Buyer rejects any proposed Transparency Report submitted by the Supplier, the Supplier shall submit a revised version of the relevant report for further Approval within five (5) days of receipt of any notice of rejection, taking account of any recommendations for revision and improvement to the report provided by the Buyer. If the Parties fail to agree on a draft Transparency Report the Buyer shall determine what should be included. Any other disagreement in connection with Transparency Reports shall be treated as a Dispute.
- 1.4 The Supplier shall provide accurate and up-to-date versions of each Transparency Report to the Buyer at the frequency referred to in the Annex of this Schedule.

Annex A: List of Transparency Reports



Call-Off Schedule 2 (Staff Transfer)

1. Definitions

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

"Acquired Rights Directive" the European Council Directive 77/187/EEC on the approximation of laws of European member states relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses, as amended or re-enacted from time to time;

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

- a) redundancy payments including contractual or enhanced redundancy costs, termination costs and notice payments;
- b) unfair, wrongful or constructive dismissal compensation;
- c) compensation for discrimination on grounds of sex, race, disability, age, religion or belief, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation or claims for equal pay;
- d) compensation for less favourable treatment of part-time workers or fixed term employees;
- e) outstanding employment debts and unlawful deduction of wages including any PAYE and National Insurance Contributions;

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- f) employment claims whether in tort, contract or statute or otherwise;
- g) any investigation relating to employment matters by the Equality and Human Rights Commission or other enforcement, regulatory or supervisory body and of implementing any requirements which may arise from such investigation;

"Former Supplier"

a supplier supplying services to the Buyer 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 Subcontractor of such supplier (or any Subcontractor of any such Subcontractor);

"New Fair Deal"

the revised Fair Deal position set out in the HM Treasury guidance: *"Fair Deal for Staff Pensions: Staff Transfer from Central Government"* issued in October 2013 including:

- (i) any amendments to that document immediately prior to the Relevant Transfer Date; and
- (ii) any similar pension protection in accordance with the Annexes D1-D3 inclusive to Part D of this Schedule as notified to the Supplier by the Buyer;

"Old Fair Deal"

HM Treasury Guidance *"Staff Transfers from Central Government: A Fair Deal for Staff Pensions"* issued in June 1999 including the supplementary guidance *"Fair Deal for Staff pensions: Procurement of Bulk Transfer Agreements and Related Issues"* issued in June 2004;

"Partial Termination"

the partial termination of the relevant Contract to the extent that it relates to the provision of any part of the Services as further provided for in Clause 10.4 (When CCS or the Buyer can end this contract) or 10.6 (When the Supplier can end the contract);

"Relevant Transfer"

a transfer of employment to which the Employment Regulations applies;

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"Relevant Transfer Date"

in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place. For the purposes of Part D: Pensions and its Annexes, where the Supplier or a Subcontractor was the Former Supplier and there is no Relevant Transfer of the Fair Deal Employees because they remain continuously employed by the Supplier (or Subcontractor), references to the Relevant Transfer Date shall become references to the Start Date;

"Staffing Information"

in relation to all persons identified on the Supplier's Provisional Supplier Personnel List or Supplier's Final Supplier Personnel List, as the case may be, such information as the Buyer may reasonably request (subject to all applicable provisions of the Data Protection Legislation), but including in an anonymised format:

- (a) their ages, dates of commencement of employment or engagement, gender and place of work;
- (b) details of whether they are employed, self-employed contractors or consultants, agency workers or otherwise;
- (c) the identity of the employer or relevant contracting Party;
- (d) their relevant contractual notice periods and any other terms relating to termination of employment, including redundancy procedures, and redundancy payments;
- (e) their wages, salaries, bonuses and profit sharing arrangements as applicable;
- (f) details of other employment-related benefits, including (without limitation) medical insurance, life assurance, pension or other retirement benefit schemes, share option schemes and company car schedules applicable to them;
- (g) any outstanding or potential contractual, statutory or other liabilities in respect of such individuals (including in respect of personal injury claims);

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- (h) details of any such individuals on long term sickness absence, parental leave, maternity leave or other authorised long term absence;
- (i) copies of all relevant documents and materials relating to such information, including copies of relevant contracts of employment (or relevant standard contracts if applied generally in respect of such employees); and
- (j) any other "employee liability information" as such term is defined in regulation 11 of the Employment Regulations;

"Supplier's Final Supplier Personnel List" a list provided by the Supplier of all Supplier Staff whose will transfer under the Employment Regulations on the Service Transfer Date;

"Supplier's Provisional Supplier Personnel List" a list prepared and updated by the Supplier of all Supplier Staff who are at the date of the list wholly or mainly engaged in or assigned to the provision of the Services or any relevant part of the Services which it is envisaged as at the date of such list will no longer be provided by the Supplier;

"Term" the period commencing on the Start Date and ending on the expiry of the Initial Period or any Extension Period or on earlier termination of the relevant Contract;

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

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

2. INTERPRETATION

- 2.1 Where a provision in this Schedule imposes any obligation on the Supplier including (without limit) to comply with a requirement or provide an indemnity, undertaking or warranty, the Supplier shall procure that each of its Subcontractors shall comply with such obligation and provide such indemnity, undertaking or warranty to CCS, the Buyer, Former Supplier, Replacement Supplier or Replacement Subcontractor, as the case may be and where the Subcontractor fails to satisfy any claims under such indemnities the Supplier

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will be liable for satisfying any such claim as if it had provided the indemnity itself.

- 2.2 The provisions of Paragraphs 2.1 and 2.6 of Part A, Paragraph 3.1 of Part B, Paragraphs 1.5, 1.7 and 1.9 of Part C, Part D and Paragraphs 1.4, 2.3 and 2.8 of Part E of this Schedule (together “Third Party Provisions”) confer benefits on third parties (each such person a “Third Party Beneficiary”) and are intended to be enforceable by Third Party Beneficiaries by virtue of the CRTPA.
- 2.3 Subject to Paragraph 2.2 above, a person who is not a Party to this Call-Off Contract has no right under the CRTPA to enforce any term of this Call-Off Contract but this does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.
- 2.4 No Third Party Beneficiary may enforce, or take any step to enforce, any Third Party Provision without the prior written consent of the Buyer, which may, if given, be given on and subject to such terms as the Buyer may determine.
- 2.5 Any amendments or modifications to this Call-Off Contract may be made, and any rights created under Paragraph 2.2 above may be altered or extinguished, by the Parties without the consent of any Third Party Beneficiary.

3. Which parts of this Schedule apply

Only the following parts of this Schedule shall apply to this Call Off Contract:

- Part C (No Staff Transfer on the Start Date)
- Part D (Pensions)
 - - Annex D1 (CSPS)
 - - Annex D3 (LGPS)
- Part E (Staff Transfer on Exit)

Part C: No Staff Transfer on the Start Date

1. What happens if there is a staff transfer

- 1.1 The Buyer and the Supplier agree that the commencement of the provision of the Services or of any part of the Services will not be a Relevant Transfer in relation to any employees of the Buyer and/or any Former Supplier.
- 1.2 If any employee of the Buyer and/or a Former Supplier claims, or it is determined in relation to any employee of the Buyer and/or a Former Supplier, that his/her contract of employment has been transferred from the Buyer and/or the Former Supplier to the Supplier and/or any Subcontractor pursuant to the Employment Regulations or the Acquired Rights Directive then:
 - 1.2.1 the Supplier shall, and shall procure that the relevant Subcontractor shall, within 5 Working Days of becoming aware of that fact, notify the Buyer in writing and, where required by the Buyer, notify the Former Supplier in writing; and
 - 1.2.2 the Buyer and/or the Former Supplier may offer (or may procure that a third party may offer) employment to such person within 15 Working Days of the notification from the Supplier or the Subcontractor (as appropriate) or take such other reasonable steps as the Buyer or Former Supplier (as the case may be) it 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 1.2.2 is accepted (or if the situation has otherwise been resolved by the Buyer and/or the Former Supplier),, the Supplier shall, or shall procure that the Subcontractor shall, immediately release the person from his/her employment or alleged employment.
- 1.4 If by the end of the 15 Working Day period referred to in Paragraph 1.2.2:
 - 1.4.1 no such offer of employment has been made;
 - 1.4.2 such offer has been made but not accepted; or
 - 1.4.3 the situation has not otherwise been resolved;the Supplier may within 5 Working Days give notice to terminate the employment or alleged employment of such person.
- 1.5 Subject to the Supplier and/or the relevant Subcontractor 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 1.8 the Buyer shall:
 - 1.5.1 indemnify the Supplier and/or the relevant Subcontractor against all Employee Liabilities arising out of the termination of the employment of any of the Buyer's employees referred to in

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- Paragraph 1.2 made pursuant to the provisions of Paragraph 1.4 provided that the Supplier takes, or shall procure that the Subcontractor takes, all reasonable steps to minimise any such Employee Liabilities; and
- 1.5.2 procure that the Former Supplier indemnifies the Supplier and/or any Subcontractor against all Employee Liabilities arising out of termination of the employment of the employees of the Former Supplier referred to in Paragraph 1.2 made pursuant to the provisions of Paragraph 1.4 provided that the Supplier takes, or shall procure that the relevant Subcontractor takes, all reasonable steps to minimise any such Employee Liabilities.
- 1.6 If any such person as is described in Paragraph 1.2 is neither re employed by the Buyer and/or the Former Supplier as appropriate nor dismissed by the Supplier and/or any Subcontractor within the 15 Working Day period referred to in Paragraph 1.4 such person shall be treated as having transferred to the Supplier and/or the Subcontractor (as appropriate) and the Supplier shall, or shall procure that the Subcontractor shall, comply with such obligations as may be imposed upon it under Law.
- 1.7 Where any person remains employed by the Supplier and/or any Subcontractor pursuant to Paragraph 1.6, all Employee Liabilities in relation to such employee shall remain with the Supplier and/or the Subcontractor and the Supplier shall indemnify the Buyer and any Former Supplier, and shall procure that the Subcontractor shall indemnify the Buyer and any Former Supplier, against any Employee Liabilities that either of them may incur in respect of any such employees of the Supplier and/or employees of the Subcontractor.
- 1.8 The indemnities in Paragraph 1.5:
- 1.8.1 shall not apply to:
- (a) any claim for:
- (i) 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
- (ii) 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 Supplier and/or Subcontractor; or
- (b) any claim that the termination of employment was unfair because the Supplier and/or any Subcontractor neglected to follow a fair dismissal procedure; and
- 1.8.2 shall apply only where the notification referred to in Paragraph 1.2.1 is made by the Supplier and/or any

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Subcontractor to the Buyer and, if applicable, Former Supplier within 6 months of the Start Date.

- 1.9 If the Supplier and/or the Subcontractor does not comply with Paragraph 1.2, all Employee Liabilities in relation to such employees shall remain with the Supplier and/or the Subcontractor and the Supplier shall (i) comply with the provisions of Part D: Pensions of this Schedule, and (ii) indemnify the Buyer and any Former Supplier against any Employee Liabilities that either of them may incur in respect of any such employees of the Supplier and/or employees of the Subcontractor.

2. Limits on the Former Supplier's obligations

Where in this Part C the Buyer accepts an obligation to procure that a Former Supplier does or does not do something, such obligation shall be limited so that it extends only to the extent that the Buyer's contract with the Former Supplier contains a contractual right in that regard which the Buyer may enforce, or otherwise so that it requires only that the Buyer must use reasonable endeavours to procure that the Former Supplier does or does not act accordingly.

Part D: Pensions

1. Definitions

In this Part D and Part E, the following words have the following meanings and they shall supplement Joint 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 Direction"	Value	the Best Value Authorities Staff Transfers (Pensions) Direction 2007 or the Welsh Authorities Staff Transfers (Pensions) Direction 2012 (as appropriate);
"Broadly Comparable"		<p>(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</p> <p>(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,</p> <p>and "Broad Comparability" shall be construed accordingly;</p>
"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;

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"Fair Deal Eligible Employees"	each of the CSPA 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"	<p>any of:</p> <ul style="list-style-type: none">(a) Transferring Buyer Employees;(b) Transferring Former Supplier Employees;(c) employees who are not Transferring Buyer Employees or Transferring Former Supplier Employees but to whom the Employment Regulations apply on the Relevant Transfer Date to transfer their employment to the Supplier or a Subcontractor, 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 Supplier or a Subcontractor was the Former Supplier, the employees of the Supplier (or Subcontractor); <p>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 Buyer;</p>
"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;
"NHSPS"	<p>the schemes as defined in Annex D2 to this Part D;</p> <ul style="list-style-type: none">(a)(b)

"Statutory Schemes" means the CSPA, NHSPS or LGPS.

2. Supplier obligations to participate in the pension schemes

- 2.1 In respect of all or any Fair Deal Employees each of Annex D1: CSPA, Annex D2: NHSPS and/or Annex D3: LGPS shall apply, as appropriate.
- 2.2 The Supplier 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 Supplier 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 Supplier undertakes:
 - 2.3.1 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
 - 2.3.2 subject to paragraph 5 of 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 Supplier is the Former Supplier (or a Subcontractor is a Subcontractor of the Former Supplier) and there is no Relevant Transfer of the Fair Deal Employees because they remain continuously employed by the Supplier (or Subcontractor) at the Start Date, this Part D and its Annexes shall be modified accordingly so that the Supplier (or Subcontractor) shall comply with its requirements from the Start 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 Supplier (or Subcontractor) 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 Buyer¹.

3. Supplier obligation to provide information

- 3.1 The Supplier undertakes to the Buyer:
 - 3.1.1 to provide all information which the Buyer may reasonably request concerning matters referred to in this Part D as expeditiously as possible; and

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- 3.1.2 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 Buyer (such consent not to be unreasonably withheld or delayed);
- 3.1.3 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 the relevant Contract.

4. Indemnities the Supplier must give

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

- 4.1.1 arise out of or in connection with any liability towards all and any Fair Deal Employees arising in respect of service on or after the Relevant Transfer Date which arise from any breach by the Supplier of this Part D, and/or the CSPA Admission Agreement and/or the Direction Letter/Determination and/or the LGPS Admission Agreement;
- 4.1.2 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 Supplier or a Subcontractor on and after the Relevant Transfer Date until the date of termination or expiry of the relevant Contract, including the Statutory Schemes or any Broadly Comparable pension scheme provided in accordance with paragraphs 10 or 11 of this Part D;
- 4.1.3 relate to claims by Fair Deal Employees of the Supplier and/or of any Subcontractor or by any trade unions, elected employee representatives or staff associations in respect of all or any such Fair Deal Employees which Losses:

Subcontractor:

- (a) 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 date of termination or expiry of the relevant Contract; or
 - (b) arise out of the failure of the Supplier and/or any relevant Subcontractor to comply with the provisions of this Part D before the date of termination or expiry of the relevant Contract; and/or
- 4.1.4 arise out of or in connection with the Supplier (or its Subcontractor) allowing anyone who is not an NHSPS Fair Deal Employee to join or claim membership of the NHSPS at any time during the Term.

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4.2 The indemnities in this Part D and its Annexes:

- 4.2.1 shall survive termination of the relevant Contract; and
- 4.2.2 shall not be affected by the caps on liability contained in Clause 11 (How much you can be held responsible for).

5. What happens if there is a dispute

5.1 The Dispute Resolution Procedure will not apply to any dispute (i) between the CCS and/or the Buyer and/or the Supplier 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 CCS and/or the Buyer and/or the Supplier be referred to an independent Actuary:

- 5.1.1 who will act as an expert and not as an arbitrator;
- 5.1.2 whose decision will be final and binding on the CCS and/or the Buyer and/or the Supplier; and
- 5.1.3 whose expenses shall be borne equally by the CCS and/or the Buyer and/or the Supplier unless the independent Actuary shall otherwise direct.

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. Other people's rights

6.1 The Parties agree Clause 19 (Other people's rights in this contract) 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 owed to him or her or it by the Supplier under this Part D, in his or her or its own right under section 1(1) of the CRTPA.

6.2 Further, the Supplier 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 Subcontractor in his or her or its own right under section 1(1) of the CRTPA.

7. What happens if there is a breach of this Part D

7.1 The Supplier agrees to notify the Buyer should it breach any obligations it has under this Part D and agrees that the Buyer shall be entitled to terminate its Contract for material Default in the event that the Supplier:

- 7.1.1 commits an irremediable breach of any provision or obligation it has under this Part D; or
- 7.1.2 commits a breach of any provision or obligation it has under this Part D which, where capable of remedy, it fails to remedy within

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a reasonable time and in any event within 28 days of the date of a notice from the Buyer giving particulars of the breach and requiring the Supplier to remedy it.

8. Transferring Fair Deal Employees

8.1 Save on expiry or termination of the relevant 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 Supplier shall or shall procure that any relevant Sub-contractor shall:

- 8.1.1 notify the Buyer as far as reasonably practicable in advance of the transfer to allow the Buyer to make the necessary arrangements for participation with the relevant Statutory Scheme(s);
- 8.1.2 consult with about, and inform those Fair Deal Eligible Employees of the pension provisions relating to that transfer; and
- 8.1.3 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 "Supplier" 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. What happens to pensions if this Contract ends

- 9.1 The provisions of Part E: Staff Transfer On Exit (Mandatory) apply in relation to pension issues on expiry or termination of the relevant Contract.
- 9.2 The Supplier shall (and shall procure that any of its Subcontractors shall) prior to the termination of the relevant 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 Buyer and/or the Buyer 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 Schemes on the 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 Supplier must (and must, where relevant, procure that each of its Subcontractors will) ensure that, with effect from the Relevant Transfer Date until the day before the Service Transfer Date, the relevant Fair Deal

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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 Buyer.

10.2 Such Broadly Comparable pension scheme must be:

- 10.2.1 established by the Relevant Transfer Date²;
- 10.2.2 a registered pension scheme for the purposes of Part 4 of the Finance Act 2004;
- 10.2.3 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 Buyer);
- 10.2.4 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 Buyer); and
- 10.2.5 maintained until such bulk transfer payments have been received or paid (unless otherwise instructed by the Buyer).

10.3 Where the Supplier has set up a Broadly Comparable pension scheme pursuant to the provisions of this Paragraph 10, the Supplier shall (and shall procure that any of its Subcontractors shall):

- 10.3.1 supply to the Buyer details of its (or its Subcontractor'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;
- 10.3.2 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;
- 10.3.3 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 Buyer (where applicable). This will be with a view to the bulk transfer terms providing day for day and/or pound

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- 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 transfer³; and
- 10.3.4 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 Supplier and/or relevant Subcontractor and are still eligible for New Fair Deal protection in the event that the Supplier and/or Subcontractor's Broadly Comparable pension scheme is 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 Supplier has provided a Broadly Comparable pension scheme pursuant to the provisions of this paragraph 10, the Supplier shall (and shall procure that any of its Subcontractors shall) prior to the termination of the relevant Contract:
- 10.4.1 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 10.3.3 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 10.3.3 but using the last day of the Fair Deal Eligible Employees' employment with the Supplier or Subcontractor (as appropriate) as the date used to determine the actuarial assumptions; and

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- 10.4.2 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 10.4.1 been complied with, the Supplier shall (or shall procure that the Subcontractor 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 Buyer shall otherwise direct. The Supplier shall indemnify the Buyer or the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (as the Buyer 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 Supplier must (and must, where relevant, procure that each of its Subcontractors 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 Buyer.
- 11.2 Such Broadly Comparable pension scheme must be:
- 11.2.1 established by the date of cessation of participation in the Statutory Scheme⁴;
 - 11.2.2 a registered pension scheme for the purposes of Part 4 of the Finance Act 2004;
 - 11.2.3 capable of receiving a bulk transfer payment from the relevant Statutory Scheme (where instructed to do so by the Buyer);
 - 11.2.4 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 Buyer); and
 - 11.2.5 maintained until such bulk transfer payments have been received or paid (unless otherwise instructed by the Buyer).

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

- 11.3.1 supply to the Buyer details of its (or its Subcontractor'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;
- 11.3.2 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;
- 11.3.3 where required to do so by the Buyer, 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 Buyer (where applicable). The Supplier 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 Supplier shall be fully responsible for any costs of providing those credits in excess of the bulk transfer payment received by the Broadly Comparable pension scheme⁵; and
- 11.3.4 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 Supplier and/or relevant Subcontractor and are still eligible for New Fair Deal protection in the event that the Supplier and/or Subcontractor'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).

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- 11.4 Where the Supplier has provided a Broadly Comparable pension scheme pursuant to the provisions of this paragraph 11, the Supplier shall (and shall procure that any of its Subcontractors shall) prior to the termination of the relevant 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 Supplier or the Subcontractor (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 Supplier and any Subcontractor, the Shortfall shall be paid by the Supplier. The Supplier shall indemnify the Buyer or the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (as the Buyer directs) for any failure to pay the Shortfall under this paragraph.

12. Right of Set-off

- 12.1 The Buyer shall have a right to set off against any payments due to the Supplier under the relevant Contract an amount equal to:

- 12.1.1 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 Supplier or from any relevant Subcontractor or due from any third party under any indemnity, bond or guarantee;
- 12.1.2 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 NHSPA Eligible Employees whether due from the Supplier or from any relevant Subcontractor or due from any third party under any indemnity, bond or guarantee; or
- 12.1.3 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 Supplier or from any relevant Subcontractor or due from any third party under any indemnity, bond or guarantee;

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

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- 12.2 The Buyer shall also have a right to set off against any payments due to the Supplier under the relevant Contract all reasonable costs and expenses incurred by the Buyer as result of Paragraphs 12.1 above.

Annex D1:

Civil Service Pensions Schemes (CSPS)

1. Definitions

In this Annex D1: CSPS to Part D: Pensions, the following words have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"CSPS 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 CSPS in respect of the Services;
"CSPS Eligible Employee"	any CSPS Fair Deal Employee who at the relevant time is an active member or eligible to participate in the CSPS under a CSPS Admission Agreement;
"CSPS Fair Deal Employee"	a Fair Deal Employee who at the Relevant Transfer Date is or becomes entitled to protection in respect of the CSPS in accordance with the provisions of New Fair Deal;
"CSPS"	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. Access to equivalent pension schemes after transfer

- 2.1 In accordance with New Fair Deal, the Supplier and/or any of its Subcontractors to which the employment of any CSPS Fair Deal Employee compulsorily transfers as a result of either the award of the relevant Contract or a Relevant Transfer, if not an employer which participates automatically in the CSPS, shall each secure a CSPS Admission Agreement to ensure that CSPS Fair Deal Employees or CSPS Eligible Employees as appropriate shall be either admitted into, or offered continued membership of, the relevant section of the CSPS 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 Supplier and/or any of its Subcontractors shall procure that the CSPS Fair Deal Employees continue to accrue benefits in the CSPS in accordance with the provisions governing the relevant section of the CSPS for service from (and including) the Relevant Transfer Date.

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- 2.2 If the Supplier and/or any of its Subcontractors enters into a CSPA Admission Agreement in accordance with paragraph 2.1 but the CSPA Admission Agreement is terminated during the term of the relevant Contract for any reason at a time when the Supplier or Subcontractor still employs any CSPA Eligible Employees, the Supplier shall (and procure that its Subcontractors shall) at no extra cost to the Buyer, 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 D3:

Local Government Pension Schemes (LGPS)

Note the LGPS unlike the CSPS & NHSPS is a funded scheme which has associated cost implications as follows:

There is not 1 LGPS but approx. 90 different Funds, each with their own separate Scheme Employer and Administering Buyer, it is important to identify the correct one(s) and amend the definition of "Fund" accordingly.

It is important to check whether CCS and or the Buyer can actually participate in the LGPS. Where a government department is taking on services which were formerly the responsibility of a Local Authority it may be necessary to obtain secretary of state approval for participation in the LGPS, this is because the services are being provided to Gov. Dept. and not to a Local Authority.

Unlike New Fair Deal the 2007 Best Value pension direction does not provide a right to bulk transfer past service. Whilst typically before the 2007 direction LA did provide such a right, it is a significant additional cost and therefore bulk transfer wording has been excluded. If required take legal advice due to the exceptionally high costs which can result from a requirement to provide bulk transfers.]

1. Definitions

In this Annex D3: LGPS to Part D: Pensions, the following words have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"2013 Regulations"	the Local Government Pension Scheme Regulations 2013 (SI 2013/2356) (as amended from time to time);
"Administering Buyer"	in relation to the Fund Environment Agency , the relevant Administering Buyer of that Fund for the purposes of the 2013 Regulations;
"Fund Actuary"	the actuary to a Fund appointed by the Administering Buyer of that Fund;
"Fund"	Environment Agency Pension Fund, a pension fund within the LGPS;
["Initial Contribution Rate"⁶]	[XX %] of pensionable pay (as defined in the 2013 Regulations);]

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"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; ;
"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. Supplier to become an LGPS Admission Body

- 2.1 In accordance with the principles of New Fair Deal and/or the Best Value Direction, the Supplier and/or any of its Subcontractors to which the employment of any LGPS Fair Deal Employee compulsorily transfers as a result of either the award of the relevant 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 the relevant Contract.

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OPTION 1⁷

2.2 [Any LGPS Fair Deal Employees who:

2.2.1 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

2.2.2 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

[Any LGPS Fair Deal Employees whether:

2.2.3 active members of the LGPS (or a Broadly Comparable pension scheme) immediately before the Relevant Transfer Date; or

2.2.4 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 Supplier 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.]

2.3 The Supplier will (and will procure that its Subcontractors (if any) will) provide at its own cost any indemnity, bond or guarantee required by an Administering Buyer in relation to an LGPS Admission Agreement.

3. Broadly Comparable Scheme

3.1 If the Supplier and/or any of its Subcontractors is unable to obtain an LGPS Admission Agreement in accordance with paragraph 2.1 because the Administering Buyer will not allow it to participate in the Fund, the Supplier shall (and procure that its Subcontractors 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.

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- 3.2 If the Supplier and/or any of its Subcontractors becomes an LGPS Admission Body in accordance with paragraph 2.1 but the LGPS Admission Agreement is terminated during the term of the relevant Contract for any reason at a time when the Supplier or Subcontractors still employs any LGPS Eligible Employees, the Supplier shall (and procure that its Subcontractors shall) at no extra cost to the Buyer, 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

Where the Supplier and/or any of its Subcontractors is an LGPS Admission Body, the Supplier shall (and procure that its Subcontractors 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 SHARING⁸

- 5.1 Subject to paragraphs 5.4 to 5.10, if at any time during the term of the relevant Contract the Administering Buyer, pursuant to the LGPS Admission Agreement or the LGPS Regulations, requires the Supplier or any Subcontractor 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 Supplier or the Subcontractor, as the case may be, and the Supplier shall be reimbursed by the Buyer.
- 5.2 Subject to paragraphs 5.4 to 5.9 and 5.11, if at any time during the term of the relevant Contract, the Administering Buyer, pursuant to the LGPS Admission Agreement or the LGPS Regulations, requires the Supplier or any Subcontractor to pay employer contributions or payments to the Fund in aggregate below the Initial Contribution Rate for a Contract Year, the Supplier shall reimburse the Buyer 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 Supplier or Subcontractor 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 Buyer 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

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the LGPS Admission Agreement ceases to have effect and the Supplier or any Subcontractor 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 Supplier or any Subcontractor (as the case may be) and the Supplier shall be reimbursed by the Buyer.

5.4 The Supplier and any Subcontractors shall at all times be responsible for the following costs:

- 5.4.1 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;
- 5.4.2 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;
- 5.4.3 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;
- 5.4.4 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 Supplier or any relevant Subcontractor 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;
- 5.4.5 any employer contributions relating to the costs of enhanced benefits made at the discretion of the Supplier or any relevant Subcontractors including without limitation additional pension awarded under Regulation 31 of the 2013 Regulations or otherwise;
- 5.4.6 any increase to the employer contribution rate resulting from the award of pay increases by the Supplier or relevant Subcontractors 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 Supplier and/or any Subcontractor is contractually bound to provide such increases on the Relevant Transfer Date);
- 5.4.7 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 Supplier or any relevant Subcontractors where a member does not have an absolute entitlement to that benefit under the LGPS;

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- 5.4.8 any cost of the administration of the Fund that are not met through the Supplier's or Subcontractor's employer contribution rate, including without limitation an amount specified in a notice given by the Administering Buyer under Regulation 70 of the 2013 Regulations;
 - 5.4.9 the costs of any reports and advice requested by or arising from an instruction given by the Supplier or a Subcontractor from the Fund Actuary; and/or
 - 5.4.10 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 Supplier or Subcontractors 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 Buyer 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 Supplier or any Subcontractor receives payment of an exit credit payment under Regulation 64(2) of the 2013 Regulations (the "**Exit Credit**"), the Supplier shall (or procure that any Subcontractor shall) reimburse the Buyer an amount equal to the Exit Credit within twenty (20) Working Days of receipt of the Exit Credit.
- 5.7 The Supplier shall (or procure that the Subcontractor shall) notify the Buyer in writing within twenty (20) Working Days:
 - 5.7.1 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
 - 5.7.2 of being informed by the Administering Buyer of any Exit Payment or Exit Credit that is determined by as being due from or to the Supplier or a Subcontractor 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 Buyer shall either:
 - 5.8.1 notify the Supplier in writing of its acceptance of the Excess Amount, Refund Amount or Exit Payment;
 - 5.8.2 request further information or evidence about the Excess Amount, Refund Amount or Exit Payment from the Supplier; and/or
 - 5.8.3 request a meeting with the Supplier to discuss or clarify the information or evidence provided.

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- 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 Buyer shall notify the Supplier in writing. In the event that the Supplier and the Buyer 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 Buyer or in accordance with the Dispute Resolution Procedure shall be paid by the Buyer within timescales as agreed between Buyer and Supplier. The amount to be paid by the Buyer 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 Supplier or a Subcontractor.
- 5.11 Any Refund Amount agreed by the Buyer or in accordance with the Dispute Resolution Procedure as payable by the Supplier or any Subcontractor to the Buyer, shall be paid by the Supplier or any Subcontractor forthwith as the liability has been agreed. In the event the Supplier or any Subcontractor fails to pay any agreed Refund Amount, the Buyer shall demand in writing the immediate payment of the agreed Refund Amount by the Supplier and the Supplier shall make payment within seven (7) Working Days of such demand.
- 5.12 This paragraph 5 shall survive termination of the relevant Contract.

Part E: Staff Transfer on Exit

1. Obligations before a Staff Transfer

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

- 1.1.1 receipt of a notification from the Buyer of a Service Transfer or intended Service Transfer;
- 1.1.2 receipt of the giving of notice of early termination or any Partial Termination of the relevant Contract;
- 1.1.3 the date which is 12 Months before the end of the Term; and
- 1.1.4 receipt of a written request of the Buyer at any time (provided that the Buyer shall only be entitled to make one such request in any 6 Month period),

it shall provide in a suitably anonymised format so as to comply with the Data Protection Legislation, the Supplier's Provisional Supplier Personnel List, together with the Staffing Information in relation to the Supplier's Provisional Supplier Personnel List and it shall provide an updated Supplier's Provisional Supplier Personnel List at such intervals as are reasonably requested by the Buyer.

1.2 At least 20 Working Days prior to the Service Transfer Date, the Supplier shall provide to the Buyer or at the direction of the Buyer to any Replacement Supplier and/or any Replacement Subcontractor (i) the Supplier's Final Supplier Personnel List, which shall identify the basis upon which they are Transferring Supplier Employees and (ii) the Staffing Information in relation to the Supplier's Final Supplier Personnel List (insofar as such information has not previously been provided).

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

1.4 The Supplier warrants, for the benefit of The Buyer, any Replacement Supplier, and any Replacement Subcontractor that all information provided pursuant to Paragraphs 1.1 and 1.2 shall be true and accurate in all material respects at the time of providing the information.

1.5 From the date of the earliest event referred to in Paragraph 1.1.1, 1.1.2 and 1.1.3, the Supplier agrees that it shall not, and agrees to procure that each Subcontractor shall not, assign any person to the provision of the Services who is not listed on the Supplier's Provisional Supplier Personnel List and shall not without the approval of the Buyer (not to be unreasonably withheld or delayed):

:

- 1.5.1 replace or re-deploy any Supplier Staff listed on the Supplier Provisional Supplier 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

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- 1.5.2 make, promise, propose, permit or implement any material changes to the terms and conditions of employment of the Supplier Staff (including pensions and any payments connected with the termination of employment);
- 1.5.3 increase the proportion of working time spent on the Services (or the relevant part of the Services) by any of the Supplier Staff save for fulfilling assignments and projects previously scheduled and agreed;
- 1.5.4 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 Supplier's Provisional Supplier Personnel List;
- 1.5.5 increase or reduce the total number of employees so engaged, or deploy any other person to perform the Services (or the relevant part of the Services);
- 1.5.6 terminate or give notice to terminate the employment or contracts of any persons on the Supplier's Provisional Supplier Personnel List save by due disciplinary process;

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

- 1.6 On or around each anniversary of the Start Date and up to four times during the last 12 Months of the Term, the Buyer may make written requests to the Supplier for information relating to the manner in which the Services are organised. Within 20 Working Days of receipt of a written request the Supplier shall provide, and shall procure that each Subcontractor shall provide, to the Buyer such information as the Buyer may reasonably require relating to the manner in which the Services are organised, which shall include:
 - 1.6.1 the numbers of employees engaged in providing the Services;
 - 1.6.2 the percentage of time spent by each employee engaged in providing the Services;
 - 1.6.3 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) (as appropriate); and
 - 1.6.4 a description of the nature of the work undertaken by each employee by location.
- 1.7 The Supplier shall provide, and shall procure that each Subcontractor shall provide, all reasonable cooperation and assistance to the Buyer, any Replacement Supplier and/or any Replacement Subcontractor to ensure the smooth transfer of the Transferring Supplier Employees on the Service Transfer

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Date including providing sufficient information in advance of the Service Transfer Date to ensure that all necessary payroll arrangements can be made to enable the Transferring Supplier Employees to be paid as appropriate. Without prejudice to the generality of the foregoing, within 5 Working Days following the Service Transfer Date, the Supplier shall provide, and shall procure that each Subcontractor shall provide, to the Buyer or, at the direction of the Buyer, to any Replacement Supplier and/or any Replacement Subcontractor (as appropriate), in respect of each person on the Supplier's Final Supplier Personnel List who is a Transferring Supplier Employee:

- 1.7.1 the most recent month's copy pay slip data;
- 1.7.2 details of cumulative pay for tax and pension purposes;
- 1.7.3 details of cumulative tax paid;
- 1.7.4 tax code;
- 1.7.5 details of any voluntary deductions from pay; and
- 1.7.6 bank/building society account details for payroll purposes.

2. Staff Transfer when the contract ends

- 2.1 The Buyer and the Supplier acknowledge that subsequent to the commencement of the provision of the Services, the identity of the provider of the Services (or any part of the Services) may change (whether as a result of termination or Partial Termination of the relevant Contract or otherwise) resulting in the Services being undertaken by a Replacement Supplier and/or a Replacement Subcontractor. Such change in the identity of the supplier of such services may constitute a Relevant Transfer to which the Employment Regulations and/or the Acquired Rights Directive will apply. The Buyer and the Supplier agree that, as a result of the operation of the Employment Regulations, where a Relevant Transfer occurs, the contracts of employment between the Supplier and the Transferring Supplier Employees (except in relation to any contract terms 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 Subcontractor (as the case may be) and each such Transferring Supplier Employee.
- 2.2 The Supplier shall, and shall procure that each Subcontractor shall, comply with all its obligations in respect of the Transferring Supplier 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 Subcontractor shall perform and discharge, all its obligations in respect of all the Transferring Supplier Employees arising in respect of the period up to (and including) the Service Transfer Date (including (without limit) 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)

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the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between: (i) the Supplier and/or the Subcontractor (as appropriate); and (ii) the Replacement Supplier and/or Replacement Subcontractor.

2.3 Subject to Paragraph 2.4, the Supplier shall indemnify the Buyer and/or the Replacement Supplier and/or any Replacement Subcontractor against any Employee Liabilities arising from or as a result of:

- 2.3.1 any act or omission of the Supplier or any Subcontractor in respect of any Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee whether occurring before, on or after the Service Transfer Date;
- 2.3.2 the breach or non-observance by the Supplier or any Subcontractor occurring on or before the Service Transfer Date of:
 - (a) any collective agreement applicable to the Transferring Supplier Employees; and/or
 - (b) any other custom or practice with a trade union or staff association in respect of any Transferring Supplier Employees which the Supplier or any Subcontractor is contractually bound to honour;
- 2.3.3 any claim by any trade union or other body or person representing any Transferring Supplier Employees arising from or connected with any failure by the Supplier or a Subcontractor to comply with any legal obligation to such trade union, body or person arising on or before the Service Transfer Date;
- 2.3.4 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
 - (a) in relation to any Transferring Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on and before the Service Transfer Date; and

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- (b) in relation to any employee who is not identified in the Supplier's Final Supplier 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 Supplier to the Buyer and/or Replacement Supplier and/or any Replacement Subcontractor, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on or before the Service Transfer Date;
 - 2.3.5 a failure of the Supplier or any Subcontractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Supplier Employees in respect of the period up to (and including) the Service Transfer Date);
 - 2.3.6 any claim made by or in respect of any person employed or formerly employed by the Supplier or any Subcontractor other than a Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List for whom it is alleged the Buyer and/or the Replacement Supplier and/or any Replacement Subcontractor may be liable by virtue of the relevant Contract and/or the Employment Regulations and/or the Acquired Rights Directive; and
 - 2.3.7 any claim made by or in respect of a Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee relating to any act or omission of the Supplier or any Subcontractor in relation to its obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the failure by the Buyer and/or Replacement Supplier to comply with regulation 13(4) of the Employment Regulations.
- 2.4 The 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 Subcontractor whether occurring or having its origin before, on or after the Service Transfer Date including any Employee Liabilities:
- 2.4.1 arising out of the resignation of any Transferring Supplier Employee before the Service Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Replacement Supplier and/or any Replacement Subcontractor to occur in the period on or after the Service Transfer Date); or

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- 2.4.2 arising from the Replacement Supplier's failure, and/or Replacement Subcontractor's failure, to comply with its obligations under the Employment Regulations.
- 2.5 If any person who is not identified in the Supplier's Final Supplier Employee List claims, or it is determined in relation to any employees of the Supplier, that his/her contract of employment has been transferred from the Supplier to the Replacement Supplier and/or Replacement Subcontractor pursuant to the Employment Regulations or the Acquired Rights Directive, then:
 - 2.5.1 the Buyer shall procure that the Replacement Supplier and/or Replacement Subcontractor will, within 5 Working Days of becoming aware of that fact, notify the Buyer and the Supplier in writing; and
 - 2.5.2 the Supplier may offer (or may procure that a Subcontractor may offer) employment to such person, or take such other reasonable steps as it considered appropriate to deal the matter provided always that such steps are in compliance with Law, within 15 Working Days of receipt of notice from the Replacement Supplier and/or Replacement Subcontractor.
- 2.6 If such offer of is accepted, or if the situation has otherwise been resolved by the Supplier or a Subcontractor, Buyer shall procure that the Replacement Supplier shall, or procure that the and/or Replacement Subcontractor shall, immediately release or procure the release the person from his/her employment or alleged employment;
- 2.7 If after the 15 Working Day period specified in Paragraph 2.5.2 has elapsed:
 - 2.7.1 no such offer has been made:
 - 2.7.2 such offer has been made but not accepted; or
 - 2.7.3 the situation has not otherwise been resolvedthe Buyer shall advise the Replacement Supplier and/or Replacement Subcontractor (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's and/or Replacement Subcontractor 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 and subject to Paragraph 2.9 below, the Supplier will indemnify the Replacement Supplier and/or Replacement Subcontractor against all Employee Liabilities arising out of the termination of the employment of any of the Supplier's employees pursuant to the provisions of Paragraph 2.7 provided that the Replacement Supplier takes, or shall procure that the Replacement Subcontractor takes, all reasonable steps to minimise any such Employee Liabilities.
- 2.9 The indemnity in Paragraph 2.8:
 - 2.9.1 shall not apply to:

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- (a) any claim for:
 - (i) 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
 - (ii) 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 Subcontractor, or

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

2.9.2 shall apply only where the notification referred to in Paragraph 2.5.1 is made by the Replacement Supplier and/or Replacement Subcontractor to the Supplier 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 Supplier or any Subcontractor nor dismissed by the Replacement Supplier and/or Replacement Subcontractor within the time scales set out in Paragraphs 2.5 to 2.7, such person shall be treated as a Transferring Supplier Employee. .

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

- (b) the Supplier and/or any Subcontractor; and
- (c) the Replacement Supplier and/or the Replacement Subcontractor.

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- 2.12 The Supplier shall, and shall procure that each Subcontractor shall, promptly provide the Buyer and any Replacement Supplier and/or Replacement Subcontractor, in writing such information as is necessary to enable the Buyer, the Replacement Supplier and/or Replacement Subcontractor to carry out their respective duties under regulation 13 of the Employment Regulations. The Buyer shall procure that the Replacement Supplier and/or Replacement Subcontractor, shall promptly provide to the Supplier and each Subcontractor in writing such information as is necessary to enable the Supplier and each Subcontractor to carry out their respective duties under regulation 13 of the Employment Regulations.
- 2.13 Subject to Paragraph 2.14, the Buyer shall procure that the Replacement Supplier indemnifies the Supplier on its own behalf and on behalf of any Replacement Subcontractor and its Subcontractors against any Employee Liabilities arising from or as a result of:
- 2.13.1 any act or omission of the Replacement Supplier and/or Replacement Subcontractor in respect of any Transferring Supplier Employee in the Supplier's Final Supplier Personnel List or any appropriate employee representative (as defined in the Employment Regulations) of any such Transferring Supplier Employee;
 - 2.13.2 the breach or non-observance by the Replacement Supplier and/or Replacement Subcontractor on or after the Service Transfer Date of:
 - (a) any collective agreement applicable to the Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List; and/or
 - (b) any custom or practice in respect of any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List which the Replacement Supplier and/or Replacement Subcontractor is contractually bound to honour;
 - 2.13.3 any claim by any trade union or other body or person representing any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List arising from or connected with any failure by the Replacement Supplier and/or Replacement Subcontractor to comply with any legal obligation to such trade union, body or person arising on or after the Service Transfer Date;
 - 2.13.4 any proposal by the Replacement Supplier and/or Replacement Subcontractor to change the terms and conditions of employment or working conditions of any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List on or after their transfer to the Replacement Supplier or Replacement Subcontractor (as the case may be) on the Service Transfer Date, or to change the terms and conditions of employment or

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- working conditions of any person identified in the Supplier's Final Supplier Personnel List who would have been a Transferring Supplier Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Service Transfer Date as a result of or for a reason connected to such proposed changes;
- 2.13.5 any statement communicated to or action undertaken by the Replacement Supplier or Replacement Subcontractor to, or in respect of, any Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List on or before the Service Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Supplier in writing;
- 2.13.6 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
- (a) in relation to any Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising after the Service Transfer Date; and
 - (b) in relation to any employee who is not a Transferring Supplier Employee identified in the Supplier's Final Supplier 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 Supplier or Subcontractor, to the Replacement Supplier or Replacement Subcontractor to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising after the Service Transfer Date;
- 2.13.7 a failure of the Replacement Supplier or Replacement Subcontractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List in respect of the period from (and including) the Service Transfer Date; and
- 2.13.8 any claim made by or in respect of a Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List or any appropriate employee representative (as defined in the Employment Regulations) of any such Transferring Supplier Employee relating to any act or omission of the Replacement

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Supplier or Replacement Subcontractor 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 Supplier and/or any Subcontractor (as applicable) whether occurring or having its origin before, on or after the Service Transfer Date, including any Employee Liabilities arising from the failure by the Supplier and/or any Subcontractor (as applicable) to comply with its obligations under the Employment Regulations.

Call-Off Schedule 3 (Continuous Improvement)

1. Buyer's Rights

- 1.1 The Buyer and the Supplier recognise that, where specified in Framework Schedule 4 (Framework Management), the Buyer may give CCS the right to enforce the Buyer's rights under this Schedule.

2. Supplier's Obligations

- 2.1 The Supplier must, throughout the Contract Period, identify new or potential improvements to the provision of the Deliverables with a view to reducing the Buyer's costs (including the Charges) and/or improving the quality and efficiency of the Deliverables and their supply to the Buyer.
- 2.2 The Supplier must adopt a policy of continuous improvement in relation to the Deliverables, which must include regular reviews with the Buyer of the Deliverables and the way it provides them, with a view to reducing the Buyer's costs (including the Charges) and/or improving the quality and efficiency of the Deliverables. The Supplier and the Buyer must provide each other with any information relevant to meeting this objective.
- 2.3 In addition to Paragraph 2.1, the Supplier shall produce at the start of each Contract Year a plan for improving the provision of Deliverables and/or reducing the Charges (without adversely affecting the performance of this Contract) during that Contract Year ("**Continuous Improvement Plan**") for the Buyer's Approval. The Continuous Improvement Plan must include, as a minimum, proposals:
 - 2.3.1 identifying the emergence of relevant new and evolving technologies;
 - 2.3.2 changes in business processes of the Supplier or the Buyer and ways of working that would provide cost savings and/or enhanced benefits to the Buyer (such as methods of interaction, supply chain efficiencies, reduction in energy consumption and methods of sale);
 - 2.3.3 new or potential improvements to the provision of the Deliverables including the quality, responsiveness, procedures, benchmarking methods, likely performance mechanisms and customer support services in relation to the Deliverables; and
 - 2.3.4 measuring and reducing the sustainability impacts of the Supplier's operations and supply-chains relating to the Deliverables, and identifying opportunities to assist the Buyer in meeting their sustainability objectives.
- 2.4 The initial Continuous Improvement Plan for the first (1st) Contract Year shall be submitted by the Supplier to the Buyer for Approval within one hundred (100) Working Days of the first Order or six (6) Months following the Start Date, whichever is earlier.

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- 2.5 The Buyer shall notify the Supplier of its Approval or rejection of the proposed Continuous Improvement Plan or any updates to it within twenty (20) Working Days of receipt. If it is rejected then the Supplier shall, within ten (10) Working Days of receipt of notice of rejection, submit a revised Continuous Improvement Plan reflecting the changes required. Once Approved, it becomes the Continuous Improvement Plan for the purposes of this Contract.
- 2.6 The Supplier must provide sufficient information with each suggested improvement to enable a decision on whether to implement it. The Supplier shall provide any further information as requested.
- 2.7 If the Buyer wishes to incorporate any improvement into this Contract, it must request a Variation in accordance with the Variation Procedure and the Supplier must implement such Variation at no additional cost to the Buyer or CCS.
- 2.8 Once the first Continuous Improvement Plan has been Approved in accordance with Paragraph 2.5:
 - 2.8.1 the Supplier shall use all reasonable endeavours to implement any agreed deliverables in accordance with the Continuous Improvement Plan; and
 - 2.8.2 the Parties agree to meet as soon as reasonably possible following the start of each quarter (or as otherwise agreed between the Parties) to review the Supplier's progress against the Continuous Improvement Plan.
- 2.9 The Supplier shall update the Continuous Improvement Plan as and when required but at least once every Contract Year (after the first (1st) Contract Year) in accordance with the procedure and timescales set out in Paragraph 2.3.
- 2.10 All costs relating to the compilation or updating of the Continuous Improvement Plan and the costs arising from any improvement made pursuant to it and the costs of implementing any improvement, shall have no effect on and are included in the Charges.
- 2.11 Should the Supplier's costs in providing the Deliverables to the Buyer be reduced as a result of any changes implemented, all of the cost savings shall be passed on to the Buyer by way of a consequential and immediate reduction in the Charges for the Deliverables.
- 2.12 At any time during the Contract Period of the Call-Off Contract, the Supplier may make a proposal for gainshare. If the Buyer deems gainshare to be applicable then the Supplier shall update the Continuous Improvement Plan so as to include details of the way in which the proposal shall be implemented in accordance with an agreed gainshare ratio.

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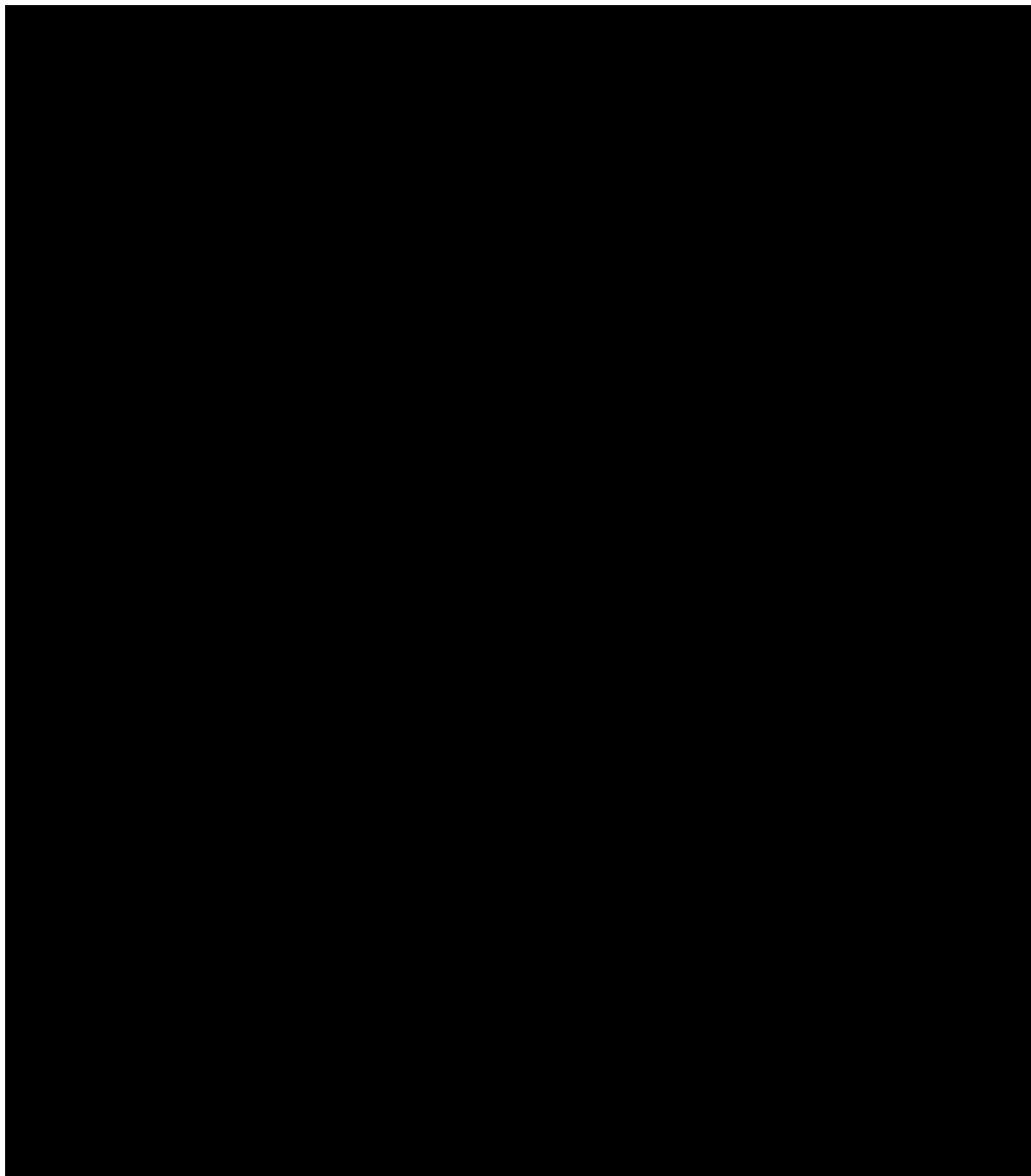
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Call-Off Schedule 5 (Pricing Details)

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Call-Off Schedule 5 (Pricing Details)



Call-Off Schedule 8 (Business Continuity and Disaster Recovery)

1. Definitions

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

“Annual Revenue”

means, for the purposes of determining whether an entity is a Public Sector Dependent Supplier, the audited consolidated aggregate revenue (including share of revenue of joint ventures and Associates) reported by the Supplier or, as appropriate, the Supplier Group in its most recent published accounts, subject to the following methodology:

figures for accounting periods of other than 12 months should be scaled pro rata to produce a proforma figure for a 12 month period; and

where the Supplier, the Supplier Group and/or their joint ventures and Associates report in a foreign currency, revenue should be converted to British Pound Sterling at the closing exchange rate on the Accounting Reference Date;

**“Appropriate Authority”
or “Appropriate
Authorities”**

means the Buyer and the Cabinet Office Markets and Suppliers Team or, where the Supplier is a Strategic Supplier, the Cabinet Office Markets and Suppliers Team;

“Associates”

means, in relation to an entity, an undertaking in which the entity owns, directly or indirectly, between 20% and 50% of the voting rights and exercises a degree of control sufficient for the undertaking to be treated as an associate under generally accepted accounting principles;

"BCDR Plan"

has the meaning given to it in Paragraph 2.2 of this Schedule;

**"Business Continuity
Plan"**

has the meaning given to it in Paragraph 2.3.2 of this Schedule;

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“Class 1 Transaction”	has the meaning set out in the listing rules issued by the UK Listing Authority;
“Control”	the possession by a person, directly or indirectly, of 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;
“Corporate Change Event”	<p>means:</p> <ul style="list-style-type: none">(a) any change of Control of the Supplier or a Parent Undertaking of the Supplier;(b) any change of Control of any member of the Supplier Group which, in the reasonable opinion of the Buyer, could have a material adverse effect on the Deliverables;(c) any change to the business of the Supplier or any member of the Supplier Group which, in the reasonable opinion of the Buyer, could have a material adverse effect on the Deliverables;(d) a Class 1 Transaction taking place in relation to the shares of the Supplier or any Parent Undertaking of the Supplier whose shares are listed on the main market of the London Stock Exchange plc;(e) an event that could reasonably be regarded as being equivalent to a Class 1 Transaction taking place in respect of the Supplier or any Parent Undertaking of the Supplier;(f) payment of dividends by the Supplier or the ultimate Parent Undertaking of the Supplier Group exceeding 25% of the Net Asset Value of the Supplier or the ultimate Parent Undertaking of the Supplier Group respectively in any 12 month period;(g) an order is made or an effective resolution is passed for the winding up of any member of the Supplier Group;(h) any member of the Supplier Group stopping payment of its debts generally or becoming unable to pay its debts within the meaning of section 123(1) of the Insolvency Act 1986 or any member of the Supplier Group ceasing to carry on all or substantially all its business, or any compromise,

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composition, arrangement or agreement being made with creditors of any member of the Supplier Group;

(i) the appointment of a receiver, administrative receiver or administrator in respect of or over all or a material part of the undertaking or assets of any member of the Supplier Group; and/or

(j) any process or events with an effect analogous to those in paragraphs (e) to (g) inclusive above occurring to a member of the Supplier Group in a jurisdiction outside England and Wales;

“Critical National Infrastructure”

means those critical elements of UK national infrastructure (namely assets, facilities, systems, networks or processes and the essential workers that operate and facilitate them), the loss or compromise of which could result in:

major detrimental impact on the availability, integrity or delivery of essential services – including those services whose integrity, if compromised, could result in significant loss of life or casualties – taking into account significant economic or social impacts; and/or

significant impact on the national security, national defence, or the functioning of the UK;

“Critical Service Contract”

a service contract which the Buyer has categorised as a Gold Contract using the Cabinet Office Contract Tiering Tool or which the Buyer otherwise considers should be classed as a Critical Service Contract;

“CRP Information”

means, together, the:

Group Structure Information and Resolution Commentary; and

UK Public Sector and CNI Contract Information;

“Dependent Parent Undertaking”

means any Parent Undertaking which provides any of its Subsidiary Undertakings and/or Associates, whether directly or indirectly, with any financial, trading,

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	managerial or other assistance of whatever nature, without which the Supplier would be unable to continue the day to day conduct and operation of its business in the same manner as carried on at the time of entering into the Contract, including for the avoidance of doubt the provision of the Deliverables in accordance with the terms of the Contract;
"Disaster"	the occurrence of one or more events which, either separately or cumulatively, mean that the Deliverables, or a material part thereof will be unavailable (or could reasonably be anticipated to be unavailable);
"Disaster Recovery Deliverables"	the Deliverables embodied in the processes and procedures for restoring the provision of Deliverables following the occurrence of a Disaster;
"Disaster Recovery Plan"	has the meaning given to it in Paragraph 2.3.3 of this Schedule;
"Disaster Recovery System"	the system embodied in the processes and procedures for restoring the provision of Deliverables following the occurrence of a Disaster;
"Group Structure Information and Resolution Commentary"	means the information relating to the Supplier Group to be provided by the Supplier in accordance with Paragraphs 2 to 4 and Appendix 1 to Part B;
"Parent Undertaking"	has the meaning set out in section 1162 of the Companies Act 2006;
"Public Sector Dependent Supplier"	means a supplier where that supplier, or that supplier's group has Annual Revenue of £50 million or more of which over 50% is generated from UK Public Sector Business;
"Related Supplier"	any person who provides Deliverables to the Buyer which are related to the Deliverables from time to time;
"Review Report"	has the meaning given to it in Paragraph 6.3 of this Schedule;
"Strategic Supplier"	means those suppliers to government listed at https://www.gov.uk/government/publications/strategic-suppliers ;

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“Subsidiary Undertaking”	has the meaning set out in section 1162 of the Companies Act 2006;
“Supplier Group”	means the Supplier, its Dependent Parent Undertakings and all Subsidiary Undertakings and Associates of such Dependent Parent Undertakings;
"Supplier's Proposals"	has the meaning given to it in Paragraph 6.3 of this Schedule;
“UK Public Sector Business”	means any goods, service or works provision to UK public sector bodies, including Central Government Departments and their arm's length bodies and agencies, non-departmental public bodies, NHS bodies, local authorities, health bodies, police, fire and rescue, education bodies and devolved administrations; and
“UK Public Sector / CNI Contract Information”	means the information relating to the Supplier Group to be provided by the Supplier in accordance with Paragraphs 2 to 4 and Appendix 2 of Part B;

Part A: BCDR Plan

1. BCDR Plan

- 1.1 The Buyer and the Supplier recognise that, where specified in Framework Schedule 4 (Framework Management), CCS shall have the right to enforce the Buyer's rights under this Schedule.
- 1.2 At least ninety (90) Working Days prior to the Start Date the Supplier shall prepare and deliver to the Buyer for the Buyer's written approval a plan (a "**BCDR Plan**"), which shall detail the processes and arrangements that the Supplier shall follow to:
 - 1.2.1 ensure continuity of the business processes and operations supported by the Services following any failure or disruption of any element of the Deliverables; and
 - 1.2.2 the recovery of the Deliverables in the event of a Disaster
- 1.3 The BCDR Plan shall be divided into four sections:
 - 1.3.1 Section 1 which shall set out general principles applicable to the BCDR Plan;
 - 1.3.2 Section 2 which shall relate to business continuity (the "**Business Continuity Plan**");
 - 1.3.3 Section 3 which shall relate to disaster recovery (the "**Disaster Recovery Plan**"); and
 - 1.3.4 Section 4 which shall relate to an Insolvency Event of the Supplier, and Key-Subcontractors and/or any Supplier Group member (the "**Insolvency Continuity Plan**").
- 1.4 Following receipt of the draft BCDR Plan from the Supplier, the Parties shall use reasonable endeavours to agree the contents of the BCDR Plan. If the Parties are unable to agree the contents of the BCDR Plan within twenty (20) Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.

2. General Principles of the BCDR Plan (Section 1)

- 2.1 Section 1 of the BCDR Plan shall:
 - 2.1.1 set out how the business continuity and disaster recovery elements of the BCDR Plan link to each other;
 - 2.1.2 provide details of how the invocation of any element of the BCDR Plan may impact upon the provision of the Deliverables and any goods and/or services provided to the Buyer by a Related Supplier;
 - 2.1.3 contain an obligation upon the Supplier to liaise with the Buyer and any Related Suppliers with respect to business continuity and disaster recovery;

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- 2.1.4 detail how the BCDR Plan interoperates with any overarching disaster recovery or business continuity plan of the Buyer and any of its other Related Supplier in each case as notified to the Supplier by the Buyer from time to time;
- 2.1.5 contain a communication strategy including details of an incident and problem management service and advice and help desk facility which can be accessed via multiple channels;
- 2.1.6 contain a risk analysis, including:
 - (a) failure or disruption scenarios and assessments of likely frequency of occurrence;
 - (b) identification of any single points of failure within the provision of Deliverables and processes for managing those risks;
 - (c) identification of risks arising from the interaction of the provision of Deliverables with the goods and/or services provided by a Related Supplier; and
 - (d) a business impact analysis of different anticipated failures or disruptions;
- 2.1.7 provide for documentation of processes, including business processes, and procedures;
- 2.1.8 set out key contact details for the Supplier (and any Subcontractors) and for the Buyer;
- 2.1.9 identify the procedures for reverting to "normal service";
- 2.1.10 set out method(s) of recovering or updating data collected (or which ought to have been collected) during a failure or disruption to minimise data loss;
- 2.1.11 identify the responsibilities (if any) that the Buyer has agreed it will assume in the event of the invocation of the BCDR Plan;
- 2.1.12 provide for the provision of technical assistance to key contacts at the Buyer as required by the Buyer to inform decisions in support of the Buyer's business continuity plans;
- 2.1.13 set out how the business continuity and disaster recovery elements of the BCDR Plan link to the Insolvency Continuity Plan, and how the Insolvency Continuity Plan links to the business continuity and disaster recovery elements of the BCDR Plan;
- 2.1.14 contain an obligation upon the Supplier to liaise with the Buyer and (at the Buyer's request) any Related Supplier with respect to issues concerning insolvency continuity where applicable; and
- 2.1.15 detail how the BCDR Plan links and interoperates with any overarching and/or connected insolvency continuity plan of the Buyer and any of its other Related Suppliers in each case as notified to the Supplier by the Buyer from time to time.

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- 2.2 The BCDR Plan shall be designed so as to ensure that:
 - 2.2.1 the Deliverables are provided in accordance with this Contract at all times during and after the invocation of the BCDR Plan;
 - 2.2.2 the adverse impact of any Disaster is minimised as far as reasonably possible;
 - 2.2.3 it complies with the relevant provisions of ISO/IEC 27002; ISO22301/ISO22313 and all other industry standards from time to time in force; and
 - 2.2.4 it details a process for the management of disaster recovery testing.
- 2.3 The BCDR Plan shall be upgradeable and sufficiently flexible to support any changes to the Deliverables and the business operations supported by the provision of Deliverables.
- 2.4 The Supplier shall not be entitled to any relief from its obligations under the Performance Indicators (PI's) or Service levels, or to any increase in the Charges to the extent that a Disaster occurs as a consequence of any breach by the Supplier of this Contract.

3. Business Continuity (Section 2)

- 3.1 The Business Continuity Plan shall set out the arrangements that are to be invoked to ensure that the business processes facilitated by the provision of Deliverables remain supported and to ensure continuity of the business operations supported by the Services including:
 - 3.1.1 the alternative processes, options and responsibilities that may be adopted in the event of a failure in or disruption to the provision of Deliverables; and
 - 3.1.2 the steps to be taken by the Supplier upon resumption of the provision of Deliverables in order to address the effect of the failure or disruption.
- 3.2 The Business Continuity Plan shall:
 - 3.2.1 address the various possible levels of failures of or disruptions to the provision of Deliverables;
 - 3.2.2 set out the goods and/or services to be provided and the steps to be taken to remedy the different levels of failures of and disruption to the Deliverables;
 - 3.2.3 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 (PI's) or Service Levels in respect of the provision of other Deliverables during any period of invocation of the Business Continuity Plan; and
 - 3.2.4 set out the circumstances in which the Business Continuity Plan is invoked.

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4. Disaster Recovery (Section 3)

- 4.1 The Disaster Recovery Plan (which shall be invoked only upon the occurrence of a Disaster) shall be designed to ensure that upon the occurrence of a Disaster the Supplier ensures continuity of the business operations of the Buyer supported by the Services following any Disaster or during any period of service failure or disruption with, as far as reasonably possible, minimal adverse impact.
- 4.2 The Supplier's BCDR Plan shall include an approach to business continuity and disaster recovery that addresses the following:
 - 4.2.1 loss of access to the Buyer Premises;
 - 4.2.2 loss of utilities to the Buyer Premises;
 - 4.2.3 loss of the Supplier's helpdesk or CAFM system;
 - 4.2.4 loss of a Subcontractor;
 - 4.2.5 emergency notification and escalation process;
 - 4.2.6 contact lists;
 - 4.2.7 staff training and awareness;
 - 4.2.8 BCDR Plan testing;
 - 4.2.9 post implementation review process;
 - 4.2.10 any applicable Performance Indicators (PI's) with respect to the provision of the disaster recovery services and details of any agreed relaxation to the Performance Indicators (PI's) or Service Levels in respect of the provision of other Deliverables during any period of invocation of the Disaster Recovery Plan;
 - 4.2.11 details of how the Supplier shall ensure compliance with security standards ensuring that compliance is maintained for any period during which the Disaster Recovery Plan is invoked;
 - 4.2.12 access controls to any disaster recovery sites used by the Supplier in relation to its obligations pursuant to this Schedule; and
 - 4.2.13 testing and management arrangements.

5. Insolvency Continuity Plan (Section 4)

- 5.1 The Insolvency Continuity Plan shall be designed by the Supplier to permit continuity of the business operations of the Buyer supported by the Deliverables through continued provision of the Deliverables following an Insolvency Event of the Supplier, any Key Sub-contractor and/or any Supplier Group member with, as far as reasonably possible, minimal adverse impact.
- 5.2 The Insolvency Continuity Plan shall include the following:
 - 5.2.1 communication strategies which are designed to minimise the potential disruption to the provision of the Deliverables, including key contact details in respect of the supply chain and key contact details for

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operational and contract Supplier Staff, Key Subcontractor personnel and Supplier Group member personnel;

- 5.2.2 identification, explanation, assessment and an impact analysis of risks in respect of dependencies between the Supplier, Key Subcontractors and Supplier Group members where failure of those dependencies could reasonably have an adverse impact on the Deliverables;
- 5.2.3 plans to manage and mitigate identified risks;
- 5.2.4 details of the roles and responsibilities of the Supplier, Key Subcontractors and/or Supplier Group members to minimise and mitigate the effects of an Insolvency Event of such persons on the Deliverables;
- 5.2.5 details of the recovery team to be put in place by the Supplier (which may include representatives of the Supplier, Key Subcontractors and Supplier Group members); and
- 5.2.6 sufficient detail to enable an appointed insolvency practitioner to invoke the plan in the event of an Insolvency Event of the Supplier.

6. Review and changing the BCDR Plan

- 6.1 The Supplier shall review the BCDR Plan:
 - 6.1.1 on a regular basis and as a minimum once every six (6) Months;
 - 6.1.2 within three (3) calendar Months of the BCDR Plan (or any part) having been invoked pursuant to Paragraph 8; and
 - 6.1.3 where the Buyer requests in writing any additional reviews (over and above those provided for in Paragraphs 6.1.1 and 6.1.2 of this Schedule) whereupon the Supplier shall conduct such reviews in accordance with the Buyer's written requirements. Prior to starting its review, the Supplier shall provide an accurate written estimate of the total costs payable by the Buyer for the Buyer's approval. The costs of both Parties of any such additional reviews shall be met by the Buyer except that the Supplier shall not be entitled to charge the Buyer for any costs that it may incur above any estimate without the Buyer's prior written approval.
- 6.2 Each review of the BCDR Plan pursuant to Paragraph 6.1 shall assess its suitability having regard to any change to the Deliverables or any underlying business processes and operations facilitated by or supported by the Services which have taken place since the later of the original approval of the BCDR Plan or the last review of the BCDR Plan, and shall also have regard to any occurrence of any event since that date (or the likelihood of any such event taking place in the foreseeable future) which may increase the likelihood of the need to invoke the BCDR Plan. The review shall be completed by the Supplier within such period as the Buyer shall reasonably require.
- 6.3 The Supplier shall, within twenty (20) Working Days of the conclusion of each such review of the BCDR Plan, provide to the Buyer a report (a **"Review**

Report") setting out the Supplier's proposals (the **"Supplier's Proposals"**) for addressing any changes in the risk profile and its proposals for amendments to the BCDR Plan.

- 6.4 Following receipt of the Review Report and the Supplier's Proposals, the Parties shall use reasonable endeavours to agree the Review Report and the Supplier's Proposals. If the Parties are unable to agree Review Report and the Supplier's Proposals within twenty (20) Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.
- 6.5 The Supplier shall as soon as is reasonably practicable after receiving the approval of the Supplier's Proposals effect any change in its practices or procedures necessary so as to give effect to the Supplier's Proposals. Any such change shall be at the Supplier's expense unless it can be reasonably shown that the changes are required because of a material change to the risk profile of the Deliverables.

7. Testing the BCDR Plan

- 7.1 The Supplier shall test the BCDR Plan:
- 7.1.1 regularly and in any event not less than once in every Contract Year;
 - 7.1.2 in the event of any major reconfiguration of the Deliverables
 - 7.1.3 at any time where the Buyer considers it necessary (acting in its sole discretion).
- 7.2 If the Buyer requires an additional test of the BCDR Plan, it shall give the Supplier written notice and the Supplier shall conduct the test in accordance with the Buyer's requirements and the relevant provisions of the BCDR Plan. The Supplier's costs of the additional test shall be borne by the Buyer unless the BCDR Plan fails the additional test in which case the Supplier's costs of that failed test shall be borne by the Supplier.
- 7.3 The Supplier shall undertake and manage testing of the BCDR Plan in full consultation with and under the supervision of the Buyer and shall liaise with the Buyer in respect of the planning, performance, and review, of each test, and shall comply with the reasonable requirements of the Buyer.
- 7.4 The Supplier shall ensure that any use by it or any Subcontractor of "live" data in such testing is first approved with the Buyer. Copies of live test data used in any such testing shall be (if so required by the Buyer) destroyed or returned to the Buyer on completion of the test.
- 7.5 The Supplier shall, within twenty (20) Working Days of the conclusion of each test, provide to the Buyer a report setting out:
- 7.5.1 the outcome of the test;
 - 7.5.2 any failures in the BCDR Plan (including the BCDR Plan's procedures) revealed by the test; and
 - 7.5.3 the Supplier's proposals for remedying any such failures.

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- 7.6 Following each test, the Supplier shall take all measures requested by the Buyer to remedy any failures in the BCDR Plan and such remedial activity and re-testing shall be completed by the Supplier, at its own cost, by the date reasonably required by the Buyer.

8. Invoking the BCDR Plan

- 8.1 In the event of a complete loss of service or in the event of a Disaster, the Supplier shall immediately invoke the BCDR Plan (and shall inform the Buyer promptly of such invocation). In all other instances the Supplier shall invoke or test the BCDR Plan only with the prior consent of the Buyer.
- 8.2 The Insolvency Continuity Plan element of the BCDR Plan, including any linked elements in other parts of the BCDR Plan, shall be invoked by the Supplier:
- 8.2.1 where an Insolvency Event of a Key Sub-contractor and/or Supplier Group member (other than the Supplier) could reasonably be expected to adversely affect delivery of the Deliverables; and/or
- 8.2.2 where there is an Insolvency Event of the Supplier and the insolvency arrangements enable the Supplier to invoke the plan.

9. Circumstances beyond your control

- 9.1 The Supplier shall not be entitled to relief under Clause 20 (Circumstances beyond your control) if it would not have been impacted by the Force Majeure Event had it not failed to comply with its obligations under this Schedule.

10. Amendments to this Schedule in respect of Bronze Contracts

- 10.1 Where a Buyer's Call-Off Contract is a Bronze Contract, if specified in the Order Form, the following provisions of this Call-Off Schedule 8, shall be disapplied in respect of that Contract:
- 10.1.1 Paragraph 1.3.4 of Part A so that the BCDR plan shall only be required to be split into the three sections detailed in paragraphs 1.3.1 to 1.3.3 inclusive;
- 10.1.2 Paragraphs 2.1.13 to 2.1.15 of Part A, inclusive;
- 10.1.3 Paragraph 5 (Insolvency Continuity Plan) of Part A;
- 10.1.4 Paragraph 8.2 of Part A; and
- 10.1.5 The entirety of Part B of this Schedule.
- 10.2 Where a Buyer's Call-Off Contract is a Bronze Contract, if specified in the Order Form, the following definitions in Paragraph 1 of this Call-Off Schedule 8, shall be deemed to be deleted:
- 10.2.1 Annual Review;
- 10.2.2 Appropriate Authority or Appropriate Authorities;
- 10.2.3 Associates;

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- 10.2.4 Class 1 Transaction;
- 10.2.5 Control;
- 10.2.6 Corporate Change Event;
- 10.2.7 Critical National Infrastructure;
- 10.2.8 Critical Service Contract;
- 10.2.9 CRP Information;
- 10.2.10 Dependent Parent Undertaking;
- 10.2.11 Group Structure Information and Resolution Commentary;
- 10.2.12 Parent Undertaking;
- 10.2.13 Public Sector Dependent Supplier;
- 10.2.14 Subsidiary Undertaking;
- 10.2.15 Supplier Group;
- 10.2.16 UK Public Sector Business; and
- 10.2.17 UK Public Sector/CNI Contract Information.

Part B: Corporate Resolution Planning

1. Service Status and Supplier Status

- 1.1 This Contract 'is not' a Critical Service Contract.
- 1.2 The Supplier shall notify the Buyer in writing within 5 Working Days of the Effective Date and throughout the Call-Off Contract Period within 120 days after each Accounting Reference Date as to whether or not it is a Public Sector Dependent Supplier.

2. Provision of Corporate Resolution Planning Information

- 2.1 Paragraphs 2 to 4 of this Part B shall apply if the Contract has been specified as a Critical Service Contract under Paragraph 1.1 of this Part B or the Supplier is or becomes a Public Sector Dependent Supplier.
- 2.2 Subject to Paragraphs 2.6, 2.10 and 2.11 of this Part B:
 - 2.2.1 where the Contract is a Critical Service Contract, the Supplier shall provide the Appropriate Authority or Appropriate Authorities with the CRP Information within 60 days of the Effective Date; and
 - 2.2.2 except where it has already been provided, where the Supplier is a Public Sector Dependent Supplier, it shall provide the Appropriate Authority or Appropriate Authorities with the CRP Information within 60 days of the date of the Appropriate Authority's or Appropriate Authorities' request.
- 2.3 The Supplier shall ensure that the CRP Information provided pursuant to Paragraphs 2.2, 2.8 and 2.9 of this Part B:
 - 2.3.1 is full, comprehensive, accurate and up to date;
 - 2.3.2 is split into two parts:
 - (a) Group Structure Information and Resolution Commentary;
 - (b) UK Public Service / CNI Contract Information and is structured and presented in accordance with the requirements and explanatory notes set out at Annex I of the latest published version of the Resolution Planning Guidance published by the Cabinet Office Government Commercial Function and available at <https://www.gov.uk/government/publications/the-outsourcingplaybook> and contains the level of detail required (adapted as necessary to the Supplier's circumstances);
 - 2.3.3 incorporates any additional commentary, supporting documents and evidence which would reasonably be required by the Appropriate Authority or Appropriate Authorities to understand and consider the information for approval;
 - 2.3.4 provides a clear description and explanation of the Supplier Group members that have agreements for goods, services or works provision

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in respect of UK Public Sector Business and/or Critical National Infrastructure and the nature of those agreements; and

- 2.3.5 complies with the requirements set out at Appendix 1 (Group Structure Information and Resolution Commentary) and Appendix 2 (UK Public Sector / CNI Contract Information) respectively.
- 2.4 Following receipt by the Appropriate Authority or Appropriate Authorities of the CRP Information pursuant to Paragraphs 2.2, 2.8 and 2.9 of this Part B, the Buyer shall procure that the Appropriate Authority or Appropriate Authorities shall discuss in good faith the contents of the CRP Information with the Supplier and no later than 60 days after the date on which the CRP Information was delivered by the Supplier either provide an Assurance to the Supplier that the Appropriate Authority or Appropriate Authorities approves the CRP Information or that the Appropriate Authority or Appropriate Authorities rejects the CRP Information.
- 2.5 If the Appropriate Authority or Appropriate Authorities rejects the CRP Information:
- 2.5.1 the Buyer shall (and shall procure that the Cabinet Office Markets and Suppliers Team shall) inform the Supplier in writing of its reasons for its rejection; and
- 2.5.2 the Supplier shall revise the CRP Information, taking reasonable account of the Appropriate Authority's or Appropriate Authorities' comments, and shall re-submit the CRP Information to the Appropriate Authority or Appropriate Authorities for approval within 30 days of the date of the Appropriate Authority's or Appropriate Authorities' rejection. The provisions of paragraph 2.3 to 2.5 of this Part B shall apply again to any resubmitted CRP Information provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure under Clause 34 of the Core Terms at any time.
- 2.6 Where the Supplier or a member of the Supplier Group has already provided CRP Information to a Department or the Cabinet Office Markets and Suppliers Team (or, in the case of a Strategic Supplier, solely to the Cabinet Office Markets and Suppliers Team) and has received an Assurance of its CRP Information from that Department and the Cabinet Office Markets and Suppliers Team (or, in the case of a Strategic Supplier, solely from the Cabinet Office Markets and Suppliers Team), then provided that the Assurance remains Valid (which has the meaning in paragraph 2.7 below) on the date by which the CRP Information would otherwise be required, the Supplier shall not be required to provide the CRP Information under Paragraph 2.2 if it provides a copy of the Valid Assurance to the Appropriate Authority or Appropriate Authorities on or before the date on which the CRP Information would otherwise have been required.
- 2.7 An Assurance shall be deemed Valid for the purposes of Paragraph 2.6 of this Part B if:
- 2.7.1 the Assurance is within the validity period stated in the Assurance (or, if no validity period is stated, no more than 12 months has elapsed since

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it was issued and no more than 18 months has elapsed since the Accounting Reference Date on which the CRP Information was based); and

- 2.7.2 no Corporate Change Events or Financial Distress Events (or events which would be deemed to be Corporate Change Events or Financial Distress Events if the Contract had then been in force) have occurred since the date of issue of the Assurance.
- 2.8 If the Contract is a Critical Service Contract, the Supplier shall provide an updated version of the CRP Information (or, in the case of Paragraph 2.8.3 of this Part B its initial CRP Information) to the Appropriate Authority or Appropriate Authorities:
 - 2.8.1 within 14 days of the occurrence of a Financial Distress Event (along with any additional highly confidential information no longer exempted from disclosure under Paragraph 2.11 of this Part B) unless the Supplier is relieved of the consequences of the Financial Distress Event under Paragraph 7.1 of Joint Schedule 7 (Financial Distress) (if applicable);
 - 2.8.2 within 30 days of a Corporate Change Event unless not required pursuant to Paragraph 2.10;
 - 2.8.3 within 30 days of the date that:
 - (a) the credit rating(s) of each of the Supplier and its Parent Undertakings fail to meet any of the criteria specified in Paragraph 2.10; or
 - (b) none of the credit rating agencies specified at Paragraph 2.10 hold a public credit rating for the Supplier or any of its Parent Undertakings; and
 - 2.8.4 in any event, within 6 months after each Accounting Reference Date or within 15 months of the date of the previous Assurance received from the Appropriate Authority (whichever is the earlier), unless:
 - (a) updated CRP Information has been provided under any of Paragraphs 2.8.1 2.8.2 or 2.8.3 since the most recent Accounting Reference Date (being no more than 12 months previously) within the timescales that would ordinarily be required for the provision of that information under this Paragraph 2.8.4; or
 - (b) unless not required pursuant to Paragraph 2.10.
- 2.9 Where the Supplier is a Public Sector Dependent Supplier and the Contract is not a Critical Service Contract, then on the occurrence of any of the events specified in Paragraphs 2.8.1 to 2.8.4 of this Part B, the Supplier shall provide at the request of the Appropriate Authority or Appropriate Authorities and within the applicable timescales for each event as set out in Paragraph 2.8 (or such longer timescales as may be notified to the Supplier by the Buyer), the CRP Information to the Appropriate Authority or Appropriate Authorities.

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- 2.10 Where the Supplier or a Parent Undertaking of the Supplier has a credit rating of either:

2.10.1 Aa3 or better from Moody's;

2.10.2 AA- or better from Standard and Poors;

2.10.3 AA- or better from Fitch;

the Supplier will not be required to provide any CRP Information unless or until either (i) a Financial Distress Event occurs (unless the Supplier is relieved of the consequences of the Financial Distress Event under Paragraph 7.1 of Annex 3 to Joint Schedule 7 (Financial Distress), if applicable) or (ii) the Supplier and its Parent Undertakings cease to fulfil the criteria set out in this Paragraph 2.10, in which cases the Supplier shall provide the updated version of the CRP Information in accordance with paragraph 2.8.

- 2.11 Subject to Paragraph 4, where the Supplier demonstrates to the reasonable satisfaction of the Appropriate Authority or Appropriate Authorities that a particular item of CRP Information is highly confidential, the Supplier may, having orally disclosed and discussed that information with the Appropriate Authority or Appropriate Authorities, redact or omit that information from the CRP Information provided that if a Financial Distress Event occurs, this exemption shall no longer apply and the Supplier shall promptly provide the relevant information to the Appropriate Authority or Appropriate Authorities to the extent required under Paragraph 2.8.

3. Termination Rights

- 3.1 The Buyer shall be entitled to terminate the Contract if the Supplier is required to provide CRP Information under Paragraph 2 of this Part B and either:

3.1.1 the Supplier fails to provide the CRP Information within 4 months of the Effective Date if this is a Critical Service Contract or otherwise within 4 months of the Appropriate Authority's or Appropriate Authorities' request; or

3.1.2 the Supplier fails to obtain an Assurance from the Appropriate Authority or Appropriate Authorities within 4 months of the date that it was first required to provide the CRP Information under the Contract,

which shall be deemed to be an event to which Clause 10.4.1 of the Core Terms applies and Clauses 10.6.1 and 10.6.2 of the Core Terms shall apply accordingly.

4. Confidentiality and usage of CRP Information

- 4.1 The Buyer agrees to keep the CRP Information confidential and use it only to understand the implications of an Insolvency Event of the Supplier and/or Supplier Group members on its UK Public Sector Business and/or services in respect of CNI and to enable contingency planning to maintain service continuity for end users and protect CNI in such eventuality.

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- 4.2 Where the Appropriate Authority is the Cabinet Office Markets and Suppliers Team, at the Supplier's request, the Buyer shall use reasonable endeavours to procure that the Cabinet Office enters into a confidentiality and usage agreement with the Supplier containing terms no less stringent than those placed on the Buyer under paragraph 4.1 of this Part B and Clause 15 of the Core Terms.
- 4.3 The Supplier shall use reasonable endeavours to obtain consent from any third party which has restricted the disclosure of the CRP Information to enable disclosure of that information to the Appropriate Authority or Appropriate Authorities pursuant to Paragraph 2 of this Part B subject, where necessary, to the Appropriate Authority or Appropriate Authorities entering into an appropriate confidentiality agreement in the form required by the third party.
- 4.4 Where the Supplier is unable to procure consent pursuant to Paragraph 4.3 of this Part B, the Supplier shall use all reasonable endeavours to disclose the CRP Information to the fullest extent possible by limiting the amount of information it withholds including by:
 - 4.4.1 redacting only those parts of the information which are subject to such obligations of confidentiality;
 - 4.4.2 providing the information in a form that does not breach its obligations of confidentiality including (where possible) by:
 - (a) summarising the information;
 - (b) grouping the information;
 - (c) anonymising the information; and
 - (d) presenting the information in general terms
- 4.5 The Supplier shall provide the Appropriate Authority or Appropriate Authorities with contact details of any third party which has not provided consent to disclose CRP Information where that third party is also a public sector body and where the Supplier is legally permitted to do so.

Appendix 1: Group structure information and resolution commentary

1. The Supplier shall:
 - 1.1 provide sufficient information to allow the Appropriate Authority to understand the implications on the Supplier Group's UK Public Sector Business and CNI contracts listed pursuant to Appendix 2 if the Supplier or another member of the Supplier Group is subject to an Insolvency Event;
 - 1.2 ensure that the information is presented so as to provide a simple, effective and easily understood overview of the Supplier Group; and
 - 1.3 provide full details of the importance of each member of the Supplier Group to the Supplier Group's UK Public Sector Business and CNI contracts listed pursuant to Appendix 2 and the dependencies between each.

Appendix 2: UK Public Sector / CNI Contract Information

1. The Supplier shall:
 - 1.1 provide details of all agreements held by members of the Supplier Group where those agreements are for goods, services or works provision and:
 - 1.1.1 are with any UK public sector bodies including: central Government departments and their arms-length bodies and agencies, non-departmental public bodies, NHS bodies, local authorities, health bodies, police fire and rescue, education bodies and the devolved administrations;
 - 1.1.2 are with any private sector entities where the end recipient of the service, goods or works provision is any of the bodies set out in paragraph 1.1.1 of this Appendix 2 and where the member of the Supplier Group is acting as a key sub-contractor under the agreement with the end recipient; or
 - 1.1.3 involve or could reasonably be considered to involve CNI;
 - 1.2 provide the Appropriate Authority with a copy of the latest version of each underlying contract worth more than £5m per contract year and their related key sub-contracts, which shall be included as embedded documents within the CRP Information or via a directly accessible link.

Call-Off Schedule 9 (Security)

Part A: Short Form Security Requirements

1. Definitions

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

"Breach of Security"

1 the occurrence of:

- a) any unauthorised access to or use of the Deliverables, the Sites and/or any Information and Communication Technology ("ICT"), information or data (including the Confidential Information and the Government Data) used by the Buyer and/or the Supplier in connection with this Contract; and/or
- b) the loss and/or unauthorised disclosure of any information or data (including the Confidential Information and the Government Data), including any copies of such information or data, used by the Buyer and/or the Supplier in connection with this Contract,

2 in either case as more particularly set out in the Security Policy where the Buyer has required compliance therewith in accordance with paragraph 2.2;

"Security Management Plan"

3 the Supplier's security management plan prepared pursuant to this Schedule, a draft of which has been provided by the Supplier to the Buyer and as updated from time to time.

2. Complying with security requirements and updates to them

- 2.1 The Buyer and the Supplier recognise that, where specified in Framework Schedule 4 (Framework Management), CCS shall have the right to enforce the Buyer's rights under this Schedule.
- 2.2 The Supplier shall comply with the requirements in this Schedule in respect of the Security Management Plan. Where specified by a Buyer that has undertaken a Further Competition it shall also comply with the Security Policy

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and shall ensure that the Security Management Plan produced by the Supplier fully complies with the Security Policy.

- 2.3 Where the Security Policy applies the Buyer shall notify the Supplier of any changes or proposed changes to the Security Policy.
- 2.4 If the Supplier believes that a change or proposed change to the Security Policy will have a material and unavoidable cost implication to the provision of the Deliverables it may propose a Variation to the Buyer. In doing so, the Supplier must support its request by providing evidence of the cause of any increased costs and the steps that it has taken to mitigate those costs. Any change to the Charges shall be subject to the Variation Procedure.
- 2.5 Until and/or unless a change to the Charges is agreed by the Buyer pursuant to the Variation Procedure the Supplier shall continue to provide the Deliverables in accordance with its existing obligations.

3. Security Standards

- 3.1 The Supplier acknowledges that the Buyer places great emphasis on the reliability of the performance of the Deliverables, confidentiality, integrity and availability of information and consequently on security.
- 3.2 The Supplier shall be responsible for the effective performance of its security obligations and shall at all times provide a level of security which:
 - 3.2.1 is in accordance with the Law and this Contract;
 - 3.2.2 as a minimum demonstrates Good Industry Practice;
 - 3.2.3 meets any specific security threats of immediate relevance to the Deliverables and/or the Government Data; and
 - 3.2.4 where specified by the Buyer in accordance with paragraph 2.2 complies with the Security Policy and the ICT Policy.
- 3.3 The references to standards, guidance and policies contained or set out in Paragraph 3.2 shall be deemed to be references to such items as developed and updated and to any successor to or replacement for such standards, guidance and policies, as notified to the Supplier from time to time.
- 3.4 In the event of any inconsistency in the provisions of the above standards, guidance and policies, the Supplier should notify the Buyer's Representative of such inconsistency immediately upon becoming aware of the same, and the Buyer's Representative shall, as soon as practicable, advise the Supplier which provision the Supplier shall be required to comply with.

4. Security Management Plan

4.1 Introduction

- 4.1.1 The Supplier shall develop and maintain a Security Management Plan in accordance with this Schedule. The Supplier shall thereafter comply with its obligations set out in the Security Management Plan.

4.2 Content of the Security Management Plan

4.2.1 The Security Management Plan shall:

- a) comply with the principles of security set out in Paragraph 3 and any other provisions of this Contract relevant to security;
- b) identify the necessary delegated organisational roles for those responsible for ensuring it is complied with by the Supplier;
- c) detail the process for managing any security risks from Subcontractors and third parties authorised by the Buyer with access to the Deliverables, processes associated with the provision of the Deliverables, the Buyer Premises, the Sites and any ICT, Information and data (including the Buyer's Confidential Information and the Government Data) and any system that could directly or indirectly have an impact on that Information, data and/or the Deliverables;
- d) be developed to protect all aspects of the Deliverables and all processes associated with the provision of the Deliverables, including the Buyer Premises, the Sites, and any ICT, Information and data (including the Buyer's Confidential Information and the Government Data) to the extent used by the Buyer or the Supplier in connection with this Contract or in connection with any system that could directly or indirectly have an impact on that Information, data and/or the Deliverables;
- e) set out the security measures to be implemented and maintained by the Supplier in relation to all aspects of the Deliverables and all processes associated with the provision of the Goods and/or Services and shall at all times comply with and specify security measures and procedures which are sufficient to ensure that the Deliverables comply with the provisions of this Contract;
- f) set out the plans for transitioning all security arrangements and responsibilities for the Supplier to meet the full obligations of the security requirements set out in this Contract and, where necessary in accordance with paragraph 2.2 the Security Policy; and
- g) be written in plain English in language which is readily comprehensible to the staff of the Supplier and the Buyer engaged in the provision of the Deliverables and shall only reference documents which are in the possession of the Parties or whose location is otherwise specified in this Schedule.

4.3 Development of the Security Management Plan

- ### **4.3.1**
- Within twenty (20) Working Days after the Start Date and in accordance with Paragraph 4.4, the Supplier shall prepare and deliver to the Buyer for Approval a fully complete and up to date Security Management Plan which will be based on the draft Security Management Plan.

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- 4.3.2 If the Security Management Plan submitted to the Buyer in accordance with Paragraph 4.3.1, or any subsequent revision to it in accordance with Paragraph 4.4, is Approved it will be adopted immediately and will replace the previous version of the Security Management Plan and thereafter operated and maintained in accordance with this Schedule. If the Security Management Plan is not Approved, the Supplier shall amend it within ten (10) Working Days of a notice of non-approval from the Buyer and re-submit to the Buyer for Approval. The Parties will use all reasonable endeavours to ensure that the approval process takes as little time as possible and in any event no longer than fifteen (15) Working Days from the date of its first submission to the Buyer. If the Buyer does not approve the Security Management Plan following its resubmission, the matter will be resolved in accordance with the Dispute Resolution Procedure.
- 4.3.3 The Buyer shall not unreasonably withhold or delay its decision to Approve or not the Security Management Plan pursuant to Paragraph 4.3.2. However a refusal by the Buyer to Approve the Security Management Plan on the grounds that it does not comply with the requirements set out in Paragraph 4.2 shall be deemed to be reasonable.
- 4.3.4 Approval by the Buyer of the Security Management Plan pursuant to Paragraph 4.3.2 or of any change to the Security Management Plan in accordance with Paragraph 4.4 shall not relieve the Supplier of its obligations under this Schedule.

4.4 Amendment of the Security Management Plan

- 4.4.1 The Security Management Plan shall be fully reviewed and updated by the Supplier at least annually to reflect:
- a) emerging changes in Good Industry Practice;
 - b) any change or proposed change to the Deliverables and/or associated processes;
 - c) where necessary in accordance with paragraph 2.2, any change to the Security Policy;
 - d) any new perceived or changed security threats; and
 - e) any reasonable change in requirements requested by the Buyer.
- 4.4.2 The Supplier shall provide the Buyer with the results of such reviews as soon as reasonably practicable after their completion and amendment of the Security Management Plan at no additional cost to the Buyer. The results of the review shall include, without limitation:
- a) suggested improvements to the effectiveness of the Security Management Plan;
 - b) updates to the risk assessments; and

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c) suggested improvements in measuring the effectiveness of controls.

4.4.3 Subject to Paragraph 4.4.4, any change or amendment which the Supplier proposes to make to the Security Management Plan (as a result of a review carried out in accordance with Paragraph 4.4.1, a request by the Buyer or otherwise) shall be subject to the Variation Procedure.

4.4.4 The Buyer may, acting reasonably, Approve and require changes or amendments to the Security Management Plan to be implemented on timescales faster than set out in the Variation Procedure but, without prejudice to their effectiveness, all such changes and amendments shall thereafter be subject to the Variation Procedure for the purposes of formalising and documenting the relevant change or amendment.

5. Security breach

5.1 Either Party shall notify the other in accordance with the agreed security incident management process (as detailed in the Security Management Plan) upon becoming aware of any Breach of Security or any potential or attempted Breach of Security.

5.2 Without prejudice to the security incident management process, upon becoming aware of any of the circumstances referred to in Paragraph 5.1, the Supplier shall:

5.2.1 immediately take all reasonable steps (which shall include any action or changes reasonably required by the Buyer) necessary to:

- a) minimise the extent of actual or potential harm caused by any Breach of Security;
- b) remedy such Breach of Security to the extent possible and protect the integrity of the Buyer and the provision of the Goods and/or Services to the extent within its control against any such Breach of Security or attempted Breach of Security;
- c) prevent an equivalent breach in the future exploiting the same cause failure; and
- d) as soon as reasonably practicable provide to the Buyer, where the Buyer so requests, full details (using the reporting mechanism defined by the Security Management Plan) of the Breach of Security or attempted Breach of Security, including a cause analysis where required by the Buyer.

5.3 In the event that any action is taken in response to a Breach of Security or potential or attempted Breach of Security that demonstrates non-compliance of the Security Management Plan with the Security Policy (where relevant in accordance with paragraph 2.2) or the requirements of this Schedule, then any

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required change to the Security Management Plan shall be at no cost to the Buyer.

Part B – Annex 1:

Baseline security requirements

1. Handling Classified information

- 1.1 The Supplier shall not handle Buyer information classified SECRET or TOP SECRET except if there is a specific requirement and in this case prior to receipt of such information the Supplier shall seek additional specific guidance from the Buyer.

2. End user devices

- 2.1 When Government Data resides on a mobile, removable or physically uncontrolled device it must be stored encrypted using a product or system component which has been formally assured through a recognised certification process of the National Cyber Security Centre ("NCSC") to at least Foundation Grade, for example, under the NCSC Commercial Product Assurance scheme ("CPA").
- 2.2 Devices used to access or manage Government Data and services must be under the management authority of Buyer or Supplier and have a minimum set of security policy configuration enforced. These devices must be placed into a 'known good' state prior to being provisioned into the management authority of the Buyer. Unless otherwise agreed with the Buyer in writing, all Supplier devices are expected to meet the set of security requirements set out in the End User Devices Security Guidance (<https://www.ncsc.gov.uk/guidance/end-user-device-security>). Where the guidance highlights shortcomings in a particular platform the Supplier may wish to use, then these should be discussed with the Buyer and a joint decision shall be taken on whether the residual risks are acceptable. Where the Supplier wishes to deviate from the NCSC guidance, then this should be agreed in writing on a case by case basis with the Buyer.

3. Data Processing, Storage, Management and Destruction

- 3.1 The Supplier and Buyer recognise the need for the Buyer's information to be safeguarded under the UK Data Protection regime or a similar regime. To that end, the Supplier must be able to state to the Buyer the physical locations in which data may be stored, processed and managed from, and what legal and regulatory frameworks Government Data will be subject to at all times.
- 3.2 The Supplier shall agree any change in location of data storage, processing and administration with the Buyer in accordance with Clause 14 (Data protection).

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3.3 The Supplier shall:

- 3.3.1 provide the Buyer with all Government Data on demand in an agreed open format;
- 3.3.2 have documented processes to guarantee availability of Government Data in the event of the Supplier ceasing to trade;
- 3.3.3 securely destroy all media that has held Government Data at the end of life of that media in line with Good Industry Practice; and
- 3.3.4 securely erase any or all Government Data held by the Supplier when requested to do so by the Buyer.

4. Ensuring secure communications

- 4.1 The Buyer requires that any Government Data transmitted over any public network (including the Internet, mobile networks or un-protected enterprise network) or to a mobile device must be encrypted using a product or system component which has been formally assured through a certification process recognised by NCSC, to at least Foundation Grade, for example, under CPA.
- 4.2 The Buyer requires that the configuration and use of all networking equipment to provide the Services, including those that are located in secure physical locations, are at least compliant with Good Industry Practice.

5. Security by design

- 5.1 The Supplier shall apply the 'principle of least privilege' (the practice of limiting systems, processes and user access to the minimum possible level) to the design and configuration of IT systems which will process or store Government Data.
- 5.2 When designing and configuring the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier) the Supplier shall follow Good Industry Practice and seek guidance from recognised security professionals with the appropriate skills and/or a NCSC certification (<https://www.ncsc.gov.uk/section/products-services/ncsc-certification>) for all bespoke or complex components of the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier).

6. Security of Supplier Staff

- 6.1 Supplier Staff shall be subject to pre-employment checks that include, as a minimum: identity, unspent criminal convictions and right to work.
- 6.2 The Supplier shall agree on a case by case basis Supplier Staff roles which require specific government clearances (such as 'SC') including system administrators with privileged access to IT systems which store or process Government Data.
- 6.3 The Supplier shall prevent Supplier Staff who are unable to obtain the required security clearances from accessing systems which store, process, or are used to manage Government Data except where agreed with the Buyer in writing.

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6.4 All Supplier Staff that have the ability to access Government Data or systems holding Government Data shall undergo regular training on secure information management principles. Unless otherwise agreed with the Buyer in writing, this training must be undertaken annually.

6.5 Where the Supplier or Subcontractors grants increased ICT privileges or access rights to Supplier Staff, those Supplier Staff shall be granted only those permissions necessary for them to carry out their duties. When staff no longer need elevated privileges or leave the organisation, their access rights shall be revoked within one (1) Working Day.

7. Restricting and monitoring access

7.1 The Supplier shall operate an access control regime to ensure all users and administrators of the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier) are uniquely identified and authenticated when accessing or administering the Services. Applying the 'principle of least privilege', users and administrators shall be allowed access only to those parts of the ICT Environment that they require. The Supplier shall retain an audit record of accesses.

8. Audit

8.1 The Supplier shall collect audit records which relate to security events in the systems or that would support the analysis of potential and actual compromises. In order to facilitate effective monitoring and forensic readiness such Supplier audit records should (as a minimum) include:

8.1.1 Logs to facilitate the identification of the specific asset which makes every outbound request external to the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier). To the extent the design of the Deliverables allows such logs shall include those from DHCP servers, HTTP/HTTPS proxy servers, firewalls and routers.

8.1.2 Security events generated in the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier) and shall include: privileged account log-on and log-off events, the start and termination of remote access sessions, security alerts from desktops and server operating systems and security alerts from third party security software.

8.2 The Supplier and the Buyer shall work together to establish any additional audit and monitoring requirements for the ICT Environment.

8.3 The Supplier shall retain audit records collected in compliance with this Paragraph 8 for a period of at least 6 Months.

Part B – Annex 2 - Security Management Plan

Call-Off Schedule 14 (Service Levels)

1. Definitions

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

"Critical Service Level Failure" has the meaning given to it in the Order Form;

"Service Credits" any service credits specified in the Annex to Part A of this Schedule being payable by the Supplier to the Buyer in respect of any failure by the Supplier to meet one or more Service Levels;

"Service Credit Cap" has the meaning given to it in the Order Form;

"Service Level Failure" means a failure 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 the Annex to Part A of this Schedule; and

"Service Level Threshold" shall be as set out against the relevant Service Level in the Annex to Part A of this Schedule.

2. What happens if you don't meet the Service Levels

- 2.1 The Supplier shall at all times provide the Deliverables to meet or exceed the Service Level Performance Measure for each Service Level.

- 2.2 The Supplier acknowledges that any Service Level Failure shall entitle the Buyer to the rights set out in Part A of this Schedule including the right to any Service Credits and that any Service Credit is a price adjustment and not an estimate of the Loss that may be suffered by the Buyer as a result of the Supplier's failure to meet any Service Level Performance Measure.

- 2.3 The Supplier shall send Performance Monitoring Reports to the Buyer detailing the level of service which was achieved in accordance with the provisions of Part B (Performance Monitoring) of this Schedule.

- 2.4 A Service Credit shall be the Buyer's exclusive financial remedy for a Service Level Failure except where:

- 2.4.1 the Supplier has over the previous (twelve) 12 Month period exceeded the Service Credit Cap; and/or

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2.4.2 the Service Level Failure:

- (a) exceeds the relevant Service Level Threshold;
- (b) has arisen due to a Prohibited Act or wilful Default by the Supplier;
- (c) results in the corruption or loss of any Government Data; and/or
- (d) results in the Buyer being required to make a compensation payment to one or more third parties; and/or

2.4.3 the Buyer is entitled to or does terminate this Contract pursuant to Clause 10.4 (CCS and Buyer Termination Rights).

2.5 Not more than once in each Contract Year, the Buyer may, on giving the Supplier at least three (3) Months' notice, change the weighting of Service Level Performance Measure in respect of one or more Service Levels and the Supplier shall not be entitled to object to, or increase the Charges as a result of such changes, provided that:

2.5.1 the total number of Service Levels for which the weighting is to be changed does not exceed the number applicable as at the Start Date;

2.5.2 the principal purpose of the change is to reflect changes in the Buyer's business requirements and/or priorities or to reflect changing industry standards; and

2.5.3 there is no change to the Service Credit Cap.

3. Critical Service Level Failure

On the occurrence of a Critical Service Level Failure:

3.1 any Service Credits that would otherwise have accrued during the relevant Service Period shall not accrue; and

3.2 the Buyer shall (subject to the Service Credit Cap) be entitled to withhold and retain as compensation a sum equal to any Charges which would otherwise have been due to the Supplier in respect of that Service Period ("**Compensation for Critical Service Level Failure**"),

provided that the operation of this paragraph 3 shall be without prejudice to the right of the Buyer to terminate this Contract and/or to claim damages from the Supplier for material Default.

Part A: Service Levels and Service Credits

1. Service Levels

If the level of performance of the Supplier:

1.1 is likely to or fails to meet any Service Level Performance Measure; or

1.2 is likely to cause or causes a Critical Service Failure to occur,

the Supplier shall immediately notify the Buyer in writing and the Buyer, in its absolute discretion and without limiting any other of its rights, may:

1.2.1 require the Supplier to immediately take all remedial action that is reasonable to mitigate the impact on the Buyer and to rectify or prevent a Service Level Failure or Critical Service Level Failure from taking place or recurring;

1.2.2 instruct the Supplier to comply with the Rectification Plan Process;

1.2.3 if a Service Level Failure has occurred, deduct the applicable Service Level Credits payable by the Supplier to the Buyer; and/or

1.2.4 if a Critical Service Level Failure has occurred, exercise its right to Compensation for Critical Service Level Failure (including the right to terminate for material Default).

2. Service Credits

2.1 The Buyer shall use the Performance Monitoring Reports supplied by the Supplier to verify the calculation and accuracy of the Service Credits, if any, applicable to each Service Period.

2.2 Service Credits are a reduction of the amounts payable in respect of the Deliverables and do not include VAT. The Supplier shall set-off the value of any Service Credits against the appropriate invoice in accordance with calculation formula in the Annex to Part A of this Schedule.

3. Exclusion of Service Credits

3.1 The Supplier shall not be liable to provide any Service Credits to the Customer in relation to any failure to hit the Service Levels that the Supplier can reasonably evidence is: (i) caused by factors beyond the reasonable control of the Supplier (a Force Majeure event); or (ii) that results from the actions or omissions of the Customer or any third party (excluding the Supplier's Subcontractors).

Annex A to Part A: Services Levels Table Customer Satisfaction (as measured by Rant & Rave)

Performance Criteria (Mandatory Requirements)	Supplier Performance Measure	Basis of Reporting Performance	Critical
Customer Satisfaction – AFS Agent Call	A minimum Rant and Rave score of 4.25 out of 5.00	Regular	No
Customer Satisfaction - Breakdown	A minimum Rant and Rave score of 4.00 out of 5.00	Regular	No
Customer Satisfaction – Glass Replacement & Repair	A minimum Rant and Rave score of 4.00 out of 5.00	Regular	No
Customer Satisfaction – Hitachi Agent Call	A minimum Rant and Rave score of 4.50 out of 5.00	Regular	No
Customer Satisfaction – Overall satisfaction	A minimum Rant and Rave score of 4.25 out of 5.00	Regular	Yes
Customer Satisfaction – Service, Maintenance & Repair	A minimum Rant and Rave score of 4.25 out of 5.00	Regular	No
Customer Satisfaction – Tyre Replacement & Repair	A minimum Rant and Rave score of 4.25 out of 5.00	Regular	No
Customer Satisfaction – Vehicle Delivery	A minimum Rant and Rave score of 4.25 out of 5.00	Regular	No
Customer Satisfaction – Vehicle Ordering	A minimum Rant and Rave score of 4.25 out of 5.00	Regular	No

Driver Helpdesk

Performance Criteria (Mandatory Requirements)	Supplier Performance Measure	Basis of Reporting Performance	Critical
Call Handling: Answering time	> 80% of calls to be answered in less than 20 seconds	Regular	No
Call Handling: Abandoned call rate	call rate < 5% of all calls	Regular	No

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MI & Invoicing

Performance Criteria (Mandatory Requirements)	Supplier Performance Measure	Basis of Reporting Performance	Critical
Consolidated Invoice - Provided on time with full backup	Invoice received within 10 working days of end of preceding month	Exception	No
Freedom of Information Requests – Responded to in timely manner	Provided within 10 Working Days of request	Exception	No
Management Information - Contract Development: Agreed annual reports (as per Appendix A) provided on time and to the correct recipients.	Provided within 10 working days of end of preceding month and to 100% of the recipients notified to the Supplier in advance by the Customer.	Exception	No
Management Information - Contract Development: Agreed annual reports (as per Appendix A) provided on time and to the correct recipients.	Provided within 10 working days of end of preceding month and to 100% of the recipients notified to the Supplier in advance by the Customer.	Exception	No
Management Information - Contract Development: Agreed annual reports (as per Appendix A) provided on time and to the correct recipients.	Provided within 10 working days of end of preceding month and to 100% of the recipients notified to the Supplier in advance by the Customer.	Exception	No
Motor Insurance Database – Ensure data integrity: Make relevant changes	Within 6 Working Days of any notification of an addition to the Customer's existing fleet	Exception	No

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Compliance

Performance Criteria (Mandatory Requirements)	Supplier Performance Measure	Basis of Reporting Performance	Critical
Safety Critical Incidents – Provide timely response to internal & external investigations.	Within 3 Working Days of request.	Exception	No
Vehicle Recalls: Inform the Driver and DGFS Service Centre of any recalls, modifications and Health & Safety notices in relation to the vehicle:	90% within 5 Working Days of receipt of the notification for safety recalls and 30 working days for non-safety recalls	Regular	No
MOT Testing: Formal notification of the due date for MOT tests to be provided	4 weeks prior to the due date	Exception	No
MOT Testing: Issue follow up notice and exception report when the test has not yet been booked.	1 week prior to the due date	Exception	No
Commercial Vehicle MOT Testing: High Level of compliance	90% of Commercial Vehicle MOT to pass first time (subject to DEFRA instating pre-MOT inspections across Commercial Vehicle fleet)	Regular	No

Part B: Performance Monitoring

3. Performance Monitoring and Performance Review

- 3.1 Within twenty (20) Working Days of the Start Date the Supplier shall provide the Buyer with details of how the process in respect of the monitoring and reporting of Service Levels will operate between the Parties and the Parties will endeavour to agree such process as soon as reasonably possible.
- 3.2 The Supplier shall provide the Buyer with performance monitoring reports ("**Performance Monitoring Reports**") in accordance with the process and timescales agreed pursuant to paragraph 1.1 of Part B of this Schedule which shall contain, as a minimum, the following information in respect of the relevant Service Period just ended:
 - 3.2.1 for each Service Level, the actual performance achieved over the Service Level for the relevant Service Period;
 - 3.2.2 a summary of all failures to achieve Service Levels that occurred during that Service Period;
 - 3.2.3 details of any Critical Service Level Failures;
 - 3.2.4 for any repeat failures, actions taken to resolve the underlying cause and prevent recurrence;
 - 3.2.5 the Service Credits to be applied in respect of the relevant period indicating the failures and Service Levels to which the Service Credits relate; and
 - 3.2.6 such other details as the Buyer may reasonably require from time to time.
- 3.3 The Parties shall attend meetings to discuss Performance Monitoring Reports ("**Performance Review Meetings**") on a Monthly basis. The Performance Review Meetings will be the forum for the review by the Supplier and the Buyer of the Performance Monitoring Reports. The Performance Review Meetings shall:
 - 3.3.1 take place within one (1) week of the Performance Monitoring Reports being issued by the Supplier at such location and time (within normal business hours) as the Buyer shall reasonably require;
 - 3.3.2 be attended by the Supplier's Representative and the Buyer's Representative; and
 - 3.3.3 be fully minuted by the Supplier and the minutes will be circulated by the Supplier to all attendees at the relevant meeting and also to the Buyer's Representative and any other recipients agreed at the relevant meeting.

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- 3.4 The minutes of the preceding Month's Performance Review Meeting will be agreed and signed by both the Supplier's Representative and the Buyer's Representative at each meeting.
- 3.5 The Supplier shall provide to the Buyer such documentation as the Buyer may reasonably require in order to verify the level of the performance by the Supplier and the calculations of the amount of Service Credits for any specified Service Period.

4. Satisfaction Surveys

- 4.1 The Buyer may undertake satisfaction surveys in respect of the Supplier's provision of the Deliverables. The Buyer shall be entitled to notify the Supplier of any aspects of their performance of the provision of the Deliverables which the responses to the Satisfaction Surveys reasonably suggest are not in accordance with this Contract.

Appendix A – Service Delivery Reports

The Supplier will, as a minimum, provide regular Service Delivery Reports to the Buyer covering the topics outlined in the table below.

The Supplier will provide these reports on varying frequencies, as required by the Buyer, which will be defined by the Customer Profile Document

Both parties acknowledge that, throughout the contract, reporting requirements may change and that both parties will act reasonably to ensure that Service Delivery Reports are both necessary and relevant. Both parties acknowledge that the required Service Delivery Reports may increase or decrease in scope – any changes must be made via the Variation procedure.

The Supplier will make reasonable efforts to develop further reporting capability in response to the developing needs of the Buyer.

Report	Frequency
Fleet Lists	Daily, Weekly, Monthly
Fines	Daily, Weekly, Monthly
Order & Renewal Status	Weekly, Monthly
Short-term Hire Analysis	Weekly, Monthly
P46 Report	Quarterly
P11d Report	Annually
Rant and Rave Overview	Monthly
Payroll Reporting	Monthly
Exception Reporting	Weekly, Monthly
Driver Allocation Reports	Monthly
Price Benchmarking & Tracking	Quarterly
Outstanding Recalls	Monthly

Call-Off Schedule 15 (Call-Off Contract Management)

1. DEFINITIONS

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

"Operational Board"	the board established in accordance with paragraph 4.1 of this Schedule;
"Project Manager"	the manager appointed in accordance with paragraph 2.1 of this Schedule;

2. PROJECT MANAGEMENT

2.1 The Supplier and the Buyer shall each appoint a Project Manager for the purposes of this Contract through whom the provision of the Services and the Deliverables shall be managed day-to-day.

2.2 The Parties shall ensure that appropriate resource is made available on a regular basis such that the aims, objectives and specific provisions of this Contract can be fully realised.

2.3 Without prejudice to paragraph 4 below, the Parties agree to operate the boards specified as set out in the Annex to this Schedule.

3. Role of the Supplier Contract Manager

3.1 The Supplier's Contract Manager's shall be:

- 3.1.1 the primary point of contact to receive communication from the Buyer and will also be the person primarily responsible for providing information to the Buyer;
- 3.1.2 able to delegate his position to another person at the Supplier but must inform the Buyer before proceeding with the delegation and it will be delegated person's responsibility to fulfil the Contract Manager's responsibilities and obligations;
- 3.1.3 able to cancel any delegation and recommence the position himself; and
- 3.1.4 replaced only after the Buyer has received notification of the proposed change.

3.2 The Buyer may provide revised instructions to the Supplier's Contract Manager's in regards to the Contract and it will be the Supplier's Contract Manager's responsibility to ensure the information is provided to the Supplier and the actions implemented.

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- 3.3 Receipt of communication from the Supplier's Contract Manager's by the Buyer does not absolve the Supplier from its responsibilities, obligations or liabilities under the Contract.

4. ROLE OF THE OPERATIONAL BOARD

- 4.1 The Operational Board shall be established by the Buyer for the purposes of this Contract on which the Supplier and the Buyer shall be represented.
- 4.2 The Operational Board members, frequency and location of board meetings and planned start date by which the board shall be established are set out in the Order Form.
- 4.3 In the event that either Party wishes to replace any of its appointed board members, that Party shall notify the other in writing for approval by the other Party (such approval not to be unreasonably withheld or delayed). Each Buyer board member shall have at all times a counterpart Supplier board member of equivalent seniority and expertise.
- 4.4 Each Party shall ensure that its board members shall make all reasonable efforts to attend board meetings at which that board member's attendance is required. If any board member is not able to attend a board meeting, that person shall use all reasonable endeavours to ensure that a delegate attends the Operational Board meeting in his/her place (wherever possible) and that the delegate is properly briefed and prepared and that he/she is debriefed by such delegate after the board meeting.
- 4.5 The purpose of the Operational Board meetings will be to review the Supplier's performance under this Contract. The agenda for each meeting shall be set by the Buyer and communicated to the Supplier in advance of that meeting.

5. Contract Risk Management

- 5.1 Both Parties shall pro-actively manage risks attributed to them under the terms of this Call-Off Contract.
- 5.2 The Supplier shall develop, operate, maintain and amend, as agreed with the Buyer, processes for:
 - 5.2.1 the identification and management of risks;
 - 5.2.2 the identification and management of issues; and
 - 5.2.3 monitoring and controlling project plans.
- 5.3 The Supplier allows the Buyer to inspect at any time within working hours the accounts and records which the Supplier is required to keep.
- 5.4 The Supplier will maintain a risk register of the risks relating to the Call Off Contract which the Buyer's and the Supplier have identified.

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Annex: Contract Boards

The Parties agree to operate the following boards at the locations and at the frequencies set out below:

Meeting	Description	Frequency	Format	Attendees
Contract Monitoring	Monthly review of contract performance/reporting	Monthly	Call / Meeting	TBC
Contract Management	Quarterly review of contract performance/reporting, Business / Market updates and Strategic initiatives / trackers	Quarterly	Meeting	TBC

Call-Off Schedule 16 (Benchmarking)

1. DEFINITIONS

- 1.1 In this Schedule, the following expressions shall have the following meanings:

"Benchmark Review"	a review of the Deliverables carried out in accordance with this Schedule to determine whether those Deliverables represent Good Value;
"Benchmarked Deliverables"	any Deliverables included within the scope of a Benchmark Review pursuant to this Schedule;
"Comparable Rates"	the Charges for Comparable Deliverables;
"Comparable Deliverables"	deliverables that are identical or materially similar to the Benchmarked Deliverables (including in terms of scope, specification, volume and quality of performance) provided that if no identical or materially similar Deliverables exist in the market, the Supplier shall propose an approach for developing a comparable Deliverables benchmark;
"Comparison Group"	a sample group of organisations providing Comparable Deliverables which consists of organisations which are either of similar size to the Supplier or which are similarly structured in terms of their business and their service offering so as to be fair comparators with the Supplier or which, are best practice organisations;
"Equivalent Data"	data derived from an analysis of the Comparable Rates and/or the Comparable Deliverables (as applicable) provided by the Comparison Group;
"Good Value"	that the Benchmarked Rates are within the Upper Quartile; and
"Upper Quartile"	in respect of Benchmarked Rates, that based on an analysis of Equivalent Data, the Benchmarked Rates, as compared to the range of prices for Comparable Deliverables, are within the top 25% in terms

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of best value for money for the recipients of Comparable Deliverables.

2. When you should use this Schedule

- 2.1 The Supplier acknowledges that the Buyer wishes to ensure that the Deliverables, represent value for money to the taxpayer throughout the Contract Period.
- 2.2 This Schedule sets to ensure the Contracts represent value for money throughout and that the Buyer may terminate the Contract by issuing a Termination Notice to the Supplier if the Supplier refuses or fails to comply with its obligations as set out in Paragraphs 3 of this Schedule.
- 2.3 Amounts payable under this Schedule shall not fall with the definition of a Cost.

3. Benchmarking

3.1 How benchmarking works

- 3.1.1 The Buyer and the Supplier recognise that, where specified in Framework Schedule 4 (Framework Management), the Buyer may give CCS the right to enforce the Buyer's rights under this Schedule.
- 3.1.2 The Buyer may, by written notice to the Supplier, require a Benchmark Review of any or all of the Deliverables.
- 3.1.3 The Buyer shall not be entitled to request a Benchmark Review during the first six (6) Month period from the Contract Commencement Date or at intervals of less than twelve (12) Months after any previous Benchmark Review.
- 3.1.4 The purpose of a Benchmark Review will be to establish whether the Benchmarked Deliverables are, individually and/or as a whole, Good Value.
- 3.1.5 The Deliverables that are to be the Benchmarked Deliverables will be identified by the Buyer in writing.
- 3.1.6 Upon its request for a Benchmark Review the Buyer shall nominate a benchmarker. The Supplier must approve the nomination within ten (10) Working Days unless the Supplier provides a reasonable explanation for rejecting the appointment. If the appointment is rejected then the Buyer may propose an alternative benchmarker. If the Parties cannot agree the appointment within twenty (20) days of the initial request for Benchmark review then a benchmarker shall be selected by the Chartered Institute of Financial Accountants.
- 3.1.7 The cost of a benchmarker shall be borne by the Buyer (provided that each Party shall bear its own internal costs of the Benchmark Review) except where the Benchmark Review demonstrates that the Benchmarked Service and/or the Benchmarked Deliverables are not Good Value, in which case the Parties shall share the cost of the benchmarker in such proportions as the Parties agree (acting

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reasonably). Invoices by the benchmarker shall be raised against the Supplier and the relevant portion shall be reimbursed by the Buyer.

3.2 Benchmarking Process

3.2.1 The benchmarker shall produce and send to the Buyer, for Approval, a draft plan for the Benchmark Review which must include:

- (a) a proposed cost and timetable for the Benchmark Review;
- (b) a description of the benchmarking methodology to be used which must demonstrate that the methodology to be used is capable of fulfilling the benchmarking purpose; and
- (c) a description of how the benchmarker will scope and identify the Comparison Group.

3.2.2 The benchmarker, acting reasonably, shall be entitled to use any model to determine the achievement of value for money and to carry out the benchmarking.

3.2.3 The Buyer must give notice in writing to the Supplier within ten (10) Working Days after receiving the draft plan, advising the benchmarker and the Supplier whether it Approves the draft plan, or, if it does not approve the draft plan, suggesting amendments to that plan (which must be reasonable). If amendments are suggested then the benchmarker must produce an amended draft plan and this Paragraph 3.2.3 shall apply to any amended draft plan.

3.2.4 Once both Parties have approved the draft plan then they will notify the benchmarker. No Party may unreasonably withhold or delay its Approval of the draft plan.

3.2.5 Once it has received the Approval of the draft plan, the benchmarker shall:

- (a) finalise the Comparison Group and collect data relating to Comparable Rates. The selection of the Comparable Rates (both in terms of number and identity) shall be a matter for the Supplier's professional judgment using:
 - (i) market intelligence;
 - (ii) the benchmarker's own data and experience;
 - (iii) relevant published information; and
 - (iv) pursuant to Paragraph 3.2.6 below, information from other suppliers or purchasers on Comparable Rates;
- (b) by applying the adjustment factors listed in Paragraph 3.2.7 and from an analysis of the Comparable Rates, derive the Equivalent Data;
- (c) using the Equivalent Data, calculate the Upper Quartile;
- (d) determine whether or not each Benchmarked Rate is, and/or the Benchmarked Rates as a whole are, Good Value.

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- 3.2.6 The Supplier shall use all reasonable endeavours and act in good faith to supply information required by the benchmarker in order to undertake the benchmarking. The Supplier agrees to use its reasonable endeavours to obtain information from other suppliers or purchasers on Comparable Rates.
- 3.2.7 In carrying out the benchmarking analysis the benchmarker may have regard to the following matters when performing a comparative assessment of the Benchmarked Rates and the Comparable Rates in order to derive Equivalent Data:
- (a) the contractual terms and business environment under which the Comparable Rates are being provided (including the scale and geographical spread of the customers);
 - (b) exchange rates;
 - (c) any other factors reasonably identified by the Supplier, which, if not taken into consideration, could unfairly cause the Supplier's pricing to appear non-competitive.

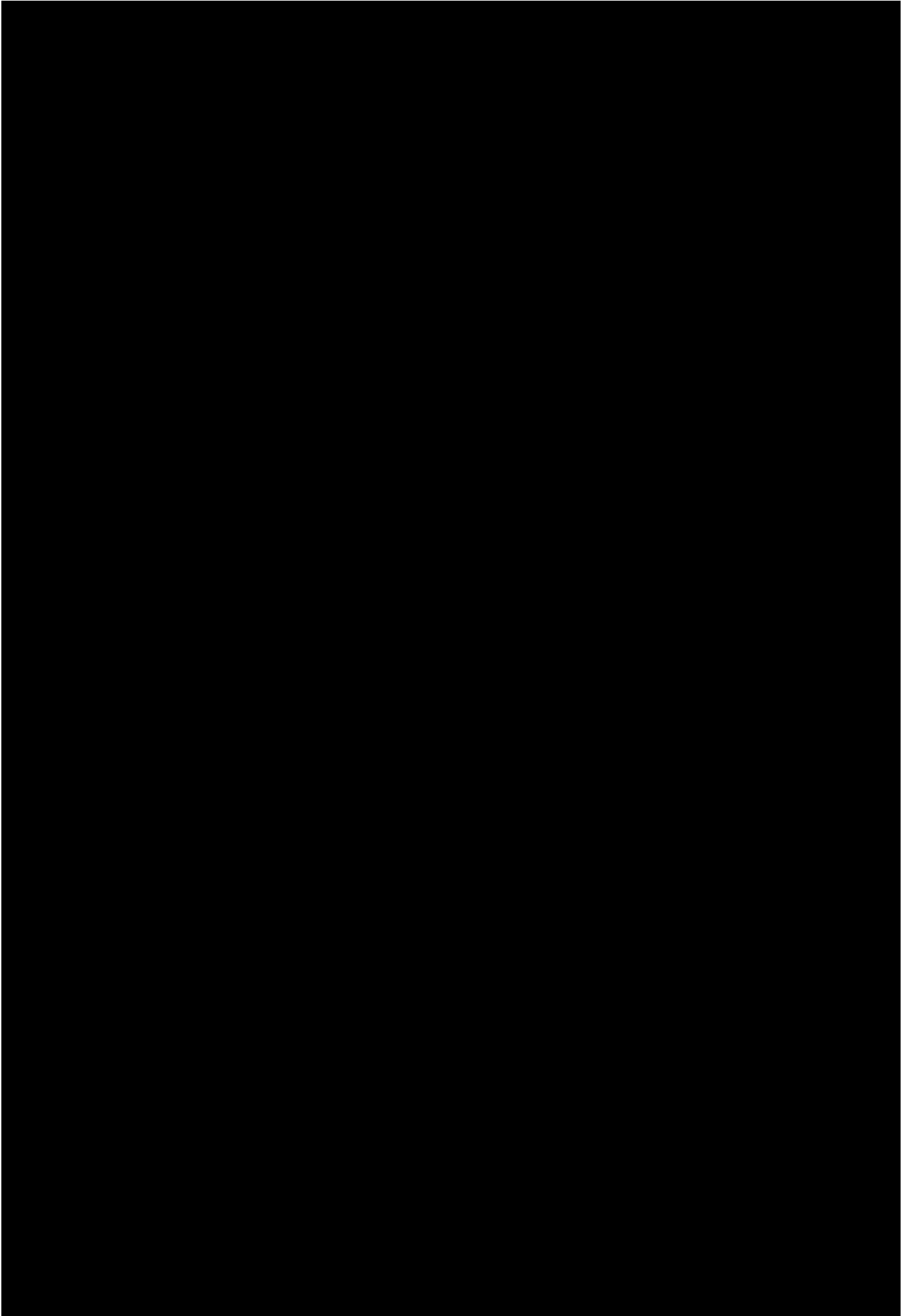
3.3 Benchmarking Report

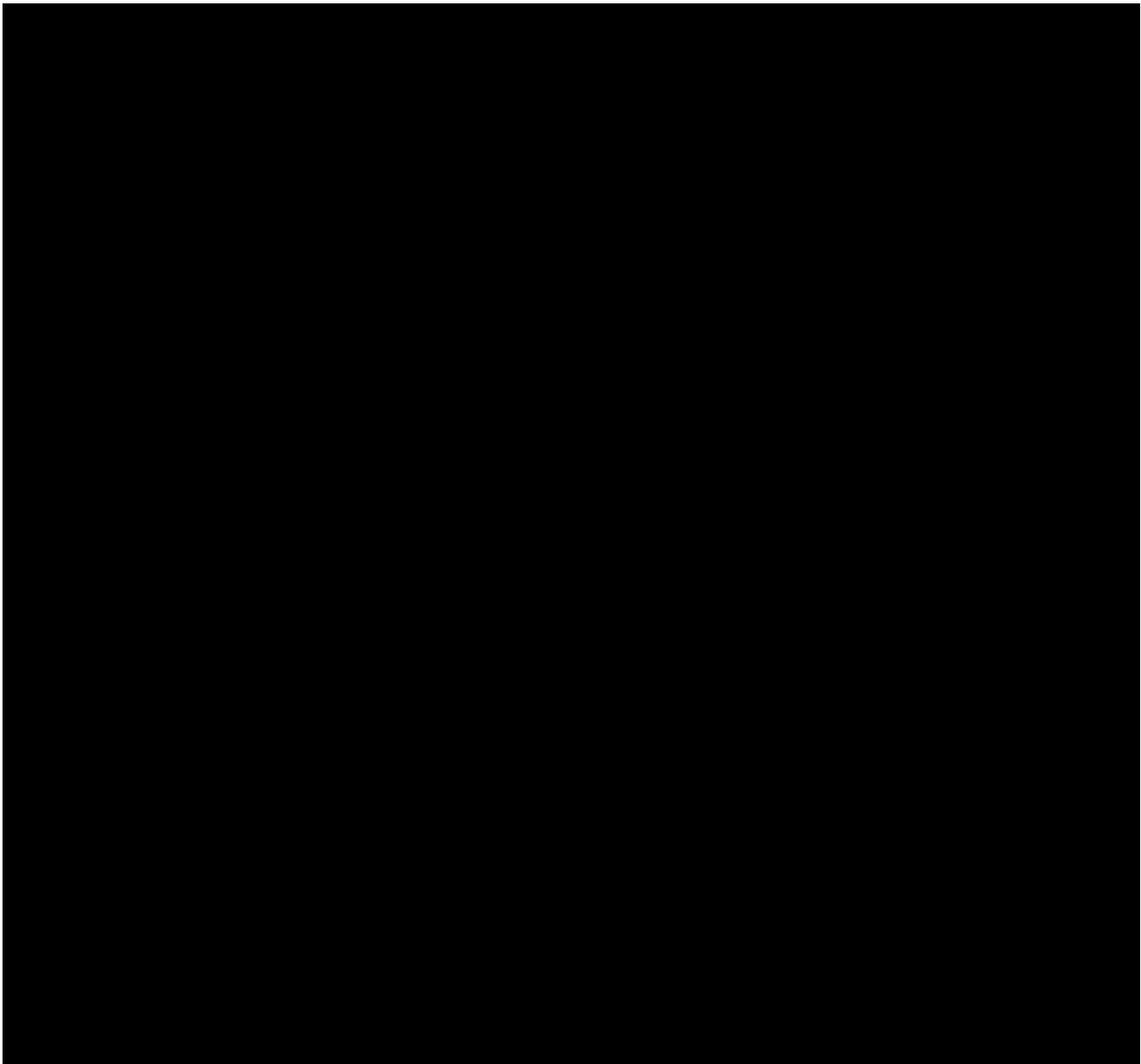
- 3.3.1 For the purposes of this Schedule **"Benchmarking Report"** shall mean the report produced by the benchmarker following the Benchmark Review and as further described in this Schedule;
- 3.3.2 The benchmarker shall prepare a Benchmarking Report and deliver it to the Buyer, at the time specified in the plan Approved pursuant to Paragraph 3.2.3, setting out its findings. Those findings shall be required to:
- (a) include a finding as to whether or not a Benchmarked Service and/or whether the Benchmarked Deliverables as a whole are, Good Value;
 - (b) if any of the Benchmarked Deliverables are, individually or as a whole, not Good Value, specify the changes that would be required to make that Benchmarked Service or the Benchmarked Deliverables as a whole Good Value; and
 - (c) include sufficient detail and transparency so that the Party requesting the Benchmarking can interpret and understand how the Supplier has calculated whether or not the Benchmarked Deliverables are, individually or as a whole, Good Value.
- 3.3.3 The Parties agree that any changes required to this Contract identified in the Benchmarking Report shall be implemented at the direction of the Buyer in accordance with Clause 24 (Changing the contract).

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Framework Schedule 1 (Specification)

Important information on how to read and use Framework Schedule 1 (Specification)

1 Framework Deliverables

Schedule 1 (Specification) sets out the characteristics of the Deliverables that the Supplier will be required to make available to all Buyers under this Framework Contract.

A. For all Lots and Deliverables

- The Supplier must only provide the Deliverables for the Lot that they have been appointed to.
- The Supplier must help Buyers comply with any specific applicable Standards of the Buyer.
- The Deliverables (including any Standards) set out in this Schedule may be refined (to the extent permitted and set out in Framework Schedule 7 (Call-Off Award Procedure)) by a Buyer during a Further Competition Procedure, to reflect the Deliverables requirement of a particular Call-Off Contract.

B. For All Lots and Deliverables

This Schedule incorporates

- the terms set out by CCS for the execution of procurement by the Supplier under this Framework Contract.

C. For Lots 1, 2a, 2b and 3 only

Buyers and suppliers should thoroughly review Call Off Schedule 22 (Lease terms) which is specific to the contract hire of an individual vehicle under Lots 1, 2a, 2b and 3 of this agreement.

2 Modifications to the Core Terms

The following Core Terms are modified in respect of the Call-Off Contract (but are not modified in respect of the Framework Contract).

A. For Lots 1, 2a, 2b and 3

- Clause 3.1.2 does not apply to the Call-Off Contract;
- Clause 3.2 does not apply to the Call-Off Contract;
- Clause 8.7 does not apply to the Call-Off Contract;
- Clause 10.1.2 does not apply to the Buyer extending the Lease Period of any Equipment;
- Clause 10.2.2 does not apply to the Buyer terminating the hire of any Equipment; and
- Clause 11.3 does not apply where the Buyer must pay a Settlement Sum, a Termination Sum or any amount under paragraph 11 in Schedule 22 (Lease Terms).

B. For Lot 4 only

- Clause 3.1.2 does not apply to the Call-Off Contract;
- Clause 3.2 does not apply to the Call-Off Contract;

- Clause 8.7 does not apply to the Call-Off Contract;
- Clause 10.1.2 does not apply to the Employee User extending the Lease Period of any Equipment;
- Clause 10.2.2 does not apply to the Employee User terminating the hire of any Equipment; and
- Clause 11.3 does not apply where the Buyer must pay a Settlement Sum, a Termination Sum or any amount defined as part of the terms of the Call-Off Contract.

Contents

Section 1 **Scope of the Framework Contract**

Section 2 **Lot Structure**

- Lot 1 (Lease of vehicles up to 3.5 tonnes)
- Lot 2a (Lease of specialist, commercial and municipal vehicles up to but not including 7.5 tonnes)
- Lot 2b (Lease of specialist, commercial and municipal vehicles 7.5 tonnes and over)
- Lot 3 (Independent fleet management services); and
- Lot 4 (Salary sacrifice car schemes)

Section 3 **Deliverables for Lot 1 and Lots 2a and 2b**

Mandatory Deliverables

- 3.1. **Supply of vehicle leasing services**
- 3.2. **Order and supply of vehicles**
 - Vehicle Sourcing
 - Vehicle Funding
 - Payment Profiles
 - Vehicle Quotations
 - Fleet Portal
 - Vehicle Orders
 - Delivery of Vehicles
 - Converted or Modified Vehicles
- 3.3. **Service, Maintenance and Repair (SMR) - SMR included with the Lease**
 - Breakdown, Roadside Assistance and Recovery Services
 - Vehicle Downtime
- 3.4. **Service, Maintenance and Repair (SMR) - SMR not included in the Lease**
- 3.5. **MOT Management**
- 3.6. **Condition and Damage**
- 3.7. **Vehicle Decommissioning**
- 3.8. **Managing the Buyer's Account**
 - Contract Management
 - Fines, Penalties and Charges
 - Management Information
 - Data Management

Desirable Deliverables

- 3.9. **Fleet Management Services**
- 3.10. **Sale and Leaseback, Other Funding Methods and Payment Profiles**

- 3.11. **Supplementary Vehicle Rental Solutions**
- 3.12. **Salary Sacrifice Car Schemes (Lot 1 only)**
- 3.13. **Alternative Schemes**
- 3.14. **Management of private user schemes (Lot 1 only)**
- 3.15. **Enhanced Security**
- 3.16. **Fleet Optimisation**
- 3.17. **Fuel Card Management**
- 3.18. **Telematics**
- 3.19. **Electric Vehicle Charging and Supplementary Services**
- 3.20. **Supply and/or Use of Leased Vehicles outside of the UK**
- 3.21. **Data hosting**
- 3.22. **Gain Share**
- 3.23. **Mobility as a Service (MaaS)**
- 3.24. **Consolidated Invoicing**

Section 4 Deliverables for Lot 3 – Independent Fleet Management Services

Mandatory Deliverables

- 4.1. **Supply of Fleet Management Services**
- 4.2. **Vehicle Sourcing and Acquisition**
 - Vehicle Orders
- 4.3. **Delivery of Vehicles**
- 4.4. **Vehicle Off-hiring**
- 4.5. **Service, Maintenance and Repair (SMR) – SMR included in the Lease**
 - Warranty and Post-Warranty Repairs
 - Courtesy Vehicles
 - Relief Vehicles
 - Tyres
 - MOT Management
- 4.6. **Service, Maintenance and Repair (SMR) – SMR not included in the Lease**
- 4.7. **Service, Maintenance and Repair (SMR) – SMR required for the Buyer's owned fleet**
- 4.8. **Breakdown, Roadside Assistance and Recovery Services**
- 4.9. **Downtime Management**
- 4.10. **Vehicle Movement and Distribution**
- 4.11. **Vehicle Disposal and Decommissioning**
- 4.12. **Condition and Damage**

- 4.13. **Accident and Claims Management**
- 4.14. **Insurance Management**
- 4.15. **Vehicle Theft**
- 4.16. **Fines, Penalties and Charges**
- 4.17. **Fuel Card Management**
- 4.18. **Fleet Management System**
- 4.19. **Duty of Care and Risk Management**

- Risk Management Strategy
- Driver Licence Checks
- Driver Training
- Grey Fleet Management

4.20. **Managing the Buyers Account**

- Contract Management
- Management Information
- Benchmarking
- Implementation and Transition of Services
- Data Management

Desirable Deliverables

- 4.21. **Salary Sacrifice Car Schemes**
- 4.22. **Alternative Schemes**
- 4.23. **Fleet Optimisation and Continuous Improvement**
- 4.24. **Enhanced Security**
- 4.25. **Private User Schemes**
- 4.26. **Sale and Leaseback**
- 4.27. **Data hosting**
- 4.28. **Telematics**
- 4.29. **Electric Vehicle Charging and Supplementary Services**
- 4.30. **Gain Share**
- 4.31. **Mobility as a Service (MaaS)**
- 4.32. **Consolidated Invoicing**

Section 5 **Deliverables for Lot 4 – Salary Sacrifice Car Schemes**

Mandatory Deliverables

5.1. **Provision of Salary Sacrifice Car Schemes**

5.2. **Web Based Portal**

- Features and Functionality
- Implementation, maintenance and Upgrades
- Vehicle Quotations
- Data Management

5.3. **Vehicle Sourcing**

5.4. **Vehicle Orders**

5.5. **Delivery of Vehicles**

5.6. **Vehicle Insurance**

5.7. **Service, Maintenance and Repair**

5.8. **Condition and Damage**

5.9. **Managing the Buyer's Account**

- Contract Management
- Fines, Penalties and Charges
- Risk Mitigation Solutions
- Management Information
- Salary Sacrifice Reductions, Deductions and Payroll
- Marketing and Promotion of Salary Sacrifice and individual Schemes

Desirable Deliverables

5.10. **Alternative Schemes**

5.11. **Learner drivers**

5.12. **Electric Vehicle Charging and Supplementary Services**

5.13. **Novation**

5.14. **Data hosting**

5.15. **Pre-Contract Vehicles**

5.16. **Purchase of Salary Sacrifice Vehicle by the employee**

5.17. **Employment termination by the employee**

5.18. **Customer Administrator Web Portal Access**

Section 6 **Legislative and Policy Requirements for All Lots**

Mandatory Deliverables

6.1. **Legislative Requirements**

6.2. **Government Buying Standards**

- 6.3. **General Policy Requirements**
- 6.4. **Carbon Reduction Plans**
- 6.5. **Sustainability**
- 6.6. **Social Value and Community Benefits**
- 6.7. **Delivering Social Value as part of the Framework Award**
 - Driving for Better Business
- 6.8. **Delivering Social Value as part of the Call-Off**

Section 7 **Gain Share**

1 Scope of the Framework Contract

- 1.1 The scope of the Framework Contract covers the United Kingdom of Great Britain and Northern Ireland.
- 1.2 Suppliers appointed to the Framework Contract will be responsible for the provision of
 - a) lease vehicles to Buyers, including the option to provide vehicle service maintenance and repair and other associated services; and/or
 - b) fleet management services, including the management, sourcing and supply of passenger motor cars, light commercial and commercial vehicles; and/or
 - c) the provision of salary sacrifice car schemes, which may support Buyers to meet their obligations under the Government's Road to Zero policy.
- 1.3 The list published in section VI.3 of the contract notice provides the Crown Bodies and other Buyers who will be able to access the Deliverables pursuant to this Framework Contract.
- 1.4 The Supplier will be required to provide Services in relation to the supply of Deliverables including but not limited to:
 - taking orders for the Deliverables from Buyers in respect of the relevant Lot;
 - ensuring vehicles are delivered in accordance with customer requirements
 - adherence to RM6268 Framework Standard Charges
 - adherence to individual customer call off contract charging structures
 - provision of Service, Maintenance and Repair when requested by the Buyer
 - billing, invoice and Management Information reporting requirements
 - providing a dedicated account manager to manage the relationship between CCS and the Supplier under the Framework Contract, to resolve any issues arising from this Framework Contract and to implement any improvements / innovations during the Framework Period
 - provision of an appropriately resourced support function to deal with Buyer Call-Off contract queries and issues, and requests for information to support Buyer decision making
 - supporting customer procurement activity including but not limited to pre-market engagement and subsequent further competitions
- 1.5 Buyers (or their nominated agents or Requesting Bodies) are responsible for the management of their individual Call-Off Contract pursuant to this Framework Contract.

2 Lot Structure

- 2.1 The Framework Contract consists of four (4) Lots, and two (2) sub-lots. The table in paragraph 2.2 below details the types of services available under each Lot. The Deliverables available under each Lot are described separately in each section of this Framework Schedule 1 (Specification).

DGFS requires Lot 1, 2a and certain aspects of Lot 3 fleet management services deliverables.

A summary of the Lot structure is set out in the table below:

Lot	Description of service
Lot 1	<p>Lease of vehicles up to 3.5 tonnes</p> <p>Suppliers on this lot will provide the lease of standard build and converted passenger and light commercial vehicles up to 3.5 tonnes including related lease management services and other associated services.</p> <p>Suppliers will provide leased vehicles for a fixed term as specified by individual Buyers.</p> <p>Suppliers on this lot may choose to provide fleet management services (not mandatory).</p>
Lot 2a	<p>Lease of specialist, commercial and municipal vehicles up to but not including 7.5 tonnes</p> <p>Suppliers on this lot will provide the lease of standard build and converted commercial vehicles up to but not including 7.5 tonnes including related lease management services and other associated services.</p> <p>Suppliers will provide leased vehicles for a fixed term as specified by individual Buyers.</p> <p>Suppliers on this lot may choose to provide fleet management services (not mandatory).</p>
Lot 2b	<p>Lease of specialist, commercial and municipal vehicles 7.5 tonnes and above</p> <p>Suppliers on this lot will provide the lease of standard build and converted commercial vehicles 7.5 tonnes and above including related lease management services and other associated services.</p> <p>Suppliers will provide leased vehicles for a fixed term as specified by individual Buyers.</p> <p>Suppliers on this lot may choose to provide fleet management services (not mandatory).</p>
Lot 3	<p>Independent fleet management services</p> <p>Suppliers on this Lot will provide independent fleet management services for passenger and commercial vehicles including, but not limited to, the sourcing of purchased vehicles from the Purchase of Standard and Specialist</p>

	<p>Vehicles framework (RM6244) or any subsequent commercial arrangement provided by Crown Commercial Service and leased vehicles from Lots 1, 2a and 2b of this agreement. Suppliers are not permitted to fund vehicles themselves.</p> <p>Suppliers will offer:</p> <ul style="list-style-type: none"> i) a managed service to the Buyer, with sole responsibility for providing Fleet Management services for the Buyer's fleet. Suppliers will provide vehicles on contract hire (or other funding arrangements) ii) a fully inclusive, end to end fleet management service which is not connected to a leasing contract.
Lot 4	<p>Salary Sacrifice Car Schemes</p> <p>Suppliers on this Lot will provide salary sacrifice car schemes that are tailored to meet the Buyer's organisational needs. This may include promoting the uptake of ultra-low and zero emission vehicles to eligible employees.</p> <p>Suppliers will implement, manage and market the Buyer's scheme and support the Buyer to meet their organisational policy and environmental commitments, which may support the Buyer to meet their obligations under the Government's Road to Zero targets when required.</p>

3 Deliverables for Lot 1 and Lots 2a and 2b

A summary of the scope of Lot 1 and Lots 2a and 2b is outlined in paragraph 2.2. The Mandatory Deliverables that fall within the scope of Lots 1 and Lots 2a and 2b are described below in sections 3.1 to 3.8 and the Desirable Deliverables are described in sections 3.9 to 3.23.

Mandatory Deliverables

3.1 Supply of vehicle leasing services

- 3.1.1 In consideration of the payment of the Lease Payments, the Supplier will hire the vehicle to the Buyer in a timely manner and in accordance with the Call-Off Contract and the requirements notified to the Supplier in the Order.
- 3.1.2 The Supplier will support the Ordering procedure (as set out in Framework Schedule 7 (Call-Off Award Procedure)).
- 3.1.3 Each Order is subject to and incorporates the Lease Terms in Schedule 22. No other terms and conditions which the Supplier tries to impose under any quotation, confirmation of order, delivery note, invoice or similar document are part of the Call-Off Contract.
- 3.1.4 The Supplier agrees that any other terms or conditions contained or referred to in any correspondence or any documentation submitted by the Supplier which is not part of the Framework Contract, or which are elsewhere implied by custom, practice or course of dealing, do not apply.

3.2 Order and supply of vehicles

3.2.1 Vehicle Sourcing

- 3.2.1.1 The Supplier acknowledges and agrees that they will act as a Requesting Body¹ for eligible Buyers in order to source vehicles from the RM6244 Purchase of Standard and Specialist Vehicles framework or any subsequent commercial arrangement provided by Crown Commercial Service.
- 3.2.1.2 When acting as a Requesting Body on behalf of a Buyer, the Supplier shall ensure that any discount realised by sourcing vehicles through the RM6244 vehicle Purchase framework is built into the lease cost and the benefit passed in full to the Buyer. The Supplier acknowledges and agrees to provide evidence to the Buyer and/or CCS if requested.

DGFS Additional Deliverables

Any additional discounts and improved terms available to the Supplier from such agreements, such as volume related bonuses and discounts, shall be passed on in their entirety to DGFS. DGFS may request the Supplier utilise any other contract as stipulated and / or agreed by DGFS, these requests will be made, and monitored, by its Commercial procurement team on an ad hoc basis.

3.2.2 Vehicle Funding

- 3.2.2.1 The Supplier shall provide Contract Hire with or without maintenance as the

¹ Defined Terms - Joint Schedule 1 (Definitions)

principal funding mechanism for vehicles.

3.2.3 Payment Profiles

3.2.3.1 The Supplier shall provide lease prices using the following payment profiles:

- Annual in advance;
- Quarterly in advance;
- Monthly in advance.

3.2.3.2 When requested by the Buyer, the Supplier shall provide the following payment profiles for Lot 1:

- Quarterly in arrears;
- Monthly in arrears;
- any other payment profile that is specific to the Buyer's needs.

DGFS Additional Deliverables

Current arrangements are:

- Lease rental annually in advance (month after delivery/anniversary)
- Outside scheme costs monthly in arrears
- Optional services monthly in arrears

The Supplier is to provide year-to-date spend reports and budget forecasts for the next financial year for each body by region/area based on previous financial year. The Supplier shall provide vehicle funding with or without maintenance as part of the fleet management service provision where required.

The scope includes the provision through contract hire and other funding methods where required of the following vehicle types:

- Passenger cars
- Vans up to 3.5 tonnes
- 4x4 variant vehicles
- Hybrid Vehicles
- Ultra-Low emission Vehicles, including, but not limited, to electric and hybrid vehicles
- Converted vehicles up to 3.5 tonnes
- Commercial Vehicles 3.5 tonnes and above (ad hoc)

The Supplier shall provide Contract Hire as the principal funding mechanism for the vehicles however there may be occasions where DGFS may wish to fund its vehicles through other funding options. Therefore, the Supplier shall have the ability to provide alternative funding options, where required for example Finance Lease, Salary Sacrifice or Employee Car Ownership.

The supplier shall establish and maintain lease vehicle lists that reflect the DGFS Fleet Strategy 2030 (**Appendix 2**) principles and values, based on whole life costing or total cost of ownership principles; these will be developed by the supplier for us to approve on a regular basis, not less than twice per annum.

3.2.4 Vehicle Quotations

3.2.4.1 The Supplier shall provide the Buyer with a quotation including, but not limited to, the following information:

- quotation reference number;
- invoice amount excluding VAT against payment profile;
- vehicle make, model and derivative;
- vehicle options included;
- Lease Period;
- annual lease mileage;
- excess mileage rate;
- annual SMR cost (if included);
- vehicle residual value excluding VAT;
- finance rate applied;
- quotation expiry date.

3.2.4.2 The Supplier shall ensure that all quotations generated by the Supplier for Buyers remain valid for 30 days, subject to manufacturer price increases, unless otherwise advised to the Buyer.

3.2.4.3 The Supplier shall ensure that any manufacturer price decreases during the quotation period are passed to the Buyer.

3.2.4.4 The Supplier shall ensure that quotations can be provided by any method reasonably requested by the Buyer.

3.2.4.5 The Supplier shall provide open book quotations when requested by the Buyer.

DGFS Additional Deliverables

DGFS require vehicle quotations to be obtained directly from the Supplier including but not limited to; email and telephone. DGFS will require a bespoke live quoting and vehicle ordering solution with transparency of all costs associated with the vehicle.

Requests for quotations are to be responded to by the Supplier within twenty four hours. Vehicle quotations provided by the Supplier are to be valid and fixed for a period of 30 calendar days from the date of quotation unless the price of a vehicle reduces during this period, at which point the Supplier shall ensure that this reduced price is passed to the Customer.

3.2.5 Fleet Portal

3.2.5.1 For Lot 1 only, the Supplier shall integrate with the CCS Fleet Portal, by framework launch date of 16 May 2023, in order to provide quotations for standard vehicles and factory fit options, as set out in Framework Schedule 4 (Framework Management). Supplier obligations include, but are not limited to:

- providing live vehicle quotations for standard specification vehicles including factory fit options within the scope of Lot 1 via the CCS dedicated vehicle web portal ("Fleet Portal") utilising Web Service technology.
<https://fleetportal.crowncommercial.gov.uk>
- ensuring that its systems are configured to receive and transmit vehicle quotation information securely in XML format
- ability to link to CAPid vehicle and options data either by directly subscribing or to a data source that enables the cross referencing to CAPid vehicle and options data
- utilising vehicle identification data on the CAP1 code
- ensuring that the vehicle quotations provided are accurate

3.2.5.2 If at any point the lease car website (Fleet Portal) is updated or replaced, (whether by enhancement, replacement system or other alternative arrangement), the Supplier shall assist CCS by complying with the new arrangements once they are agreed and introduced.

3.2.6 Vehicle Orders

3.2.6.1 For the avoidance of doubt, each vehicle order survives the expiration or termination of the Framework Contract.

3.2.6.2 The Supplier shall ensure that it has a process in place for receiving, checking, amending and confirming orders.

3.2.6.3 The Supplier shall provide updates on the progress of the order at a frequency agreed with the Buyer when the order is placed.

3.2.6.4 The Supplier shall ensure that any additional costs that have been identified, due to an order amendment will be communicated to the Buyer.

3.2.6.5 The Supplier shall ensure that all vehicles are brand new and unused, other than for delivery mileage, unless otherwise specified by the Buyer.

3.2.6.6 The Supplier shall provide vehicles which meet the full specification and fuel type specified by the Buyer.

3.2.6.7 The Supplier acknowledges and agrees that all vehicles supplied pursuant to this Framework Contract shall be assumed to be right hand drive ("RHD") unless otherwise specified by the Buyer.

3.2.6.8 The Supplier shall liaise with the Buyer's fleet management or salary sacrifice provider, managing agent and any other legacy fleet supplier where required, in order to coordinate and update vehicle deliveries or any

other relevant fleet activity.

3.2.6.9 For vehicles procured under Lots 2a and 2b of this Framework Contract only, the Supplier shall ensure that the maximum weights at which vehicles, trailers and articulated combinations can be used are marked on the vehicle's plate, or ministry plating certificates, and shall be included in the owner's manual.

3.2.6.10 The Supplier shall make available the option for a temporary pre-contract vehicle to be provided pending delivery of their ordered vehicle when requested by the Buyer and agreed as part of the Call-Off Contract.

DGFS Additional Deliverables

DGFS require that all orders submitted within the scope of this contract be processed on its behalf. DGFS will require the ability to place orders using its own internal ordering procedures and systems, which may include via an e-procurement system. Where applicable, DGFS will provide further details as part of a call off process.

All orders placed to be referenced with the Pan Government Framework Agreement reference number, RM6268 [Lot 1 and 2a] in addition to any EA/DGFS Order Reference.

For all drivers, the supplier will arrange and provide demonstration vehicles upon request limited to three per driver, each for a maximum of five days. The Supplier is to ensure a maximum time period of two months from new vehicle request or replacement date, to placing a new order, is maintained unless approved by DGFS.

The Supplier is to invite drivers to place orders six months prior to existing vehicle lease expiry date.

DGFS will require weekly updates concerning the status of all outstanding orders, to include such details as advised by DGFS.

3.2.7 Delivery of Vehicles

3.2.7.1 The Supplier shall deliver vehicles to any address within the UK, as specified in the Order.

3.2.7.2 The Supplier shall ensure that all vehicles are supplied and delivered in accordance with the requirements specified in the Order.

3.2.7.3 The Supplier shall ensure the safe and secure delivery of all vehicles to the Buyer.

3.2.7.4 When requested by the Buyer, the Supplier shall provide a list of all Supplier personnel requiring admission to Buyer premises, in advance of the delivery date, including any additional information that the Buyer may reasonably require.

3.2.7.5 The Supplier shall ensure that pre-delivery inspections, including the supply and fitting of number plates, are carried out on all vehicles supplied

pursuant to this Framework Contract.

3.2.7.6 The Supplier shall ensure that the following are provided to the Buyer at the point of delivery:

- vehicle handbook or equivalent;
- two sets of keys;
- service log book or access to an equivalent electronic mechanism;
- driver information pack including, but not limited to, the driver support services contact number as outlined in 3.3.18; and
- safety pack including, but not limited to, a warning triangle and high visibility jacket

3.2.7.7 The Supplier shall ensure that all vehicles meet showroom standards of cleanliness and are delivered to the Buyer at the point of delivery (unless otherwise specified or agreed with the Buyer) with:

- no more than 100 miles on the odometer;
- sufficient fuel or battery charge for electric vehicles to travel 40 miles
- the appropriate vehicle excise duty (VED) valid for 12 months, unless otherwise specified by the Buyer; and
- without defects

3.2.7.8 The Supplier shall ensure that a handover is provided for all vehicles, which shall include:

- providing a full explanation of the controls and features of the vehicles;
- completing and signing a delivery sheet or electronic equivalent which provides confirmation that appropriate checks have been undertaken and confirmation that operating instructions have been given; and
- providing a hard or electronic copy of the delivery sheet to the Buyer.

DGFS Additional Deliverables

The Supplier shall deliver, or arrange the delivery of, vehicles, with consideration to the carbon impact to ensure lowest carbon options are utilised, to addresses within the United Kingdom and Northern Ireland, including the Scottish Isles as specified in the Vehicle Order.

The Supplier shall ensure that all vehicles are supplied and delivered in accordance with the requirements specified in the Vehicle Order and ensure the safe and secure delivery of all vehicles.

All vehicles supplied are to be fit for purpose, roadworthy and meet all legal and safety compliance requirements.

Additionally, Vehicles are to be delivered complete with:

- certificates of conformity (where required)
- backup media for infotainment/navigation systems
- details of breakdown arrangements
- Provide relevant charge cable for electric/hybrid vehicles (e.g., 3 pin plug adapter and type 1 or 2 adaptor)

DGFS may on limited occasions require the option to nominate its own vehicle dealer and advanced notification in writing is required from the Supplier should there be any resulting changes such as, without limit, change in rental cost or delivery delay.

DGFS may request at no additional cost, a copy of the results of any pre delivery inspection reports in MS Word, MS Excel and Adobe Acrobat electronic format.

DGFS will require a written confirmation of the delivery date and when the ordered vehicle is ready for delivery the Supplier shall confirm delivery details and establish a convenient delivery address, date and time during working hours Monday to Friday (excluding Bank holidays).

DGFS require specific delivery enquiries to be responded to within one working day of the enquiry being raised.

DGFS will require that deliveries take place at a time of day no earlier than 8:00 am to allow for adequate light for inspection upon delivery, Monday to Friday (except bank holidays), unless otherwise mutually agreed.

DGFS may require that vehicles are delivered to appointed sub-contractors for specialist modification or fit out.

In instances where a considerable amount of conversion work has been undertaken, DGFS may want to inspect the vehicle at the converter's premises prior to delivery. DGFS will require some vehicles to be delivered with additional equipment e.g. livery, racking using existing Environment Agency/Defra contract agreements.

DGFS will require a key for key delivery / collection service for leased vehicles.

The last chargeable day for lease vehicles operating in informal extension will always be

3.2.8 Converted or Modified Vehicles

- 3.2.8.1 The Supplier acknowledges and agrees that the Buyer may require the supply of standard production vehicles which must be converted to meet the specific requirements of the Buyer. Where the Buyer requires such conversions, the Supplier shall procure the required conversion works from the RM6244 Purchase of Standard and Specialist Vehicle framework, a vehicle manufacturer, a subcontractor or the Supplier's own supply chain.
- 3.2.8.2 The Supplier shall ensure that any converted or modified vehicle meets all legislative requirements prior to delivery to the Buyer, including but not limited to, Type Approval and Certificate of Initial Fitness (COIF) as applicable.
- 3.2.8.3 The Supplier acknowledges and agrees that repairs or replacements to converted or modified elements of a vehicle will be agreed with the Buyer at call off
- 3.2.8.4 The Supplier shall ensure that any exclusions to paragraph 3.2.8.2 are clearly identified to the Buyer at the point the Call-Off Contract is entered into.

3.3 Service, Maintenance and Repair (SMR) - SMR included with the Lease

- 3.3.1 The Supplier shall provide a vehicle with SMR included when requested by the Buyer.
- 3.3.2 The Supplier shall provide SMR encompassing routine servicing, maintenance and mechanical repairs, and the replacement of consumable parts such as tyres, exhausts and brakes, to ensure conformance to safety and legal requirements.
- 3.3.3 The Supplier shall pursue all warranty and post warranty claims relating to the vehicles on behalf of the Buyer.
- 3.3.4 The Supplier shall provide SMR coverage at the most appropriate and cost effective locations in relation to the Buyer's requirements to ensure that the vehicles can be maintained, serviced and repaired as efficiently and effectively as possible.
- 3.3.5 The Supplier shall use a network of repairing agents who shall ensure that all repairs are in accordance with recognised industry standards.
- 3.3.6 The Supplier shall undertake effective maintenance cost control and ensure that the appropriate processes and controls are in place to certify that the SMR costs and SMR related costs represent best value for money for the Buyer.
- 3.3.7 The Supplier shall investigate any maintenance, repair or related invoice that is not to the Buyer's satisfaction and shall arrange for any necessary remedial work to be carried out at no additional cost to the Buyer.
- 3.3.8 The Supplier shall provide specialist maintenance services such as overnight availability, where required by the Buyer.
- 3.3.9 The Supplier shall notify the Buyer in the event where driver error, misuse, or other behaviour has resulted in repairs being required to be made to a vehicle, in accordance with Clause 8.4 of Framework Schedule 22 (Lease Terms).
- 3.3.10 The Supplier shall be responsible for the cost of replacement tyres during the lease period, except where such replacement is due to the lack of care or abuse of the

tyre by the Buyer and/or driver.

- 3.3.11 The Supplier shall replace tyres once the tread has reached a minimum of 2 mm unless otherwise agreed with the Buyer.
- 3.3.12 The Supplier shall ensure that full operating service history logs for all vehicles are maintained and copies provided to the Buyer upon request.
- 3.3.13 The Supplier shall provide a variety of processes to book and schedule vehicle maintenance and services such as MOTs, including, but not limited to:
- Direct with a dealer;
 - Direct through a dedicated service helpline;
 - Online system or mobile applications.
- 3.3.14 The Supplier shall ensure that it is able to provide a courtesy vehicle in the event of pre-arranged routine service, maintenance and repair where the Buyer has provided 14 calendar days' notice of the requirement.
- 3.3.15 When the Buyer has included the requirement for a relief vehicle as part of their Call-Off Contract, the Supplier shall ensure that a replacement vehicle is made available to the Buyer in the event of unplanned maintenance or repair.
- 3.3.16 Where the Buyer has not included the requirement for a relief vehicle as part of their Call-Off Contract, in the event of unplanned maintenance or repair the Supplier shall ensure that they are able to provide a daily rental vehicle when requested by the Buyer.
- 3.3.17 When requested by the Buyer, the Supplier shall provide a delivery and collection service where the Buyer has provided at least 14 calendar days' notice.
- 3.3.18 The Supplier shall ensure that driver support, including roadside assistance, is available 24 hours a day, 7 days a week and 365 days a year through a dedicated point of contact.

DGFS Additional Deliverables

The Supplier shall use an approved national network of repairing agents who shall ensure that all repairs are in accordance with recognised industry and manufacturer standards. DGFS reserve the right to suspend and/or remove specific service providers where competency or work quality falls below our safety standards.

Where DGFS requires the provision of special maintenance services (e.g. overnight availability) then the Supplier shall provide visibility of any costs associated with the delivery of such services prior to them being provided.

DGFS will require escalation and notification of any scheduled events that have not been completed via weekly reports.

DGFS will require notification where driver error, misuse, omissions or other behaviour has resulted in any repairs being required to be made to a vehicle via monthly reports. Prior approval shall be obtained for any non-budgeted costs attributable to driver error, misuse, omissions or other behaviour that has resulted in any repairs.

The Supplier shall be responsible for ensuring the driver is updated on any driver identified repairs or concern at the point of collection.

The Supplier shall be responsible for investigating any maintenance, repair or invoice that is not to DGFS' satisfaction and the Supplier shall arrange for any necessary remedial work to be carried out at no extra cost to DGFS.

DGFS requires the Supplier to bear the cost of any disputes or issues, including the cost of dealing with manufacturers and of implementing the outcome after the escalation process has ended, except where liability has been proven, via an independent inspection, to be DGFS responsibility.

If the Supplier provides SMR for a vehicle then they shall maintain full operating service history logs for all such vehicles, and supply copies to DGFS upon request.

DGFS may elect to have SMR provided on a "pay as you go basis" and will require a facility to accommodate this when quoting for leases. Maximum labour rates should be provided in the pricing schedule.

DGFS may need to specify additional SMR requirements for its commercial vehicles, but this will be determined post award.

The Supplier shall pursue all warranty and post warranty claims relating to vehicles on behalf of DGFS as requested.

Tyres and Glass

DGFS require national mobile approved network(s) for tyres and glass repair and replacement. DGFS replace its car and small van tyres when the tread depth (on any one tyre) is 2mm or below. 4x4 vehicles are issued with tyres that are deemed fit for purpose by the manufacturer of the vehicle and are PUWER compliant. DGFS replace 4x4 tyres when the tread depth is 3mm or below due to the adverse conditions they operate in or if there is a 4mm tread depth difference on one axle.

Where possible DGFS prefer its vehicles to be fitted with summer tyres that are rated for winter use (e.g. Michelin Cross Climate or equivalent).

As a maximum, tyre costs should be comparable to, or better than, CCS vehicle tyre Framework.

3.3.19 Breakdown, Roadside Assistance and Recovery Services

3.3.19.1 The Supplier shall provide services for recovery and breakdown repair 24 hours a day, 365 days per year (366 days in a leap year) at no additional cost. This shall include, but is not limited to:

- services at the Buyer or driver's home address
- roadside assistance within the UK including the vehicle being towed to a garage location agreed with the Buyer or driver, if it cannot be fixed at the roadside.
- national recovery where the vehicle and load will be towed to a location specified by the Buyer within the UK.
- assistance to passengers in order to enable them to complete their onward journey or to an identified location within the UK.

3.3.19.2 The Supplier or their nominated sub-contractor shall attend breakdowns of standard specification vehicles under 3.5 tonnes within 2 (two) hours from the initial request, unless otherwise agreed with the Buyer.

3.3.19.3 The recovery and breakdown repair services for converted vehicles, vehicles with special requirements, specialist vehicles or vehicles above 3.5 tonnes should be agreed by the Buyer and Supplier prior to award of the Call-Off Contract.

3.3.19.4 The Supplier shall provide the Buyer with a vehicle recovery and breakdown service overseas, as part of European breakdown cover when requested

by the Buyer.

DGFS Additional Deliverables

In the event that the vehicle cannot be repaired at the roadside the Supplier shall ensure the safe recovery of the driver and any passengers to their preferred destination and/or that they are provided with a replacement free of charge vehicle within two hours for up to 48 hours. The replacement vehicle should meet any driver licence restrictions, or driver specified health and safety requirements.

DGFS will require prioritised response within one hour to vehicle breakdowns for vulnerable staff, for example lone drivers.

For extended (in excess of 24 hours) vehicle servicing and mechanical repairs where an operationally suitable vehicle is required and requested, and a free of charge vehicle is not suitable or available, the Supplier shall provide a low cost operationally suitable hire vehicle for the duration of the repair, subject to prior approval by DGFS. The replacement vehicle should meet any driver licence restrictions, or driver specified health and safety requirements.

The supplier should identify the estimated timescales for provision of a suitable vehicle, with any associated costs. DGFS reserve the right to source these short-term hire vehicles from our Vehicle Hire contract. As a maximum, hire rates should be comparable to, or better than, CCS vehicle hire Framework.

Any vehicle provided, that is subject to Operator Licence requirements will require, as a minimum, a copy of its last scheduled service/inspection, a copy of its current MoT, and any other necessary documents to ensure its Health and Safety, roadworthiness and legal compliance.

3.3.20 Vehicle Downtime

3.3.20.1 Where the vehicle is being maintained and/or repaired the Supplier shall notify the Buyer of any expected downtime of a vehicle.

3.3.20.2 The Supplier shall ensure that vehicle downtime is minimised and acted upon to ensure that vehicle availability is optimised in order to reduce the impact to the Buyer and/or the driver of the vehicle.

3.3.20.3 If it is deemed necessary to retain the vehicle beyond the forecasted downtime period, the Supplier shall ensure that the delay is communicated to the Buyer and/or driver of the vehicle within agreed timescales determined by the Buyer; and minimised as far as reasonably possible.

3.4 Service, Maintenance and Repair (SMR) - SMR not included in the Lease

3.4.1 The Supplier shall provide a vehicle without SMR included, when requested by the Buyer.

3.4.2 The Supplier shall provide the option for the Buyer to utilise the Supplier's support

network when necessary utilising negotiated prices for the service, maintenance and repair of their vehicles. This will be invoiced on an as and when used basis.

3.5 MOT Management

- 3.5.1 The Supplier shall provide the Buyer with an effective and efficient process for the management of the renewal of MOT's in order to minimise vehicle downtime.
- 3.5.2 The Supplier shall provide sufficient notification and reminders to the Buyer prior to the MOT due date to enable arrangements for vehicle testing to be made.
- 3.5.3 The Supplier shall provide the Buyer with an effective and efficient process for notifying the Buyer of any vehicles without a valid MOT in place.
- 3.5.4 The Supplier shall provide immediate notification to the Buyer of any vehicles which have failed an MOT test and the required remedial and retest requirements.

DGFS Additional Deliverables

The Supplier is to provide an effective system for the management of DGFS' requirements with regard to MOT testing. DGFS will require a reporting system for all missed MOT tests, including a process for ensuring legally non-compliant vehicles are not used.

3.6 Condition and Damage

- 3.6.1 The Supplier shall undertake effective cost control and ensure that both in-contract and end of contract damage costs are validated in line with the British Vehicle Rental and Leasing Association (BVRLA) Fair Wear and Tear guidelines in order to represent best value for money for the Buyer. The BVRLA guidelines can be accessed via the following link: <http://www.bvrla.co.uk/>
- 3.6.2 The Supplier acknowledges and agrees that photographic evidence of damage to vehicles shall be provided to the Buyer where the total value exceeds £500, unless otherwise agreed at Call-Off.

DGFS Additional Deliverables

The Supplier acknowledges and agrees that the Damage Waiver will apply to any costs chargeable to the Buyer.

DGFS will require a summary of all costs associated with end of contract damage charges as part of its monthly reporting with clear indication of constituent costs and photographic evidence of damage and collection / delivery documentation.

3.7 Vehicle Decommissioning

- 3.7.1 The Supplier shall ensure that liveried vehicles are appropriately, decommissioned and disposed of in such a way as to be unidentifiable to their former function and therefore unable to be used for unauthorised or terrorist activity.

3.8 Managing the Buyer's Account

3.8.1 Contract Management

- 3.8.1.1 The Supplier shall manage the Buyer's Call-Off Contract in accordance with Call-Off Schedule 15 for "Call-Off Contract Management".
- 3.8.1.2 The Supplier shall ensure that all relevant documentation relating to the Buyer's fleet operations are maintained and updated at all times.
- 3.8.1.3 The Supplier shall provide a Helpdesk and/or online support facility for supporting the Buyer with queries or complaints regarding the services provided under the Call-Off Contract. Unless agreed with the Buyer, this shall be available from 9am to 5pm, Monday to Friday and exclude bank holidays.
- 3.8.1.4 The Supplier shall ensure that the Helpdesk telephone number is Freephone or does not charge users more than a basic rate, local rate or national rate telephone number.
- 3.8.1.5 When requested by the Buyer, the Supplier shall provide support to identify and recommend effective and innovative ways of working in order to improve the Buyer's management of their fleet. This may include, but is not limited to:
- changing processes to be more efficient or effective;
 - identifying opportunities to educate drivers with the aim of improving driver behaviour;
 - sharing best practice and lessons learned; and
 - monitoring the mileage of the Buyer's vehicles and making recommendations which may include, but are not limited to, re-utilisation of the Buyer's vehicles, contract term variation and/or contract mileage variation.
- 3.8.1.6 If the Supplier identifies that a vehicle lease is forecast to exceed its contracted mileage limit by 20% or more by the end of the contract term, and the Buyer confirms that the pattern of usage will continue, the Supplier may impose a variation to the Buyer's Lease Contract Terms for the remaining period based on the revised forecast. This may include a variation to the Rental Payments as agreed with the Buyer.
- 3.8.1.7 The Supplier shall ensure that they have processes in place to maintain consistent levels of service during periods of peak demand.

DGFS Additional Deliverables

A single point of contact for telephony for all services to be delivered under this contract provided by a customer service contact dedicated team.

Supplier IT systems will track all services and transactions delivered within this contract, which will be subject to regular audit by the Environment Agency.

The Supplier shall ensure that driver support, including roadside assistance, is available 24 hours a day, seven days a week, and 365 days a year through a dedicated single point of contact.

The Supplier shall provide a dedicated helpdesk/helpline as a first point of contact to assist the drivers with queries regarding the services provided within this Agreement.

DGFS require driver queries to be responded to within 24 hours and resolved within five working days and weekly operational reporting is required regarding the time taken to resolve these queries.

DGFS require that any requests to amend the Vehicle Agreement shall be acknowledged within eight working hours of receipt and the Supplier shall confirm its agreement within five working days.

DGFS require that the Suppliers cost of administering the above shall be borne by the Supplier.

The Supplier shall provide, monthly in advance, reporting of vehicles at end of lease period. Any formal extensions require approval from DGFS.

The last chargeable day for lease vehicles operating in informal extension will always be the notified date of vehicle available for collection.

3.8.2 Fines, Penalties and Charges

- 3.8.2.1 The Supplier shall provide a payment solution and process for the payment of fines and penalty charges within the specified payment period to the prosecuting authority.
- 3.8.2.2 Where the Buyer and/or the driver successfully contests the fine or penalty charge directly with the prosecuting authority, the Supplier shall refund the charge back to the Buyer or driver as appropriate.
- 3.8.2.3 The Supplier may charge an administration fee for managing the payment solution as set out in Framework Schedule 3 (Framework Prices).
- 3.8.2.4 The Supplier shall be responsible for the payment and resolution of fines when incurred by personnel driving a vehicle on behalf of the Supplier

and/or Subcontractor.

DGFS Additional Deliverables

To ensure costs are controlled and fines are paid on time, DGFS will require a fully managed service for the reporting, direct payment and the administration of traffic fines and charges including but not limited to; parking fines, congestion charges and traffic offences.

The Supplier shall provide a payment solution and process that does not cause the incrementing of the fine or charge by the imposition of penalties for late payment.

For offences that incur driving licence points the penalty charge will need to be sent directly to the Driver.

Where DGFS and/or the driver contest the fine/charge directly with the prosecuting authority and are successful in the appeal, the Supplier shall refund the charge back to DGFS or the driver as appropriate.

Where the fine/charge is incurred by the Supplier and/or their Sub-Contractors they shall be responsible for its resolution and payment.

In the event of the driver wishing to dispute a penalty notice, the prosecuting authority will be contacted either directly by the driver or by DGFS.

In line with EA/DGFS policy, monthly reports will be required to ensure the appropriate tracking of fines and driver behaviour, highlighting drivers who appear multiple times. The format of these reports will be agreed at implementation.

3.8.3 Management Information

3.8.3.1 The Supplier shall provide Management Information to Buyers in accordance with the terms in each Call-Off Contract.

DGFS Additional Deliverables

The Supplier shall operate and maintain appropriate systems, processes and records to ensure that at all times it can deliver timely and accurate Management Information to DGFS in accordance with the provision of this Agreement.

The Supplier shall provide monthly contract Management Information reports. The content, structure, layout and frequency of the Management Information reports will be mutually agreed prior to implementation. These reports will be required at multiple levels for DGFS and separately for each Defra body that accesses the contract.

The Supplier is required to provide monthly, quarterly, yearly management information to support the operational activity of the contract. Examples are, but not limited to; monthly performance statistics against agreed SPM's and SLA's, trend analysis of costs and safety initiatives, environmental performance of carbon used, waste generated, water use and emissions data (including but not limited to CO2 and NOx) for vehicles leased, and other contract initiatives. All management information shall be provided with industry benchmark comparisons where available.

Management Information and data reporting shall be provided free of charge in accordance with Framework Agreement. DGFS may undertake independent benchmarking reviews in order to ensure the prices represent Good Value within the market. The Supplier shall provide full transparency of their pricing for the Goods and/or Services they provide to support this process when requested.

The Supplier shall establish systems to identify individual driver contributions based on their Benefit in Kind, P11D, tax bracket, lease cost and personal contribution determined by DGFS. This may vary between the different Defra bodies. Where this is mileage based, DGFS will require the Supplier to collate the mileage information and calculate the contributions.

These calculations and their results should be made available to drivers prior to their placing any vehicle order.

DGFS will also require summarised contributions via weekly reports for both schemes.

Under Freedom of Information legislation, members of the public have the right to ask the EA/DGFS for detailed information that is not currently available to them. Where DGFS receive any such requests for information, DGFS need to respond quickly and efficiently and in line with the requirements of the Freedom of Information Act. DGFS will require the Supplier to support the provision of such information, completing the process within 10 working days.

3.8.4 Data Management

- 3.8.4.1 The Supplier acknowledges that Joint Schedule 11 (Processing Data) applies to the processing of personal data under this Framework Contract.
- 3.8.4.2 The Supplier shall not disclose any data to a third party without the prior written consent of the Buyer.
- 3.8.4.3 The Supplier shall ensure that all data is held securely for the duration of the Call-Off Contract and provided to the Buyer, or their nominated Supplier, on expiry of the Call-Off Contract or for a period agreed as part of the Call-Off Contract.
- 3.8.4.4 The Supplier shall ensure that a suitable back-up system for data is in place to support the Buyer's business continuity and audit requirements.

Desirable Deliverables

3.9 Fleet Management Services

Mandatory Requirement for DGFS

- 3.9.1 The Supplier shall provide fleet management services to the Buyer to ensure that optimum efficiencies in the operation of the Buyer's fleet are obtained.
- 3.9.2 The Supplier acknowledges and agrees that when entering into a Call-Off Contract with a Buyer to deliver fleet management services under Lot 1 and Lots 2a and 2b of this Framework Contract, the mandatory and desirable clauses described in Lot 3 of this Framework Contract will apply with the exception of Clause 4.26 (Sale and Leaseback).
- 3.9.3 The Supplier's Account Manager shall work proactively with the Buyer with the aim of delivering continuous improvement across the Buyer's fleet. This may include, but is not limited to, working with Buyer to:
 - develop strategies and initiatives to secure cost savings
 - deliver efficiencies relating to the optimisation of the Buyer's fleet operation, fleet profile or the procedures in place to manage the Buyer's account
 - improve environmental efficiencies such as reducing the Buyer's carbon footprint or supporting the transition to low emission vehicles
 - support the Buyer in meeting internal or Government policy standards (for example the Government Fleet Commitment)

3.10 Sale and Leaseback, Other Funding Methods and Payment Profiles

- 3.10.1 The Supplier shall provide a sale and lease back service when requested by the Buyer.
- 3.10.2 The Supplier shall have the ability to provide alternative funding options when requested by the Buyer.
- 3.10.3 The Supplier shall provide the payment profiles set out in Clause 3.2.3.2 for Lot 2a and Lot 2b when requested by the Buyer.

3.11 Supplementary Vehicle Rental Solutions

- 3.11.1 The Supplier shall provide supplementary vehicle rental solutions when requested by the Buyer.

3.12 Salary Sacrifice Car Schemes (Lot 1 only)

3.12.1 The Supplier shall provide a salary sacrifice car scheme when requested by the Buyer.

3.12.2 The Supplier shall:

- ensure that the scheme is fully compliant with all applicable legislation
- provide the option for risk mitigation when requested by the Buyer and this could include, but is not limited to,
 - termination of employment through resignation, redundancy or retirement
 - death in service
 - long term sickness
 - maternity, paternity and adoption leave
- include as a minimum: insurance, servicing and maintenance, breakdown cover and accident management;
- work proactively with the Buyer to market and promote the Salary Sacrifice Car Scheme throughout the life of the Call-Off Contract.

3.13 Alternative Schemes

3.13.1 The Supplier shall provide alternative schemes, which may include but are not limited to the provision of Net Deduction Schemes, when requested by the Buyer or where these provide better value for the Employee User.

3.13.2 The Supplier shall:

- ensure that the scheme is fully compliant with all applicable legislation
- provide the option for risk mitigation when requested by the Buyer and this could include, but is not limited to:
 - termination of employment through resignation, redundancy or retirement
 - death in service
 - long term sickness
 - maternity, paternity and adoption leave
- include as a minimum: insurance, servicing and maintenance, breakdown cover and accident management;
- work proactively with the Buyer to market and promote the scheme throughout the life of the Call-Off Contract.

3.14 Management of private user schemes (Lot 1 only)

3.14.1 The Supplier shall undertake the management of private user schemes when requested by the Buyer.

3.14.2 The Supplier shall manage the process for, or provide support to, the Buyer in the provision of all relevant information relating to the submission of P46 (car) and P11D forms to HM Revenue and Customs (HMRC).

3.15 Enhanced Security

3.15.1 Where the Buyer requires enhanced security in addition to the security requirements

detailed in the Core Terms Clause 14 “Data Protection” and Clause 15 “What you must keep confidential”, this will be detailed as part of the Call-Off Contract.

3.15.2 This may include, but is not limited, to the requirement to keep the Buyer’s details anonymous and in some cases adopting a pseudonym for use by the Supplier and their subcontractors in order to protect the identity of the vehicles and their drivers.

3.15.3 The Supplier shall ensure all enhanced security requirements apply to the Supplier, their subcontractors and agents.

3.15.4 The Supplier shall comply with the Buyer’s personnel vetting policy and standard operating procedures.

3.15.5 The Supplier shall provide a list of personnel who will access the Buyer’s data and are involved in the delivery of the services to the Buyer, including third parties.

3.15.6 The Supplier shall notify the Buyer in writing of any changes to the allocated personnel within 5 working days and the new personnel will only be granted access to the Buyer’s data and/or vehicles upon satisfactory vetting clearance from the Buyer.

3.15.7 The Supplier shall ensure that they and all third party repairers’, service providers and suppliers apply adequate and proper security controls and conform to the Buyer’s enhanced security requirements when in temporary possession of the Buyer’s vehicles and any other asset requiring this level of security.

3.16 Fleet Optimisation

3.16.1 The Supplier shall provide advisory services when requested by the Buyer. This may include, but is not limited to:

- optimisation of the Buyer’s fleet in relation to financial and operational performance
- transition of the Buyers fleet to electric or other low emission fuel types
- development of the Buyer’s Fleet Policy in order to meet policy goals and government targets for future legislative standards

3.17 Fuel Card Management

3.17.1 The Supplier shall implement a process for the management of the Buyer fuel cards when requested by the Buyer. This includes but is not limited to:

- liaison with fuel card suppliers to ensure effective operation of the fuel card scheme
- cancellation of cards with the fuel card supplier immediately upon notification of loss or theft
- issue of new and replacement cards to the driver

3.18 Telematics

3.18.1 When requested by the Buyer, the Supplier shall facilitate the provision of a telematics system for the Buyer’s fleet.

3.18.2 The Supplier acknowledges and agrees that should the Buyer require their own telematics system to be installed into the vehicles, all installation and removal of equipment will be carried out within the provisions set out by the Supplier.

3.19 Electric Vehicle Charging and Supplementary Services

3.19.1 The Supplier shall facilitate the supply of electric vehicle charging equipment when requested by the Buyer. This may include, but is not limited to, the supply and installation of the charging equipment and ancillary products such as charging cables.

3.19.2 When requested by the Buyer, the Supplier may provide supplementary services which support the operation of alternatively fuelled vehicles.

3.20 Supply and/or Use of Leased Vehicles outside of the UK

3.20.1 The Supplier shall provide the Contract Hire of vehicles with or without maintenance at any geographical location when requested by the Buyer.

3.20.2 The Supplier shall allow vehicles to be taken outside of the UK mainland when requested by the Buyer, in accordance with the requirements set out in Framework Schedule 22 (Lease Terms).

3.21 Data hosting

3.21.1 When requested by the Buyer, the Supplier must ensure that the Buyer's data is hosted within the defined geographical area specified by the Buyer. For example, the UK - European Economic Area (EEA), a country deemed adequate by the European Commission, or in the US were covered by Privacy Shield.

3.22 Gain Share

3.22.1 The Supplier acknowledges and agrees that the Buyer may require a commercial model to financially incentivise the Supplier to reduce the overall costs of operating their fleet, whilst maintaining or improving the operational performance to be developed.

3.22.2 The Buyer may require a methodology to be developed and agreed with the Supplier as part of their Call-Off Contract.

DGFS Additional Deliverables**Profit Share**

DGFS will require the Supplier to carry out a profit and loss calculation for each vehicle following its return, the calculation should include:

- Disposal proceeds less written down value (as at point of disposal)
- Reasonable disposal costs
- Early termination charges if applicable
- End of Hire damage charges if applicable
- Excess or credit mileage charges
- Actual SMR expenditure less the budgeted amount (as stated in the Particulars of Hire)
- The calculation will be: Disposal proceeds less written down value less disposal costs plus Early termination charges, if applicable less End of Hire damage charges, if applicable plus Excess mileage charges less credit mileage charges +/- difference between actual SMR expenditure less the budgeted SMR amount.

Where a vehicle's sale price exceeds its CAP clean value, the difference between the achieved sale price and the CAP clean value will be used in the profit share calculations.

At the end of financial year, the Supplier shall, within one month, submit to DGFS a report detailing the profit and loss on all vehicles returned during that year. Subject to all other quality and continuous improvement measures being met any net profit shall be shared between the Parties, any net loss shall be carried forward and deducted from any net profit produced by subsequent annual reports. In the event of there being no further annual reports, any net loss shall be absorbed by the Supplier. Any sums due to DGFS under this provision shall be paid to DGFS by the Supplier within 30 days of the issue of the aforesaid production of the report.

For the avoidance of doubt, DGFS requires annual mileage pooling. The mileage pooling is a stand-alone transaction which must be completed before any profit share reconciliation. DGFS acknowledges that the output from this pooling arrangement will be taken into account within any subsequent profit share calculation reconciliation.

3.23 Mobility as a Service (MaaS)

- 3.23.1 The provision of a full end to end MaaS solution is outside the scope of this agreement, however when requested by the Buyer, the Supplier shall participate in the Buyer's Mobility as a Service (MaaS) programme. The Buyer's requirements will be specified and agreed as part of the Call-Off Contract.

3.24 Consolidated Invoicing

- 3.24.1 The Supplier shall provide consolidated invoicing where required by the Buyer. The Buyer's exact requirements will be specified as part of their Call-Off competition.

DGFS Additional Deliverables

3.24.1 additional wording; The Supplier shall provide consolidated invoicing where required by the Buyer "with sufficient information to identify costs per vehicle, departments and third-party suppliers. Separate consolidated invoicing for other Defra partners will be required in a similar format to that for DGFSs and will be agreed at implementation".

To be received by a pre-determined date within the month. Invoicing and payment schedule will be agreed with the supplier at implementation.

3.25 Additional Mandatory Account Services for DGFS

DGFS Additional Deliverables

3.25.1 Spirit of the Contract

In all respects, this contract shall operate on a partnership basis. There shall be full "open book" reporting on both sides of all aspects of the services provided. Problem solving shall be approached on a shared responsibility basis. In particular, the Supplier shall commit to proactively seek out continuous improvement to the service levels and suggest process and other improvements to reduce cost, improve safety or environmental performance to Defra Group.

The Supplier should also commit to supporting Defra Group in achieving, and where possible exceeding, its fleet related strategic and environmental objectives, including our supply chain. These are detailed within the appendices and may be updated throughout the life of the contract. This will be achieved through Supplier Performance Measures (SPMs) and regular Operational, Tactical and Strategic reviews with our procurement and fleet representatives. The Supplier shall facilitate these reviews and provide fleet intelligence, benchmarking, expert advice, consultation and evidence of cost and environmental efficiencies. All parties shall adhere to the principles of continuous improvement, sustainable development and lifecycle impact reduction.

DGFS Additional Deliverable**3.25.2 Account Management**

The Supplier shall before signing the Contract confirm to DGFS the name and contact details (including email address and telephone number) of the Account Manager for this contract. The nominated Account Manager shall have a minimum of two years relevant industry experience, be competent and able to provide evidence managing similar size fleets with preference being shown for those able to evidence longer continuous experience of managing similar size fleets. The Supplier shall also ensure that a Deputy Account Manager is appointed and their name and contact details (including email address and telephone number) are provided to DGFS prior to any period of the Account Manager's unavailability and absence. The Supplier shall ensure that the Deputy Account Manager has the same powers, authority, and responsibilities as the Account Manager.

The named Account Manager shall oversee the operation of all the services and provide expert advice on the development and management of the vehicles supplied to DGFS, which may include some of its existing fleet.

The Account Manager and the account management team shall as a minimum be required to:

- Ensure that all the services utilised by DGFS are delivered in accordance with the specification herein and associated SLAs
- Manage complaints and issues through to resolution including escalating as appropriate
- Capture and monitor the service satisfaction levels determined by DGFS and put plans in place where levels fall below an acceptable level
- Develop, implement and monitor issue resolution and rectification / improvement plans
- Develop, maintain and monitor a continuous improvement (CI) plan.
- Collate and consolidate Management Information (MI) reports, which will include data collected for the monitoring and reporting of the contract. It shall include mutually agreed Performance Indicators (PI) measured and compared against previously collected data.
- Collate and consolidate Business Intelligence (BI) that combines raw data feeds from internal and external sources, into meaningful and useful information used to enable more effective strategic, tactical, and operational insights and decision-making.
- Review MI and BI outputs and recommend/take appropriate action to ensure the efficient operation of our vehicle fleet at all times
- Develop strategies with quantifiable evidence designed to:
 - Generate further cost savings and commercial opportunities
 - Deliver efficiencies through streamlining processes and procedures
 - Achieve continuous improvement in environmental and safety performance
 - Improve customer experience
- Maintain and update documentation where required for example insurance certificates, V5's
- Promote, deliver and communicate transparency of pricing and predicted and actual savings
- A quarterly written communication which includes details of any changes, improvements, risks, issues, complaints, concerns and future plans.
- 2 strategic meetings per year to review overall performance and discuss future requirements and priorities
- 3 performance review meetings per year which will focus on delivery of the contract and performance against SPMs (supplier performance measures), these will be agreed at implementation.
- On a more regular basis DGFS will require operational meetings to appraise operational performance.
- Ad-hoc meetings as required

DGFS Additional Deliverables**3.25.3 Exit Plan**

As part of the Implementation Plan, DGFS will require a draft Exit Plan to be made available to include how the services and vehicles will be transitioned to a new provider along with supporting information to enable the service transition.

DGFS will require information to be provided on the vehicle fleet, existing processes and procedures along with any other information to enable the service to be tendered.

DGFS Additional Deliverables**3.25.4 Business Intelligence Reports**

The Supplier shall operate and maintain appropriate systems, processes and records to ensure that at all times it can deliver timely and accurate Business Intelligence reports to DGFS. This may require a data warehousing solution to accommodate any internal or external data feeds (e.g. external telematics data) for inclusion or analysis purposes. This facility will be free to access and use.

The Supplier shall provide quarterly and annual Business Intelligence reports which will detail how DGFS can improve any and all aspects of its fleet including cost savings, operational efficiencies, and safety improvements and comparisons. The content, structure, layout and frequency of the Business Intelligence reports will be mutually agreed prior to implementation.

These reports may be required separately for each Defra body that accesses the contract until such times as fleet policies and processes have been unified.

All business information shall be provided with industry benchmark comparisons where available. DGFS may require the supplier to provide standard industry business intelligence, such as standard scheduled maintenance cost data, incident repair cost data and forecasted residual value data from recognised sources such as, but not limited to CAP or Glass's. The provision of Business Intelligence and data reporting/management shall be included within the management fees/overheads.

DGFS Additional Deliverables**3.25.5 Fleet Development**

DGFS have a requirement to constantly challenge current behaviours and costs with regard to the operation of its vehicle fleet.

DGFS will require information and guidance from the Supplier to identify and implement opportunities to develop its fleet's financial, environmental and operational performance. This may include, but not be limited to:

- Undertaking fleet audits/analysis
- Reviewing and creating fleet policies
- Reviewing vehicle choices
- Providing technical support in designing and developing converted/modified vehicles
- Ensuring the fleet is tax efficient, sustainably managed and fuel efficient
- Undertaking whole life cost and budget analysis
- Fleet emissions reporting and projections
- Driver profiling
- Benchmarking of current practices against market best practice
- Identifying and implementing cost reduction, safety, environmental and customer service strategies
- Review of arrangements in other Defra bodies

DGFS will require advice regarding any new Road Traffic Acts/fleet related policies or systems that contribute to efficiencies across the fleet; achieving sustainability targets; or ensuring DGFS meets its legal obligations.

DGFS Additional Deliverables**3.25.6 Supplier Performance Measures**

DGFS will require the supplier to meet minimum service levels and performance measures (**see Call-Off Schedule 14 – Service Levels**) and report performance against agreed measures monthly. Any failure of a SPM will result in a service credit commensurate with the level of failure to be agreed during implementation.

The SPMs and service credit mechanism will be further developed with the successful supplier during implementation.

DGFS Additional Deliverables**3.25.7 Supply Chain Management**

DGFS are committed to improving health, safety, and sustainability performance of all its activities and expect its Suppliers to be equally committed to improving the performance of all activities undertaken through this contract.

Prior to selecting subcontractors within the national network, they must demonstrate a robust health, safety, and environmental management culture and be competent and trained to deliver the requirements of this contract. This includes, but is not limited to, having appropriate policies, procedures and risk assessments, pollution prevention processes and controls.

The Supplier must communicate the DGFS health, safety and sustainability requirements throughout their supply chain, partners and wider organisation. They must share and communicate best practice/lessons learned, new innovations and current performance with DGFS in all areas that are relevant to this contract quarterly via management reporting and relevant meetings.

The supplier shall fully support a sustainable Small and Medium Enterprise (SME) supply chain that reflects current and future sustainable procurement practice and the market.

The Supplier must ensure that directly and through their subcontractors that they improve their health and safety performance and reduce their environmental impact over the duration of the contract at all lifecycle stages. The supplier will be asked to put together a plan and demonstrate how improvements are being achieved.

Further details of our Health and Safety, and Sustainability principles are detailed in **Appendices 6 and 4** CHECK that will be updated throughout the life of the contract. The Supplier shall produce a supply chain map, within three months of contract award, to understand the environmental impact of their supply chain and to identify opportunities to improve sustainability through contract management.

DGFS Additional Deliverables**3.25.8 Quality Control and Inspection**

The Supplier shall undertake quality audits, of a minimum of 30% of their service provider supply chain network, commensurate to their relevant contract value used to deliver this framework, per annum. These must include, but not be limited to; work quality, staff competence, Health and Safety, product training, environmental performance. Evidence and results of these audits must be supplied to DGFS annually, with action plans for any noncompliance or operational improvements.

DGFS reserve the right to suspend and/or remove specific service providers where competency or work quality falls below its safety standards. DGFS shall have the right to inspect any work being undertaken pursuant to the contract. DGFS shall also have the right, without prior notice, to inspect any replaced parts or other materials (whether service exchange or not) within a period of 10 days following the maintenance event. If any parts are or materials are identified as unsuitable or faulty the Supplier is responsible for the rectification and costs of replacement.

DGFS shall also have the right to carry out tests and analysis of any parts, other materials, lubricants and fluids used where necessary for the above purposes, the Supplier shall ensure that DGFS will have access to any premises used to carry its works.

The Freight Transport Association (FTA) will be the relevant organisation to appoint in the event of a requirement to nominate an independent arbiter.

DGFS Additional Deliverables**3.25.9 Issue Resolution**

The Supplier shall ensure that any issues or complaints received directly from DGFS are acknowledged and priority agreed.

The Supplier shall proactively work to seek a resolution of the issue or complaint and provide progress updates to DGFS and/or the driver until a satisfactory resolution which is mutually acceptable to the parties involved has been agreed.

- The Supplier shall provide comprehensive reports on all issues/complaints to DGFS on a monthly basis.
- The reports shall contain the following information:
 - Date received
 - Name of Department
 - Name of complainant
 - Contact details of complainant
 - Nature of complaint
 - Actions taken to resolve the complaint
 - Date of resolution

The supplier commits to develop, implement and monitor issue resolution and rectification / improvement plans. DGFS will define any additional requirements during the implementation and the term of the Framework Agreement and Call-Off Agreement.

DGFS Additional Deliverables**3.25.10 Customer Satisfaction**

The Supplier shall ensure that a robust and comparable customer satisfaction process is in place to record and report the performance of contract performance this may include but not be limited to:

- Quote to order
- Vehicle delivery
- Re allocations
- Vehicle maintenance
- Vehicle breakdown
- End of contract damage
- Early terminations

The supplier will commit to delivering a robust plan for supporting and measuring how they will support drivers on the road to selecting and driving an electric vehicle.

DGFS Additional Deliverables**3.25.11 Business Continuity Management**

The Supplier shall produce and provide to DGFS a robust Business Continuity, Contingency and Disaster Recovery Plan during the implementation period, which ensures that the fulfilment of the goods and services described in this specification, are not interrupted. The Supplier shall annually review and maintain these plans. The Supplier shall maintain its readiness to deal with unplanned events in accordance with the business continuity principles including managing a continuous service throughout extreme weather events and operation of ISO22301 or equivalent throughout the Term of this Framework Agreement and until the expiry of the Call-Off Agreement.

3.26 Additional Mandatory Vehicle Services for DGFS

DGFS Additional Deliverables

3.26.1 Vehicle Safety and Quality

DGFS require vehicles to meet the latest safety and environmental standards and require the supplier to proactively advise on the application of new or forthcoming safety and environmental initiatives, including, but not limited to CO₂ and NO_x. This advice should be presented with all cost implications identified and solutions fully researched.

The focus of all vehicles supplied should be fit for purpose, zero or ultra-low carbon, improved air quality and enhanced safety wherever economically viable.

DGFS Additional Deliverables

3.26.2 Safety Critical Incidents

DGFS record all safety critical incidents and near misses within its internal Health & Safety reporting system, EcoOnline, which allows our staff to report accidents, near misses and hazards. Safety Critical Incident (SCI) refers to a more significant safety incident which the Supplier will be expected to support via an in-depth review of a reported incident.

DGFS will review all SCI / EcoOnline incidents relating to fleet assets and will expect the Supplier to support these investigations and supply information, or evidence requested, within two working days of request.

Where EcoOnline or SCI incidents require an extended investigation or the services of an external party or specialist to enable the Supplier to report on the full details of the incident the reporting deadline will be extended to 14 working days.

Further details are included in **Appendix 6 (Health & Safety)**.

DGFS Additional Deliverables

3.26.3 Ergonomic Adaptations

The Supplier shall provide specialist advice (directly or via third party) and hire solutions for drivers with specific ergonomic or other specialist needs. These may be vehicles with simple adjustments such as enhanced lumbar support or automatic transmission to more complex vehicle adaptations to suit specific driver needs.

The supplier will be expected to provide short-term hire solutions whilst long-term vehicles are sourced within 21 days of an initial request from DGFS.

DGFS Additional Deliverables**3.26.4 Vehicle Registration (for ad hoc vehicle purchases)**

DGFS will require vehicle V5's to be registered to the Supplier's address c/o DGFS or the Defra partner. The V5 documents should be held by the Suppliers but DGFS will require access / copies to be made available upon request.

DGFS require that, throughout the duration of the lease period, applicable vehicles supplied have a current and date-valid road fund licence and are registered as such with the DVLA, unless otherwise advised by DGFS.

DGFS require contingency arrangements to be implemented in the event that road fund licences are not available when required, in order to mitigate any risks for failure to hold a valid Road Fund Licence.

DGFS Additional Deliverables**3.26.5 Statutory Off-Road Notification (SORN)**

DGFS will require the Supplier to proactively manage the SORN process on its behalf for any owned vehicles.

DGFS Additional Deliverables**3.26.6 Vehicle Recalls**

Where required the Supplier shall inform DGFS of any vehicle recalls, modifications and Health & Safety notices within one working day of receipt of such a notification in relation to any affected vehicles.

The Supplier shall ensure that all repairs relating to a recall are managed effectively, and that costs are not passed on to the Customer.

DGFS will require escalation and notification of any vehicle recalls that have not been completed via weekly reports.

The Supplier shall provide a free of charge vehicle, where requested, and available, for the duration of the recall. The replacement vehicle should meet any driver licence restrictions, or driver specified health and safety requirements.

For vehicle recalls where an operationally suitable vehicle is required, and requested, but the free of charge vehicle is not suitable, the Supplier shall provide a low cost operationally suitable hire vehicle for the duration of the repair, subject to prior approval by DGFS. DGFS reserve the right to source these short-term hire vehicles from its Vehicle Hire contract.

As a maximum, hire rates should be comparable to, or better than, CCS vehicle hire Framework.

The supplier shall ensure that it is able to provide a collection and delivery service to those drivers who request it.

DGFS Additional Deliverables**3.26.7 Operator Licence**

Where DGFS lease a Commercial Vehicle subject to Operator Licence requirements it will require any legislative requirements for the operation of any vehicles subject to Goods Vehicles (Licensing of Operators) Act 1995, as amended, to be fulfilled by the Supplier with the necessary process and procedures established to ensure such requirements are met.

Requirements may include but not be limited to the Road Traffic Act 1988 as amended, and Goods Vehicles (Licensing of Operators) Act 1995 as amended.

DGFS' requirement to ensure compliance with legislation may include but is not limited to:

- identification of vehicle usage and the type of Operators Licence required;
- schedule and arrange service maintenance and provide records;
- schedule and arrange tachograph analysis/calibration when required; and,
- check speed restrictors, if applicable.

DGFS Additional Deliverables**3.26.8 P11D**

DGFS will require all information relating to the reporting of annualised P11D values to be managed directly with its relevant Payroll and Finance section or a point of contact agreed with DGFS, in format requested by DGFS, retained and provided upon request.

DGFS Additional Deliverables**3.26.9 Insurance Documents**

Where DGFS does not self-insure, it will require the Supplier to maintain a record and hold copies of insurance certificates, hard copy or electronic to be confirmed at implementation, on our behalf. The certificates are to be made available upon request by DGFS.

DGFS will require the Supplier to ensure all demonstration and hire vehicle minimum insurance requirements are met on our behalf.

Where vehicles are to be used outside of the UK, DGFS will require the necessary travel documentation to satisfy all legal requirements, to be sourced and distributed at its request.

DGFS Additional Deliverables**3.26.10 Reallocation Vehicles**

The Supplier is required to provide a costed set of options and processes to support the DGFS requirement for reallocation of vehicles before the end of their lease to maximise utilisation and reduce costs.

DGFS require a process for the collection of such vehicles, storage, where necessary, for an agreed period, and refurbishment to the BVRLA Fair Wear and Tear standard relevant to vehicle type, and onward delivery to another driver. These costs need to be compared against other options, such as early termination before seeking approval to classify it as a reallocation vehicle and environmental impact of logistics needs to be factored into the calculations.

DGFS will require a summary of all reallocation costs as part of its monthly reporting with clear indication of extent of previous damage and associated refurbishment costs.

Where a pool of reallocated vehicles exists, consideration should be given to utilise them as short-term pre-lease vehicles where it can be proved the most cost-effective solution and less environmental impact through utilisation.

The Supplier shall record the condition of any vehicle upon collection, preferably supported by photographic evidence, and be liable for any damage or accident incurred during collection, transportation, storage and delivery of leased vehicles.

Any vehicles with less than a year remaining on the lease should not be reallocated.

4 Deliverables for Lot 3 – Independent Fleet Management Services

A summary of the scope of Lot 3 is outlined in paragraph 2.2. The mandatory Deliverables for Lot 3 are described below in sections 4.1 to 4.20 and the desirable Deliverables are described in sections 4.21 to 4.32.

Mandatory Deliverables

4.1 Supply of Fleet Management Services

4.1.1 The Supplier shall provide fleet management services to the Buyer. These services:

- cover the full lifecycle of the vehicle from acquisition to disposal
- ensure that the Buyer's operational fleet is managed efficiently and effectively, both in terms of costs and operational delivery.
- ensure that the Buyer's fleet complies with legislation relating to the operation of their vehicles and duty of care
- effectively manages the risks associated with the fleet management services
- seeks to optimise the operational efficiency of the Buyer's fleet
- support the transition of the Buyer's fleet to zero emission vehicles in line with Government policy and targets

4.1.2 The Supplier shall provide the services as specified in the Buyer's Call-off Contract. These services may include, but are not limited to:

- vehicle acquisition and disposal/remarketing
- Service, Maintenance and Repair (SMR)
- accident management
- driver training
- fleet benchmarking
- grey fleet management
- fuel and fuel cards
- risk management

4.1.3 The Supplier shall manage the Buyer's existing owned and leased fleet vehicles when requested and agreed as part of the Call-Off Contract.

4.1.4 The Supplier shall undertake supply chain management throughout the duration of the Buyer's Call-Contract to ensure that continuity of supply is maintained, and any specified KPI's in the Call-Off Contract, and industry quality standards.

4.1.5 The Supplier shall liaise with the Buyer's incoming or legacy fleet supplier where required, in order to coordinate service delivery, transition services or in the action of any other relevant fleet activity.

4.1.6 The Supplier agrees that any other terms or conditions (whether or not consistent with the terms of this Call-Off Contract) contained or referred to in any correspondence or documentation submitted by the Supplier, which is not part of the Framework Contract or is elsewhere implied by custom, practice or course of dealing does not apply.

4.2 Vehicle Sourcing and Acquisition

4.2.1 When acquiring vehicles, the Supplier shall source the Buyer's requirements as follows:

- **Leased Vehicles** using Lots 1 and 2a and 2b of this Framework Agreement as an independent fleet management provider, unless better value from alternative sources can be demonstrated.
- **Purchased Vehicles** from the RM6244 Purchase of Standard and Specialist Vehicles framework or any other subsequent commercial arrangements unless better value from alternative sources can be demonstrated.
- **Hired and Flexible Rental Vehicles** from the RM6265 Vehicle Hire framework or any other subsequent commercial arrangements unless better value from alternative sources can be demonstrated.

4.2.2 Vehicle Orders

- 4.2.2.1 The Supplier acknowledges and agrees that the Buyer may obtain their own vehicle quotations from the CCS Fleet Portal, place their own orders and then pass the subsequent vehicle management to the Supplier.
- 4.2.2.2 The Supplier shall cooperate with the Buyer's other suppliers in all aspects of the sourcing requirement in order to provide full visibility to the Buyer.
- 4.2.2.3 The Supplier shall ensure that they have a process in place for receiving, checking, amending and confirming orders received from the Buyer.
- 4.2.2.4 The Supplier shall provide updates on the progress of the order at a frequency agreed with the Buyer when the order is placed.
- 4.2.2.5 The Supplier shall ensure that any additional costs that have been identified, due to an order amendment will be communicated to the Buyer.
- 4.2.2.6 The Supplier shall ensure that any manufacturer price decreases during the quotation period are passed to the Buyer in full.

4.3 Delivery of Vehicles

- 4.3.1 The Supplier shall deliver vehicles to any address within the UK, as specified in the Order
- 4.3.2 The Supplier shall ensure that all vehicles are supplied and delivered in accordance with the requirements specified in the Order.
- 4.3.3 The Supplier shall ensure the safe and secure delivery of all vehicles to the Buyer.
- 4.3.4 The Supplier shall provide a list of all Supplier personnel requiring admission to Buyer premises, in advance of the delivery date when requested by the Buyer, including any additional information that the Buyer may reasonably require.
- 4.3.5 The Supplier shall ensure that pre-delivery inspections, including the supply and fitting of number plates, are carried out on all vehicles supplied pursuant to this Framework Contract.
- 4.3.6 The Supplier shall ensure that the following are provided to the Buyer at the point of delivery:
- vehicle handbook or equivalent;

- two sets of keys;
- service log book or access to an equivalent electronic mechanism;
- driver information pack including, but not limited to, the driver Support Services contact number as outlined in 4.5.6; and
- safety pack including, but not limited to, a warning triangle and high visibility jacket.

4.3.7 The Supplier shall ensure that all vehicles meet showroom standards of cleanliness and are delivered to the Buyer at the point of delivery (unless otherwise specified or agreed with the Buyer) with:

- no more than 100 miles on the odometer;
- sufficient fuel or battery charge for electric vehicles to travel 40 miles
- the appropriate vehicle excise duty (VED) valid for 12 months, unless otherwise specified by the Buyer; and
- without defects

4.3.8 The Supplier shall ensure that a handover is provided for all vehicles, which shall include:

- providing a full explanation of the controls and features of the vehicles;
- completing and signing a delivery sheet or electronic equivalent which provides confirmation that appropriate checks have been undertaken and confirmation that operating instructions have been given; and
- providing a hard or electronic copy of the delivery sheet to the Buyer.

4.4 **Vehicle Off-hiring**

4.4.1 The Supplier shall ensure that the lease provider collects the vehicle from the agreed collection point at the expiry or termination of the Lease Period within five (5) Working Days after the expiry or termination of the Lease Period, and at the lease provider's cost.

4.4.2 The Supplier shall manage the return process for any vehicles that have been leased through a third party.

4.4.3 The Supplier shall ensure that processes are in place to certify any additional costs to the Buyer as a result of the de-fleeting process.

4.4.4 The Supplier shall ensure that any additional costs are appropriately challenged and validated in order to secure best value for the Buyer.

4.5 **Service, Maintenance and Repair (SMR) – SMR included in the Lease**

4.5.1 The Supplier shall source a vehicle with SMR included in the lease via Lot 1 or Lot 2a or 2b of this agreement and in accordance with the Buyer's requirements, when requested by the Buyer.

4.5.2 The Supplier shall:

- proactively manage the routine servicing, planned maintenance and reactive mechanical repairs for the Buyer's fleet, and any other additional services required

- to maintain operational effectiveness and ensure that vehicles are roadworthy
 - facilitate the provision of SMR for leased vehicles with the lease provider
 - ensure conformance to safety and legal requirements and the Buyer's Fleet Policy, including the management of MOTs and other regulatory testing
 - proactively minimise downtime and optimise vehicle availability
- 4.5.3 The Supplier shall ensure that full operating service history logs for all vehicles are maintained and copies provided to the Buyer upon request.
- 4.5.4 The Supplier shall provide a variety of processes to book and schedule vehicle maintenance and services such as MOTs, including, but not limited to:
- direct with a dealer
 - direct through a dedicated service helpline
 - online system or mobile applications
- 4.5.5 The Supplier shall undertake effective maintenance cost control and ensure that the appropriate processes and controls are in place to certify that the SMR costs and SMR related costs represent best value for money for the Buyer.
- 4.5.6 The Supplier shall ensure that driver support, including roadside assistance, is available 24 hours a day, 7 days a week, 365 days a year through a dedicated point of contact.
- 4.5.7 Warranty and Post-Warranty Repairs**
- 4.5.7.1 The Supplier shall pursue all warranty and post-warranty claims relating to the vehicles on behalf of the Buyer.
- 4.5.7.2 The Supplier shall ensure that SMR coverage is provided at the most appropriate and cost effective locations in relation to the Buyer's requirements and that the vehicles can be maintained, serviced and repaired as efficiently and effectively as possible.
- 4.5.7.3 The Supplier shall ensure that all repairs are undertaken by a network of repairing agents and fully comply with recognised industry standards.
- 4.5.7.4 The Supplier shall undertake effective maintenance cost control and ensure that the appropriate processes and controls are in place to certify that both direct and related SMR costs represent best value for money for the Buyer.
- 4.5.7.5 The Supplier shall investigate any maintenance, repair or invoice that is not to the Buyer's satisfaction and shall arrange for any necessary remedial work to be carried out at no additional cost to the Buyer.
- 4.5.7.6 The Supplier shall ensure that specialist maintenance services are provided, such as overnight availability, where required by the Buyer.
- 4.5.7.7 The Supplier shall ensure that the Buyer is notified in the event of driver error, misuse, or other behaviour which has resulted in repairs being required to be made to a vehicle.
- 4.5.8 Courtesy Vehicles**
- 4.5.8.1 The Supplier shall ensure that a courtesy vehicle is provided in the event of pre-arranged routine service, maintenance and repair where the Buyer has

provided 14 calendar days' notice of the requirement.

4.5.9 Relief Vehicles

4.5.9.1 When the Buyer has included the requirement for a relief vehicle as part of the lease or the fleet management contract, the Supplier shall ensure that a replacement vehicle is made available to the Buyer in the event of unplanned maintenance or repair.

4.5.9.2 Where the Buyer has not included a relief vehicle as part of the lease or the fleet management contract, the Supplier shall ensure that a daily rental vehicle is provided, at a cost to be agreed with the Buyer.

4.5.10 Tyres

4.5.10.1 The lease provider is responsible for the cost of replacement tyres during the lease period, except where such replacement is due to the lack of care or abuse of the tyre by the Buyer and/or driver. The Supplier shall notify the Buyer of any exceptions that will result in additional costs.

4.5.11 MOT Management

4.5.11.1 The Supplier shall provide the Buyer with an effective and efficient process for the management of the renewal of MOT's in order to minimise vehicle downtime.

4.5.11.2 The Supplier shall provide sufficient notification and reminders to the Buyer prior to the MOT due date to enable arrangements for vehicle testing to be made.

4.5.11.3 The Supplier shall provide a reminder to the Buyer 48 hours prior to the vehicle's MOT scheduled due date, if the vehicle does not have a MOT booked.

4.5.11.4 The Supplier shall provide immediate notification to the Buyer of any vehicles without a valid MOT in place.

4.5.11.5 The Supplier shall provide immediate notification to the Buyer of any vehicles which have failed an MOT test and the required remedial and retest requirements.

4.6 Service, Maintenance and Repair (SMR) – SMR not included in the Lease

4.6.1 The Supplier shall source a vehicle without SMR included in the lease via Lot 1 or Lot 2a or 2b of this agreement and in accordance with the Buyer's requirements, when requested by the Buyer.

4.6.2 The Supplier shall ensure that the Buyer has the option to utilise the lease provider's support network, or the Supplier's own support network, when necessary, utilising negotiated prices for the service, maintenance and repair of their vehicles. This will be invoiced on an as and when used basis.

4.6.3 When requested by the Buyer, the Supplier shall develop and implement appropriate plans and schedules for the Buyer's leased fleet either directly or via a subcontractor.

4.7 Service, Maintenance and Repair (SMR) – SMR required for the Buyer's owned fleet

4.7.1 The Supplier shall deliver a programme of SMR in accordance with the Buyer's

specification, ensuring that all activities undertaken meet the Buyer's fleet policy and comply with legislative requirements.

4.7.2 The Supplier shall ensure that the Buyer has the option to utilise the Supplier's own support network, when necessary, utilising negotiated prices for the service, maintenance and repair of their vehicles. This will be invoiced on an as and when used basis.

4.7.3 The Supplier shall develop and implement appropriate plans and schedules for the Buyer's owned fleet either directly or via a subcontractor.

4.8 Breakdown, Roadside Assistance and Recovery Services

4.8.1 The Supplier shall provide services for recovery and breakdown repair 24 hours a day 365 days per year (366 days in a leap year). This shall include, but is not limited to:

- services at the Buyer or driver's home address
- roadside assistance within the UK including the vehicle being towed to a garage if it cannot be fixed at the roadside
- national recovery where the vehicle and load will be towed to a location specified by the Buyer within the UK
- assistance to passengers in order to enable them to complete their onward journey or to an identified location within the UK

4.8.2 The Supplier or their nominated sub-contractor shall attend breakdowns of standard specification vehicles under 3.5 tonnes within 2 (two) hours from the initial request, unless otherwise agreed with the Buyer.

4.8.3 The recovery and breakdown repair services for converted vehicles, vehicles with special requirements, specialist vehicles or vehicles above 3.5 tonnes should be agreed by the Buyer and Supplier prior to award of the Call-Off Contract.

4.8.4 The Supplier shall provide the Buyer with a vehicle recovery and breakdown service overseas, as part of European breakdown cover.

4.9 Downtime Management

4.9.1 The Supplier shall ensure that vehicle downtime is minimised and proactively managed to ensure that vehicle availability is optimised in order to reduce the impact to the Buyer and/or the driver of the vehicle. This applies to all aspects of the management of the Buyer's fleet, including when vehicles are receiving SMR services.

4.9.2 The Supplier shall notify the Buyer in the event that a vehicle is to be retained beyond its anticipated downtime. The Supplier shall ensure that the delays are:

- communicated to the Buyer
- minimised and proactively managed to reduce the impact to the Buyer and/or the driver of the vehicle

4.10 Vehicle Movement and Distribution

4.10.1 The Supplier shall relocate a vehicle to a specified geographical location at the Buyer's request.

- 4.10.2 The Supplier shall ensure that the vehicle is collected within 48 hours of the Buyer's request and delivered to the specified destination the following working day, or as agreed with the Buyer.
- 4.10.3 The Supplier shall carry out vehicle inspections to ensure the vehicle is in a roadworthy condition prior to transportation when requested by the Buyer.
- 4.10.4 The Supplier shall transport vehicles using their own insurance provisions and shall be liable for any damage incurred during the transportation. The Supplier shall provide fleet management services to the Buyer to ensure that optimum efficiencies in the operation of the Buyer's fleet are obtained.

4.11 Vehicle Disposal and Decommissioning

- 4.11.1 The Supplier shall provide a disposal service for any of the Buyer's vehicles that have been outright purchased when requested by the Buyer.
- 4.11.2 The Supplier shall ensure that liveried vehicles are appropriately, decommissioned and disposed of in such a way as to be unidentifiable to their former function and therefore unable to be used for unauthorised or terrorist activity.
- 4.11.3 The Supplier shall ensure that a vehicle is removed from their fleet management system and charges are immediately adjusted once notification of vehicle disposal has been received.
- 4.11.4 The Supplier shall ensure that all vehicles are disposed of in the most effective manner to maximise revenue.
- 4.11.5 The Supplier shall return any funds received from the disposal of a vehicle to the Buyer within 5 working days via an agreed method of payment, unless otherwise agreed with the Buyer.
- 4.11.6 The Supplier shall retain records relating to the disposal of all vehicles and make these available to the Buyer upon request.

4.12 Condition and Damage

- 4.12.1 The Supplier shall undertake effective cost control and ensure that damage costs, including end of contract damage charges, are validated in line with the British vehicle Rental and Leasing Association (BVRLA) guidelines in order to represent best value for money for the Buyer. The BVRLA guidelines can be accessed via the following link: <https://www.bvrla.co.uk/guidance/fair-wear-tear.html>
- 4.12.2 The Supplier acknowledges and agrees that photographic evidence of damage to vehicles shall be provided to the Buyer where the total value exceeds £500, unless otherwise agreed at call-off.
- 4.12.3 The Supplier shall ensure that there is a process in place to inform the Buyer and the driver within 48 hours of being notified that a manufacturer has to recall a vehicle ensuring that the process is managed effectively and no costs are passed on to the Buyer.

4.13 Accident and Claims Management

- 4.13.1 The Supplier shall provide an accident and claims management service for vehicles when requested by the Buyer.
- 4.13.2 The Supplier acknowledges and agrees that the accident and claims management service may extend to vehicles that are outside the scope of vehicles under fleet

management such as those being leased from a third party or on daily rental by the Buyer.

- 4.13.3 The Supplier shall provide a full uninsured loss recovery service where requested by the Buyer. This service should include, but is not limited to, the management of all aspects of the claim including the recovery of repair, replacement vehicle and administration costs from third parties to full resolution.
- 4.13.4 The Supplier shall provide a detailed breakdown of the accident and claims management process to the Buyer.
- 4.13.5 The Supplier shall be the first point of contact and at all times remain responsible for the satisfactory conclusion and handling of all activity relating to the management of vehicle incidents and liability claims, whether against the Buyer or a third party
- 4.13.6 The Supplier shall provide a solution that ensures that the security requirements for covert vehicles and/or their drivers are addressed when required by the Buyer.
- 4.13.7 The Supplier shall provide a free telephone service 24 hours a day, 365 days a year with sufficient capacity to handle, manage and prioritise calls from drivers.
- 4.13.8 The Supplier shall provide an online facility for the reporting of accident damage and claims.
- 4.13.9 The Supplier shall liaise with the Buyer's insurer or nominated representative at all times and undertake all administration tasks associated with the progression of the claim and repair process in a timely manner to ensure that vehicle downtime is minimised.
- 4.13.10 The Supplier shall ensure that third party costs are minimised and at all times endeavour to mitigate the risks to the Buyer, including the use of systems to monitor cost control.
- 4.13.11 The Supplier shall use an approved network of repairing agents who shall ensure that all repairs are in accordance with recognised industry standards, for example British Standards Institute (BSI) PAS125.
- 4.13.12 Following an incident where the vehicle is still in a drivable condition, the Supplier shall ensure that:
 - an estimate to rectify any damage is undertaken by an approved repairer;
 - arrangements for the repairer to contact the Buyer and/or driver within 24 hours of the accident being reported to the Supplier to undertake an estimate are made.
- 4.13.13 Following an incident where the vehicle is not in a drivable condition, the Supplier shall ensure:
 - the safe recovery of the driver and any passengers to their preferred destination; or
 - the provision of a replacement vehicle for up to 48 hours at no cost to the Buyer.
- 4.13.14 The Supplier shall investigate any repair that is not to the Buyer's satisfaction and arrange for any necessary remedial work to be carried out at no additional cost to the Buyer.
- 4.13.15 The Supplier acknowledges and agrees that the period of time relating to when a vehicle is declared a total loss will be determined by the Buyer in line with their own

policy or their insurer's terms and conditions.

4.13.16 The Supplier shall notify the Buyer immediately if the cause of an accident is due to a fault in the vehicle and inform the Buyer of any further action required to ensure the safety of other vehicles in the Buyer's fleet.

4.13.17 The Supplier shall ensure that any claim from a vehicle hire company is validated and processed within 30 calendar days of receipt in order to avoid any additional charges to the Buyer.

4.13.18 The Supplier shall ensure that, in the event of an accident, relief vehicles are provided and managed where the Buyer has included this as part of their service requirements.

4.13.19 The Supplier shall provide a range of reports to the Buyer which provide:

- information at an individual incident level;
- uninsured loss recovery;
- an overview of the Buyer's accident and claims history;
- areas for investigation and/or intervention by the Buyer.

4.14 Insurance Management

4.14.1 When requested by the Buyer, the Supplier shall manage all processes and procedures to ensure that vehicles are fully insured at all times.

4.14.2 The Supplier shall maintain all records relating to insurance certification when requested by the Buyer.

4.14.3 The Supplier shall manage the Motor Insurance Database (MID) on behalf of the Buyer when vehicles are on hire or lease in excess of 14 continuous calendar days.

4.15 Vehicle Theft

4.15.1 In the event that a vehicle is reported stolen, the Supplier shall notify the necessary parties which includes, but is not limited to, the Buyer's insurer or nominated representative, lease supplier, DVLA and MIAFTR.

4.15.2 The Supplier shall liaise with the Buyer's insurer or nominated representative until a full resolution is achieved. The Supplier shall notify the Buyer or lease supplier of any agreed settlement figure within 48 hours of the agreement being reached.

4.15.3 The Supplier acknowledges and agrees that the period of time relating to when a stolen vehicle is declared a total loss will be determined by the Buyer in line with their own policy or their insurer's terms and conditions.

4.15.4 In the event that a vehicle is reported stolen, the Supplier shall:

- notify the relevant insurer, driver and vehicle Licencing Agency (DVLA) and the Motor Insurance Anti-Fraud Theft Register (MIAFTR)
- manage the claims process to its conclusion where required by the Buyer

DGFS Additional Deliverables

If after 21 calendar days, the vehicle has still not been recovered, DGFS shall be notified by the Supplier.

The Supplier shall agree a settlement figure with the appropriate insurer, or in the case of self-insurance the relevant bodies representative and notify this to them.

4.16 Fines, Penalties and Charges

- 4.16.1 The Supplier shall provide a payment solution and process for the payment of fines and penalty charges within the specified payment period to the prosecuting authority.
- 4.16.2 Where the Buyer and/or the driver successfully contests the fine or penalty charge directly with the prosecuting authority, the Supplier shall refund the charge back to the Buyer or driver as appropriate.
- 4.16.3 The Supplier may charge an administration fee for managing the payment solution as set out in Framework Schedule 3 (Framework Prices).
- 4.16.4 The Supplier shall be responsible for the payment and resolution of fines when incurred by personnel driving a vehicle on behalf of the Supplier and/or Subcontractor.

4.17 Fuel Card Management

- 4.17.1 The Supplier shall implement a process for the management of the Buyer fuel cards when requested by the Buyer. This includes but is not limited to:
 - liaison with fuel card suppliers to ensure effective operation of the fuel card scheme;
 - cancellation of cards with the fuel card supplier immediately upon notification of loss or theft;
 - issue of new and replacement cards to the driver.

4.18 Fleet Management System

- 4.18.1 The Supplier shall provide the Buyer with access to information regarding the operation of their fleet through an online management system.
- 4.18.2 The Supplier shall ensure that all applicable data in relation to the Buyer's fleet is populated on the system. This includes, but is not limited to, information provided by third party suppliers.
- 4.18.3 The Supplier shall ensure that the operation of the system is fully tested prior to the commencement of the services to be provided to the Buyer.
- 4.18.4 The Supplier shall provide full training to the Buyer on the use of the Fleet Management System.
- 4.18.5 The Supplier shall ensure that all data held within the system is held securely and complies with GDPR requirements as set out in Joint Schedule 11 (Processing Data).
- 4.18.6 The Supplier shall ensure that access to the Fleet Management System is restricted to named individuals from the Buyer.
- 4.18.7 The Supplier shall ensure that access to the Fleet Management System is available at all times.
- 4.18.8 The Supplier shall ensure that no less than 48 hours' notice is provided to the Buyer in the event that scheduled maintenance or any other requirement will prevent access to the system.

- 4.18.9 The Supplier shall provide a Fleet Management System support service to the Buyer.
- 4.18.10 The Supplier shall provide appropriately encrypted reports offline to the Buyer in the event that access to the Fleet Management System is unavailable due to technical or security issues.

DGFS Additional Deliverables

DGFS will require an online system capable of being accessed, as a minimum, via its approved Internet browser, providing relevant information to the operation of our fleet and the provision of vehicle lease quotations.

It is the responsibility of the Supplier to obtain the relevant data from us regarding the vehicle fleet and populate the system with this information. DGFS will require the Supplier to test the operation of the system with this data before the commencement of the services are to be provided.

The Supplier will provide a seamless transfer of our data to any future supplier at the end of the contract period. All data within the system shall be held in a secure manner with access restricted only to named staff at prescribed locations. This information should be held separately for each Defra body that accesses the contract.

As a minimum the database shall contain the following with relevant dates / times: -

- Driver name and unique identifier (employee number)
- Driver home and work address, contact telephone number and email address
- Driver vehicle history including all pre lease, hired and reallocated vehicles by registration
- Vehicle details including costs and contributions
- P11D, emissions & CAP ID data
- Maintenance history including all scheduled & non-scheduled events

The system shall have the security capability to hold data at an OFFICIAL level, and a sub set level of OFFICIAL SENSITIVE to restrict access to certain information where required by DGFS. The system shall provide access to relevant driver and vehicle historical information and shall be available to DGFS at all times.

The uploading of new information relating to the operation of our fleet shall be undertaken no more than 24 hours following its receipt. DGFS require no less than 48 hours-notice before any planned maintenance is required to the system that results in the prevention of its use.

An IT support service is required within the working hours to support our use of the system. Where operational issues occur, a resolution is required within 24 hours of first report. Where DGFS cannot gain access to an online solution due to technical or security issues the Supplier shall provide regular reports as required by DGFS.

DGFS will require the ability to interface IT systems between the supplier and DGFS. The supplier shall produce a Security Management plan (as per the CCS Framework Agreement). This may need to suitably be adjusted and reviewed from time to time and if optional services are taken up, commensurate with the threats to and nature of the data being protected.

The supplier shall demonstrate in the Security Management Plan how they comply with HMG Security Policy and the Cloud Security Principles:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/255910/HMG_Security_Policy_Framework_V11.0.pdf

<https://www.gov.uk/government/publications/implementing-the-cloud-securityprinciples/implementing-the-cloud-security-principles>

This should include but not limited to:

How the supplier will carry out pen tests (by a CREST or CHECK company) and DR test out annually and take remedial action for any issues found.

The supplier will confirm process for ongoing maintenance to keep systems up to date, to identify and remediate faults and vulnerabilities, and respond to security incidents against which it will report to DGFS quarterly.

A single point of contact is required for telephony for all services to be delivered under this contract provided by a customer service contact dedicated team. The Supplier IT systems will have the ability to interface with DGFS internal IT systems. The Supplier IT systems will track all services and transactions delivered within this contract, which will be subject to regular audit by DGFS.

The Supplier shall ensure that driver support, including roadside assistance, is available 24 hours a day, 7 days a week, and 365 days a year through a dedicated single point of contact. DGFS require driver queries to be responded to within 24 hours and resolved within five working days and weekly operational reporting is required regarding the time taken to resolve these queries.

4.19 Duty of Care and Risk Management

4.19.1 Risk Management Strategy

4.19.1.1 When requested by the Buyer, the Supplier shall support the delivery of the Buyer's risk management strategy in relation to their fleet, as agreed as part of the Call-Off Contract. This may include but is not limited to:

- advising the Buyer on their statutory obligations
- risk profiling of drivers to identify those that represent the lowest and highest risk
- supporting the Buyer to design and develop strategies, organisational policies and remedial activities to address identified risks
- developing and implementing robust systems, processes and procedures to ensure compliance with organisational policies
- supporting the Buyer with the development of employee guidance or

other supporting materials

- undertaking or supporting regular audits of policy, processes, procedures and systems
- developing or contributing to the Buyer's Strategy documentation

4.19.2 Driver Licence Checks

4.19.2.1 The Supplier shall undertake driver licence checks when requested by the Buyer as part of the Call-Off Contract. This shall include, but is not limited to:

- implementing a process for the regular checking of driver licences and their correct entitlement to drive at a frequency appropriate to the driver risk profile, industry best practice and/or the Buyer's Fleet Policy
- ensuring that all legislative standards are met regarding informed consent from the employee and that the holding of driver licence data is held securely and complies with GDPR requirements as set out in Joint Schedule 11 (Processing Data).
- providing timely management information regarding driver licence compliance issues such as penalties and disqualifications
- providing an audit trail of all checks undertaken

4.19.3 Driver Training

4.19.3.1 The Supplier shall provide a programme of driver training when requested by the Buyer as part of the Call-Off Contract.

4.19.4 Grey Fleet Management

4.19.4.1 The Supplier shall provide an effective fleet management solution to support the Buyer to manage their grey fleet vehicles and drivers and comply with all relevant legislation. This may include, but is not limited to:

- mileage reporting
- managing and reporting driver and vehicle details
- vehicle excise duty (VED) renewal reminders
- insurance data capture

4.20 Managing the Buyers Account

4.20.1 Contract Management

4.20.1.1 The Supplier shall manage the Buyer's Contract in accordance with Call-Off Schedule 15 for "Call-Off Contract Management".

4.20.1.2 The Supplier shall ensure that all relevant documentation relating to the Buyer's fleet operation is maintained and updated at all times.

4.20.1.3 The Supplier's Account Manager shall work proactively and with the Buyer to develop strategies and initiatives to:

- secure cost savings
- determine more effective and innovative ways of working to deliver efficiencies relating to fleet operation, fleet profile or the procedures in place to manage the Buyer's account
- improve environmental efficiencies
- support the Buyer in meeting internal or Government policy standards (for example the Government Fleet Commitment)

4.20.1.4 The Supplier shall monitor the mileage of the Buyer's vehicles and make recommendations' which may include, but are not limited to, re-utilisation of the Buyer's vehicles, contract term variation and/or contract mileage variation.

4.20.1.5 If the Supplier identifies that a vehicle lease is forecast to exceed its contracted mileage limit by 20% or more by the end of the contract term, and the Buyer confirms that the pattern of usage will continue, the Supplier may impose a variation to the Buyer's Lease Contract Terms for the remaining period based on the revised forecast. This may include a variation to the Rental Payments as agreed with the Buyer.

4.20.1.6 The Supplier shall provide access to a Helpdesk and/or online support facility for supporting the Buyer with queries or complaints regarding the services provided under the Call-Off Contract. Unless agreed with the Buyer, this shall be available from 9am to 5pm, Monday to Friday and exclude bank holidays.

4.20.1.7 The Supplier shall ensure that the Helpdesk telephone number is Freephone or does not charge users more than a basic rate, local rate or national rate telephone number.

4.20.1.8 The Supplier shall ensure that they have clear processes in place to maintain consistent levels of service during periods of peak demand.

4.20.2 Management Information

4.20.2.1 The Supplier shall provide Management Information reports to the Buyer in accordance with the requirements specified in the Call-Off Contract/Order.

4.20.3 Benchmarking

4.20.3.1 The Supplier acknowledges and agrees that the Buyer may undertake independent benchmarking reviews of the prices for the Goods and/or Services supplied, as set out in Call-Off Schedule 16 (Benchmarking).

4.20.3.2 The Supplier shall provide full transparency of their pricing for Goods and/or Services in order to support any benchmarking activity requested by the Buyer.

4.20.4 Implementation and Transition of Services

4.20.4.1 The Supplier shall produce an implementation plan when requested by the

Buyer. This should include, but not be limited to:

- key activities and management of the implementation period of the contract;
- resources allocated by the Supplier.

4.20.4.2 The Supplier shall provide an exit plan prior to the end of the contract when requested by the Buyer. This should include, but not be limited to:

- how services and vehicles will be transitioned to a new Supplier;
- the provision of information regarding the existing fleet, processes and procedures and any other relevant information which are necessary to transition the service.

4.20.4.3 The Supplier shall work with the Buyer's existing Suppliers and any other third parties in order to effect a seamless transition of service. This includes, but is not limited to:

- the validation and transition of existing fleet data;
- staff training on systems and processes.

4.20.5 Data Management

- 4.20.5.1 The Supplier acknowledges that Joint Schedule 11 (Processing Data) applies to the processing of personal data under this Framework Contract.
- 4.20.5.2 The Supplier shall not disclose any data to a third party without the prior written consent of the Buyer.
- 4.20.5.3 The Supplier shall ensure that all data is held securely for the duration of the Call-Off Contract and provided to the Buyer, or their nominated Supplier, on expiry of the Call-Off Contract or for a period agreed as part of the Call-Off Contract.
- 4.20.5.4 The Supplier shall ensure that a suitable back-up system for data is in place to support the Buyer's business continuity and audit requirements.

Desirable Deliverables

4.21 Salary Sacrifice Car Schemes

- 4.21.1 The Supplier shall provide a salary sacrifice car scheme when requested by the Buyer.
- 4.21.2 The Supplier shall:
- ensure that the scheme is fully compliant with all applicable legislation
 - provide the option for risk mitigation when requested by the Buyer and this could include, but is not limited to,
 - termination of employment through resignation, redundancy or retirement
 - death in service
 - long term sickness
 - maternity, paternity and adoption leave
 - include as a minimum: insurance, servicing and maintenance, breakdown cover and accident management;
 - work proactively with the Buyer to market and promote the Salary Sacrifice Car Scheme throughout the life of the Call-Off Contract.

4.22 Alternative Schemes

- 4.22.1 The Supplier shall provide alternative schemes, which may include but are not limited to the provision of Net Deduction Schemes, when requested by the Buyer or where these provide better value for the Employee User.
- 4.22.2 The Supplier shall:
- ensure that the scheme is fully compliant with all applicable legislation
 - provide the option for risk mitigation when requested by the Buyer and this could include, but is not limited to:
 - termination of employment through resignation, redundancy or retirement

- death in service
- long term sickness
- maternity, paternity and adoption leave
- include as a minimum: insurance, servicing and maintenance, breakdown cover and accident management;
- work proactively with the Buyer to market and promote the scheme throughout the life of the Call-Off Contract.

4.23 Fleet Optimisation and Continuous Improvement

- 4.23.1 When requested by the Buyer, the Supplier shall work proactively with the Buyer with the aim of delivering continuous improvement across the Buyer's fleet. This may include, but is not limited to, working with Buyer to
- develop strategies and initiatives to optimise the Buyer's fleet in relation to financial and operational performance through audits, undertaking whole life cost and budget analysis, and benchmarking activities
 - deliver efficiencies relating to the optimisation of the Buyer's fleet operation, fleet profile or the procedures in place to manage the Buyer's account
 - improve environmental efficiencies such as reducing the Buyer's carbon footprint or supporting the transition to low emission vehicles
 - support the Buyer in meeting internal or Government policy standards (for example the Government Fleet Commitment)
 - reviewing vehicle specifications and providing technical support in the design, development or acquisition of converted or modified vehicles
 - supporting the Buyer to review, develop or create their Fleet Policy in order to meet policy goals, government targets for future legislative standards

4.24 Enhanced Security

- 4.24.1 Where the Buyer requires enhanced security in addition to the security requirements detailed in the Core Terms Clause 14 "Data Protection" and Clause 15 "What you must keep confidential", this will be detailed as part of the Call-Off Contract.
- 4.24.2 This may include, but is not limited, to the requirement to keep the Buyer's details anonymous and in some cases adopting a pseudonym for use by the Supplier and their subcontractors in order to protect the identity of the vehicles and their drivers.
- 4.24.3 The Supplier shall ensure all enhanced security requirements apply to the Supplier, their Subcontractors and Agents.
- 4.24.4 The Supplier shall comply with the Buyer's personnel vetting policy and standard operating procedures.
- 4.24.5 The Supplier shall provide a list of personnel who will access the Buyer's data and are involved in the delivery of the services to the Buyer, including third parties.
- 4.24.6 The Supplier shall notify the Buyer in writing of any changes to the allocated

personnel within 5 working days and the new personnel will only be granted access to the Buyer's data and/or vehicles upon satisfactory vetting clearance from the Buyer.

- 4.24.7 The Supplier shall ensure that they and all third party repairers, service providers and suppliers apply adequate and proper security controls and conform to the Buyer's enhanced security requirements when in temporary possession of the Buyer's vehicles and any other asset requiring this level of security.

4.25 Private User Schemes

- 4.25.1 The Supplier shall undertake the management of private usage schemes when requested by the Buyer.
- 4.25.2 The Supplier shall manage the process for or provide support to the Buyer in the provision of all relevant information relating to the submission of P46 (car) and P11D forms to HM Revenue and Customs (HMRC).

4.26 Sale and Leaseback

- 4.26.1 The Supplier shall facilitate and manage a sale and lease back service when requested by the Buyer.

4.27 Data hosting

- 4.27.1 When requested by the Buyer, the Supplier must ensure that the Buyer's data is hosted within the defined geographical area specified by the Buyer. For example, the UK - European Economic Area (EEA), a country deemed adequate by the European Commission, or in the US were covered by Privacy Shield.

4.28 Telematics

- 4.28.1 When requested by the Buyer, the Supplier shall facilitate the provision of a telematics systems for the Buyer's fleet.
- 4.28.2 The Supplier acknowledges and agrees that should the Buyer require their own telematics system to be installed into the vehicles, all installation and removal of equipment will be carried out within the provisions set out by the Supplier.

4.29 Electric Vehicle Charging and Supplementary Services

- 4.29.1 The Supplier shall facilitate the supply of electric vehicle charging equipment when requested by the Buyer. This may include, but is not limited to, the supply and installation of the charging equipment and ancillary products such as charging cables.
- 4.29.2 When requested by the Buyer, the Supplier may provide supplementary services which support the operation of alternatively fuelled vehicles.

DGFS Additional Deliverables

DGFS may require the supplier to provide charge point installation at lease car driver's home address and for the payment of that to recovered monthly via payroll contribution from the driver. This requirement will be subject to an approved process and agreement by DGFS of any proposed sub-contracting.

4.30 Gain Share

- 4.30.1 The Supplier acknowledges and agrees that the Buyer may require a commercial model to financially incentivise the Supplier to reduce the overall costs of operating their fleet, whilst maintaining or improving the operational performance to be developed.
- 4.30.2 The Buyer may require a methodology to be developed and agreed with the Supplier as part of their Call-Off Contract.

4.31 Mobility as a Service (MaaS)

- 4.31.1 The provision of a full end to end MaaS solution is outside the scope of this agreement, however when requested by the Buyer, the Supplier shall participate in the Buyer's Mobility as a Service (MaaS) programme. The Buyer's requirements will be specified and agreed as part of the Call-Off Contract.

4.32 Consolidated Invoicing

- 4.32.1 The Supplier shall provide consolidated invoicing where required by the Buyer. The Buyer's exact requirements will be specified as part of their Call-Off competition.

4.33 Additional Optional Services for DGFS

These optional services may be taken up in part or fully by one or more Defra bodies either at the point of contract award or through a later contract variation. DGFS will require the information (including pricing) to be provided where requested.

DGFS Additional Deliverables

4.33.1 Pre-Lease Vehicles

DGFS may choose for the supplier to proactively manage its pre lease vehicle requirements for new employees, and new drivers to its lease car scheme. The Supplier shall ensure eligibility for continued pre lease is time limited to ordering a new or replacement vehicle within two months unless approved by DGFS.

DGFS will require the use of the most cost-effective vehicle solution, which may include, but not be limited to; a vehicle from its reallocation pool, a short-term hire provided by the supplier or DGFS reserves the right to source these short-term hire vehicles from its Vehicle Hire contract. Any vehicles supplied under this requirement must be closely aligned to the Defra Group car selection policy (i.e. BEV and PHEV options only).

DGFS Additional Deliverables**Staff Purchase/Affinity Schemes**

DGFS may require the Supplier to facilitate an all-employee Affinity Scheme to provide its employees access to cost effective financing options on new vehicles, with the objective to encourage take-up of low environmental impact vehicles. In addition, the Supplier would be encouraged to facilitate the finance, or outright purchase, of used vehicles previously leased by DGFSs from the Supplier. DGFS intends to develop this with the successful supplier and during implementation will require the following:

- Details of any staff purchase or affinity schemes they operate and confirm if all its staff will have access to them
- Where drivers are offered the option to purchase an end of lease vehicle, details of the criteria used to set the purchase value, e.g. CAP clean or average, and detail how access will be facilitated.

5 Deliverables for Lot 4 – Salary Sacrifice Car Schemes

A summary of the scope of Lot 4 is outlined in paragraph 2.2. The mandatory Deliverables for Lot 4 are described below in sections 5.1 to 5.9 and the desirable Deliverables are described in sections 5.10 to 5.18.

Mandatory Deliverables

5.1 Provision of Salary Sacrifice Car Schemes

- 5.1.1 For the avoidance of doubt, for the purposes of Lot 4 the Buyer is the Authority entering into the Call-Off Contract with the Supplier for the Salary Sacrifice Car Scheme and the employees of the Buyer are defined as Employee Users.
- 5.1.2 The Supplier shall ensure that the operation of their Salary Sacrifice schemes are fully compliant with all applicable legislation.
- 5.1.3 The Supplier shall provide salary sacrifice car schemes to the Buyer and will manage the full lifecycle of the vehicle from acquisition to disposal.
- 5.1.4 The Supplier shall implement schemes in line with the Buyer's specified requirements.
- 5.1.5 The Supplier shall support the Buyer to meet their organisational policy and environmental commitments, which may also include their obligations under the Government's Road to Zero targets.
- 5.1.6 The Supplier shall implement Salary Sacrifice Car Schemes free of charge to the Buyer.
- 5.1.7 The Supplier shall support the Ordering procedure (as set out in Framework Schedule 7 (Call-Off Award Procedure)).
- 5.1.8 The Supplier shall work with the Buyer to market and promote the Salary Sacrifice Car Scheme throughout the life of the Call-Off Contract.
- 5.1.9 The Supplier shall ensure that the operation of their Salary Sacrifice schemes are fully compliant with all applicable legislation.

5.2 Web Based Portal

- 5.2.1 The Supplier shall provide a web based portal for employees to access the vehicles available via their salary sacrifice scheme.
- 5.2.2 The Supplier shall ensure that the Portal is capable of hosting all Buyers and their employees, to access the salary sacrifice vehicles available within the Buyer's individual salary sacrifice car scheme.
- 5.2.3 The Supplier shall ensure that the Portal allows employees to only view vehicles which will not sacrifice their earnings below the National Minimum Wage.
- 5.2.4 The Supplier shall configure the portal for each Buyer to allow employees to access vehicles that are only within the defined scope of Buyer's scheme.
- 5.2.5 The Supplier shall ensure that the web-based portal is compatible with Windows and Mac browsers, and will run on handheld iOS and Android devices unless otherwise specified and agreed with the Buyer.
- 5.2.6 **Features and Functionality**
 - 5.2.6.1 The Supplier shall ensure the portal is available twenty four (24) hours a day, three hundred and sixty five, (365) days a year (366 days in a leap year).

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5.2.6.2 When requested by the Buyer, the Supplier shall allow different approaches for registering employees relative to the level of personnel data that the Buyer provides. This may include, but is not limited to:

- registering with only four data fields such as, forename, surname, staff number and work email address;
- registering with individuals staff number only;
- Single Sign On as agreed between the Buyer and Supplier;
- any other method agreed between the Buyer and Supplier;

5.2.6.3 The Supplier shall ensure that the system is secure and encrypted.

5.2.6.4 The Supplier shall comply with any policies the Buyer may have in place regarding eligibility for the scheme. Where this is the case the system shall ensure that ineligible employees will not gain access.

5.2.6.5 The Supplier shall grant access rights to the web-based portal to the Buyer's authorised representatives and Employee Users with appropriate level of permissions and access, to be determined and agreed with the Buyer.

5.2.6.6 The Supplier shall ensure that appropriate processes are implemented to ensure that employees registering as users on the system are verified employees of the Buyer.

5.2.6.7 The Supplier shall ensure that user accounts are password protected.

5.2.6.8 The Supplier shall provide the option for Employee Users to opt out of any marketing communications from the Supplier.

5.2.6.9 The Supplier shall ensure the system provides capability to enter and amend details of Employee Users and their associated orders.

5.2.6.10 The Supplier shall ensure the system is capable of displaying options so that they are easily visible and displayed in a way that makes options clear and easy to compare.

5.2.6.11 The Supplier shall be capable of providing an audit trail to track the activity of Employee Users, when requested by the Buyer.

5.2.6.12 The Supplier shall be capable of setting a limit on the number of vehicles per Employee User and eligible family members in accordance with the Buyer's policy.

5.2.6.13 The Supplier shall ensure that all relevant terms and conditions pursuant to the Salary Sacrifice agreement with the employee are clearly displayed on the Portal and that where any Salary Sacrifice contractual agreement is produced, a record is held for the life of the contractual agreement and for a period thereafter to be agreed with the Buyer.

5.2.6.14 The Supplier shall ensure that all relevant documentation is readily available for the employee to view and/or print at nil cost and a copy must be available to the Buyer.

5.2.7 Implementation, maintenance and Upgrades

5.2.7.1 The Supplier shall ensure that scheduled maintenance which will affect the availability of the web-based portal is undertaken in a way

that minimises disruption and downtime to Employee Users and the Buyer.

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- 5.2.7.2 The Supplier shall, if any supporting action is required by the Buyer to assist the Supplier with a system upgrade, provide full details of the required assistance at least 2 weeks in advance.

5.2.8 **Vehicle Quotations**

- 5.2.8.1 The Supplier shall ensure that all quotations generated by the Supplier remain valid for a minimum of 14 days, subject to manufacturer price increases.

- 5.2.8.2 The Supplier shall ensure that any manufacturer price decreases during the quoting period are passed on to the Employee User.

- 5.2.8.3 The Supplier shall ensure that all vehicle quotations include as a minimum the following information:

- Vehicle Make, model and derivative
- Salary Sacrifice Vehicle Contracted Period
- Annual contracted mileage

- 5.2.8.4 All vehicle quotation pricing should include the following:

- Road Fund Licence
- Routine Service and maintenance costs
- Replacement tyres due to wear and tear
- Vehicle insurance
- Accident Management
- Breakdown assistance and recovery
- MOT where required

5.2.9 **Data Management**

- 5.2.9.1 The Supplier acknowledges that Joint Schedule 11 (Processing Data) applies to the processing of personal data under this Framework Contract.

- 5.2.9.2 The Supplier shall not disclose any data to a third party without the prior written consent of the Buyer.

- 5.2.9.3 The Supplier shall ensure that all data is held securely for the duration of the Call-Off Contract and provided to the Buyer, or their nominated Supplier, on expiry of the Call-Off Contract or for a period agreed as part of the Call-Off Contract.

- 5.2.9.4 The Supplier shall ensure that a suitable back-up system for data is in place to support the Buyer's business continuity and audit requirements.

5.3 **Vehicle Sourcing**

- 5.3.1 The Supplier acknowledges and agrees that they will act as a Requesting

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Body² for eligible Buyers in order to source vehicles from the RM6244 Purchase of Standard and Specialist Vehicle framework, the RM6268 Vehicle Lease, Fleet Management and Salary Sacrifice framework, or any subsequent commercial arrangements provided by Crown Commercial Service.

- 5.3.2 When acting as a Requesting Body on behalf of a Buyer, the Supplier shall ensure that any discount realised by sourcing vehicles through the RM6244 Purchase of Standard and Specialist Vehicle framework or Lot 1 of the RM6268 Vehicle Lease framework is passed in full to the Buyer. The Supplier acknowledges and agrees to provide evidence to the Buyer and/or CCS if requested.

5.4 Vehicle Orders

- 5.4.1 For the avoidance of doubt, each vehicle Order survives the expiration or termination of the Framework Contract.
- 5.4.2 The Supplier shall ensure that all vehicles are brand new and unused, other than for delivery mileage, unless otherwise specified by the Buyer.
- 5.4.3 The Supplier acknowledges and agrees that all vehicles supplied pursuant to this Framework Contract shall be assumed to be right hand drive ("RHD") unless otherwise specified by the Buyer.
- 5.4.4 The Supplier shall ensure that it has a process in place for receiving, checking, amending and confirming orders.
- 5.4.5 The Supplier shall provide updates on the progress of the order at a frequency agreed with the Buyer, when the order is placed.
- 5.4.6 The Supplier shall ensure that any additional costs that have been identified, due to an order amendment will be communicated to the Buyer.
- 5.4.7 The Supplier shall ensure that any manufacturer price decreases during the quotation period are passed to the Buyer in full.

5.5 Delivery of Vehicles

- 5.5.1 The Supplier shall ensure that all vehicles are delivered safely and securely supplied in accordance with the requirements specified in the Order.
- 5.5.2 The Supplier shall ensure that pre-delivery inspections are carried out on all vehicles supplied.
- 5.5.3 The Supplier shall ensure that the following are provided to the employee at the point of delivery:
- vehicle handbook or equivalent;
 - two sets of keys;
 - service log book or access to an equivalent electronic mechanism;
 - driver information pack, or access to an equivalent mechanism, including but not limited to, the driver support services contact number as outlined in 5.7.9;
- 5.5.4 The Supplier shall ensure that all vehicles meet showroom standards of cleanliness and are delivered to the Buyer at the point of delivery (unless otherwise specified or agreed with the Buyer) with:
- no more than 100 miles on the odometer;

² Defined Terms - Joint Schedule 1 (Definitions)

- sufficient fuel or battery charge for electric vehicles to travel 40 miles
- the appropriate vehicle excise duty (VED) valid for 12 months, unless otherwise specified by the Buyer; and
- without defects

5.5.5 The Supplier shall ensure that a handover is provided for all vehicles, which shall include:

- providing a full explanation of the controls and features of the vehicles;
- completing and signing a delivery sheet or electronic equivalent which provides confirmation that appropriate checks have been undertaken and confirmation that operating instructions have been given; and
- providing a hard or electronic copy of the delivery sheet to the Buyer.

5.6 Vehicle Insurance

5.6.1 The Supplier shall provide a fully comprehensive insurance cover with all vehicles unless otherwise agreed with the Buyer as part of the Call-Off Contract.

5.6.2 The Supplier shall provide insurance cover for any additional named drivers when requested by the Buyer as part of the Call-Off Contract. Where this was agreed as part of the Call-Off Contract.

5.6.3 The Supplier shall retain the right to refuse insurance cover for individuals identified as high risk, or fall outside of the scope of their insurance cover.

5.7 Service, Maintenance and Repair

5.7.1 The Supplier shall provide SMR encompassing routine servicing, maintenance and mechanical repairs, and the replacement of consumable parts such as tyres, exhausts and brakes, to ensure conformance to safety and legal requirements.

5.7.2 The Supplier shall provide a variety of processes to book and schedule vehicle maintenance and services such as MOTs, including, but not limited to:

- Direct with a dealer;
- Direct through a dedicated service helpline;
- Online system or mobile applications.

5.7.3 The Supplier shall undertake effective maintenance cost control and ensure that the appropriate processes and controls are in place to certify that the SMR costs and SMR related costs represent best value for money for the Buyer.

5.7.4 Where the vehicle is being maintained and/or repaired the Supplier shall notify the Buyer of any expected downtime of a vehicle.

5.7.5 The Supplier shall be responsible for the cost of replacement tyres during the lease period, except where such replacement is due to the lack of care or abuse of the tyre by the Buyer and/or driver.

5.7.6 The Supplier shall replace tyres once the tread has reached a minimum of 2mm.

5.7.7 The Supplier shall provide sufficient notification and reminders to the Employee User prior to the MOT due date to enable arrangements for vehicle testing to be made.

- 5.7.8 If a vehicle fails an MOT test, the Supplier shall engage with the Employee User to ensure that the required remedial and retest requirements are undertaken. The Supplier shall have a mechanism in place to inform the Buyer of any vehicles that do not have a valid MOT.
- 5.7.9 The Supplier shall ensure that driver support, including roadside assistance, is available 24 hours a day, 7 days a week, 365 days a year through a dedicated point of contact.

5.8 Condition and Damage

- 5.8.1 The Supplier shall undertake effective cost control and ensure that both in-contract and end of contract damage costs are validated in line with the British Vehicle Rental and Leasing Association (BVRLA) Fair Wear and Tear guidelines in order to represent best value for money for the Buyer. The BVRLA guidelines can be accessed via the following link: <http://www.bvrla.co.uk/>
- 5.8.2 The Supplier acknowledges and agrees that photographic evidence of damage to vehicles shall be provided to the Buyer where the total value exceeds £500, unless otherwise agreed at Call-Off.

5.9 Managing the Buyer's Account

5.9.1 Contract Management

- 5.9.1.1 The Supplier shall manage the Buyer's Call-Off Contract in accordance with Call-Off Schedule 15 for "Call-Off Contract Management".
- 5.9.1.2 The Supplier shall ensure that all relevant documentation relating to the Buyer's account is maintained and updated at all times.
- 5.9.1.3 The Supplier shall implement the appropriate processes for the prevention, detection and reporting of fraudulent activity.
- 5.9.1.4 The Supplier shall provide a Helpdesk and/or online support facility for supporting the Buyer's representatives and their drivers with queries or complaints regarding the services provided under the Call-Off Contract. Unless agreed with the Buyer, this shall be available from 9am to 5pm, Monday to Friday and exclude bank holidays.
- 5.9.1.5 The Supplier shall ensure that the Helpdesk telephone number is Freephone or does not charge users more than a basic rate, local rate or national rate telephone number.
- 5.9.1.6 The Supplier shall ensure that they have clear processes in place to maintain consistent levels of service during periods of peak demand.
- 5.9.1.7 The Supplier shall work with the Buyer to determine more effective and innovative ways of working, when requested by the Buyer.

5.9.2 Fines, Penalties and Charges

- 5.9.2.1 The Supplier shall provide a process for the payment of fines and penalty charges within the specified payment period to the prosecuting authority.
- 5.9.2.2 Where the Buyer and/or the driver successfully contests the fine or penalty charge directly with the prosecuting authority, the Supplier shall refund the charge back to the Buyer or driver as appropriate.
- 5.9.2.3 The Supplier may charge an administration fee for managing the payment and recharges of fines, penalties and charges as set out in

5.9.3 Risk Mitigation Solutions

- 5.9.3.1 The Supplier shall provide risk mitigation solutions to cover lifestyle events that may occur during the Employee User's lease contract period. This shall be provided as an option when requested by the Buyer as part of their Call-Off Contract.
- 5.9.3.2 The specific coverage that is offered will be defined by the Supplier and could include, but is not limited to, the following options:
- termination of employment through resignation, redundancy or retirement
 - death in service
 - long term sickness
 - maternity, paternity and adoption leave

5.9.4 Management Information

- 5.9.4.1 The Supplier shall provide Management Information to Buyers in accordance with the terms of each Call-Off Contract.

5.9.5 Salary Sacrifice Reductions, Deductions and Payroll

- 5.9.5.1 The Supplier shall liaise with Buyers and their respective payroll teams and HR teams in setting up processes for Salary Sacrifice reductions.
- 5.9.5.2 The Supplier shall have processes and checks in place to ensure compliance with National Minimum Wage/National Living Wage and Lower Earnings Levels.
- 5.9.5.3 The Supplier shall ensure the Buyer is aware of any new and current legislation on Salary Sacrifice and advise Buyers of its impact on the scheme.
- 5.9.5.4 The Supplier shall notify the Buyer with a list of new employees joining the scheme and who will require Salary Sacrifice reductions to be implemented by the Buyer.
- 5.9.5.5 The Supplier shall provide the Buyer with a schedule at the beginning of each month, or at a point in time agreed with Buyer at the Call-Off stage, shows the reductions and/or deductions that Employee Users are making from their salary on the specified month.
- 5.9.5.6 The Supplier shall provide the Buyer with all information that they are required to provide to HMRC for P46 (Car), Full Payment Submission (FPS) or any other relevant returns.
- 5.9.5.7 The Supplier acknowledges that the Buyer will be responsible for:
- approving vehicle orders
 - setting up payroll reductions and deductions from Employee User's pay
 - annual P11D submissions

5.9.6 Marketing and Promotion of Salary Sacrifice and individual Schemes

- 5.9.6.1 The Supplier shall work proactively with the Buyer to market and

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promote the Salary Sacrifice Car Scheme throughout the life of the Call-Off Contract. This shall be at no further cost to the Buyer.

- 5.9.6.2 The Supplier shall advise Employee Users on the scope of Salary Sacrifice and any eligibility criteria that is applicable to the Buyer's specific Salary Sacrifice Car Scheme.
- 5.9.6.3 When requested by the Buyer, the Supplier shall use management information and customer feedback to assess uptake of the Salary Sacrifice Car Scheme in order to assist the Buyer in promoting the scheme to employees.
- 5.9.6.4 The Supplier shall provide marketing materials designed to appeal to all groups of employees. This shall include information for new employees, guidance on how to use the Portal, the benefits that are available, eligibility criteria, and potential savings.

Desirable Deliverables

5.10 Alternative Schemes

- 5.10.1 The Supplier shall provide alternative schemes, which may include but are not limited to the provision of Net Deduction Schemes, when requested by the Buyer or where these provide better value for the Employee User.
- 5.10.2 The Supplier shall ensure that any alternative scheme complies with all relevant and applicable Mandatory Requirements listed within Lot 4.

5.11 Learner drivers

- 5.11.1 The Supplier shall provide the option for learner drivers to be included as eligible users or as named drivers when requested by the Buyer. This may be at an additional cost to the Employee User.

5.12 Electric Vehicle Charging and Supplementary Services

- 5.12.1 The Supplier shall facilitate the supply of electric vehicle charging equipment when requested by the Buyer, either directly as part of the Salary Sacrifice arrangement or via a third party arrangement where equipment is purchased directly by the Employee User. This may include, but is not limited to, the supply and installation of the charging equipment and ancillary products such as charging cables.
- 5.12.2 When requested by the Buyer, the Supplier may provide supplementary services which support the operation of alternatively fuelled vehicles.

5.13 Novation

- 5.13.1 The Supplier shall facilitate the novation of individual Salary Sacrifice contracts when requested by the Buyer.

5.14 Data hosting

- 5.14.1 When requested by the Buyer, the Supplier must ensure that the Buyer's data is hosted within the defined geographical area specified by the Buyer. For example, the UK - European Economic Area (EEA), a country deemed adequate by the European Commission, or in the US were covered by Privacy Shield.

5.15 Pre-Contract Vehicles

- 5.15.1 The Supplier shall make available the option for a temporary pre-contract vehicle to be provided pending delivery of their ordered vehicle when requested by the Buyer and agreed as part of the Call-Off Contract.

5.16 Purchase of Salary Sacrifice Vehicle by the employee

- 5.16.1 The Supplier shall provide the option for the Employee User to purchase the Salary Sacrifice vehicle when requested.

5.17 Employment termination by the employee

- 5.17.1 The Supplier shall provide support to Employee Users who leave the employment of the Buyer to either return their vehicle, or purchase their vehicle, within the relevant timescales of the lease agreement.

5.18 Customer Administrator Web Portal Access

- 5.18.1 When requested by the Buyer, the Supplier shall ensure that the Portal has the capability to allow Buyers to allocate administrator roles. The scope of the role requirements will be defined and agreed by the Buyer and Supplier at the point of entering into the Call-Off Contract.

6 Legislative and Policy Requirements for All Lots

Mandatory requirements

6.1 Legislative Requirements

- 6.1.1 The Supplier shall ensure that vehicles supplied pursuant to this Framework Contract comply with Type Approval Law, in line with the timeframes specified by the European Community Whole vehicle Type Approval Law (ECWVTA), which is accessible via the following web link:

<http://www.dft.gov.uk/vca/vehicletype/ecwvta-framework-directive.asp>.

- 6.1.2 The Supplier shall provide any relevant information required to assist CCS and/or the Buyer to demonstrate compliance at the point of vehicle production with the requirements of the Clean and Energy Efficient vehicles Directive 2009-33-EC, or any future revised Directive, which is accessible via the following web link:

[Guidelines for the Directive on the Promotion of Clean and Energy Efficient Road Transport Vehicles \(Directive 2009/33/EC\)](#)

- 6.1.3 The Supplier shall ensure that all vehicles produced and supplied pursuant to this Framework Contract conform to all applicable legislation.

6.2 Government Buying Standards

- 6.2.1 The Supplier acknowledges and agrees that in leasing vehicles, central government Buyers are required to conform to the GBS for Transport and, as part of this, the Government Fleet Commitment to transition 25% of cars in central government department fleets to electric/ultra-low emissions (below 50g/km CO₂) by 2022 and 100% of cars and vans to electric by 2027. The GBS focus on encouraging the purchasing and leasing of the cleanest vehicles. The current standards are accessible via the web link:

<https://www.gov.uk/government/publications/sustainable-procurement-the-gbs-for-transport-vehicles/government-buying-standards-for-transport-2017>

- 6.2.2 The Supplier shall assist the Buyer to comply with any new arrangements introduced, if at any point the GBS for Transport and/or Government Fleet Commitment are amended or replaced (whether by enhancement, another agreement or by alternative government arrangements).

6.3 General Policy Requirements

- 6.3.1 The Supplier shall conform to the quality management standards such as

EFQM and ISO 9000 series specified by the Buyer as part of the Ordering procedure.

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6.3.2 The Supplier shall comply with the following, at all times during the term of this Framework Contract and until the last Call-Off Contract expires, where the Supplier owns vehicle assets and/or is responsible for the disposal of vehicles:

- BS EN ISO 14001 Environmental Management System standard or equivalent; and
- the End-of-Life Vehicles Regulations 2003 (as amended) for passenger cars within the M1 category and light commercial vehicles within the N1 category, which is accessible via the following web link: <https://www.legislation.gov.uk/uksi/2003/2635/contents>

6.3.3 The Supplier is required to demonstrate action to identify and manage the risks of modern slavery in the delivery of the contract including in the supply chain, in accordance with Joint Schedule 5 (Corporate Social Responsibility). This includes an understanding of the modern slavery risks and issues affecting the market, industry, sector or country (of origin or of source) relevant to the contract, and the workforce in the Supplier's own organisation and those of its key sub-contractors.

6.4 Carbon Reduction plans

6.4.1 In 2019 the UK Government amended the Climate Change Act 2008 by introducing a target of at least a 100% reduction in the net UK carbon account (i.e. reduction of greenhouse gas emissions, compared to 1990 levels) by 2050. This is otherwise known as the 'Net Zero' target.

6.4.2 The Supplier shall work towards the development of Net Zero Carbon Reduction Plan (CRP) and shall evidence completion of a CRP to CCS within 12 months of the framework award date.

6.4.3 The development and completion of a Carbon Reduction Plan (CRP) will form part of the Supplier's Performance Indicators (PI's) and will be monitored on a regular basis as part of CCS's Supplier Relationship Management programme.

6.4.4 For further information about Carbon Reduction Plans please refer to the recent [Procurement Policy Note \(PPN\) 06/21 \(Taking Account of Carbon Reduction Plans in the Procurement of Major Government Contracts\)](#).

6.5 Sustainability

6.5.1 The Supplier shall support CCS and the Buyer to meet the Government agenda in terms of business sustainability, which requires consideration of commercial needs and making a positive impact on society and the environment, both locally and globally, as detailed in Joint Schedule 5 (Corporate Social Responsibility).

6.5.2 The Supplier shall reduce or continue to reduce the environmental impact of their operations throughout the term of this Framework Contract.

6.5.3 The Supplier shall support the Buyer in meeting their obligations to the Greening Government Commitments, which are accessible via the following web link:

<https://www.google.com/www.gov.uk/government/collections/greening-government-commitments>

DGFS Additional Deliverables

The supplier must support DGFS with the specific sustainability objectives and targets contained within of the DGFS Fleet Strategy (**Appendix 2**) and the EA Sustainability Strategy (**Appendix 3**).
CHECK

6.6 Social Value and Community Benefits

- 6.6.1 The Supplier acknowledges that the Public Services (Social Value) Act 2012 and Procurement Reform (Scotland) Act 2014 places a requirement on Buyers in the wider public sector (such as Local Authorities, NHS and Blue Light services) to consider:
- how the economic, environmental and social well-being of the relevant area may be improved by what is being procured and
 - how, in conducting the procurement, they might act with a view to securing that improvement.
- 6.6.2 In 2020, the [Procurement Policy Note \(PPN\) 06/20](#) was launched which embedded a new model to deliver social value through Central Government's commercial activities. Central Government Buyers must use this Social Value Model to take account of the additional social benefits that can be achieved in the delivery of its contracts, using policy outcomes aligned with the government's priorities.
- 6.6.3 The scope of this Framework supports the delivery of social value and community benefits, both as part of the award of this Framework and at the point of Call-Off.

6.7 Delivering Social Value as part of the Framework Award

- 6.7.1 As part of the tender evaluation of the RM6268 framework, CCS have aligned with the requirements of the Social Value Model by identifying the Social Value priority themes for this procurement and an evaluation methodology for this equating to 10% of the overall marks available on a Pass/Fail basis. This means that all Suppliers on the RM6268 framework will have made a commitment to deliver Social Value as a condition of being awarded a place.
- 6.7.2 CCS believes that signing up to the Driving for Better Business programme will enable Suppliers to contribute towards the following Social Value priority themes for this framework:
- **Covid-19 Recovery** - through the application of the Driving for Better Business Covid-19 Toolkit to help Suppliers plan for and implement the necessary changes in working practices.
 - **Fighting Climate Change** - by adopting driving processes and working practices that reduce your organisational and individual driver's carbon footprint.
 - **Wellbeing** - by understanding the issues related to health and wellbeing and how they influence work-related road risk, and evidencing measures and policies put in place to improve driver behaviour in order to reduce the risk of accidents, injuries and deaths to drivers, passengers and pedestrians.
- 6.7.3 Subscribing to the Driving for Better Business programme is just one way in which Suppliers can contribute to Social Value and CCS acknowledges that Suppliers may be undertaking other activities that contribute to the Social

6.7.4 Driving for Better Business

- The Supplier shall be signed up to the Driving for Better Business programme at the point of Framework RM6268 going live on 16 May 2023. Subscription is free of charge and more information about the programme can be found via the following link: <https://www.drivingforbetterbusiness.com/>
- Driving for Better Business is a Highways England programme to raise awareness of the significant benefits that employers in both the private and public sectors can achieve from managing work-related driving; more effectively. The Driving for Better Business vision is "A world where those who use the roads for work do so safely, efficiently, and sustainably".
- Progression through the Driving for Better Business accreditation stages will form part of the Supplier's Key Performance Indicators and will be monitored on a regular basis as part of CCS's Supplier Relationship Management programme.

6.8 Delivering Social Value as part of the Call-Off

6.8.1 Buyers may include Social Value as part of their award criteria for their Call-Off Contract. The 5 Social Value themes that Buyers may consider are:

- COVID-19 recovery
- Tackling economic inequality
- Fighting climate change
- Equal opportunity and
- Wellbeing

6.8.2 Buyers may choose to use the most appropriate Social Value award criteria and sub-criteria related to their procurement as set out in Framework Schedule 7 (Call Off Award Procedure).

6.8.3 Buyers can access further guidance on the application of the Social Value Model at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/940827/Guide-to-using-the-Social-Value-Model-Edn-1.1-3-Dec-20.pdf

7 Gain Share

Parties

Novuna Vehicle Solutions

Defra Group Fleet Services

Whereas

- A. The parties have entered into the MHA for Novuna to hire vehicles to the Customer and provide services for such Vehicles on a sole supply basis.
- B. The parties will collaborate on a cost saving program, which will aim to reduce the Customer's costs.
- C. The Customer wishes to benefit from a cost savings guarantee should the MHA be extended

- pursuant to its terms.
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- D. In consideration of the Customer performing its obligations under this addendum, Novuna has agreed to provide the cost savings guarantee on the terms set out herein.
- E. Terms defined in the MHA shall have the same meanings herein unless otherwise defined.

1. COST SAVINGS AND GUARANTEE



1.3. Steps to complete prior to payment of the Cost Saving Guarantee:

- 1.3.1. Identify Cost-Saving Initiatives:** the parties collaborating to identify cost-saving initiatives by Novuna submitting potential cost-saving initiatives to the Customer on a quarterly basis for the Customer to approve within 30 days;
- 1.3.2. Financial Modelling of Initiatives:** Novuna modelling the identified cost-saving initiatives in comparison to the Customer's baseline expenditure;
- 1.3.3. Agree Initiatives for Implementation:** the parties agreeing which initiatives are to be selected for implementation;
- 1.3.4. Implement Initiatives:** the parties making the necessary (reasonable) changes to fleet policy and fleet management processes to deliver the proposed savings. If savings are tied to existing fleet contracts, Novuna will seek to deliver these savings as soon as possible;
- 1.3.5. Contract Monitoring:** Novuna tracking cost-savings in line with an agreed tracking mechanism on a quarterly basis, which will be discussed in contract monitoring and management meetings. Novuna will outline each initiative and target versus actual savings to date; and
- 1.3.6. Annual Review:** the parties reviewing progress against the agreed targets during annual review meetings.

1.4. The Customer shall:

- 1.4.1. engage with all discussions/ advances/ initiatives to reduce its fleet expenditure and shall not be unreasonably obstructive during such discussions;
- 1.4.2. not reject any reasonable recommendations proposed by Novuna due to convenience; and
- 1.4.3. not delay the implementation of an initiative beyond 90 days from Novuna' proposal of such initiative.

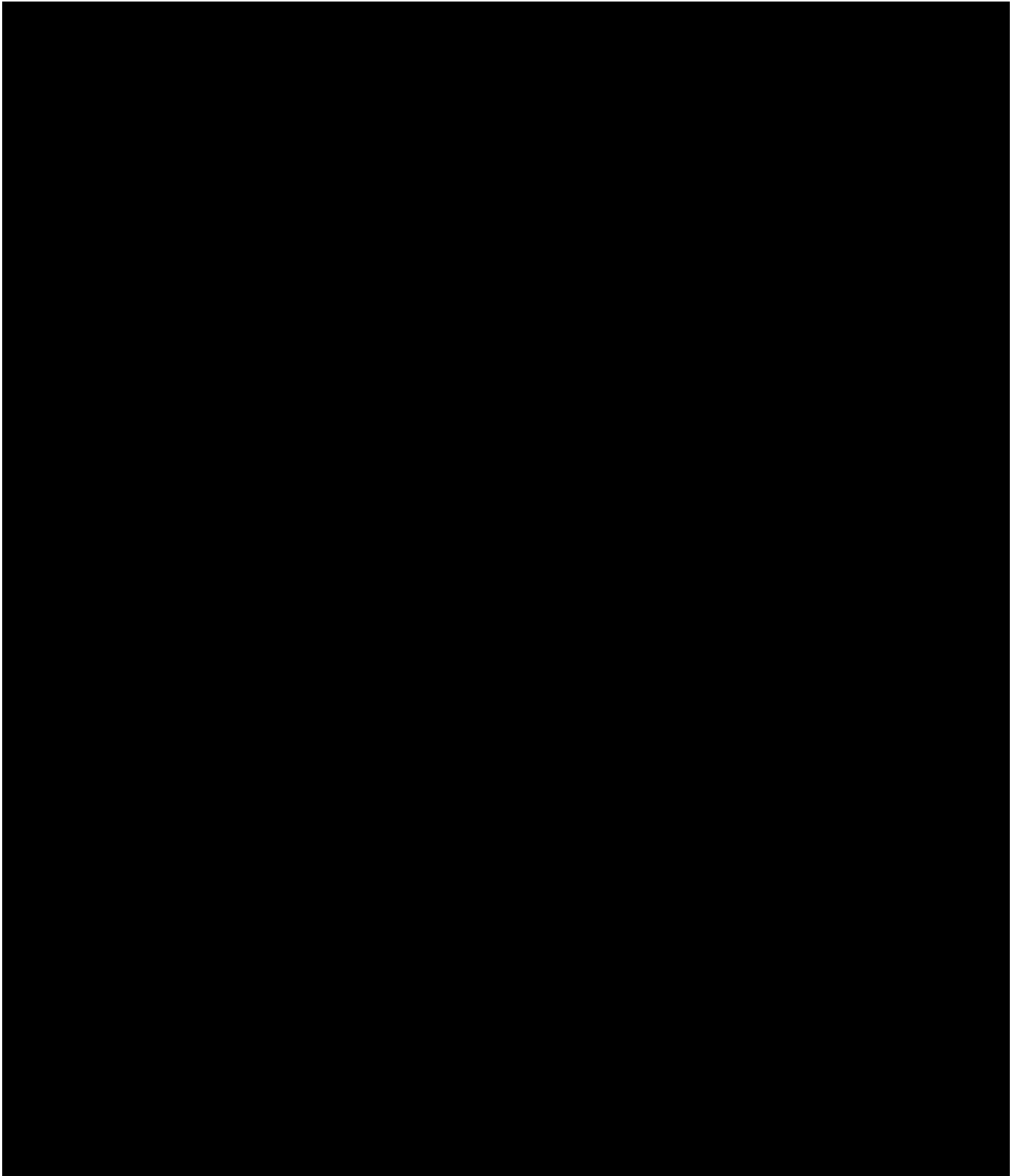
1.5. If the Customer breaches any of its obligations under clause 1.4 above, it shall forfeit its right to receive the Cost Saving Guarantee.

1.6. Novuna will provide the Customer with regular updates on cost savings during review meetings, as per Call-off Schedule 15 of the Framework Contract Ref: RM6260 Vehicle Lease, Fleet Management and Salary Sacrifice Car Schemes for Lot 1, Lot 2, Lot 3 (**Call-off Contract**).

1.7. At the end of each 12-month period, Novuna will provide the Customer with a formal statement of cost-savings to approve in respect of the previous 12 months (**Annual Cost Saving Statement**). The Annual Cost Saving Statements will be used to determine the aggregate cost-savings from the Commencement Date up until expiry of the MHA (**Aggregate Cost Savings**) and thus verify any shortfall payable under clause 1.2, and/or any gain share payable under

2. GAIN SHARE

- 2.1. Both parties shall operate a gain share program with the aim of reducing overall fleet expenditure.
- 2.2. Within 30 days of the Aggregate Cost Savings being agreed between the parties, Novuna shall issue an invoice to the Customer in respect of any amount equal to 30% of the Aggregate Cost Savings in excess of the Cost Saving Guarantee, payable by the Customer within 30 days of receipt of such invoice.

3. AMENDMENT TO CLAUSE 8 OF THE MHA (POOLED EXCESS MILEAGE)

Call-Off Schedule 22 (Lease Terms)

1. Introduction

1.1 The Buyer has decided to lease Equipment under the Framework Contract using Framework Schedule 7 (Call-Off Award Procedure) and has stated its requirement using Framework Schedule 6 (Order Form Template and Call-Off Schedules) including specified Joint Schedules and Call-Off Schedules, this Call-Off Schedule 22 (Lease Terms), the Core Terms and each Equipment Order Form.

2. Definitions

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

"Actual Delivery Date"	the date on which a piece of Equipment is actually delivered to the Buyer;
"Additional Charges"	the amounts so specified in the Call-Off Schedule 5 (Pricing Details) or an Equipment Order;
"Agreement Mileage"	the mileage so specified in the Equipment Order (or such other mileage as the Buyer and the Supplier agree from time to time);
"Delivery Place"	the place for delivery specified in the Equipment Order;
"Due Delivery Date"	the date specified as the due date for delivery of a piece of Equipment in the Equipment Order;
"Early Termination"	when the Equipment Lease Period is terminated before the expiry date.
"Early Termination Charge"	the fee payable by the Buyer to the Supplier in the event of Early Termination.
"Equipment"	those vehicles set out in Framework Schedule 1 - Specification and ordered by the Buyer as may be supplemented in the Call-Off Contract or in an Equipment Order;
"Equipment Lease Period"	in relation to a piece of Equipment, the period commencing on the Actual Delivery Date for that piece of Equipment and ending on the Return Date for that piece of Equipment unless extended or terminated early in accordance with this Call-Off Contract;

Call-Off Schedule 22 (Lease Terms)

Call-Off Ref:

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"Equipment Order"	the method by which the Buyer places their Order with the Supplier;
"Equipment Specific Maintenance"	<ul style="list-style-type: none">(a) normal routine maintenance in accordance with manufacturers' maintenance recommendations, which may be amended from time to time;(b) repairs (including punctures) outside of normal routine maintenance but excluding costs occasioned by wilful damage, neglect, replacement of windscreens or other glass, accident damage or top ups of oil, water, antifreeze, brake and clutch fluids between routine maintenance visits; and(c) tyre, battery and exhaust replacements and any components which wear out due to fair wear and tear during the Lease Period, except where such replacement is occasioned by the lack of care or abuse of the piece of Equipment by the Buyer;
"Excess"	has the same meaning given to it in Clause 9.8.1;
"Excess Mileage Charge"	a sum due to the Supplier when the actual mileage on a piece of Equipment, which is a vehicle, at the end of its Lease Period, is more than the Agreement Mileage;
"Excess/under Mileage"	the difference in mileage between the actual mileage on a piece of Equipment, which is a vehicle, at the expiry of the Lease Period, or on early termination of the lease and the Agreement Mileage;
"Fair Wear and Tear"	has the same meaning given to it as the British Vehicles Rental and Leasing Association (BVRLA) Fair Wear and Tear Guide, the Buyer may request copies from the Supplier from time to time;
"Lease Payments"	the Rentals and Additional Charges (exclusive of any applicable VAT) payable to the Supplier by the Buyer under the Call-Off Contract for the full and proper performance by the Supplier of its obligations under the Call-Off Contract which

Call-Off Schedule 22 (Lease Terms)

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	price must not be greater than the prices provided for in the Framework Contract from time to time;
"Lease Terms"	the terms and conditions of supply and lease set out in this Call-Off Schedule 22;
"Mileage Rebate"	a sum due to the Buyer when the actual mileage on a piece of Equipment, which is a vehicle at the end of its Lease Period, is less than the Agreement Mileage;
"Net Book Value"	the value of a piece of Equipment from time to time being its purchase price (excluding any applicable Road Fund Licence) less an amount equal to the depreciation of the piece of Equipment, calculated on a straight-line basis, at the time a valuation is made;
"Owner"	the person who has title to the Equipment, which may be the Supplier or, where the Supplier is acting as agent for a third party, the Principal.
"Principal"	a third party funder of good standing that provides funds to the Supplier for the purpose of purchasing Equipment for the Supplier to lease to the Buyer
"Rental"	the amount specified in the Equipment Order;
"Return Date"	the date so specified in the Equipment Order or as varied by the application of paragraph 6.4;
"Settlement Sum"	<p>for any piece of Equipment, the aggregate of:</p> <ul style="list-style-type: none">a) the Termination Sum; andb) the Total Loss Value; andc) any difference between the Total Loss Value and the present worth of the asset, represented by the Net Book Value as calculated by the Supplier <p>less</p> <p>any monies actually received and retained by the Supplier as payment from the Buyer's insurers for the Total Loss;</p>

Call-Off Schedule 22 (Lease Terms)

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"Termination Sum"	for any piece of Equipment, the aggregate of: <ul style="list-style-type: none">(a) any Rentals due but unpaid up to the date of termination;(b) any other sum due or to become due to the Supplier hereunder by reason of any breach by the Buyer prior to the date of termination of any of its obligations under the Lease Terms;(c) any prorated Excess Mileage Charge or Mileage Rebate (which shall be a negative amount if there is a Mileage Rebate); and(d) the termination rental charges calculated in accordance with the Call-Off Contract or, if lower, 50% of the Rentals that would have been payable under the Lease Terms but for the termination;
"Total Loss"	any event which, in the opinion of the insurers of the piece of Equipment, renders the piece of Equipment incapable of economic repair if it is lost, stolen or destroyed; and
"Total Loss Value"	the published trade "clean" market value for the month in which the Supplier is notified of the Total Loss.

3. Exclusion of certain Core Terms

3.1 When the Parties have entered into a Call-Off Contract which incorporates the Lease Terms, the following Core Terms are modified in respect of the Call-Off Contract (but are not modified in respect of the Framework Contract):

3.1.1 Clause 3.1.2 does not apply to the Call-Off Contract;

3.1.2 Clause 3.2 does not apply to the Call-Off Contract;

3.1.3 Clause 8.7 does not apply to the Call-Off Contract;

3.1.4 Clause 10.1.2 does not apply to the Buyer extending the Lease Period of any Equipment;

3.1.5 Clause 10.2.2 does not apply to the Buyer terminating the hire of any Equipment; and

Framework Ref: RM6268 Vehicle Lease, Fleet Management and Salary Sacrifice Car Schemes

Project Version: v1.0

Model Version: v1.6

Call-Off Schedule 22 (Lease Terms)

Call-Off Ref:

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3.1.6 Clause 11.3 does not apply where the Buyer must pay a Settlement Sum, a Termination Sum or any amount under paragraph 11 in this document.

4 Equipment Orders

4.1 Each Equipment Order is subject to and incorporates the Lease Terms so that no other terms and conditions which the Supplier tries to impose under any quotation, confirmation of order, delivery note, invoice or similar document are part of the Call-Off Contract.

4.2 The Parties agree that any other terms or conditions (whether or not inconsistent with the terms of this Call-Off Contract) contained or referred to in any correspondence or any documentation submitted by the Supplier which is not part of the Framework Contract or which are elsewhere implied by custom, practice or course of dealing do not apply.

4.3 The Supplier must send a confirmation of the Equipment Order to the Buyer by electronic means (or in any other method as the Parties may agree from time to time) within two working days of receipt of the Equipment Order and the confirmation will confirm the order details including:

4.4.1 a description of the piece of Equipment ordered;

4.4.2 details of any optional extras ordered and any conversion work to be carried out;

4.4.3 the anticipated delivery details; and

4.4.4 the name and address of the Supplier.

4.4 For the avoidance of doubt, each Equipment Order survives the expiration or termination of the Framework Contract.

5 Sale and Leaseback

5.1 The Supplier may agree to provide a sale and lease back service in accordance with the Specification when requested by the Buyer.

6 Hiring Equipment

Lease

6.1 In consideration of the payment of the Lease Payments, the Supplier will hire the Equipment to the Buyer in a timely manner and in accordance the Call-Off Contract and the requirements notified to the Supplier in the Equipment Order.

Call-Off Schedule 22 (Lease Terms)

Call-Off Ref:

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- 6.2 When requested by the Buyer, the Supplier may advise the Buyer on the selection and specification of the Equipment and, where applicable, any conversion work to be carried out in respect of them so as to ensure that the Equipment will be of sufficient quality and suitable for the requirements of the Buyer.
- 6.3 Before the Due Delivery Date of any piece of Equipment the Buyer can amend or cancel and remove that piece of Equipment from the Equipment Order by notifying the Supplier. If the Buyer does cancel all or part of an Equipment Order:
 - 6.3.1 for standard specification vehicles, the Buyer can cancel any Equipment Order or part of any Equipment Order which has not been delivered. The Buyer will pay the Supplier's reasonable and proven costs already incurred on the cancelled Equipment Order as long as the Supplier takes all reasonable steps to minimise these costs, including an attempt to redeploy the ordered Equipment to an alternative customer. Where the Equipment is a vehicle, cancellation terms for converted vehicles or vehicles above 3.5 tonnes should be agreed by the Buyer and Supplier prior to award of the Call-Off Contract;
 - 6.3.2 in all other circumstances the Supplier will take all reasonable steps to allocate the piece of Equipment to an alternative buyer. If the Supplier is unable to re-allocate the piece of Equipment, the Buyer must pay the Supplier any cancellation charges reasonably, properly and proven to be incurred by the Supplier provided that the Supplier can prove to the reasonable satisfaction of the Buyer that the Supplier has taken all reasonable efforts to minimise such charges; and
 - 6.3.3 where the amendment or cancellation of an Equipment Order is directly or indirectly due to the Supplier's failure to comply with its obligations under the Call-Off Contract, the Buyer has no liability to the Supplier in respect of the amendment or cancellation.
- 6.4 If the Buyer wants to keep any piece of Equipment after the expiry of the current Lease Period then the Buyer must give written notice to the Supplier 1 Month prior to the end of the Lease Period and the Supplier must confirm its agreement (which the Supplier cannot unreasonably refuse). The Rentals payable in relation to any extensions of a Lease Period are (unless otherwise agreed between the Parties) calculated:
 - 6.4.1 where the extension is for twenty-eight (28) days or less, proportionately based on the original Rental for the piece of Equipment and the Parties shall agree (such agreement not to be unreasonably withheld or delayed) the revised Agreement Mileage for that vehicle as soon as reasonably practicable; or

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- 6.4.2 where the extension is for more than twenty-eight (28) days, using the same method that was used to calculate the original Rentals.

Delivery and Installation

- 6.5 The Supplier must give the Buyer confirmation of the anticipated Due Delivery Date for each piece of Equipment within five (5) Working Days of receipt of the Equipment Order or within five (5) Working Days of the vehicle manufacturer's confirmation of the Equipment Order, whichever is sooner.
- 6.6 The Supplier will deliver the Equipment to the Delivery Place or as otherwise reasonably directed by the Buyer.
- 6.7 The Supplier will deliver the Equipment to the Buyer in a roadworthy, good working and clean condition on the Due Delivery Date.
- 6.8 If the Equipment is a vehicle, on delivery, the mileage of each piece of Equipment must not exceed one hundred (100) miles unless, due to the nature of the piece of Equipment, it is impractical to do so in which event the Supplier must minimise the delivery mileage and the Supplier must ensure that any delivery mileage is deducted for the purposes of calculating any Excess/under Mileage. On delivery, each piece of Equipment must contain not less than a quarter a tank of fuel and/or sufficient fuel or battery charge for electric vehicles to travel 40 miles.
- 6.9 The Supplier can only deliver Equipment before the Due Delivery Date if the Buyer agrees to early delivery before the Supplier attempts delivery.
- 6.10 Any defects to a piece of Equipment notified to the Supplier by the Buyer must be rectified within fourteen (14) days at no cost to the Buyer.
- 6.11 A piece of Equipment is only delivered once a duly authorised representative of the Buyer signs a delivery note (which quotes the Supplier's order number and full details of the piece of Equipment) to confirm delivery of the Equipment but that signature is not evidence that the Equipment complies with the requirements of the Equipment Order.
- 6.12 If, for any reason, the Buyer is unable to take delivery of a piece of Equipment on or after the Due Delivery Date the Supplier must arrange for the safe storage of the Equipment until actual delivery.
- 6.13 The Supplier must make sure (at its own cost) that each piece of Equipment is delivered in a new and unused condition unless the Buyer requests otherwise. The Buyer can at its sole discretion reject a piece of Equipment which is not in the condition requested and/or in respect of which the delivery note does not include the required information.

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- 6.14 If the Supplier does not deliver a piece of Equipment by the agreed time or specified date then the Buyer can withhold payment of the Lease Payments for that piece of Equipment until the time when the Supplier actually delivers it.
- 6.15 If the Supplier becomes aware that a piece of Equipment cannot be delivered by the agreed Due Delivery Date or if a piece of Equipment is not actually delivered by its Due Delivery Date, the Supplier shall inform the Buyer of the revised delivery date. Where the Buyer has indicated that the timing of delivery is critical, the Supplier must provide an alternative piece of Equipment of the same specification or one with equivalent specification by the Due Delivery Date until the time as the piece of Equipment is actually delivered. If the Supplier cannot supply an alternative piece of Equipment by the Due Delivery Date, the Supplier must meet and promptly refund to the Buyer all and any additional costs incurred by the Buyer for provision of a piece of Equipment of the same specification or one with equivalent specification.
- 6.16 To facilitate delivery and, if applicable, installation, the Buyer must provide all requisite materials, facilities, access and suitable working conditions to enable delivery and, if applicable, installation to be carried out safely and efficiently.

7 Title, Possession And Risk

- 7.1 The Equipment is the property of the Supplier at all time and the Buyer will not have any right, title or interest in or to the Equipment apart from the right to possess and use the Equipment in accordance with the Call-Off Contract.
- 7.2 The Buyer accepts a piece of Equipment by signing a delivery form and the Lease Period for that piece of Equipment starts unless the Buyer notifies the Supplier that the piece of Equipment is not in accordance with the agreed specification or otherwise not in conformity with the requirements of the Equipment Order by telephone and confirmed in writing, email or facsimile within seventy-two (72) hours of delivery.
- 7.3 Should the piece of Equipment not be in accordance with the agreed specification or otherwise not in conformity with the requirements of the Equipment Order, and the Buyer notifies the Supplier of non-acceptance, the Parties will agree a course of action to take.
- 7.4 Except where non-acceptance is due to default of the Buyer, in the event of non-acceptance the Supplier will, at its own expense make an equivalent alternative vehicle in the same SMMT classification group available for use by the Buyer until the time that the Supplier actually delivers an acceptable vehicle to the Buyer. If non-acceptance is due to the default of the Buyer, the Buyer can cancel the part of the Equipment

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Order relating to that piece of Equipment but must pay reasonable cancellation charges to the Supplier.

- 7.5 From the time of acceptance of a piece of Equipment, the Buyer bears the risk of loss or damage to the Equipment however caused and whether insured or not, provided that the Buyer does not bear the risk of loss or damage:

7.5.1 caused by the negligence of the Supplier, its subcontractors or its agents; or

7.5.2 while the Supplier or a subcontractor or agents has possession of the Equipment, including for any maintenance or storage.

- 7.6 The Supplier must give, and must make sure that the Owner gives the Buyer quiet possession of the Equipment and the Supplier warrants that the Buyer can peaceably hold the Equipment throughout the Lease Period free of any interference from the Supplier, the Owner or any person acting through the Supplier.

8 Supplier's Obligations

Maintenance

- 8.1 The Supplier must transfer to the Buyer, so far as is possible, the benefits of any manufacturers' warranties relating to the fitness and performance of the Equipment.

- 8.2 Where the Buyer selects the maintenance option in the Equipment Order, the Supplier is responsible for the costs of:

8.2.1 normal routine maintenance in accordance with manufacturers' maintenance recommendations as amended from time to time; and

8.2.2 any Equipment Specific Maintenance, provided that the costs have been duly authorised by the Supplier and a service outlet approved by the Supplier carries out the maintenance.

- 8.3 If the Supplier replaces any tyre, battery, exhaust or any component which wears out due to fair wear and tear, the replacement must be new and of the same or equivalent specification. Tyre punctures are excluded.

- 8.4 If the Parties agree that the Buyer will pay any additional maintenance or repair costs, the Supplier must advise the Buyer of the costs as soon as practicable which must then be subject to approval in writing by the Buyer and the Supplier must submit an invoice to the Buyer within

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twenty-one (21) days of the cost being incurred, unless the Buyer agrees to pay the additional costs as part of their payment profile, consolidated billing arrangements or as otherwise agreed with the Buyer.

Indemnity

- 8.5 The Supplier indemnifies the Buyer against all reasonable Losses incurred whilst the Equipment is unavailable for use by the Buyer due to a Default or due to the negligence of the Supplier, its servants or agents.

Equipment Collection

- 8.6 At the Supplier's cost, the Supplier must collect the Equipment on the date agreed with Buyer from the agreed collection point upon expiry or termination of the Lease Period. Collection of the Equipment shall be within five (5) Working Days from the expiry or termination of the Lease Period, unless otherwise agreed with the Buyer.
- 8.7 The Buyer must ensure that they make the Equipment available for collection at the time agreed with the Supplier. The Supplier has the right to charge the Buyer an abortive collection fee if the vehicle is not available for collection at the agreed time and/or location and where this has been notified in advance to the Buyer and agreed as part of the Call-Off Contract.
- 8.8 The Supplier must agree a note of the condition and mileage of the Equipment with the authorised representative of the Buyer at the time of collection and state the condition and mileage on an inspection form.
- 8.9 If Supplier does not collect the Equipment at the agreed time and collection point, the Supplier indemnifies the Buyer against all Losses due to the failure to collect the Equipment as agreed.

Relief Equipment

- 8.10 If, whilst in the United Kingdom, a piece of Equipment becomes not fit for any of the purposes for which Equipment of its type is commonly used and the Equipment Order states that the Buyer requires relief Equipment, the Supplier must make relief Equipment available for the Buyer's use within the conditions specified in the Call-Off Contract for a period up to twenty-eight (28) days for any one event.
- 8.11 The Supplier must provide relief Equipment that is, where reasonably possible, a comparable model to the piece of Equipment which has become unfit for purpose.
- 8.12 The Buyer must return the relief Equipment as directed by the Supplier within two (2) Working Days of being informed that the original

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Equipment is fit for all of the purposes for which Equipment of its type is commonly used.

8.13 The Buyer must use and insure the relief Equipment on the terms specified within this Call-Off Contract. Relief Equipment mileage will not be added on to the Agreement Mileage.

8.14 Where a piece of Equipment is withdrawn from service under paragraph 8.9 above, if the Supplier does not provide relief Equipment to the Buyer within five (5) Working Days of withdrawal, the Rentals in respect of that piece of Equipment are suspended and do not resume until relief Equipment has been provided or the Equipment has been returned to the Buyer. The suspension of Rentals is calculated on a daily basis.

Excess / under Mileage

8.15 At expiry of the Lease Period or if the lease of any Equipment is terminated early, where the Equipment is a vehicle, the Supplier must examine the odometer of the vehicle, and in the event of a replacement odometer being fitted, the reading from any previously replaced odometer(s). The Supplier must subtract any delivery mileage from the odometer reading for the purpose of calculating Excess/under Mileage.

8.16 Where the Buyer requires mileage pooling, the Supplier must at the end of the agreed mileage pooling period, calculate the Excess/under Mileage in accordance with each Equipment Order. All Excess/under Mileage for the period will be combined in order to determine whether the Buyer must pay an Excess Mileage Charge to the Supplier or whether the Supplier must give the Buyer a Mileage Rebate. Where there is a balance due from or to the Buyer, the Supplier must issue a consolidated invoice or payment in full settlement, as appropriate, within thirty (30) days.

8.17 Where mileage pooling is not required by the Buyer the Supplier shall calculate the Excess/under Mileage in accordance with its Call-Off Contract, to determine whether the Buyer must pay an Excess Mileage Charge to the Supplier or whether the Supplier must give the Buyer a Mileage Rebate. Where there is a balance due from or to the Buyer, the Supplier must issue a consolidated invoice or payment in full settlement, as appropriate, within thirty (30) days.

8.18 If the lease is terminated early, the relevant proportion of the Lease Period for calculating Excess/under Mileage is the product of dividing the Agreement Mileage by the number of Months on the scheduled Lease Period and multiplying by the number of Months actually leased (to the nearest full Month). The Supplier must issue an invoice within thirty (30) days of the Return Date.

Warranty

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8.19 The Supplier must make available to the Buyer, so far as is possible, the benefits of any manufacturer's warranties relating to the fitness and performance of the Equipment.

9 Buyer's Obligations

Modifications

9.1 The Buyer must not alter, tamper with or modify any Equipment without the Supplier's written consent, which cannot be unreasonably withheld or delayed.

Limits of Use

9.2 While a piece of Equipment is in its control, the Buyer must:

- 9.2.1 keep and operate the Equipment in a suitable environment, use it only for the purposes for which it is intended, and operate it in a proper manner by trained competent staff in accordance with any operating instructions provided by the Supplier;
- 9.2.2 take such steps (including compliance with all safety and usage instructions provided by the Supplier) as may be necessary to make sure, so far as is reasonably practicable, that the Equipment is at all times safe and without risk to health when it is being set, used, cleaned or maintained by a person at work;
- 9.2.3 not overload the Equipment or use it for sub-hire or reward activities, any use for which it was not intended or any form of sporting competition;
- 9.2.4 make sure that only persons qualified to do so operate the Equipment and that each operator holds any necessary permits, including a valid operator's licence or a valid driving licence where appropriate; and
- 9.2.5 not allow the Equipment to be confiscated, seized or taken out of its possession or control under any distress, execution or other legal process, but if the Equipment is confiscated, seized or taken, the Buyer must notify the Supplier and the Buyer must at its sole expense use its best endeavours to procure an immediate release of the Equipment;
- 9.2.6 not do or allow anything to be done which could invalidate the insurances referred to in paragraph 9.10; and
- 9.2.7 not use the Equipment for any unlawful purpose.

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- 9.3 The Buyer must not sell or offer to sell the Equipment and can only part with possession or control of the Equipment to an authorised user in the employment of the Buyer.
- 9.4 The Buyer must not allow to exist any lien nor assign mortgage pledge or otherwise deal with the Equipment in a manner inconsistent with either the Supplier's interest or the Owner's interest in the Equipment.

Total Loss

- 9.5 The Buyer must keep the Supplier fully informed of all material matters relating to the Equipment.
- 9.6 The Buyer must allow the Supplier or its duly authorised representative to inspect the Equipment at all reasonable times and, to enable the Supplier to do so, the Buyer must allow the Supplier access to any premises at which the Equipment may be located, and must grant reasonable access and facilities for such inspection.
- 9.7 If any piece of Equipment is involved in an accident which is not a Total Loss the Buyer must have repairs carried out promptly at the Buyer's own expense by either a retailer holding the franchise for the Equipment or an accredited insurance repair specialist approved by the Supplier. The Buyer is responsible for ensuring that those repairs are properly carried out.
- 9.8 Where a piece of Equipment is declared a Total Loss, the Buyer must notify the Supplier immediately and will continue to be liable for the Rentals for the Equipment until the Supplier receives the Settlement Sum in full. When they receive the Settlement Sum, the Supplier must reimburse the Buyer all of the Rentals paid by the Buyer between the Total Loss notification date and the date of receipt of the Settlement Sum.
- 9.9 Following notification of a Total Loss, the Buyer must pay as soon as reasonably practicable to the Supplier the Settlement Sum in respect of that Equipment on the date specified in the advice of the same sent to the Buyer.
- 9.10 Where the sum received for the Equipment from the Buyer's insurance provider is less than the Settlement Sum, the Buyer is liable to pay to the Supplier the differential amount.
- 9.11 The Supplier may charge an administration fee to the Buyer to cover any reasonable costs incurred in the assessment of the vehicle and the completion of any relevant documentation in relation to the Total Loss process.

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Insurance

9.12 The Buyer must (unless self-insuring):

- 9.12.1 insure the Equipment from the Actual Delivery Date and keep the Equipment insured during the Lease Period and until the agreed date of collection by the Supplier, or its nominated agent to the full replacement value of the Equipment under a fully comprehensive policy of insurance in the name of the Buyer bearing endorsements recording the interest of the Supplier and any other persons the Supplier nominates as loss payee. The insurance policy referred to above may be subject to such uninsured amount ("**Excess**") as may be applicable from time to time and the Buyer indemnifies the Supplier against any Losses with the Excess;
- 9.12.2 punctually pay all premiums due under the insurance policy and otherwise comply with all the terms and conditions thereof and produce to the Supplier on demand the policy, evidence of the adequacy of the insurance and evidence that all premiums have been duly paid. If the Buyer does not pay any premium the Supplier can do so and the Buyer must reimburse the Supplier;
- 9.12.3 apply all money received in respect of such insurances in the repairing of damage to or in restoring or replacing the Equipment; and
- 9.12.4 on termination of the lease of a piece of Equipment for Total Loss, pay the Termination Sum together with all other sums due on termination. If the Buyer pays the Supplier all amounts due on termination for Total Loss the Supplier must pay to the Buyer a refund of Rentals of an amount equal to any insurance proceeds the Supplier receives.

Maintenance

9.13 The Buyer must ensure that at all times the Equipment is maintained and operated in accordance with the manufacturer's recommendations and warranty stipulations and that the Equipment is kept clean and in a good state of repair.

Fines and Penalties

9.14 The Buyer is liable for all fines, fees or penalties incurred by any operator of a piece of Equipment provided under the Call-Off Contract. The Supplier must in all cases send to the Buyer any notice or other communication the Supplier receives in respect of fines, fees or penalties.

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Taking Overseas

- 9.15 The Buyer must not take or allow any Equipment to be taken out of the United Kingdom without the previous written consent of the Supplier, (and provision of document VE103 by Supplier to the Buyer) which cannot be unreasonably withheld or delayed.
- 9.16 If the Supplier grants consent, the Buyer must pay a repatriation insurance premium to an association approved by the Supplier to make sure that the Equipment can, if necessary, be returned to the United Kingdom without cost to the Supplier.
- 9.17 The Buyer must make sure that any Equipment is not taken outside of the United Kingdom without the previous written consent of the Supplier which cannot be unreasonably withheld or delayed.

Actions upon Termination of Lease or Expiry of Lease Period

- 9.18 On expiry of the Lease Period or in the event of early termination of the lease in respect of any Equipment the Buyer must:
- 9.18.1 make the Equipment available for collection by the Supplier on the date assigned for collection. The Supplier will be bound by all obligations under this Call-Off Contract until the time when the Supplier actually collects the Equipment which the Supplier shall do promptly;
 - 9.18.2 complete an inspection form with the Supplier on the Return Date and ensure that the Equipment is returned and that the Equipment is in a good and roadworthy condition making due allowance for Fair Wear and Tear;
 - 9.18.3 remove all personal effects and any other items belonging to the Buyer;
 - 9.18.4 if the Supplier notifies the Buyer that the Equipment is not in the condition required under paragraph 9.18.2, pay to the Supplier the amount that the Buyer and the Supplier agree as the cost of rectification. In the event of any dispute regarding the condition of the Equipment, an independent assessment must be carried out by a properly qualified and experienced consultant appointed by the Supplier and the Buyer. Any consultant must act as an expert and not as an arbitrator and their decision is final;
 - 9.18.5 in the event of a dispute the Equipment or other form of evidence acceptable to the Buyer must be held by the Supplier until an independent assessment has been made in accordance with Clause 9.18.4 above. The costs of the

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independent consultant must be borne equally between the Buyer and the Supplier provided that both Parties act reasonably at all times during the dispute;

- 9.18.6 in the event of damage to any Equipment the Supplier must forward an invoice to the Buyer within thirty (30) days following the Return Date. In the case of dispute the Buyer will notify the Supplier of what is in dispute within thirty (30) days of receipt of invoice or pay the invoice in accordance with the payment terms. Any such dispute must be resolved in accordance with Clause 34 of the Core Terms.

10 Termination Of A Lease

10.1 Without affecting any other right or remedy available to them, the Supplier can terminate the hire of any piece of Equipment with immediate effect by giving written notice to the Buyer if:

- 10.1.1 the Buyer fails to pay any amount due under this Call-Off Contract on the due date for payment and remains in Default not less than 40 Working Days after being notified in writing to make such payment;
- 10.1.2 there is a material default of any other term of these Lease Terms by the Buyer which is irremediable or (if such breach is remediable) fails to remedy that breach within a period of 30 Working Days after being notified in writing to do so; or
- 10.1.3 there is a consistent repeated failure by the Buyer to comply with any of the terms of the Call-Off Contract in such a manner as to reasonably justify the opinion that its conduct is inconsistent with them having the intention or ability to give effect to the terms of the Call-Off Contract.

10.2 The hire of a piece of Equipment terminates automatically if a Total Loss occurs in relation to the Equipment.

10.3 At any time, the Buyer can terminate the hire of any piece of Equipment by giving 10 days' written notice to the Supplier.

11 Consequences Of Expiry Or Termination

Payment for Early Termination

- 11.1 In any rolling 12 month period, the Buyer can terminate the hire of up to 10% of the cumulative number of pieces of Equipment using the payment terms in paragraph 11.2. Termination of Equipment above this 10% cap will be calculated as detailed in paragraph 11.5.

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Terminating Equipment up to 3.5 tonnes that is not converted

- 11.2 Where paragraph 11.1 applies and the Equipment is a passenger motor vehicle or a light commercial vehicle up to 3.5 tonnes that has not been subject to conversion, the standard early termination charges apply and the Supplier must invoice the Buyer as appropriate within thirty (30) days following the termination.
- 11.3 Table 1 shows the number of months rental that are payable by the Buyer to the Supplier as an Early Termination Charge when an Equipment lease is terminated before the end of the Lease Period. The calculation is based on the contracted Lease Period for the Equipment and the point at which the contract is terminated.

Table 1: Early Termination Charges

YEAR OF TERMINATION	CONTRACTED LEASE PERIOD			
	2 Years	3 Years	4 Years	5 Years
1	2 months Rental	5 months Rental	6 months Rental	7 months Rental
2	1 months Rental	3 months Rental	4 months Rental	5 months Rental
3		1 months Rental	2 months Rental	3 months Rental
4			1 months Rental	2 months Rental
5				1 months Rental

- 11.4 The Supplier must, if the balance is positive, invoice or, if the balance is negative, credit the Buyer within thirty (30) days the balance of any advance Rentals paid by the Buyer.

Terminating Equipment that is converted and/or is over 3.5 tonnes

- 11.5 Where paragraph 11.1 applies and the Equipment is a converted vehicle or a commercial vehicle over 3.5 tonnes, the early termination charges will be calculated in accordance with this paragraph 11.5. The Supplier must, if the balance is positive, invoice or, if the balance is negative, credit the Buyer within thirty (30) days the balance of:
- 11.5.1 the vehicle's Net Book Value; less
 - 11.5.2 any advance Rentals paid by the Buyer; less
 - 11.5.3 the sales proceeds of the Equipment or, if the Supplier does not sell the Equipment, the "clean" value of that piece of

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Equipment as calculated in accordance with the Call-Off Contract as at the date of termination.

- 11.6 Where paragraph 11.1 applies or where the lease of a piece of Equipment is terminated for any other reason (including Total Loss but excluding termination pursuant to Clause 10 of the Core Terms) the Buyer must, within thirty (30) days of the termination pay the Supplier the Termination Sum by way of agreed liquidated damages.
- 11.7 The Supplier agrees that any payments made pursuant to paragraphs 11.2, 11.3, 11.4, 11.5 or 11.6 above is the Suppliers sole and exclusive remedy in respect of the termination which resulted in the payment of money as provided for in those paragraphs.
- 11.8 Where the Buyer terminates the Call-Off Contract under Clause 10 of the Core Terms and then makes other arrangements for the supply of the Equipment, the Buyer can recover the cost reasonably incurred of making those other arrangements and any additional expenditure incurred by the Buyer from the Supplier. The Buyer must take reasonable steps to mitigate any additional expenditure. Where the Call-Off Contract is terminated under Clause 10 of the Core Terms, the Buyer will not make any further payments to the Supplier until the Buyer has established the final cost of making those other arrangements.

12 The Owner

12.1 If the Owner and the Supplier are not the same person:

- 12.1.1 the Owner can enforce paragraphs 6.1, 7.1, 9, 10 and 11;
- 12.1.2 the Buyer consents to the Supplier and Principal's agency relationship;
- 12.1.3 for the purpose of securing funding for the purchase of Equipment to lease to the Buyer, the Buyer consents to the Supplier, without the Buyer's approval, assigning, novating, charging, Sub-Contracting or otherwise disposing of or creating any trust in relation to any or all of its rights, obligations or liabilities under this Call Off Contract, to, or in favour of, the Principal.

Joint Schedule 1 (Definitions)

- 1.1 In each Contract, unless the context otherwise requires, capitalised expressions shall have the meanings set out in this Joint Schedule 1 (Definitions) or the relevant Schedule in which that capitalised expression appears.
- 1.2 If a capitalised expression does not have an interpretation in this Schedule or any other Schedule, it shall, in the first instance, be interpreted in accordance with the common interpretation within the relevant market sector/industry where appropriate. Otherwise, it shall be interpreted in accordance with the dictionary meaning.
- 1.3 In each Contract, unless the context otherwise requires:
 - 1.3.1 the singular includes the plural and vice versa;
 - 1.3.2 reference to a gender includes the other gender and the neuter;
 - 1.3.3 references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Central Government Body;
 - 1.3.4 a reference to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time;
 - 1.3.5 the words **"including"**, **"other"**, **"in particular"**, **"for example"** and similar words shall not limit the generality of the preceding words and shall be construed as if they were immediately followed by the words **"without limitation"**;
 - 1.3.6 references to **"writing"** include typing, printing, lithography, photography, display on a screen, electronic and facsimile transmission and other modes of representing or reproducing words in a visible form, and expressions referring to writing shall be construed accordingly;
 - 1.3.7 references to **"representations"** shall be construed as references to present facts, to **"warranties"** as references to present and future facts and to **"undertakings"** as references to obligations under the Contract;
 - 1.3.8 references to **"Clauses"** and **"Schedules"** are, unless otherwise provided, references to the clauses and schedules of the Core Terms and references in any Schedule to parts, paragraphs, annexes and tables are, unless otherwise provided, references to the parts, paragraphs, annexes and tables of the Schedule in which these references appear;
 - 1.3.9 references to **"Paragraphs"** are, unless otherwise provided, references to the paragraph of the appropriate Schedules unless otherwise provided;
 - 1.3.10 references to a series of Clauses or Paragraphs shall be inclusive of the clause numbers specified;
 - 1.3.11 the headings in each Contract are for ease of reference only and shall not affect the interpretation or construction of a Contract;
 - 1.3.12 where the Buyer is a Central Government Body it shall be treated as contracting with the Crown as a whole;

1.3.13 any reference in a Contract which immediately before Exit Day was a reference to (as it has effect from time to time):

- (a) any EU regulation, EU decision, EU tertiary legislation or provision of the EEA agreement ("**EU References**") which is to form part of domestic law by application of section 3 of the European Union (Withdrawal) Act 2018 shall be read on and after Exit Day as a reference to the EU References as they form part of domestic law by virtue of section 3 of the European Union (Withdrawal) Act 2018 as modified by domestic law from time to time; and
- (b) any EU institution or EU authority or other such EU body shall be read on and after Exit Day as a reference to the UK institution, authority or body to which its functions were transferred; and

1.3.14 unless otherwise provided, references to "**Buyer**" shall be construed as including Exempt Buyers; and

1.3.15 unless otherwise provided, references to "**Call-Off Contract**" and "**Contract**" shall be construed as including Exempt Call-off Contracts.

1.4 In each Contract, unless the context otherwise requires, the following words shall have the following meanings:

"Accounting Reference Date"	means in each year the date to which the Supplier prepares its annual audited financial statements;
"Achieve"	in respect of a Test, to successfully pass such Test without any Test Issues and in respect of a Milestone, the issue of a Satisfaction Certificate in respect of that Milestone and " Achieved ", " Achieving " and " Achievement " shall be construed accordingly;
"Additional Insurances"	insurance requirements relating to a Call-Off Contract specified in the Order Form additional to those outlined in Joint Schedule 3 (Insurance Requirements);
"Admin Fee"	means the costs incurred by CCS in dealing with MI Failures calculated in accordance with the tariff of administration charges published by the CCS on: http://CCS.cabinetoffice.gov.uk/i-am-supplier/management-information/admin-fees ;
"Affected Party"	the Party seeking to claim relief in respect of a Force Majeure Event;
"Affiliates"	in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control of that body corporate from time to time;
"Annex"	extra information which supports a Schedule;
"Approval"	the prior written consent of the Buyer and " Approve " and " Approved " shall be construed accordingly;
"Audit"	The relevant Authority's right to:

	<ul style="list-style-type: none"> a) verify the accuracy of the Charges and any other amounts payable by a Buyer under a Call-Off Contract (including proposed or actual variations to them in accordance with the Contract); b) verify the costs of the Supplier (including the costs of all Subcontractors and any third party suppliers) in connection with the provision of the Services; c) verify the Open Book Data; d) verify the Supplier's and each Subcontractor's compliance with the Contract and applicable Law; e) identify or investigate actual or suspected breach of Clauses 27 to 33 and/or Joint Schedule 5 (Corporate Social Responsibility), impropriety or accounting mistakes or any breach or threatened breach of security and in these circumstances the Relevant Authority shall have no obligation to inform the Supplier of the purpose or objective of its investigations; f) identify or investigate any circumstances which may impact upon the financial stability of the Supplier, any Guarantor, and/or any Subcontractors or their ability to provide the Deliverables; g) obtain such information as is necessary to fulfil the Relevant Authority's obligations to supply information for parliamentary, ministerial, judicial or administrative purposes including the supply of information to the Comptroller and Auditor General; h) review any books of account and the internal contract management accounts kept by the Supplier in connection with each Contract; i) carry out the Relevant Authority's internal and statutory audits and to prepare, examine and/or certify the Relevant Authority's annual and interim reports and accounts; j) enable the National Audit Office to carry out an examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Relevant Authority has used its resources; or k) verify the accuracy and completeness of any Management Information delivered or required by the Framework Contract;
"Auditor"	<ul style="list-style-type: none"> a) the Relevant Authority's internal and external auditors; b) the Relevant Authority's statutory or regulatory auditors;

	<p>c) the Comptroller and Auditor General, their staff and/or any appointed representatives of the National Audit Office;</p> <p>d) HM Treasury or the Cabinet Office;</p> <p>e) any party formally appointed by the Relevant Authority to carry out audit or similar review functions; and</p> <p>f) successors or assigns of any of the above;</p>
"Authority"	CCS and each Buyer;
"Authority Cause"	any breach of the obligations of the Relevant Authority or any other default, act, omission, negligence or statement of the Relevant Authority, of its employees, servants, agents in connection with or in relation to the subject-matter of the Contract and in respect of which the Relevant Authority is liable to the Supplier;
"BACS"	the Bankers' Automated Clearing Services, which is a scheme for the electronic processing of financial transactions within the United Kingdom;
"Beneficiary"	a Party having (or claiming to have) the benefit of an indemnity under this Contract;
"Buyer"	the relevant public sector purchaser identified as such in the Order Form;
"Buyer Assets"	the Buyer's infrastructure, data, software, materials, assets, equipment or other property owned by and/or licensed or leased to the Buyer and which is or may be used in connection with the provision of the Deliverables which remain the property of the Buyer throughout the term of the Contract;
"Buyer Authorised Representative"	the representative appointed by the Buyer from time to time in relation to the Call-Off Contract initially identified in the Order Form;
"Buyer Premises"	premises owned, controlled or occupied by the Buyer which are made available for use by the Supplier or its Subcontractors for the provision of the Deliverables (or any of them);
"Call-Off Contract"	the contract between the Buyer and the Supplier (entered into pursuant to the provisions of the Framework Contract), which consists of the terms set out and referred to in the Order Form;
"Call-Off Contract Period"	the Contract Period in respect of the Call-Off Contract;
"Call-Off Expiry Date"	the scheduled date of the end of a Call-Off Contract as stated in the Order Form;
"Call-Off Incorporated Terms"	the contractual terms applicable to the Call-Off Contract specified under the relevant heading in the Order Form;

"Call-Off Initial Period"	the Initial Period of a Call-Off Contract specified in the Order Form;
"Call-Off Optional Extension Period"	such period or periods beyond which the Call-Off Initial Period may be extended as specified in the Order Form;
"Call-Off Procedure"	the process for awarding a Call-Off Contract pursuant to Clause 2 (How the contract works) and Framework Schedule 7 (Call-Off Award Procedure);
"Call-Off Special Terms"	any additional terms and conditions specified in the Order Form incorporated into the applicable Call-Off Contract;
"Call-Off Start Date"	the date of start of a Call-Off Contract as stated in the Order Form;
"Call-Off Tender"	the tender submitted by the Supplier in response to the Buyer's Statement of Requirements following a Further Competition Procedure and set out at Call-Off Schedule 4 (Call-Off Tender);
"CCS"	the Minister for the Cabinet Office as represented by Crown Commercial Service, which is an executive agency and operates as a trading fund of the Cabinet Office, whose offices are located at 9th Floor, The Capital, Old Hall Street, Liverpool L3 9PP;
"CCS Authorised Representative"	the representative appointed by CCS from time to time in relation to the Framework Contract initially identified in the Framework Award Form;
"Central Government Body"	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: <ul style="list-style-type: none"> a) Government Department; b) Non-Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal); c) Non-Ministerial Department; or d) Executive Agency;
"Change in Law"	any change in Law which impacts on the supply of the Deliverables and performance of the Contract which comes into force after the Start Date;
"Change of Control"	a change of control within the meaning of Section 450 of the Corporation Tax Act 2010;
"Charges"	the prices (exclusive of any applicable VAT), payable to the Supplier by the Buyer under the Call-Off Contract, as set out in the Order Form, for the full and proper performance by the

	Supplier of its obligations under the Call-Off Contract less any Deductions;
"Claim"	any claim which it appears that a Beneficiary is, or may become, entitled to indemnification under this Contract;
"Commercially Sensitive Information"	the Confidential Information listed in the Framework Award Form or Order Form (if any) comprising of commercially sensitive information relating to the Supplier, its IPR or its business or which the Supplier has indicated to the Authority that, if disclosed by the Authority, would cause the Supplier significant commercial disadvantage or material financial loss;
"Comparable Supply"	the supply of Deliverables to another Buyer of the Supplier that are the same or similar to the Deliverables;
"Compliance Officer"	the person(s) appointed by the Supplier who is responsible for ensuring that the Supplier complies with its legal obligations;
"Confidential Information"	means any information, however it is conveyed, that relates to the business, affairs, developments, trade secrets, Know-How, personnel and suppliers of CCS, the Buyer or the Supplier, including IPRs, together with information derived from the above, and any other information clearly designated as being confidential (whether or not it is marked as "confidential") or which ought reasonably to be considered to be confidential;
"Conflict of Interest"	a conflict between the financial or personal duties of the Supplier or the Supplier Staff and the duties owed to CCS or any Buyer under a Contract, in the reasonable opinion of the Buyer or CCS;
"Contract"	either the Framework Contract or the Call-Off Contract, as the context requires;
"Contract Period"	the term of either a Framework Contract or Call-Off Contract on and from the earlier of the: a) applicable Start Date; or b) the Effective Date up to and including the applicable End Date;
"Contract Value"	the higher of the actual or expected total Charges paid or payable under a Contract where all obligations are met by the Supplier;
"Contract Year"	a consecutive period of twelve (12) Months commencing on the Start Date or each anniversary thereof;
"Control"	control in either of the senses defined in sections 450 and 1124 of the Corporation Tax Act 2010 and "Controlled" shall be construed accordingly;
"Controller"	has the meaning given to it in the UK GDPR;

"Core Terms"	CCS' terms and conditions for common goods and services which govern how Suppliers must interact with CCS and Buyers under Framework Contracts and Call-Off Contracts;
"Costs"	<p>the following costs (without double recovery) to the extent that they are reasonably and properly incurred by the Supplier in providing the Deliverables:</p> <ul style="list-style-type: none"> a) the cost to the Supplier or the Key Subcontractor (as the context requires), calculated per Work Day, of engaging the Supplier Staff, including: <ul style="list-style-type: none"> i) base salary paid to the Supplier Staff; ii) employer's National Insurance contributions; iii) pension contributions; iv) car allowances; v) any other contractual employment benefits; vi) staff training; vii) work place accommodation; viii) work place IT equipment and tools reasonably necessary to provide the Deliverables (but not including items included within limb (b) below); and ix) reasonable recruitment costs, as agreed with the Buyer; b) costs incurred in respect of Supplier Assets which would be treated as capital costs according to generally accepted accounting principles within the UK, which shall include the cost to be charged in respect of Supplier Assets by the Supplier to the Buyer or (to the extent that risk and title in any Supplier Asset is not held by the Supplier) any cost actually incurred by the Supplier in respect of those Supplier Assets; c) operational costs which are not included within (a) or (b) above, to the extent that such costs are necessary and properly incurred by the Supplier in the provision of the Deliverables; and d) Reimbursable Expenses to the extent these have been specified as allowable in the Order Form and are incurred in delivering any Deliverables; <p>but excluding:</p> <ul style="list-style-type: none"> a) Overheads; b) financing or similar costs; c) maintenance and support costs to the extent that these relate to maintenance and/or support Deliverables

	<p>provided beyond the Call-Off Contract Period whether in relation to Supplier Assets or otherwise;</p> <p>d) taxation;</p> <p>e) fines and penalties;</p> <p>f) amounts payable under Call-Off Schedule 16 (Benchmarking) where such Schedule is used; and</p> <p>g) non-cash items (including depreciation, amortisation, impairments and movements in provisions);</p>
"CRTPA"	the Contract Rights of Third Parties Act 1999;
"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"	<p>i. the UK GDPR as amended from time to time; (ii) the DPA 2018 to the extent that it relates to Processing of Personal Data and privacy;</p> <p>ii. all applicable Law about the Processing of Personal Data and privacy;</p>
"Data Protection Liability Cap"	the amount specified in the Framework Award Form;
"Data Protection Officer"	has the meaning given to it in the UK GDPR;
"Data Subject"	has the meaning given to it in the UK GDPR;
"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;
"Deductions"	all Service Credits, Delay Payments (if applicable), or any other deduction which the Buyer is paid or is payable to the Buyer under a Call-Off Contract;
"Default"	any breach of the obligations of the Supplier (including abandonment of a Contract in breach of its terms) or any other default (including material default), act, omission, negligence or statement of the Supplier, of its Subcontractors or any Supplier Staff howsoever arising in connection with or in relation to the subject-matter of a Contract and in respect of which the Supplier is liable to the Relevant Authority;
"Default Management Charge"	has the meaning given to it in Paragraph 8.1.1 of Framework Schedule 5 (Management Charges and Information);
"Delay Payments"	the amounts (if any) payable by the Supplier to the Buyer in respect of a delay in respect of a Milestone as specified in the Implementation Plan;

"Deliverables"	Goods and/or Services that may be ordered under the Contract including the Documentation;
"Delivery"	delivery of the relevant Deliverable or Milestone in accordance with the terms of a Call-Off Contract as confirmed and accepted by the Buyer by the either (a) confirmation in writing to the Supplier; or (b) where Call-Off Schedule 13 (Implementation Plan and Testing) is used issue by the Buyer of a Satisfaction Certificate. "Deliver" and "Delivered" shall be construed accordingly;
"Disclosing Party"	the Party directly or indirectly providing Confidential Information to the other Party in accordance with Clause 15 (What you must keep confidential);
"Dispute"	any claim, dispute or difference (whether contractual or non-contractual) arising out of or in connection with the Contract or in connection with the negotiation, existence, legal validity, enforceability or termination of the Contract, whether the alleged liability shall arise under English law or under the law of some other country and regardless of whether a particular cause of action may successfully be brought in the English courts;
"Dispute Resolution Procedure"	the dispute resolution procedure set out in Clause 34 (Resolving disputes);
"Documentation"	descriptions of the Services and Service Levels, technical specifications, user manuals, training manuals, operating manuals, process definitions and procedures, system environment descriptions and all such other documentation (whether in hardcopy or electronic form) is required to be supplied by the Supplier to the Buyer under a Contract as: <ul style="list-style-type: none"> a) would reasonably be required by a competent third party capable of Good Industry Practice contracted by the Buyer to develop, configure, build, deploy, run, maintain, upgrade and test the individual systems that provide the Deliverables b) is required by the Supplier in order to provide the Deliverables; and/or c) has been or shall be generated for the purpose of providing the Deliverables;
"DOTAS"	the Disclosure of Tax Avoidance Schemes rules which require a promoter of Tax schemes to tell HMRC of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained

	in Part 7 of the Finance Act 2004 and as extended to National Insurance Contributions;
"DPA 2018"	the Data Protection Act 2018;
"Due Diligence Information"	any information supplied to the Supplier by or on behalf of the Authority prior to the Start Date;
"Effective Date"	the date on which the final Party has signed the Contract;
"EIR"	the Environmental Information Regulations 2004;
"Electronic Invoice"	an invoice which has been issued, transmitted and received in a structured electronic format which allows for its automatic and electronic processing and which complies with (a) the European standard and (b) any of the syntaxes published in Commission Implementing Decision (EU) 2017/1870;
"Employee User(s)"	an employee who has a contractual agreement with their employer (the Buyer) for a contract hire vehicle from the Buyer's Salary Sacrifice Car Scheme, or any other eligible scheme, under this Framework Agreement
"Employment Regulations"	the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended or replaced or any other Regulations implementing the European Council Directive 77/187/EEC;
"End Date"	the earlier of: a) the Expiry Date (as extended by any Extension Period exercised by the Relevant Authority under Clause 10.1.2); or b) if a Contract is terminated before the date specified in (a) above, the date of termination of the Contract;
"Environmental Policy"	to conserve energy, water, wood, paper and other resources, reduce waste and phase out the use of ozone depleting substances and minimise the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment, including any written environmental policy of the Buyer;
"Equality and Human Rights Commission"	the UK Government body named as such as may be renamed or replaced by an equivalent body from time to time;
"Estimated Year 1 Charges"	the anticipated total Charges payable by the Buyer in the first Contract Year specified in the Order Form;
"Estimated Yearly Charges"	means for the purposes of calculating each Party's annual liability under clause 11.2 : i. in the first Contract Year, the Estimated Year 1 Charges; or

	<ul style="list-style-type: none"> ii. in the any subsequent Contract Years, the Charges paid or payable in the previous Call-off Contract Year; iii. the end of the Call-off Contract, the Charges paid or payable in the last Contract Year during the Call-off Contract Period;
“Exempt Buyer”	<p>a public sector purchaser that is:</p> <ul style="list-style-type: none"> a) eligible to use the Framework Contract; and b) is entering into an Exempt Call-off Contract that is not subject to (as applicable) any of: <ul style="list-style-type: none"> i) the Regulations; ii) the Concession Contracts Regulations 2016 (SI 2016/273); iii) the Utilities Contracts Regulations 2016 (SI 2016/274); iv) the Defence and Security Public Contracts Regulations 2011 (SI 2011/1848); v) the Remedies Directive (2007/66/EC); vi) Directive 2014/23/EU of the European Parliament and Council; vii) Directive 2014/24/EU of the European Parliament and Council; viii) Directive 2014/25/EU of the European Parliament and Council; or ix) Directive 2009/81/EC of the European Parliament and Council;
“Exempt Call-off Contract”	the contract between the Exempt Buyer and the Supplier for Deliverables which consists of the terms set out and referred to in the Order Form incorporating and, where necessary, amending, refining or adding to the terms of the Framework Contract;
“Exempt Procurement Amendments”	any amendments, refinements or additions to any of the terms of the Framework Contract made through the Exempt Call-off Contract to reflect the specific needs of an Exempt Buyer to the extent permitted by and in accordance with any legal requirements applicable to that Exempt Buyer;
"Existing IPR"	any and all IPR that are owned by or licensed to either Party and which are or have been developed independently of the Contract (whether prior to the Start Date or otherwise);
“Exit Day”	shall have the meaning in the European Union (Withdrawal) Act 2018;
"Expiry Date"	the Framework Expiry Date or the Call-Off Expiry Date (as the context dictates);

"Extension Period"	the Framework Optional Extension Period or the Call-Off Optional Extension Period as the context dictates;
"Financial Reports"	<p>a report by the Supplier to the Buyer that:</p> <ul style="list-style-type: none"> a) provides a true and fair reflection of the Costs and Supplier Profit Margin forecast by the Supplier; b) provides a true and fair reflection of the costs and expenses to be incurred by Key Subcontractors (as requested by the Buyer); c) is in the same software package (Microsoft Excel or Microsoft Word), layout and format as the blank templates which have been issued by the Buyer to the Supplier on or before the Start Date for the purposes of the Contract; and d) is certified by the Supplier's Chief Financial Officer or Director of Finance;
"FOIA"	the Freedom of Information Act 2000 and any subordinate legislation made under that Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government department in relation to such legislation;
"Force Majeure Event"	<p>any event outside the reasonable control of either Party affecting its performance of its obligations under the Contract arising from acts, events, omissions, happenings or non-happenings beyond its reasonable control and which are not attributable to any wilful act, neglect or failure to take reasonable preventative action by that Party, including:</p> <ul style="list-style-type: none"> a) riots, civil commotion, war or armed conflict; b) acts of terrorism; c) acts of government, local government or regulatory bodies; d) fire, flood, storm or earthquake or other natural disaster, <p>but excluding any industrial dispute relating to the Supplier, the Supplier Staff or any other failure in the Supplier or the Subcontractor's supply chain;</p>
"Force Majeure Notice"	a written notice served by the Affected Party on the other Party stating that the Affected Party believes that there is a Force Majeure Event;
"Framework Award Form"	the document outlining the Framework Incorporated Terms and crucial information required for the Framework Contract, to be executed by the Supplier and CCS;
"Framework Contract"	the framework agreement established between CCS and the Supplier in accordance with Regulation 33 by the Framework Award Form for the provision of the Deliverables to Buyers by the Supplier pursuant to the notice published on the Find a Tender Service;

"Framework Contract Period"	the period from the Framework Start Date until the End Date of the Framework Contract;
"Framework Expiry Date"	the scheduled date of the end of the Framework Contract as stated in the Framework Award Form;
"Framework Incorporated Terms"	the contractual terms applicable to the Framework Contract specified in the Framework Award Form;
"Framework Optional Extension Period"	such period or periods beyond which the Framework Contract Period may be extended as specified in the Framework Award Form;
"Framework Price(s)"	the price(s) applicable to the provision of the Deliverables set out in Framework Schedule 3 (Framework Prices);
"Framework Special Terms"	any additional terms and conditions specified in the Framework Award Form incorporated into the Framework Contract;
"Framework Start Date"	the date of start of the Framework Contract as stated in the Framework Award Form;
"Framework Tender Response"	the tender submitted by the Supplier to CCS and annexed to or referred to in Framework Schedule 2 (Framework Tender);
"Further Competition Procedure"	the further competition procedure described in Framework Schedule 7 (Call-Off Award Procedure);
"UK GDPR"	the retained EU law version of the General Data Protection Regulation (Regulation (EU) 2016/679);
"General Anti-Abuse Rule"	a) the legislation in Part 5 of the Finance Act 2013 and; and b) any future legislation introduced into parliament to counteract Tax advantages arising from abusive arrangements to avoid National Insurance contributions;
"General Change in Law"	a Change in Law where the change is of a general legislative nature (including Tax or duties of any sort affecting the Supplier) or which affects or relates to a Comparable Supply;
"Gold Contract"	a Call-Off Contract categorised as a Gold contract using the Cabinet Office Contract Tiering Tool;
"Goods"	goods made available by the Supplier as specified in Framework Schedule 1 (Specification) and in relation to a Call-Off Contract as specified in the Order Form ;
"Good Industry Practice"	standards, practices, methods and procedures conforming to the Law and the exercise of the degree of skill and care, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person or body engaged within the relevant industry or business sector;

"Government"	the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Government and the National Assembly for Wales), including government ministers and government departments and other bodies, persons, commissions or agencies from time to time carrying out functions on its behalf;
"Government Data"	the data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, including any of the Authority's Confidential Information, and which: <ul style="list-style-type: none"> a) are supplied to the Supplier by or on behalf of the Authority; or b) the Supplier is required to generate, process, store or transmit pursuant to a Contract;
"Guarantor"	the person (if any) who has entered into a guarantee in the form set out in Joint Schedule 8 (Guarantee) in relation to this Contract;
"HM Government"	Her Majesty's Government;
"Halifax Abuse Principle"	the principle explained in the CJEU Case C-255/02 Halifax and others;
"HMRC"	Her Majesty's Revenue and Customs;
"ICT Policy"	the Buyer's policy in respect of information and communications technology, referred to in the Order Form, which is in force as at the Call-Off Start Date (a copy of which has been supplied to the Supplier), as updated from time to time in accordance with the Variation Procedure;
"Impact Assessment"	an assessment of the impact of a Variation request by the Relevant Authority completed in good faith, including: <ul style="list-style-type: none"> a) details of the impact of the proposed Variation on the Deliverables and the Supplier's ability to meet its other obligations under the Contract; b) details of the cost of implementing the proposed Variation; c) details of the ongoing costs required by the proposed Variation when implemented, including any increase or decrease in the Framework Prices/Charges (as applicable), any alteration in the resources and/or expenditure required by either Party and any alteration to the working practices of either Party; d) a timetable for the implementation, together with any proposals for the testing of the Variation; and

	e) such other information as the Relevant Authority may reasonably request in (or in response to) the Variation request;
"Implementation Plan"	the plan for provision of the Deliverables set out in Call-Off Schedule 13 (Implementation Plan and Testing) where that Schedule is used or otherwise as agreed between the Supplier and the Buyer;
"Indemnifier"	a Party from whom an indemnity is sought under this Contract;
"Independent Control"	where a Controller has provided Personal Data to another Party which is not a Processor or a Joint Controller because the recipient itself determines the purposes and means of Processing but does so separately from the Controller providing it with Personal Data and "Independent Controller" shall be construed accordingly;
"Indexation"	the adjustment of an amount or sum in accordance with Framework Schedule 3 (Framework Prices) and the relevant Order Form;
"Information"	has the meaning given under section 84 of the Freedom of Information Act 2000;
"Information Commissioner"	the UK's independent authority which deals with ensuring information relating to rights in the public interest and data privacy for individuals is met, whilst promoting openness by public bodies;
"Initial Period"	the initial term of a Contract specified in the Framework Award Form or the Order Form, as the context requires;
"Insolvency Event"	with respect to any person, means: <ul style="list-style-type: none"> a) that person suspends, or threatens to suspend, payment of its debts, or is unable to pay its debts as they fall due or admits inability to pay its debts, or: <ul style="list-style-type: none"> i. (being a company or a LLP) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986, or ii. (being a partnership) is deemed unable to pay its debts within the meaning of section 222 of the Insolvency Act 1986; b) that person commences negotiations with one or more of its creditors (using a voluntary arrangement, scheme of arrangement or otherwise) with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with one or more of its creditors or takes any step to obtain a moratorium pursuant to Section 1A and Schedule A1 of the Insolvency Act 1986 other than (in the case of a company, a LLP or a partnership) for the sole purpose of a scheme for a solvent

	<p>amalgamation of that person with one or more other companies or the solvent reconstruction of that person;</p> <p>c) another person becomes entitled to appoint a receiver over the assets of that person or a receiver is appointed over the assets of that person;</p> <p>d) a creditor or encumbrancer of that person attaches or takes possession of, or a distress, execution or other such process is levied or enforced on or sued against, the whole or any part of that person's assets and such attachment or process is not discharged within 14 days;</p> <p>e) that person suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business;</p> <p>f) where that person is a company, a LLP or a partnership:</p> <ul style="list-style-type: none"> i. a petition is presented (which is not dismissed within 14 days of its service), a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of that person other than for the sole purpose of a scheme for a solvent amalgamation of that person with one or more other companies or the solvent reconstruction of that person; ii. an application is made to court, or an order is made, for the appointment of an administrator, or if a notice of intention to appoint an administrator is filed at Court or given or if an administrator is appointed, over that person; iii. (being a company or a LLP) the holder of a qualifying floating charge over the assets of that person has become entitled to appoint or has appointed an administrative receiver; or iv. (being a partnership) the holder of an agricultural floating charge over the assets of that person has become entitled to appoint or has appointed an agricultural receiver; or <p>g) any event occurs, or proceeding is taken, with respect to that person in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned above;</p>
"Installation Works"	all works which the Supplier is to carry out at the beginning of the Call-Off Contract Period to install the Goods in accordance with the Call-Off Contract;
"Intellectual Property Rights" or "IPR"	a) copyright, rights related to or affording protection similar to copyright, rights in databases, patents and rights in inventions, semi-conductor topography rights, trade marks,

	<p>rights in internet domain names and website addresses and other rights in trade or business names, goodwill, designs, Know-How, trade secrets and other rights in Confidential Information;</p> <p>b) applications for registration, and the right to apply for registration, for any of the rights listed at (a) that are capable of being registered in any country or jurisdiction; and</p> <p>c) all other rights having equivalent or similar effect in any country or jurisdiction;</p>
"Invoicing Address"	the address to which the Supplier shall invoice the Buyer as specified in the Order Form;
"IPR Claim"	any claim of infringement or alleged infringement (including the defence of such infringement or alleged infringement) of any IPR, used to provide the Deliverables or otherwise provided and/or licensed by the Supplier (or to which the Supplier has provided access) to the Relevant Authority in the fulfilment of its obligations under a Contract;
"IR35"	the off-payroll rules requiring individuals who work through their company pay the same income tax and National Insurance contributions as an employee which can be found online at: https://www.gov.uk/guidance/ir35-find-out-if-it-applies ;
"ISO"	International Organization for Standardization;
"Joint Controller Agreement"	the agreement (if any) entered into between the Relevant Authority and the Supplier substantially in the form set out in Annex 2 of Joint Schedule 11 (<i>Processing Data</i>);
"Joint Controllers"	where two or more Controllers jointly determine the purposes and means of Processing;
"Key Staff"	the individuals (if any) identified as such in the Order Form;
"Key Sub-Contract"	each Sub-Contract with a Key Subcontractor;
"Key Subcontractor"	<p>any Subcontractor:</p> <ul style="list-style-type: none"> a) which is relied upon to deliver any work package within the Deliverables in their entirety; and/or b) which, in the opinion of CCS or the Buyer performs (or would perform if appointed) a critical role in the provision of all or any part of the Deliverables; and/or c) with a Sub-Contract with a contract value which at the time of appointment exceeds (or would exceed if appointed) 10% of the aggregate Charges forecast to be payable under the Call-Off Contract,

	and the Supplier shall list all such Key Subcontractors in section 19 of the Framework Award Form and in the Key Subcontractor Section in Order Form;
"Know-How"	all ideas, concepts, schemes, information, knowledge, techniques, methodology, and anything else in the nature of know-how relating to the Deliverables but excluding know-how already in the other Party's possession before the applicable Start Date;
"Law"	any law, subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, bye-law, enforceable right within the meaning of Section 2 of the European Communities Act 1972, regulation, order, regulatory policy, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements with which the relevant Party is bound to comply;
"Losses"	all losses, liabilities, damages, costs, expenses (including legal fees), disbursements, costs of investigation, litigation, settlement, judgment, interest and penalties whether arising in contract, tort (including negligence), breach of statutory duty, misrepresentation or otherwise and "Loss" shall be interpreted accordingly;
"Lots"	the number of lots specified in Framework Schedule 1 (Specification), if applicable;
"Management Charge"	the sum specified in the Framework Award Form payable by the Supplier to CCS in accordance with Framework Schedule 5 (Management Charges and Information);
"Management Information" or "MI"	the management information specified in Framework Schedule 5 (Management Charges and Information);
"MI Default"	means when two (2) MI Reports are not provided in any rolling six (6) month period
"MI Failure"	means when an MI report: <ul style="list-style-type: none"> a) contains any material errors or material omissions or a missing mandatory field; or b) is submitted using an incorrect MI reporting Template; or c) is not submitted by the reporting date (including where a declaration of no business should have been filed);
"MI Report"	means a report containing Management Information submitted to the Authority in accordance with Framework Schedule 5 (Management Charges and Information);
"MI Reporting Template"	means the form of report set out in the Annex to Framework Schedule 5 (Management Charges and Information) setting out the information the Supplier is required to supply to the Authority;

"Milestone"	an event or task described in the Implementation Plan;
"Milestone Date"	the target date set out against the relevant Milestone in the Implementation Plan by which the Milestone must be Achieved;
"Month"	a calendar month and "Monthly" shall be interpreted accordingly;
"National Insurance"	contributions required by the Social Security Contributions and Benefits Act 1992 and made in accordance with the Social Security (Contributions) Regulations 2001 (SI 2001/1004);
"New IPR"	<p>a) IPR in items created by the Supplier (or by a third party on behalf of the Supplier) specifically for the purposes of a Contract and updates and amendments of these items including (but not limited to) database schema; and/or</p> <p>b) IPR in or arising as a result of the performance of the Supplier's obligations under a Contract and all updates and amendments to the same;</p> <p>but shall not include the Supplier's Existing IPR;</p>
"Occasion of Tax Non-Compliance"	<p>where:</p> <p>a) any Tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 is found on or after 1 April 2013 to be incorrect as a result of:</p> <ul style="list-style-type: none"> i) a Relevant Tax Authority successfully challenging the Supplier under the General Anti-Abuse Rule or the Halifax Abuse Principle or under any Tax rules or legislation in any jurisdiction that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle; ii) the failure of an avoidance scheme which the Supplier was involved in, and which was, or should have been, notified to a Relevant Tax Authority under the DOTAS or any equivalent or similar regime in any jurisdiction; and/or <p>b) any Tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 which gives rise, on or after 1 April 2013, to a criminal conviction in any jurisdiction for Tax related offences which is not spent at the Start Date or to a civil penalty for fraud or evasion;</p>
"Open Book Data "	<p>complete and accurate financial and non-financial information which is sufficient to enable the Buyer to verify the Charges already paid or payable and Charges forecast to be paid during the remainder of the Call-Off Contract, including details and all assumptions relating to:</p> <p>a) the Supplier's Costs broken down against each Good and/or Service and/or Deliverable, including actual capital</p>

	<p>expenditure (including capital replacement costs) and the unit cost and total actual costs of all Deliverables;</p> <p>b) operating expenditure relating to the provision of the Deliverables including an analysis showing:</p> <ul style="list-style-type: none"> i) the unit costs and quantity of Goods and any other consumables and bought-in Deliverables; ii) staff costs broken down into the number and grade/role of all Supplier Staff (free of any contingency) together with a list of agreed rates against each grade; iii) a list of Costs underpinning those rates for each grade, being the agreed rate less the Supplier Profit Margin; and iv) Reimbursable Expenses, if allowed under the Order Form; v) Overheads; vi) all interest, expenses and any other third party financing costs incurred in relation to the provision of the Deliverables; vii) the Supplier Profit achieved over the Framework Contract Period and on an annual basis; viii) confirmation that all methods of Cost apportionment and Overhead allocation are consistent with and not more onerous than such methods applied generally by the Supplier; ix) an explanation of the type and value of risk and contingencies associated with the provision of the Deliverables, including the amount of money attributed to each risk and/or contingency; and x) the actual Costs profile for each Service Period;
"Order"	means an order for the provision of the Deliverables placed by a Buyer with the Supplier under a Contract;
"Order Form"	a completed Order Form Template (or equivalent information issued by the Buyer) used to create a Call-Off Contract;
"Order Form Template"	the template in Framework Schedule 6 (Order Form Template and Call-Off Schedules);
"Other Contracting Authority"	any actual or potential Buyer under the Framework Contract;

"Overhead"	those amounts which are intended to recover a proportion of the Supplier's or the Key Subcontractor's (as the context requires) indirect corporate costs (including financing, marketing, advertising, research and development and insurance costs and any fines or penalties) but excluding allowable indirect costs apportioned to facilities and administration in the provision of Supplier Staff and accordingly included within limb (a) of the definition of "Costs";
"Parliament"	takes its natural meaning as interpreted by Law;
"Party"	in the context of the Framework Contract, CCS or the Supplier, and in the in the context of a Call-Off Contract the Buyer or the Supplier. "Parties" shall mean both of them where the context permits;
"Performance Indicators" or "PIs"	the performance measurements and targets in respect of the Supplier's performance of the Framework Contract set out in Framework Schedule 4 (Framework Management);
"Personal Data"	has the meaning given to it in the UK GDPR;
"Personal Data Breach"	has the meaning given to it in the UK GDPR;
"Personnel"	all directors, officers, employees, agents, consultants and suppliers of a Party and/or of any Subcontractor and/or Subprocessor engaged in the performance of its obligations under a Contract;
"Prescribed Person"	a legal adviser, an MP or an appropriate body which a whistle-blower may make a disclosure to as detailed in 'Whistleblowing: list of prescribed people and bodies', 24 November 2016, available online at: https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2/whistleblowing-list-of-prescribed-people-and-bodies ;
"Processing"	has the meaning given to it in the UK GDPR;
"Processor"	has the meaning given to it in the UK GDPR;
"Progress Meeting"	a meeting between the Buyer Authorised Representative and the Supplier Authorised Representative;
"Progress Meeting Frequency"	the frequency at which the Supplier shall conduct a Progress Meeting in accordance with Clause 6.1 as specified in the Order Form;
"Progress Report"	a report provided by the Supplier indicating the steps taken to achieve Milestones or delivery dates;
"Progress Report Frequency"	the frequency at which the Supplier shall deliver Progress Reports in accordance with Clause 6.1 as specified in the Order Form;

“Prohibited Acts”	<p>a) to directly or indirectly offer, promise or give any person working for or engaged by a Buyer or any other public body a financial or other advantage to:</p> <ul style="list-style-type: none"> i) induce that person to perform improperly a relevant function or activity; or ii) reward that person for improper performance of a relevant function or activity; <p>b) to directly or indirectly request, agree to receive or accept any financial or other advantage as an inducement or a reward for improper performance of a relevant function or activity in connection with each Contract; or</p> <p>c) committing any offence:</p> <ul style="list-style-type: none"> i) under the Bribery Act 2010 (or any legislation repealed or revoked by such Act); or ii) under legislation or common law concerning fraudulent acts; or iii) defrauding, attempting to defraud or conspiring to defraud a Buyer or other public body; or <p>d) any activity, practice or conduct which would constitute one of the offences listed under (c) above if such activity, practice or conduct had been carried out in the UK;</p>
“Protective Measures”	<p>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 including those outlined in Framework Schedule 9 (Cyber Essentials Scheme), if applicable, in the case of the Framework Contract or Call-Off Schedule 9 (Security), if applicable, in the case of a Call-Off Contract.</p>
“Rating Agency”	<p>as defined in the Framework Award Form or the Order Form, as the context requires;</p>
“Recall”	<p>a request by the Supplier to return Goods to the Supplier or the manufacturer after the discovery of safety issues or defects (including defects in the right IPR rights) that might endanger health or hinder performance;</p>
"Recipient Party"	<p>the Party which receives or obtains directly or indirectly Confidential Information;</p>
"Rectification Plan"	<p>the Supplier's plan (or revised plan) to rectify it's breach using the template in Joint Schedule 10 (Rectification Plan) which shall include:</p>

Joint Schedule 1 (Definitions)

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	<ul style="list-style-type: none"> a) full details of the Default that has occurred, including a root cause analysis; b) the actual or anticipated effect of the Default; and c) the steps which the Supplier proposes to take to rectify the Default (if applicable) and to prevent such Default from recurring, including timescales for such steps and for the rectification of the Default (where applicable);
"Rectification Plan Process"	the process set out in Clause 10.3.1 to 10.3.4 (Rectification Plan Process);
"Regulations"	the Public Contracts Regulations 2015 and/or the Public Contracts (Scotland) Regulations 2015 (as the context requires);
"Reimbursable Expenses"	<p>the reasonable out of pocket travel and subsistence (for example, hotel and food) expenses, properly and necessarily incurred in the performance of the Services, calculated at the rates and in accordance with the Buyer's expenses policy current from time to time, but not including:</p> <ul style="list-style-type: none"> a) travel expenses incurred as a result of Supplier Staff travelling to and from their usual place of work, or to and from the premises at which the Services are principally to be performed, unless the Buyer otherwise agrees in advance in writing; and b) subsistence expenses incurred by Supplier Staff whilst performing the Services at their usual place of work, or to and from the premises at which the Services are principally to be performed;
"Relevant Authority"	the Authority which is party to the Contract to which a right or obligation is owed, as the context requires;
"Relevant Authority's Confidential Information"	<ul style="list-style-type: none"> a) all Personal Data and any information, however it is conveyed, that relates to the business, affairs, developments, property rights, trade secrets, Know-How and IPR of the Relevant Authority (including all Relevant Authority Existing IPR and New IPR); b) any other information clearly designated as being confidential (whether or not it is marked "confidential") or which ought reasonably be considered confidential which comes (or has come) to the Relevant Authority's attention or into the Relevant Authority's possession in connection with a Contract; and c) information derived from any of the above;
"Relevant Requirements"	all applicable Law relating to bribery, corruption and fraud, including the Bribery Act 2010 and any guidance issued by the Secretary of State pursuant to section 9 of the Bribery Act 2010;

"Relevant Tax Authority"	HMRC, or, if applicable, the tax authority in the jurisdiction in which the Supplier is established;
"Reminder Notice"	a notice sent in accordance with Clause 10.5 given by the Supplier to the Buyer providing notification that payment has not been received on time;
"Replacement Deliverables"	any deliverables which are substantially similar to any of the Deliverables and which the Buyer receives in substitution for any of the Deliverables following the Call-Off Expiry Date, whether those goods are provided by the Buyer internally and/or by any third party;
"Replacement Subcontractor"	a Subcontractor of the Replacement Supplier to whom Transferring Supplier Employees will transfer on a Service Transfer Date (or any Subcontractor of any such Subcontractor);
"Replacement Supplier"	any third party provider of Replacement Deliverables appointed by or at the direction of the Buyer from time to time or where the Buyer is providing Replacement Deliverables for its own account, shall also include the Buyer;
"Request For Information"	a request for information or an apparent request relating to a Contract for the provision of the Deliverables or an apparent request for such information under the FOIA or the EIRs;
"Required Insurances"	the insurances required by Joint Schedule 3 (Insurance Requirements) or any additional insurances specified in the Order Form;
"RTI"	Real Time Information;
"Satisfaction Certificate"	the certificate (materially in the form of the document contained in of Part B of Call-Off Schedule 13 (Implementation Plan and Testing) or as agreed by the Parties where Call-Off Schedule 13 is not used in this Contract) granted by the Buyer when the Supplier has met all of the requirements of an Order, Achieved a Milestone or a Test;
"Security Management Plan"	the Supplier's security management plan prepared pursuant to Call-Off Schedule 9 (Security) (if applicable);
"Security Policy"	the Buyer's security policy, referred to in the Order Form, in force as at the Call-Off Start Date (a copy of which has been supplied to the Supplier), as updated from time to time and notified to the Supplier;
"Self Audit Certificate"	means the certificate in the form as set out in Framework Schedule 8 (Self Audit Certificate);
"Serious Fraud Office"	the UK Government body named as such as may be renamed or replaced by an equivalent body from time to time;
"Service Levels"	any service levels applicable to the provision of the Deliverables under the Call Off Contract (which, where Call Off Schedule 14

	(Service Levels) is used in this Contract, are specified in the Annex to Part A of such Schedule);
"Service Period"	has the meaning given to it in the Order Form;
"Services"	services made available by the Supplier as specified in Framework Schedule 1 (Specification) and in relation to a Call-Off Contract as specified in the Order Form;
"Service Transfer"	any transfer of the Deliverables (or any part of the Deliverables), for whatever reason, from the Supplier or any Subcontractor to a Replacement Supplier or a Replacement Subcontractor;
"Service Transfer Date"	the date of a Service Transfer;
"Sites"	any premises (including the Buyer Premises, the Supplier's premises or third party premises) from, to or at which: a) the Deliverables are (or are to be) provided; or b) the Supplier manages, organises or otherwise directs the provision or the use of the Deliverables;
"SME"	an enterprise falling within the category of micro, small and medium sized enterprises defined by the Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium enterprises;
"Special Terms"	any additional Clauses set out in the Framework Award Form or Order Form which shall form part of the respective Contract;
"Specific Change in Law"	a Change in Law that relates specifically to the business of the Buyer and which would not affect a Comparable Supply where the effect of that Specific Change in Law on the Deliverables is not reasonably foreseeable at the Start Date;
"Specification"	the specification set out in Framework Schedule 1 (Specification), as may, in relation to a Call-Off Contract, be supplemented by the Order Form;
"Service Transfer"	any transfer of the Deliverables (or any part of the Deliverables), for whatever reason, from the Supplier or any Subcontractor to a Replacement Supplier or a Replacement Subcontractor;
"Service Transfer Date"	a) the date of a Service Transfer;
"Sites"	b) any premises (including the Buyer Premises, the Supplier's premises or third party premises) from, to or at which: I. the Deliverables are (or are to be) provided; or II. the Supplier manages, organises or otherwise directs the provision or the use of the Deliverables;
"SME"	an enterprise falling within the category of micro, small and medium sized enterprises defined by the Commission

	Recommendation of 6 May 2003 concerning the definition of micro, small and medium enterprises;
"Special Terms"	any additional Clauses set out in the Framework Award Form or Order Form which shall form part of the respective Contract;
"Specific Change in Law"	a Change in Law that relates specifically to the business of the Buyer and which would not affect a Comparable Supply where the effect of that Specific Change in Law on the Deliverables is not reasonably foreseeable at the Start Date;
"Specification"	the specification set out in Framework Schedule 1 (Specification), as may, in relation to a Call-Off Contract, be supplemented by the Order Form;
"Standards"	any: <ul style="list-style-type: none"> a) standards published by BSI British Standards, the National Standards Body of the United Kingdom, the International Organisation for Standardisation or other reputable or equivalent bodies (and their successor bodies) that a skilled and experienced operator in the same type of industry or business sector as the Supplier would reasonably and ordinarily be expected to comply with; b) standards detailed in the specification in Schedule 1 (Specification); c) standards detailed by the Buyer in the Order Form or agreed between the Parties from time to time; d) relevant Government codes of practice and guidance applicable from time to time;
"Start Date"	in the case of the Framework Contract, the date specified on the Framework Award Form, and in the case of a Call-Off Contract, the date specified in the Order Form;
"Statement of Requirements"	a statement issued by the Buyer detailing its requirements in respect of Deliverables issued in accordance with the Call-Off Procedure;
"Storage Media"	the part of any device that is capable of storing and retrieving data;

"Sub-Contract"	any contract or agreement (or proposed contract or agreement), other than a Call-Off Contract or the Framework Contract, pursuant to which a third party: a) provides the Deliverables (or any part of them); b) provides facilities or services necessary for the provision of the Deliverables (or any part of them); and/or c) is responsible for the management, direction or control of the provision of the Deliverables (or any part of them);
"Subcontractor"	any person other than the Supplier, who is a party to a Sub-Contract and the servants or agents of that person;
"Subprocessor"	any third Party appointed to process Personal Data on behalf of that Processor related to a Contract;
"Supplier"	the person, firm or company identified in the Framework Award Form;
"Supplier Assets"	all assets and rights used by the Supplier to provide the Deliverables in accordance with the Call-Off Contract but excluding the Buyer Assets;
"Supplier Authorised Representative"	the representative appointed by the Supplier named in the Framework Award Form, or later defined in a Call-Off Contract;
"Supplier's Confidential Information"	a) any information, however it is conveyed, that relates to the business, affairs, developments, IPR of the Supplier (including the Supplier Existing IPR) trade secrets, Know-How, and/or personnel of the Supplier; b) any other information clearly designated as being confidential (whether or not it is marked as "confidential") or which ought reasonably to be considered to be confidential and which comes (or has come) to the Supplier's attention or into the Supplier's possession in connection with a Contract; c) Information derived from any of (a) and (b) above;
"Supplier's Contract Manager"	the person identified in the Order Form appointed by the Supplier to oversee the operation of the Call-Off Contract and any alternative person whom the Supplier intends to appoint to the role, provided that the Supplier informs the Buyer prior to the appointment;
"Supplier Equipment"	the Supplier's hardware, computer and telecoms devices, equipment, plant, materials and such other items supplied and used by the Supplier (but not hired, leased or loaned from the Buyer) in the performance of its obligations under this Call-Off Contract;

"Supplier Marketing Contact"	shall be the person identified in the Framework Award Form;
"Supplier Non-Performance"	where the Supplier has failed to: a) Achieve a Milestone by its Milestone Date; b) provide the Goods and/or Services in accordance with the Service Levels ; and/or comply with an obligation under a Contract;
"Supplier Profit"	in relation to a period, the difference between the total Charges (in nominal cash flow terms but excluding any Deductions and total Costs (in nominal cash flow terms) in respect of a Call-Off Contract for the relevant period;
"Supplier Profit Margin"	in relation to a period or a Milestone (as the context requires), the Supplier Profit for the relevant period or in relation to the relevant Milestone divided by the total Charges over the same period or in relation to the relevant Milestone and expressed as a percentage;
"Supplier Staff"	all directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any Subcontractor engaged in the performance of the Supplier's obligations under a Contract;
"Supporting Documentation"	sufficient information in writing to enable the Buyer to reasonably assess whether the Charges, Reimbursable Expenses and other sums due from the Buyer under the Call-Off Contract detailed in the information are properly payable;
"Tax"	a) all forms of taxation whether direct or indirect; b) national insurance contributions in the United Kingdom and similar contributions or obligations in any other jurisdiction; c) all statutory, governmental, state, federal, provincial, local government or municipal charges, duties, imports, contributions, levies or liabilities (other than in return for goods or services supplied or performed or to be performed) and withholdings; and d) any penalty, fine, surcharge, interest, charges or costs relating to any of the above, e) in each case wherever chargeable and whether of the United Kingdom and any other jurisdiction;
"Termination Notice"	a written notice of termination given by one Party to the other, notifying the Party receiving the notice of the intention of the Party giving the notice to terminate a Contract on a specified date and setting out the grounds for termination;

"Test Issue"	any variance or non-conformity of the Deliverables from their requirements as set out in a Call-Off Contract;
"Test Plan"	a plan: a) for the Testing of the Deliverables; and b) setting out other agreed criteria related to the achievement of Milestones;
"Tests "	any tests required to be carried out pursuant to a Call-Off Contract as set out in the Test Plan or elsewhere in a Call-Off Contract and "Tested" and "Testing" shall be construed accordingly;
"Third Party IPR"	Intellectual Property Rights owned by a third party which is or will be used by the Supplier for the purpose of providing the Deliverables;
"Transferring Supplier Employees"	those employees of the Supplier and/or the Supplier's Subcontractors to whom the Employment Regulations will apply on the Service Transfer Date;
"Transparency Information"	the Transparency Reports and the content of a Contract, including any changes to this Contract agreed from time to time, except for – (i) any information which is exempt from disclosure in accordance with the provisions of the FOIA, which shall be determined by the Relevant Authority; and (ii) Commercially Sensitive Information;
"Transparency Reports"	the information relating to the Deliverables and performance of the Contracts which the Supplier is required to provide to the Buyer in accordance with the reporting requirements in Call-Off Schedule 1 (Transparency Reports);
"TUPE"	Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended or replaced or any other regulations or UK legislation implementing the Acquired Rights Directive
"United Kingdom"	the country that consists of England, Scotland, Wales, and Northern Ireland
"Variation"	any change to a Contract;
"Variation Form"	the form set out in Joint Schedule 2 (Variation Form);
"Variation Procedure"	the procedure set out in Clause 24 (Changing the contract);
"VAT"	value added tax in accordance with the provisions of the Value Added Tax Act 1994;

Joint Schedule 1 (Definitions)

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"VCSE"	a non-governmental organisation that is value-driven and which principally reinvests its surpluses to further social, environmental or cultural objectives;
"Worker"	any one of the Supplier Staff which the Buyer, in its reasonable opinion, considers is an individual to which Procurement Policy Note 08/15 (Tax Arrangements of Public Appointees) (https://www.gov.uk/government/publications/procurement-policy-note-0815-tax-arrangements-of-appointees) applies in respect of the Deliverables;
"Working Day"	any day other than a Saturday or Sunday or public holiday in England and Wales unless specified otherwise by the Parties in the Order Form;
"Work Day"	7.5 Work Hours, whether or not such hours are worked consecutively and whether or not they are worked on the same day; and
"Work Hours"	the hours spent by the Supplier Staff properly working on the provision of the Deliverables including time spent travelling (other than to and from the Supplier's offices, or to and from the Sites) but excluding lunch breaks.

Joint Schedule 2 (Variation Form)

This form is to be used in order to change a contract in accordance with Clause 24 (Changing the Contract)

Contract Details		
This variation is between:	[delete] as applicable: CCS / Buyer] ("CCS" "the Buyer") And [insert] name of Supplier] ("the Supplier")	
Contract name:	[insert] name of contract to be changed] ("the Contract")	
Contract reference number:	[insert] contract reference number]	
Details of Proposed Variation		
Variation initiated by:	[delete] as applicable: CCS/Buyer/Supplier]	
Variation number:	[insert] variation number]	
Date variation is raised:	[insert] date]	
Proposed variation		
Reason for the variation:	[insert] reason]	
An Impact Assessment shall be provided within:	[insert] number] days	
Impact of Variation		
Likely impact of the proposed variation:	[Supplier to insert] assessment of impact]	
Outcome of Variation		
Contract variation:	This Contract detailed above is varied as follows: <ul style="list-style-type: none"> [CCS/Buyer to insert] original Clauses or Paragraphs to be varied and the changed clause] 	
Financial variation:	Original Contract Value:	£ [insert] amount]
	Additional cost due to variation:	£ [insert] amount]
	New Contract value:	£ [insert] amount]

1. This Variation must be agreed and signed by both Parties to the Contract and shall only be effective from the date it is signed by [delete] as applicable: CCS / Buyer]
2. Words and expressions in this Variation shall have the meanings given to them in the Contract.
3. The Contract, including any previous Variations, shall remain effective and unaltered except as amended by this Variation.

Signed by an authorised signatory for and on behalf of the **[delete]** as applicable: CCS / Buyer]

Signature

Date

Name (in Capitals)

Address

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

Signature

Date

Name (in Capitals)

Address

Joint Schedule 3 (Insurance Requirements)

1. The insurance you need to have

- 1.1 The Supplier shall take out and maintain, or procure the taking out and maintenance of the insurances as set out in the Annex to this Schedule, any additional insurances required under a Call-Off Contract (specified in the applicable Order Form) ("**Additional Insurances**") and any other insurances as may be required by applicable Law (together the "**Insurances**"). The Supplier shall ensure that each of the Insurances is effective no later than:
 - 1.1.1 the Framework Start Date in respect of those Insurances set out in the Annex to this Schedule and those required by applicable Law; and
 - 1.1.2 the Call-Off Contract Effective Date in respect of the Additional Insurances.
- 1.2 The Insurances shall be:
 - 1.2.1 maintained in accordance with Good Industry Practice;
 - 1.2.2 (so far as is reasonably practicable) on terms no less favourable than those generally available to a prudent contractor in respect of risks insured in the international insurance market from time to time;
 - 1.2.3 taken out and maintained with insurers of good financial standing and good repute in the international insurance market; and
 - 1.2.4 maintained for at least six (6) years after the End Date.
- 1.3 The Supplier shall ensure that the public and products liability policy contain an indemnity to principals clause under which the Relevant Authority shall be indemnified in respect of claims made against the Relevant Authority in respect of death or bodily injury or third party property damage arising out of or in connection with the Deliverables and for which the Supplier is legally liable.

2. How to manage the insurance

- 2.1 Without limiting the other provisions of this Contract, the Supplier shall:
 - 2.1.1 take or procure the taking of all reasonable risk management and risk control measures in relation to Deliverables as it would be reasonable to expect of a prudent contractor acting in accordance with Good Industry Practice, including the investigation and reports of relevant claims to insurers;
 - 2.1.2 promptly notify the insurers in writing of any relevant material fact under any Insurances of which the Supplier is or becomes aware; and
 - 2.1.3 hold all policies in respect of the Insurances and cause any insurance broker effecting the Insurances to hold any insurance slips and other evidence of placing cover representing any of the Insurances to which it is a party.

3. What happens if you aren't insured

- 3.1 The Supplier shall not take any action or fail to take any action or (insofar as is reasonably within its power) permit anything to occur in relation to it which would entitle any insurer to refuse to pay any claim under any of the Insurances.
- 3.2 Where the Supplier has failed to purchase or maintain any of the Insurances in full force and effect, the Relevant Authority may elect (but shall not be obliged) following written notice to the Supplier to purchase the relevant Insurances and recover the reasonable premium and other reasonable costs incurred in connection therewith as a debt due from the Supplier.

4. Evidence of insurance you must provide

- 4.1 The Supplier shall upon the Start Date and within 15 Working Days after the renewal of each of the Insurances, provide evidence, in a form satisfactory to the Relevant Authority, that the Insurances are in force and effect and meet in full the requirements of this Schedule.

5. Making sure you are insured to the required amount

- 5.1 The Supplier shall ensure that any Insurances which are stated to have a minimum limit "in the aggregate" are maintained at all times for the minimum limit of indemnity specified in this Contract and if any claims are made which do not relate to this Contract then the Supplier shall notify the Relevant Authority and provide details of its proposed solution for maintaining the minimum limit of indemnity.

6. Cancelled Insurance

- 6.1 The Supplier shall notify the Relevant Authority in writing at least five (5) Working Days prior to the cancellation, suspension, termination or non-renewal of any of the Insurances.
- 6.2 The Supplier shall ensure that nothing is done which would entitle the relevant insurer to cancel, rescind or suspend any insurance or cover, or to treat any insurance, cover or claim as voided in whole or part. The Supplier shall use all reasonable endeavours to notify the Relevant Authority (subject to third party confidentiality obligations) as soon as practicable when it becomes aware of any relevant fact, circumstance or matter which has caused, or is reasonably likely to provide grounds to, the relevant insurer to give notice to cancel, rescind, suspend or void any insurance, or any cover or claim under any insurance in whole or in part.

7. Insurance claims

- 7.1 The Supplier shall promptly notify to insurers any matter arising from, or in relation to, the Deliverables, or each Contract for which it may be entitled to claim under any of the Insurances. In the event that the Relevant Authority receives a claim relating to or arising out of a Contract or the Deliverables, the Supplier shall co-operate with the Relevant Authority and assist it in dealing with such claims including without limitation providing information and documentation in a timely manner.

Joint Schedule 3 (Insurance Requirements)

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- 7.2 Except where the Relevant Authority is the claimant party, the Supplier shall give the Relevant Authority notice within twenty (20) Working Days after any insurance claim in excess of 10% of the sum required to be insured pursuant to Paragraph 5.1 relating to or arising out of the provision of the Deliverables or this Contract on any of the Insurances or which, but for the application of the applicable policy excess, would be made on any of the Insurances and (if required by the Relevant Authority) full details of the incident giving rise to the claim.
- 7.3 Where any Insurance requires payment of a premium, the Supplier shall be liable for and shall promptly pay such premium.
- 7.4 Where any Insurance is subject to an excess or deductible below which the indemnity from insurers is excluded, the Supplier shall be liable for such excess or deductible. The Supplier shall not be entitled to recover from the Relevant Authority any sum paid by way of excess or deductible under the Insurances whether under the terms of this Contract or otherwise.

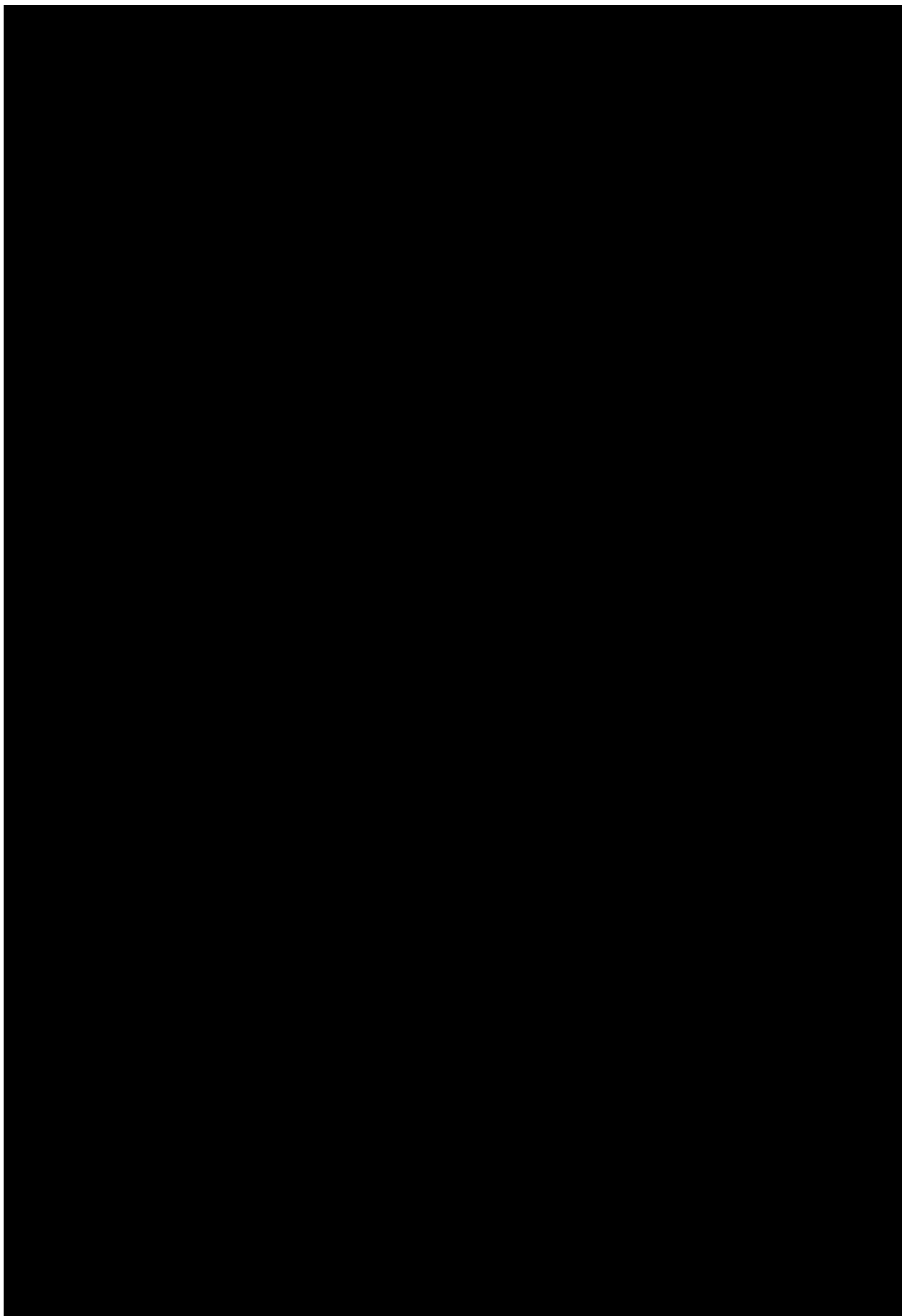
ANNEX: REQUIRED INSURANCES

1. The Supplier shall hold the following [standard] insurance cover from the Framework Start Date in accordance with this Schedule:
 - 1.1 professional indemnity insurance with cover (for a single event or a series of related events and in the aggregate) of not less than one million pounds (£1,000,000);
 - 1.2 public liability insurance with cover (for a single event or a series of related events and in the aggregate) of not less than five million pounds (£5,000,000); and
 - 1.3 employers' liability insurance with cover (for a single event or a series of related events and in the aggregate) of not less than five million pounds (£5,000,000).

Joint Schedule 4 (Commercially Sensitive Information)

1. What is the Commercially Sensitive Information?

- 1.1 In this Schedule the Parties have sought to identify the Supplier's Confidential Information that is genuinely commercially sensitive and the disclosure of which would be the subject of an exemption under the FOIA and the EIRs.
- 1.2 Where possible, the Parties have sought to identify when any relevant Information will cease to fall into the category of Information to which this Schedule applies in the table below and in the Order Form (which shall be deemed incorporated into the table below).
- 1.3 Without prejudice to the Relevant Authority's obligation to disclose Information in accordance with FOIA or Clause 16 (When you can share information), the Relevant Authority will, in its sole discretion, acting reasonably, seek to apply the relevant exemption set out in the FOIA to the following Information:



Joint Schedule 5 (Corporate Social Responsibility)

1. What we expect from our Suppliers

- 1.1 In September 2017, HM Government published a Supplier Code of Conduct setting out the standards and behaviours expected of suppliers who work with government.
(https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/646497/2017-09-13_Official_Sensitive_Supplier_Code_of_Conduct_September_2017.pdf)
- 1.2 CCS expects its suppliers and subcontractors to meet the standards set out in that Code. In addition, CCS expects its suppliers and subcontractors to comply with the standards set out in this Schedule.
- 1.3 The Supplier acknowledges that the Buyer may have additional requirements in relation to corporate social responsibility. The Buyer expects that the Supplier and its Subcontractors will comply with such corporate social responsibility requirements as the Buyer may notify to the Supplier from time to time.

2. Equality and Accessibility

- 2.1 In addition to legal obligations, the Supplier shall support CCS and the Buyer in fulfilling its Public Sector Equality duty under S149 of the Equality Act 2010 by ensuring that it fulfils its obligations under each Contract in a way that seeks to:
 - 2.1.1 eliminate discrimination, harassment or victimisation of any kind; and
 - 2.1.2 advance equality of opportunity and good relations between those with a protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage and civil partnership) and those who do not share it.

3. Modern Slavery, Child Labour and Inhumane Treatment

"Modern Slavery Helpline" means the mechanism for reporting suspicion, seeking help or advice and information on the subject of modern slavery available online at <https://www.modernslaveryhelpline.org/report> or by telephone on 08000 121 700.

- 3.1 The Supplier:
 - 3.1.1 shall not use, nor allow its Subcontractors to use forced, bonded or involuntary prison labour;
 - 3.1.2 shall not require any Supplier Staff or Subcontractor Staff to lodge deposits or identify papers with the Employer and shall be free to leave their employer after reasonable notice;
 - 3.1.3 warrants and represents that it has not been convicted of any slavery or human trafficking offences anywhere around the world.

- 3.1.4 warrants that to the best of its knowledge it is not currently under investigation, inquiry or enforcement proceedings in relation to any allegation of slavery or human trafficking offenses anywhere around the world.
- 3.1.5 shall make reasonable enquires to ensure that its officers, employees and Subcontractors have not been convicted of slavery or human trafficking offenses anywhere around the world.
- 3.1.6 shall have and maintain throughout the term of each Contract its own policies and procedures to ensure its compliance with the Modern Slavery Act and include in its contracts with its Subcontractors anti-slavery and human trafficking provisions;
- 3.1.7 shall implement due diligence procedures to ensure that there is no slavery or human trafficking in any part of its supply chain performing obligations under a Contract;
- 3.1.8 shall prepare and deliver to CCS, an annual slavery and human trafficking report setting out the steps it has taken to ensure that slavery and human trafficking is not taking place in any of its supply chains or in any part of its business with its annual certification of compliance with Paragraph 3;
- 3.1.9 shall not use, nor allow its employees or Subcontractors to use physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation of its employees or Subcontractors;
- 3.1.10 shall not use or allow child or slave labour to be used by its Subcontractors;
- 3.1.11 shall report the discovery or suspicion of any slavery or trafficking by it or its Subcontractors to CCS, the Buyer and Modern Slavery Helpline.

4. Income Security

4.1 The Supplier shall:

- 4.1.1 ensure that that all wages and benefits paid for a standard working week meet, at a minimum, national legal standards in the country of employment;
- 4.1.2 ensure that all Supplier Staff are provided with written and understandable Information about their employment conditions in respect of wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid;
- 4.1.3 not make deductions from wages:
 - (a) as a disciplinary measure
 - (b) except where permitted by law; or
 - (c) without expressed permission of the worker concerned;

- 4.1.4 record all disciplinary measures taken against Supplier Staff;
and
- 4.1.5 ensure that Supplier Staff are engaged under a recognised employment relationship established through national law and practice.

5. Working Hours

5.1 The Supplier shall:

- 5.1.1 ensure that the working hours of Supplier Staff comply with national laws, and any collective agreements;
- 5.1.2 that the working hours of Supplier Staff, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week unless the individual has agreed in writing;
- 5.1.3 ensure that use of overtime used responsibly, taking into account:
 - (a) the extent;
 - (b) frequency; and
 - (c) hours worked;

by individuals and by the Supplier Staff as a whole;

- 1.2 The total hours worked in any seven day period shall not exceed 60 hours, except where covered by Paragraph 5.3 below.
- 1.3 Working hours may exceed 60 hours in any seven day period only in exceptional circumstances where all of the following are met:
 - 1.3.1 this is allowed by national law;
 - 1.3.2 this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
appropriate safeguards are taken to protect the workers' health and safety; and
 - 1.3.3 the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.
- 1.4 All Supplier Staff shall be provided with at least one (1) day off in every seven (7) day period or, where allowed by national law, two (2) days off in every fourteen (14) day period.

2. Sustainability

- 2.1 The supplier shall meet the applicable Government Buying Standards applicable to Deliverables which can be found online at:

<https://www.gov.uk/government/collections/sustainable-procurement-the-government-buying-standards-gbs>

Joint Schedule 7 (Financial Difficulties)

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Joint Schedule 7 Financial Difficulties

1 Definitions

1.1 In this Schedule, the following definitions shall apply:

“Applicable Financial Indicators”	means the financial indicators from paragraph 5.1 of this Schedule which are to apply to the Monitored Suppliers as set out in paragraph 5.2 of this Schedule;
“Board”	means the Supplier’s board of directors;
“Board Confirmation”	means written confirmation from the Board in accordance with paragraph 8 of this Schedule;
“Bronze Contract”	means a call-off contract categorised as a bronze contract using the Cabinet Office Contract Tiering Tool;
“Cabinet Office Markets and Suppliers Team”	means the UK Government’s team responsible for managing the relationship between government and its Strategic Suppliers, or any replacement or successor body carrying out the same function;
“Credit Rating Threshold”	means the minimum credit rating level for each entity in the FDE Group as set out in Annex 1 to this Schedule;
“FDE Group”	means the Supplier, Supplier Affiliates, Key Subcontractors, and the Monitored Suppliers;
“Financial Distress Event”	means any of the events listed in paragraph 3.1 of this Schedule;
“Financial Distress Remediation Plan”	means a plan setting out how the Supplier will ensure the continued performance and delivery of the Deliverables in accordance with the Contract in the event that a Financial Distress Event occurs;
“Financial Indicators”	means in respect of the Supplier, Key Subcontractors and the Guarantor, means each of the financial indicators set out at paragraph 5.1 of this Schedule and in respect of each Monitored Supplier, means those Applicable Financial Indicators;
“Financial Target Thresholds”	means the target thresholds for each of the Financial Indicators set out at paragraph 5.1 of this Schedule;
“Monitored Suppliers”	means those entities specified at paragraph 5.2 of this Schedule;
“Parent Undertaking”	has the meaning given to it in section 1162 <i>Companies Act 2006</i> ;

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“Rating Agencies”	means the rating agencies listed in Annex 1 of this Schedule;
“Strategic Supplier”	means those suppliers to government listed at https://www.gov.uk/government/publications/strategic-suppliers .

2. Warranties and duty to notify

- 2.1 The Supplier warrants and represents to the Relevant Authority for the benefit of the Relevant Authority that as at the Effective Date:
- 2.1.1 the long term credit ratings issued for each entity in the FDE Group by each of the Rating Agencies are as set out in Annex 2 to this Schedule; and
 - 2.1.2 the financial position or, as appropriate, the financial performance of each of the Supplier, Guarantor and Key Subcontractors satisfies the Financial Target Thresholds.
- 2.2 The Supplier shall promptly notify (or shall procure that its auditors promptly notify) the Relevant Authority in writing if there is any downgrade in the credit rating issued by any Rating Agency for any entity in the FDE Group (and in any event within 5 Working Days of the occurrence of the downgrade).
- 2.3 The Supplier shall:
- 2.3.1 regularly monitor the credit ratings of each entity in the FDE Group with the Rating Agencies;
 - 2.3.2 monitor and report on the Financial Indicators for each entity in the FDE Group against the Financial Target Thresholds at least at the frequency set out for each at paragraph 5.1 (where specified) and in any event, on a regular basis and no less than once a year within ninety (90) days after the Accounting Reference Date; and
 - 2.3.3 promptly notify (or shall procure that its auditors promptly notify) the Relevant Authority in writing following the occurrence of a Financial Distress Event (and in any event, ensure that such notification is made within 10 Working Days of the date on which the Supplier first becomes aware of the Financial Distress Event).
- 2.4 For the purposes of determining whether a Financial Distress Event has occurred pursuant to the provisions of paragraph 3.1, and for the purposes of determining relief under paragraph 7.1, the credit rating of an FDE Group entity shall be deemed to have dropped below the applicable Credit Rating Threshold if any of the Rating Agencies have rated that entity at or below the applicable Credit Rating Threshold.
- 2.5 Each report submitted by the Supplier pursuant to paragraph 2.3.2 shall:
- 2.5.1 be a single report with separate sections for each of the FDE Group entities;
 - 2.5.2 contain a sufficient level of information to enable the Relevant Authority to verify the calculations that have been made in respect of the Financial Indicators;
 - 2.5.3 include key financial and other supporting information (including any accounts data that has been relied on) as separate annexes;
 - 2.5.4 be based on the audited accounts for the date or period on which the Financial Indicator is based or, where the Financial Indicator is not linked to

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an accounting period or an accounting reference date, on unaudited management accounts prepared in accordance with their normal timetable; and

- 2.5.5 include a history of the Financial Indicators reported by the Supplier in graph form to enable the Relevant Authority to easily analyse and assess the trends in financial performance.

3. Financial Distress events

3.1 The following shall be Financial Distress Events:

- 3.1.1 the credit rating of an FDE Group entity dropping below the applicable Credit Rating Threshold;
- 3.1.2 an FDE Group entity issuing a profits warning to a stock exchange or making any other public announcement, in each case about a material deterioration in its financial position or prospects;
- 3.1.3 there being a public investigation into improper financial accounting and reporting, suspected fraud or any other impropriety of an FDE Group entity;
- 3.1.4 an FDE Group entity committing a material breach of covenant to its lenders;
- 3.1.5 a Key Subcontractor notifying CCS or the Buyer that the Supplier has not satisfied any material sums properly due under a specified invoice and not subject to a genuine dispute; and
- 3.1.6 any of the following:
 - (a) commencement of any litigation against an FDE Group entity with respect to financial indebtedness greater than £5m or obligations under a service contract with a total contract value greater than £5m;
 - (b) non-payment by an FDE Group entity of any financial indebtedness;
 - (c) any financial indebtedness of an FDE Group entity becoming due as a result of an event of default;
 - (d) the cancellation or suspension of any financial indebtedness in respect of an FDE Group entity; or
 - (e) the external auditor of an FDE Group entity expressing a qualified opinion on, or including an emphasis of matter in, its opinion on the statutory accounts of that FDE entity;
 - (f) issuance by the FDE Group of a profit warning made to the market, or publicly reported,

in each case which the Relevant Authority reasonably believes could directly impact on the continued performance and delivery of the Deliverables in accordance with the Contract; and

- 3.1.7 any one of the Financial Indicators set out at paragraph 5 for any of the FDE Group entities failing to meet the required Financial Target Threshold.

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4. Consequences of Financial Distress Events

- 4.1 Immediately upon the occurrence of a Financial Distress Event (or if the Relevant Authority becomes aware of a Financial Distress Event without notification and brings the event to the attention of the Supplier) or as soon as permitted in accordance with Law, the Supplier shall have the obligations and the Relevant Authority shall have the rights and remedies as set out in paragraphs 4.3 to 4.6.
- 4.2 In the event of a late or non-payment of a Key Sub-contractor pursuant to paragraph 3.1.5, the Relevant Authority shall not exercise any of its rights or remedies under paragraph 4.3 without first giving the Supplier 10 Working Days to:
- 4.2.1 rectify such late or non-payment; or
 - 4.2.2 demonstrate to the Relevant Authority's reasonable satisfaction that there is a valid reason for late or non-payment.
- 4.3 The Supplier shall (and shall procure that any Monitored Supplier, the Guarantor and/or any relevant Key Sub-contractor shall):
- 4.3.1 immediately notify the Relevant Authority of the Financial Distress Event;
 - 4.3.2 at the request of the Relevant Authority, meet the Relevant Authority as soon as reasonably practicable (and in any event within 3 Working Days of the initial notification (or awareness) of the Financial Distress Event or such other period as the Relevant Authority may permit and notify to the Supplier in writing) to review the effect of the Financial Distress Event on the continued performance and delivery of the Services in accordance with the Contract; and
 - 4.3.3 where the Relevant Authority reasonably believes, taking into account the discussions and any representations made under paragraph 4.3.1, that the Financial Distress Event could impact on the continued performance and delivery of the Deliverables in accordance with the Contract:
 - (a) submit to the Relevant Authority for its approval, a draft Financial Distress Remediation Plan as soon as reasonably practicable (and in any event, within 10 Working Days of the initial notification (or awareness) of the Financial Distress Event or such other period as the Relevant Authority may permit and notify to the Supplier in writing); and
 - (b) to the extent that it is legally permitted to do so and subject to paragraph 4.8, provide such information relating to the Supplier, any Monitored Supplier, Key Sub-contractors and/or the Guarantor as the Buyer may reasonably require in order to understand the risk to the Deliverables, which may include forecasts in relation to cash flow, orders and profits and details of financial measures being considered to mitigate the impact of the Financial Distress Event.
- 4.4 The Relevant Authority shall not withhold its approval of a draft Financial Distress Remediation Plan unreasonably. If the Relevant Authority does not approve the draft Financial Distress Remediation Plan, it shall inform the Supplier of its reasons and the Supplier shall take those reasons into account in the preparation of a further draft Financial Distress Remediation Plan, which shall be resubmitted to the Relevant Authority within 5 Working Days of the rejection of the first draft. This process shall be repeated until the Financial Distress Remediation Plan is

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approved by the Relevant Authority or referred to the Dispute Resolution Procedure set out in clause 34 of the Core Terms under paragraph 4.5.

4.5 If the Relevant Authority considers that the draft Financial Distress Remediation Plan is insufficiently detailed to be properly evaluated, will take too long to complete or will not ensure the continued performance of the Supplier's obligations in accordance with the Contract, then it may either agree a further time period for the development and agreement of the Financial Distress Remediation Plan or escalate any issues with the draft Financial Distress Remediation Plan using the Dispute Resolution Procedure in clause 34 of the Core Terms.

4.6 Following approval of the Financial Distress Remediation Plan by the Relevant Authority, the Supplier shall:

4.6.1 on a regular basis (which shall not be less than fortnightly):

- (a) review and make any updates to the Financial Distress Remediation Plan as the Supplier may deem reasonably necessary and/or as may be reasonably requested by the Relevant Authority, so that the plan remains adequate, up to date and ensures the continued performance and delivery of the Deliverables in accordance with this Contract; and
- (b) provide a written report to the Relevant Authority setting out its progress against the Financial Distress Remediation Plan, the reasons for any changes made to the Financial Distress Remediation Plan by the Supplier and/or the reasons why the Supplier may have decided not to make any changes;

4.6.2 where updates are made to the Financial Distress Remediation Plan in accordance with paragraph 4.6.1, submit an updated Financial Distress Remediation Plan to the Relevant Authority for its approval, and the provisions of paragraphs 4.4 and 4.5 shall apply to the review and approval process for the updated Financial Distress Remediation Plan; and

4.6.3 comply with the Financial Distress Remediation Plan (including any updated Financial Distress Remediation Plan) and ensure that it achieves the financial and performance requirements set out in the Financial Distress Remediation Plan.

4.7 Where the Supplier reasonably believes that the relevant Financial Distress Event under paragraph 4.1 (or the circumstance or matter which has caused or otherwise led to it) no longer exists, it shall notify the Relevant Authority and the Parties may agree that the Supplier shall be relieved of its obligations under paragraph 4.6.

4.8 The Supplier shall use reasonable endeavours to put in place the necessary measures to ensure that the information specified at paragraph 4.3.3(b) is available when required and on request from the Relevant Authority and within reasonable timescales. Such measures may include:

- 4.8.1 obtaining in advance written authority from Key Sub-contractors, the Guarantor and/or Monitored Suppliers authorising the disclosure of the information to the Buyer and/or entering into confidentiality agreements which permit disclosure;
- 4.8.2 agreeing in advance with the Relevant Authority, Key Sub-contractors, the Guarantor and/or Monitored Suppliers a form of confidentiality agreement to be entered by the relevant parties to enable the disclosure of the information to the Relevant Authority;

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- 4.8.3 putting in place any other reasonable arrangements to enable the information to be lawfully disclosed to the Relevant Authority (which may include making price sensitive information available to the Relevant Authority's nominated personnel through confidential arrangements, subject to their consent); and
- 4.8.4 disclosing the information to the fullest extent that it is lawfully entitled to do so, including through the use of redaction, anonymisation and any other techniques to permit disclosure of the information without breaching a duty of confidentiality.

5. Financial Indicators

5.1 Subject to the calculation methodology set out at Annex 3 of this Schedule, the Financial Indicators and the corresponding calculations and thresholds used to determine whether a Financial Distress Event has occurred in respect of those Financial Indicators, shall be as follows:

Financial Indicator	Calculation ¹	Financial Target Threshold:	Monitoring and Reporting Frequency
1 The higher of (a) the Operating Margin for the most recent 12 month period and (b) the average Operating Margin for the last two 12 month periods	<i>Operating Margin = Operating Profit / Revenue</i>	<i>>7.5%</i>	<i>Tested and reported half yearly in arrears within 90 days of each half year end] based upon figures for the 12 months ending on the relevant half year end</i>
2 Free Cash Flow to Net Debt Ratio	<i>Free Cash Flow to Net Debt Ratio = Free Cash Flow / Net Debt</i>	<i>> 10%</i>	<i>Tested and reported half yearly in arrears within 90 days of each half year end] based upon Free Cash Flow for the 12 months ending on, and Net Debt at, the relevant half year end</i>
3	<i>Net Debt + Net Pension Deficit to EBITDA Ratio = (Net Debt + Net Pension</i>	<i><4 times</i>	<i>Tested and reported yearly in arrears within 90 days of each accounting reference date based upon EBITDA for the 12 months ending</i>

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Net Debt + Net Pension Deficit to EBITDA ratio	<i>Deficit) / EBITDA</i>		<i>on, and the Net Debt and Net Pension Deficit at, the relevant accounting reference date</i>
4 Net Interest Paid Cover	<i>Net Interest Paid Cover = Earnings Before Interest and Tax / Net Interest Paid</i>	<i>>4 times</i>	<i>Tested and reported half yearly in arrears within 90 days of each half year end based upon figures for the 12 months ending on the relevant half year end</i>
5 Acid Ratio	<i>Acid Ratio = (Current Assets – Inventories) / Current Liabilities</i>	<i>> 0.9 times</i>	<i>Tested and reported half yearly in arrears within 90 days of each half year end based upon figures at the relevant half year end</i>
6 Net Asset value	<i>Net Asset Value = Net Assets</i>	<i>> £0</i>	<i>Tested and reported half yearly in arrears within 90 days of each half year end based upon figures at the relevant half year end</i>
7 Group Exposure Ratio	<i>Group Exposure / Gross Assets</i>	<i>< 30%</i>	<i>Tested and reported yearly in arrears within 90 days of each accounting reference date based upon figures at the relevant accounting reference date</i>
Financial Target 8 Profit Warning			<i>Issuance of a profit warning affecting the FDE Group.</i>

Key: 1 – see Annex 3 to this Schedule which sets out the calculation methodology to be used in the calculation of each financial indicator.

5.2 Monitored Suppliers

Monitored Supplier	Applicable Financial Indicators
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	(these are the Financial Indicators from the table in paragraph Error! Reference source not found. which are to apply to the Monitored Suppliers)
[TBD on Contract Award]	1 - 8
[TBD on Contract Award]	1 - 8

6. Termination rights

6.1 The Relevant Authority shall be entitled to terminate the Contract if:

- 6.1.1 the Supplier fails to notify the Relevant Authority of a Financial Distress Event in accordance with paragraph 2.3(c);
- 6.1.2 the Parties fail to agree a Financial Distress Remediation Plan (or any updated Financial Distress Remediation Plan) in accordance with paragraphs 4.3 to 4.5; and/or
- 6.1.3 the Supplier fails to comply with the terms of the Financial Distress Remediation Plan (or any updated Financial Distress Remediation Plan) in accordance with paragraph 4.6.3,

which shall be deemed to be an event to which clause 10.4.1 of the Core Terms applies and clauses 10.6.1 and 10.6.2 of the Core Terms shall apply accordingly.

7. Primacy of Credit Ratings

7.1 Without prejudice to the Supplier's obligations and the Relevant Authority's rights and remedies under paragraph 2, if, following the occurrence of a Financial Distress Event pursuant to any of paragraphs 3.1.2 to 3.1.7, the Rating Agencies review and report subsequently that the credit ratings for the FDE Group entities do not drop below the relevant Credit Rating Thresholds specified for those entities in Annex 2 to this Schedule, then:

- 7.1.1 the Supplier shall be relieved automatically of its obligations under paragraphs 4.3 to 4.6; and
- 7.1.2 the Relevant Authority shall not be entitled to require the Supplier to provide financial information in accordance with paragraph 4.3(b)(ii).

8. Board confirmation

8.1 If the Contract has been specified as a Critical Service Contract under paragraph 2.1 of Part B of Annex 1 to Call-Off Schedule 8 (*Business Continuity and Disaster*

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Recovery) (if applicable) then, subject to paragraph 8.4 of this Schedule, the Supplier shall within ninety (90) days after each Accounting Reference Date or within 15 months of the previous Board Confirmation (whichever is the earlier) provide a Board Confirmation to the Relevant Authority in the form set out at Annex 4 to this Schedule, confirming that to the best of the Board's knowledge and belief, it is not aware of and has no knowledge:

8.1.1 that a Financial Distress Event has occurred since the later of the Effective Date or the previous Board Confirmation or is subsisting; or

8.1.2 of any matters which have occurred or are subsisting that could reasonably be expected to cause a Financial Distress Event.

8.2 The Supplier shall ensure that in its preparation of the Board Confirmation it exercises due care and diligence and has made reasonable enquiry of all relevant Supplier Staff and other persons as is reasonably necessary to understand and confirm the position.

8.3 In respect of the first Board Confirmation to be provided under this Contract, the Supplier shall provide the Board Confirmation within 15 months of the Effective Date if earlier than the timescale for submission set out in paragraph 8.1 of this Schedule.

8.4 Where the Supplier is unable to provide a Board Confirmation in accordance with paragraphs 8.1 to 8.3 of this Schedule due to the occurrence of a Financial Distress Event or knowledge of subsisting matters which could reasonably be expected to cause a Financial Distress Event, it will be sufficient for the Supplier to submit in place of the Board Confirmation, a statement from the Board of Directors to the Buyer (and where the Supplier is a Strategic Supplier, the Supplier shall send a copy of the statement to the Cabinet Office Markets and Suppliers Team) setting out full details of any Financial Distress Events that have occurred and/or the matters which could reasonably be expected to cause a Financial Distress Event.

9. Optional Clauses

9.1 Where a Buyer's Call-Off Contract is a Bronze Contract, if specified in the Order Form, the terms at Annex 5 shall apply to the Call-Off Contract in place of the remainder of this Schedule.

Annex 1: Rating Agencies and their standard Rating System

- Dun & Bradstreet

Financial Strength Indicator: 5A, 4A, 3A, 2A, 1A, A, B....

Risk Indicator: 1, 2, 3, 4

Failure Scores: 1 – 10, 11 – 50, 51 – 85, 86 - 100

- Moody's

Long Term Ratings: Aaa, Aa, A, Baa, Ba, B....

Short-term Ratings: P-1, P-2, P-2, NP....

- Standard and Poor's

AAA, AA, A, BBB, BB, B....

- Fitch Ratings

AAA, AA, A, BBB, BB, B....

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Annex 2: Credit Ratings and Credit Rating Thresholds

Entity	Credit rating (long term)
FDE Group	D&B – Financial Failure Score = or >70. Risk Indicator of 3 Moody's – Baa3 Standard and Poor's – BBB[1] Fitch Ratings - BBB[1]

Annex 3: Calculation methodology for Financial Indicators

The Supplier shall ensure that it uses the following general and specific methodologies for calculating the Financial Indicators against the Financial Target Thresholds:

General methodology

Terminology: The terms referred to in this Annex are those used by UK companies in their financial statements. Where the entity is not a UK company, the corresponding items should be used even if the terminology is slightly different (for example a charity would refer to a surplus or deficit rather than a profit or loss).

Groups: Where the entity is the holding company of a group and prepares consolidated financial statements, the consolidated figures should be used.

Foreign currency conversion: Figures denominated in foreign currencies should be converted at the exchange rate in force at the relevant date for which the Financial Indicator is being calculated.

Treatment of non-underlying items: Financial Indicators should be based on the figures in the financial statements before adjusting for non-underlying items.

Specific Methodology

Financial Indicator	Specific Methodology
1 Operating Margin	<p>The elements used to calculate the Operating Margin should be shown on the face of the Income Statement in a standard set of financial statements.</p> <p>Figures for Operating Profit and Revenue should exclude the entity's share of the results of any joint ventures or Associates.</p> <p>Where an entity has an operating loss (i.e. where the operating profit is negative), Operating Profit should be taken to be zero.</p>
2 Free Cash Flow to Net Debt Ratio	<p>"Free Cash Flow" = Net Cash Flow from Operating Activities – Capital Expenditure</p> <p>"Capital Expenditure" = Purchase of property, plant & equipment + purchase of intangible assets</p>

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	<p><i>“Net Debt” = Bank overdrafts + Loans and borrowings + Finance Leases + Deferred consideration payable – Cash and cash equivalents</i></p> <p>The majority of the elements used to calculate the Free Cash Flow to Net Debt Ratio should be shown on the face of the Statement of Cash Flows and the Balance Sheet in a standard set of financial statements.</p> <p><u>Net Cash Flow from Operating Activities:</u> This should be stated after deduction of interest and tax paid.</p> <p><u>Capital expenditure:</u> The elements of capital expenditure may be described slightly differently but will be found under ‘Cash flows from investing activities’ in the Statement of Cash Flows; they should be limited to the purchase of fixed assets (including intangible assets) for the business and exclude acquisitions. The figure should be shown gross without any deduction for any proceeds of sale of fixed assets.</p> <p><u>Net Debt:</u> The elements of Net Debt may also be described slightly differently and should be found either on the face of the Balance Sheet or in the relevant note to the financial statements. All interest bearing liabilities (other than retirement benefit obligations) should be treated as borrowings as should, where disclosed, any liabilities (less any assets) in respect of any hedges designated as linked to borrowings (but not non-designated hedges). Borrowings should also include balances owed to other group members.</p> <p>Deferred consideration payable should be included in Net Debt despite typically being non-interest bearing.</p> <p>Cash and cash equivalents should include short-term financial investments shown in current assets.</p> <p>Where Net debt is negative (i.e. an entity has net cash), the relevant Financial Target Threshold should be treated as having been met.</p>
3 Net Debt + Net Pension Deficit to EBITDA ratio	<p><i>“Net Debt” = Bank overdrafts + Loans and borrowings + Finance leases + Deferred consideration payable – Cash and cash equivalents</i></p>

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	<p><i>“Net Pension Deficit” = Retirement Benefit Obligations – Retirement Benefit Assets</i></p> <p><i>“EBITDA” = Operating profit + Depreciation charge + Amortisation charge</i></p> <p>The majority of the elements used to calculate the Net Debt + Net Pension Deficit to EBITDA Ratio should be shown on the face of the Balance sheet, Income statement and Statement of Cash Flows in a standard set of financial statements but will otherwise be found in the notes to the financial statements.</p> <p><u>Net Debt:</u> The elements of Net Debt may be described slightly differently and should be found either on the face of the Balance Sheet or in the relevant note to the financial statements. All interest bearing liabilities (other than retirement benefit obligations) should be included as borrowings as should, where disclosed, any liabilities (less any assets) in respect of any hedges designated as linked to borrowings (but <i>not</i> non-designated hedges). Borrowings should also include balances owed to other group members.</p> <p>Deferred consideration payable should be included in Net Debt despite typically being non-interest bearing.</p> <p>Cash and cash equivalents should include short-term financial investments shown in current assets.</p> <p><u>Net Pension Deficit:</u> Retirement Benefit Obligations and Retirement Benefit Assets may be shown on the face of the Balance Sheet or in the notes to the financial statements. They may also be described as pension benefits / obligations, post-employment obligations or other similar terms.</p> <p>Where ‘Net Debt + Net Pension Deficit’ is negative, the relevant Financial Target Threshold should be treated as having been met.</p> <p><u>EBITDA:</u> Operating profit should be shown on the face of the Income Statement and, for the purposes of calculating this Financial Indicator, should include the entity’s share of the results of any joint ventures or Associates.</p>
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	<p>The depreciation and amortisation charges for the period may be found on the face of the Statement of Cash Flows or in a Note to the Accounts.</p> <p>Where EBITDA is negative, the relevant Financial Target Threshold should be treated as not having been met (unless 'Net Debt + Net Pension Deficit' is also negative, in which case the relevant Financial Target Threshold should be regarded as having been met).</p>
4 Net Interest Paid Cover	<p><i>"Earnings Before Interest and Tax" = Operating profit</i></p> <p><i>"Net Interest Paid" = Interest paid – Interest received</i></p> <p>Operating profit should be shown on the face of the Income Statement in a standard set of financial statements and, for the purposes of calculating this Financial Indicator, should include the entity's share of the results of any joint ventures or Associates.</p> <p>Interest received and interest paid should be shown on the face of the Cash Flow statement.</p> <p>Where Net interest paid is negative (i.e. the entity has net interest received), the relevant Financial Target Threshold should be treated as having been met.</p>
5 Acid Ratio	<p>All elements that are used to calculate the Acid Ratio are available on the face of the Balance Sheet in a standard set of financial statements.</p>
6 Net Asset value	<p>Net Assets are shown (but sometimes not labelled) on the face of the Balance Sheet of a standard set of financial statements. Net Assets are sometimes called net worth or 'Shareholders' Funds'. They represent the net assets available to the shareholders. Where an entity has a majority interest in another entity in which there are also minority or non-controlling interests (i.e. where it has a subsidiary partially owned by outside investors), Net Assets should be taken inclusive of minority or non-controlling interests (as if the entity owned 100% of such entity).</p>

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7 Group Exposure Ratio	<p><i>“Group Exposure” = Balances owed by Group Undertakings + Contingent liabilities assumed in support of Group Undertakings</i></p> <p><i>“Gross Assets” = Fixed Assets + Current Assets</i></p> <p><u>Group Exposure</u>: Balances owed by (ie receivable from) Group Undertakings are shown within Fixed assets or Current assets either on the face of the Balance Sheet or in the relevant notes to the financial statements. In many cases there may be no such balances, in particular where an entity is not a member of a group or is itself the ultimate holding company of the group.</p> <p>Contingent liabilities assumed in support of Group Undertakings are shown in the Contingent Liabilities note in a standard set of financial statements. They include guarantees and security given in support of the borrowings of other group companies, often as part of group borrowing arrangements. Where the contingent liabilities are capped, the capped figure should be taken as their value. Where no cap or maximum is specified, the relevant Financial Target Threshold should automatically be regarded as not having been met.</p> <p>In many cases an entity may not have assumed any contingent liabilities in support of Group Undertakings, in particular where an entity is not a member of a group or is itself the ultimate holding company of the group.</p> <p><u>Gross Assets</u>: Both Fixed assets and Current assets are shown on the face of the Balance Sheet</p>
8 Profit Warning	<p>Supplier shall be required to notify the named Defra [Contract Manager and SRO] of all instances of <u>profit warning</u> at the date upon which they are issued. At which point the Supplier will be required to submit a Financial Distress Continuity Plan</p>

ANNEX 4: BOARD CONFIRMATION

Supplier Name:

Contract Reference Number:

The Board of Directors acknowledge the requirements set out at paragraph **Error! Reference source not found.** of Joint Schedule 7 (*Financial Distress*) and confirm that the Supplier has exercised due care and diligence and made reasonable enquiry of all relevant Supplier Staff and other persons as is reasonably necessary to enable the Board to prepare this statement.

The Board of Directors confirms, to the best of its knowledge and belief, that as at the date of this Board Confirmation it is not aware of and has no knowledge:

- (a) that a Financial Distress Event has occurred since the later of the previous Board Confirmation and the Effective Date or is subsisting;
or
- (b) of any matters which have occurred or are subsisting that could reasonably be expected to cause a Financial Distress Event

On behalf of the Board of Directors:

Chair

Signed

Date

Director

Signed

Date

ANNEX 5: OPTIONAL CLAUSES FOR BRONZE CONTRACTS

1. Definitions

1.1 In this Annex 5, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (*Definitions*):

"Credit Rating Threshold"	the minimum credit rating level for the Monitored Company as set out in Appendix 2;
"Financial Distress Event"	<p>the occurrence or one or more of the following events:</p> <ul style="list-style-type: none">a) the credit rating of the Monitored Company dropping below the applicable Credit Rating Threshold;b) the Monitored Company issuing a profits warning to a stock exchange or making any other public announcement about a material deterioration in its financial position or prospects;c) there being a public investigation into improper financial accounting and reporting, suspected fraud or any other impropriety of the Monitored Party;d) Monitored Company committing a material breach of covenant to its lenders;e) a Key Subcontractor (where applicable) notifying CCS that the Supplier has not satisfied any sums properly due under a specified invoice and not subject to a genuine dispute; orf) any of the following:<ul style="list-style-type: none">i) commencement of any litigation against the Monitored Company with respect to financial

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	indebtedness or obligations under a contract;
	ii) non-payment by the Monitored Company of any financial indebtedness;
	iii) any financial indebtedness of the Monitored Company becoming due as a result of an event of default; or
	iv) the cancellation or suspension of any financial indebtedness in respect of the Monitored Company
	in each case which the Relevant Authority reasonably believes (or would be likely reasonably to believe) could directly impact on the continued performance of any Contract and delivery of the Deliverables in accordance with any Call-Off Contract;
"Financial Distress Service Continuity Plan"	a plan setting out how the Supplier will ensure the continued performance and delivery of the Deliverables in accordance with each Call-Off Contract in the event that a Financial Distress Event occurs;
"Monitored Company"	Supplier, Supplier Parent Undertaking, Key Sub-contractors, and the Monitored Suppliers;
"Rating Agencies"	the rating agencies listed in Appendix 1.

2. When this Schedule applies

2.1 The Parties shall comply with the provisions of this Annex 5 in relation to the assessment of the financial standing of the Monitored Companies and the consequences of a change to that financial standing.

2.2 The terms of this Annex 5 shall survive:

2.2.1 under the Framework Contract until the later of (a) the termination or expiry of the Framework Contract or (b) the latest date of termination or expiry of any call-off contract entered into under the Framework Contract (which might be after the date of termination or expiry of the Framework Contract); and

2.2.2 under the Call-Off Contract until the termination or expiry of the Call-Off Contract.

3. What happens when your credit rating changes

- 3.1 The Supplier warrants and represents to the Relevant Authority that as at the Start Date the long term credit ratings issued for the Monitored Companies by each of the Rating Agencies are as set out in Appendix 2.
- 3.2 The Supplier shall promptly (and in any event within five (5) Working Days) notify the Relevant Authority in writing if there is any downgrade in the credit rating issued by any Rating Agency for a Monitored Company.
- 3.3 If there is any downgrade credit rating issued by any Rating Agency for the Monitored Company the Supplier shall ensure that the Monitored Company's auditors thereafter provide the Relevant Authority within 10 Working Days of the end of each Contract Year and within 10 Working Days of written request by the Relevant Authority (such requests not to exceed 4 in any Contract Year) with written calculations of the quick ratio for the Monitored Company as at the end of each Contract Year or such other date as may be requested by the Relevant Authority. For these purposes the "quick ratio" on any date means:

$$\frac{A + B + C}{D}$$

where:

- | | |
|---|--|
| A | is the value at the relevant date of all cash in hand and at the bank of the Monitored Company]; |
| B | is the value of all marketable securities held by the Supplier the Monitored Company determined using closing prices on the Working Day preceding the relevant date; |
| C | is the value at the relevant date of all account receivables of the Monitored]; and |
| D | is the value at the relevant date of the current liabilities of the Monitored Company]. |

3.4 The Supplier shall:

- 3.4.1 regularly monitor the credit ratings of each Monitored Company with the Rating Agencies; and
- 3.4.2 promptly notify (or shall procure that its auditors promptly notify) the Relevant Authority in writing following the occurrence of a Financial Distress Event or any fact, circumstance or matter which could cause a Financial Distress Event and in any event, ensure that such notification is made within 10 Working Days of the date on which the

Supplier first becomes aware of the Financial Distress Event or the fact, circumstance or matter which could cause a Financial Distress Event.

- 3.5 For the purposes of determining whether a Financial Distress Event has occurred the credit rating of the Monitored Company shall be deemed to have dropped below the applicable Credit Rating Threshold if any of the Rating Agencies have rated the Monitored Company at or below the applicable Credit Rating Threshold.

4. What happens if there is a financial distress event

- 4.1 In the event of a Financial Distress Event then, immediately upon notification of the Financial Distress Event (or if the Relevant Authority becomes aware of the Financial Distress Event without notification and brings the event to the attention of the Supplier), the Supplier shall have the obligations and the Relevant Authority shall have the rights and remedies as set out in paragraphs 4.3 to 4.6 of this Annex 5.

- 4.2 In the event that a Financial Distress Event arises due to a Key Subcontractor notifying the Relevant Authority that the Supplier has not satisfied any sums properly due under a specified invoice and not subject to a genuine dispute then, the Relevant Authority shall not exercise any of its rights or remedies under paragraph 4.3 without first giving the Supplier ten (10) Working Days to:

4.2.1 rectify such late or non-payment; or

4.2.2 demonstrate to the Relevant Authority's reasonable satisfaction that there is a valid reason for late or non-payment.

- 4.3 The Supplier shall and shall procure that the other Monitored Companies shall:

4.3.1 at the request of the Relevant Authority meet the Relevant Authority as soon as reasonably practicable (and in any event within three (3) Working Days of the initial notification (or awareness) of the Financial Distress Event) to review the effect of the Financial Distress Event on the continued performance of each Contract and delivery of the Deliverables in accordance each Call-Off Contract; and

4.3.2 where the Relevant Authority reasonably believes (taking into account the discussions and any representations made under paragraph 4.3.1) that the Financial Distress Event could impact on the continued performance of each Contract and delivery of the Deliverables in accordance with each Call-Off Contract:

- (a) submit to the Relevant Authority for its Approval, a draft Financial Distress Service Continuity Plan as soon as reasonably practicable (and in any event, within ten

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- (10) Working Days of the initial notification (or awareness) of the Financial Distress Event); and
 - (b) provide such financial information relating to the Monitored Company as the Relevant Authority may reasonably require.
- 4.4 If the Relevant Authority does not (acting reasonably) approve the draft Financial Distress Service Continuity Plan, it shall inform the Supplier of its reasons and the Supplier shall take those reasons into account in the preparation of a further draft Financial Distress Service Continuity Plan, which shall be resubmitted to the Relevant Authority within five (5) Working Days of the rejection of the first or subsequent (as the case may be) drafts. This process shall be repeated until the Financial Distress Service Continuity Plan is Approved by the Relevant Authority or referred to the Dispute Resolution Procedure.
- 4.5 If the Relevant Authority considers that the draft Financial Distress Service Continuity Plan is insufficiently detailed to be properly evaluated, will take too long to complete or will not remedy the relevant Financial Distress Event, then it may either agree a further time period for the development and agreement of the Financial Distress Service Continuity Plan or escalate any issues with the draft Financial Distress Service Continuity Plan using the Dispute Resolution Procedure.
- 4.6 Following Approval of the Financial Distress Service Continuity Plan by the Relevant Authority, the Supplier shall:
 - 4.6.1 on a regular basis (which shall not be less than Monthly), review the Financial Distress Service Continuity Plan and assess whether it remains adequate and up to date to ensure the continued performance each Contract and delivery of the Deliverables in accordance with each Call-Off Contract;
 - 4.6.2 where the Financial Distress Service Continuity Plan is not adequate or up to date in accordance with paragraph 4.6.1, submit an updated Financial Distress Service Continuity Plan to CCS for its Approval, and the provisions of paragraphs 4.5 and 4.6 shall apply to the review and Approval process for the updated Financial Distress Service Continuity Plan; and
 - 4.6.3 comply with the Financial Distress Service Continuity Plan (including any updated Financial Distress Service Continuity Plan).
- 4.7 Where the Supplier reasonably believes that the relevant Financial Distress Event (or the circumstance or matter which has caused or otherwise led to it) no longer exists, it shall notify the Relevant Authority and subject to the agreement of the Parties, the Supplier may be relieved of its obligations under paragraph 4.6.

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- 4.8 CCS shall be able to share any information it receives from the Buyer in accordance with this paragraph with any Buyer who has entered into a Call-Off Contract with the Supplier.

5. When CCS or the Buyer can terminate for financial distress

- 5.1 CCS shall be entitled to terminate this Contract and Buyers shall be entitled to terminate their Call-Off Contracts for material Default if:

- 5.1.1 the Supplier fails to notify the Relevant Authority of a Financial Distress Event in accordance with paragraph 3.4;
- 5.1.2 The Relevant Authority and the Supplier fail to agree a Financial Distress Service Continuity Plan (or any updated Financial Distress Service Continuity Plan) in accordance with paragraphs 4.3 to 4.5; and/or
- 5.1.3 the Supplier fails to comply with the terms of the Financial Distress Service Continuity Plan (or any updated Financial Distress Service Continuity Plan) in accordance with paragraph 4.6.3.

- 5.2 If the Contract is terminated in accordance with paragraph 5.1, clauses 10.6.1 and 10.6.2 of the Core Terms shall apply as if the Contract had been terminated under clause 10.4.1.

6. What happens If your credit rating is still good

- 6.1 Without prejudice to the Supplier's obligations and CCS' and the Buyer's rights and remedies under paragraph 5, if, following the occurrence of a Financial Distress Event, the Rating Agencies review and report subsequently that the credit ratings do not drop below the relevant Credit Rating Threshold, then:

- 6.1.1 the Supplier shall be relieved automatically of its obligations under paragraphs 4.3 to 4.6; and
- 6.1.2 The Relevant Authority shall not be entitled to require the Supplier to provide financial information in accordance with paragraph 4.3.2(b).

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Appendix 1 Rating Agencies

- Dun & Bradstreet
- Moody's
- Standard and Poor's
- Fitch Ratings

Appendix 2: CREDIT RATINGS & CREDIT RATING THRESHOLDS

Part 1: Current Rating

Entity	Credit rating (long term)
Supplier	[D&B Threshold 80]
Supplier Parent Undertaking ultimate parent company	[D&B Threshold 80]
[Key Subcontractors]	[D&B Threshold 80]

Joint Schedule 10 (Rectification Plan)

Request for [Revised] Rectification Plan			
Details of the Default:	[Guidance: Explain the Default, with clear schedule and clause references as appropriate]		
Deadline for receiving the [Revised] Rectification Plan:	[add] date (minimum 10 days from request)		
Signed by [CCS/Buyer] :		Date:	
Supplier [Revised] Rectification Plan			
Cause of the Default	[add] cause]		
Anticipated impact assessment:	[add] impact]		
Actual effect of Default:	[add] effect]		
Steps to be taken to rectification:	Steps	Timescale	
	1.	[date]	
	2.	[date]	
	3.	[date]	
	4.	[date]	
	[...]	[date]	
Timescale for complete Rectification of Default	[X] Working Days		
Steps taken to prevent recurrence of Default	Steps	Timescale	
	1.	[date]	
	2.	[date]	
	3.	[date]	
	4.	[date]	
	[...]	[date]	

Joint Schedule 10 (Rectification Plan)

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Signed by the Supplier:		Date:	
Review of Rectification Plan [CCS/Buyer]			
Outcome of review	[Plan Accepted] [Plan Rejected] [Revised Plan Requested]		
Reasons for Rejection (if applicable)	[add reasons]		
Signed by [CCS/Buyer]		Date:	

Joint Schedule 11 (Processing Data)

Definitions

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

“Processor Personnel” all directors, officers, employees, agents, consultants and suppliers of the Processor and/or of any Subprocessor engaged in the performance of its obligations under a Contract;

Status of the Controller

2. The Parties acknowledge that for the purposes of the Data Protection Legislation, the nature of the activity carried out by each of them in relation to their respective obligations under a Contract dictates the status of each party under the DPA 2018. A Party may act as:

- (a) “Controller” in respect of the other Party who is “Processor”;
- (b) “Processor” in respect of the other Party who is “Controller”;
- (c) “Joint Controller” with the other Party;
- (d) “Independent Controller” of the Personal Data where the other Party is also “Controller”,

in respect of certain Personal Data under a Contract and shall specify in Annex 1 (*Processing Personal Data*) which scenario they think shall apply in each situation.

Where one Party is Controller and the other Party its Processor

3. Where a Party is a Processor, the only Processing that it is authorised to do is listed in Annex 1 (*Processing Personal Data*) by the Controller.
4. The Processor shall notify the Controller immediately if it considers that any of the Controller’s instructions infringe the Data Protection Legislation.
5. The Processor shall provide all reasonable assistance to the Controller in the preparation of any Data Protection Impact Assessment prior to commencing any Processing. Such assistance may, at the discretion of the Controller, include:
 - (a) a systematic description of the envisaged Processing and the purpose of the Processing;
 - (b) an assessment of the necessity and proportionality of the Processing in relation to the Deliverables;

Joint Schedule 11 (Processing Data)

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- (c) an assessment of the risks to the rights and freedoms of Data Subjects; and
 - (d) the measures envisaged to address the risks, including safeguards, security measures and mechanisms to ensure the protection of Personal Data.
6. The Processor shall, in relation to any Personal Data Processed in connection with its obligations under the Contract:
- (a) Process that Personal Data only in accordance with Annex 1 (*Processing Personal Data*), unless the Processor is required to do otherwise by Law. If it is so required the Processor shall notify the Controller before Processing the Personal Data unless prohibited by Law;
 - (b) ensure that it has in place Protective Measures, including in the case of the Supplier the measures set out in Clause 14.3 of the Core Terms, which the Controller may reasonably reject (but failure to reject shall not amount to approval by the Controller of the adequacy of the Protective Measures) having taken account of the:
 - (i) nature of the data to be protected;
 - (ii) harm that might result from a Personal Data Breach;
 - (iii) state of technological development; and
 - (iv) cost of implementing any measures;
 - (c) ensure that :
 - (i) the Processor Personnel do not Process Personal Data except in accordance with the Contract (and in particular Annex 1 (*Processing Personal Data*));
 - (ii) it takes all reasonable steps to ensure the reliability and integrity of any Processor Personnel who have access to the Personal Data and ensure that they:
 - (A) are aware of and comply with the Processor's duties under this Joint Schedule 11, Clauses 14 (*Data protection*), 15 (*What you must keep confidential*) and 16 (*When you can share information*) of the Core Terms;
 - (B) are subject to appropriate confidentiality undertakings with the Processor or any Subprocessor;
 - (C) are informed of the confidential nature of the Personal Data and do not publish, disclose or divulge any of the Personal Data to any third party unless directed in writing to do so by the Controller or as otherwise permitted by the Contract; and
 - (D) have undergone adequate training in the use, care, protection and handling of Personal Data;
 - (d) not transfer Personal Data outside of the UK or EU unless the prior written consent of the Controller has been obtained and the following conditions are fulfilled:

Joint Schedule 11 (Processing Data)

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- (i) the Controller or the Processor has provided appropriate safeguards in relation to the transfer (whether in accordance with UK GDPR Article 46 or LED Article 37) as determined by the Controller;
 - (ii) the Data Subject has enforceable rights and effective legal remedies;
 - (iii) the Processor complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the Controller in meeting its obligations); and
 - (iv) the Processor complies with any reasonable instructions notified to it in advance by the Controller with respect to the Processing of the Personal Data; and
 - (e) at the written direction of the Controller, delete or return Personal Data (and any copies of it) to the Controller on termination of the Contract unless the Processor is required by Law to retain the Personal Data.
7. Subject to paragraph 8 of this Joint Schedule 11, the Processor shall notify the Controller immediately if in relation to it Processing Personal Data under or in connection with the Contract it:
- (a) receives a Data Subject Access Request (or purported Data Subject Access Request);
 - (b) receives a request to rectify, block or erase any Personal Data;
 - (c) receives any other request, complaint or communication relating to either Party's obligations under the Data Protection Legislation;
 - (d) receives any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data Processed under the Contract;
 - (e) receives a request from any third Party for disclosure of Personal Data where compliance with such request is required or purported to be required by Law; or
 - (f) becomes aware of a Personal Data Breach.
8. The Processor's obligation to notify under paragraph 7 of this Joint Schedule 11 shall include the provision of further information to the Controller, as details become available.
9. Taking into account the nature of the Processing, the Processor shall provide the Controller with assistance in relation to either Party's obligations under Data Protection Legislation and any complaint, communication or request made under paragraph 7 of this Joint Schedule 11 (and insofar as possible within the timescales reasonably required by the Controller) including by immediately providing:

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- (a) the Controller with full details and copies of the complaint, communication or request;
 - (b) such assistance as is reasonably requested by the Controller to enable it to comply with a Data Subject Access Request within the relevant timescales set out in the Data Protection Legislation;
 - (c) the Controller, at its request, with any Personal Data it holds in relation to a Data Subject;
 - (d) assistance as requested by the Controller following any Personal Data Breach; and/or
 - (e) assistance as requested by the Controller with respect to any request from the Information Commissioner's Office, or any consultation by the Controller with the Information Commissioner's Office.
10. The Processor shall maintain complete and accurate records and information to demonstrate its compliance with this Joint Schedule 11. This requirement does not apply where the Processor employs fewer than 250 staff, unless:
- (a) the Controller determines that the Processing is not occasional;
 - (b) the Controller determines the Processing includes special categories of data as referred to in Article 9(1) of the UK GDPR or Personal Data relating to criminal convictions and offences referred to in Article 10 of the UK GDPR; or
 - (c) the Controller determines that the Processing is likely to result in a risk to the rights and freedoms of Data Subjects.
11. The Processor shall allow for audits of its Data Processing activity by the Controller or the Controller's designated auditor.
12. The Parties shall designate a Data Protection Officer if required by the Data Protection Legislation.
13. Before allowing any Subprocessor to Process any Personal Data related to the Contract, the Processor must:
- (a) notify the Controller in writing of the intended Subprocessor and Processing;
 - (b) obtain the written consent of the Controller;
 - (c) enter into a written agreement with the Subprocessor which give effect to the terms set out in this Joint Schedule 11 such that they apply to the Subprocessor; and
 - (d) provide the Controller with such information regarding the Subprocessor as the Controller may reasonably require.
14. The Processor shall remain fully liable for all acts or omissions of any of its Subprocessors.
15. The Relevant Authority may, at any time on not less than thirty (30) Working Days' notice, revise this Joint Schedule 11 by replacing it with any applicable controller to processor standard clauses or similar terms forming part of an

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applicable certification scheme (which shall apply when incorporated by attachment to the Contract).

16. The Parties agree to take account of any guidance issued by the Information Commissioner's Office. The Relevant Authority may on not less than thirty (30) Working Days' notice to the Supplier amend the Contract to ensure that it complies with any guidance issued by the Information Commissioner's Office.

Where the Parties are Joint Controllers of Personal Data

17. In the event that the Parties are Joint Controllers in respect of Personal Data under the Contract, the Parties shall implement paragraphs that are necessary to comply with UK GDPR Article 26 based on the terms set out in Annex 2 to this Joint Schedule 11.

Independent Controllers of Personal Data

18. With respect to Personal Data provided by one Party to another Party for which each Party acts as Controller but which is not under the Joint Control of the Parties, each Party undertakes to comply with the applicable Data Protection Legislation in respect of their Processing of such Personal Data as Controller.
19. Each Party shall Process the Personal Data in compliance with its obligations under the Data Protection Legislation and not do anything to cause the other Party to be in breach of it.
20. Where a Party has provided Personal Data to the other Party in accordance with paragraph 18 of this Joint Schedule 11 above, the recipient of the Personal Data will provide all such relevant documents and information relating to its data protection policies and procedures as the other Party may reasonably require.
21. The Parties shall be responsible for their own compliance with Articles 13 and 14 UK GDPR in respect of the Processing of Personal Data for the purposes of the Contract.
22. The Parties shall only provide Personal Data to each other:
 - (a) to the extent necessary to perform their respective obligations under the Contract;
 - (b) in compliance with the Data Protection Legislation (including by ensuring all required data privacy information has been given to affected Data Subjects to meet the requirements of Articles 13 and 14 of the UK GDPR); and
 - (c) where it has recorded it in Annex 1 (*Processing Personal Data*).
23. Taking into account the state of the art, the costs of implementation and the nature, scope, context and purposes of Processing as well as the risk of varying likelihood and severity for the rights and freedoms of natural persons, each Party shall, with respect to its Processing of Personal Data as Independent Controller, implement and maintain appropriate technical and organisational

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measures to ensure a level of security appropriate to that risk, including, as appropriate, the measures referred to in Article 32(1)(a), (b), (c) and (d) of the UK GDPR, and the measures shall, at a minimum, comply with the requirements of the Data Protection Legislation, including Article 32 of the UK GDPR.

24. A Party Processing Personal Data for the purposes of the Contract shall maintain a record of its Processing activities in accordance with Article 30 UK GDPR and shall make the record available to the other Party upon reasonable request.
25. Where a Party receives a request by any Data Subject to exercise any of their rights under the Data Protection Legislation in relation to the Personal Data provided to it by the other Party pursuant to the Contract (**“Request Recipient”**):
 - (a) the other Party shall provide any information and/or assistance as reasonably requested by the Request Recipient to help it respond to the request or correspondence, at the cost of the Request Recipient; or
 - (b) where the request or correspondence is directed to the other Party and/or relates to that other Party's Processing of the Personal Data, the Request Recipient will:
 - (i) promptly, and in any event within five (5) Working Days of receipt of the request or correspondence, inform the other Party that it has received the same and shall forward such request or correspondence to the other Party; and
 - (ii) provide any information and/or assistance as reasonably requested by the other Party to help it respond to the request or correspondence in the timeframes specified by Data Protection Legislation.
26. Each Party shall promptly notify the other Party upon it becoming aware of any Personal Data Breach relating to Personal Data provided by the other Party pursuant to the Contract and shall:
 - (a) do all such things as reasonably necessary to assist the other Party in mitigating the effects of the Personal Data Breach;
 - (b) implement any measures necessary to restore the security of any compromised Personal Data;
 - (c) work with the other Party to make any required notifications to the Information Commissioner's Office and affected Data Subjects in accordance with the Data Protection Legislation (including the timeframes set out therein); and
 - (d) not do anything which may damage the reputation of the other Party or that Party's relationship with the relevant Data Subjects, save as required by Law.

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27. Personal Data provided by one Party to the other Party may be used exclusively to exercise rights and obligations under the Contract as specified in Annex 1 (*Processing Personal Data*).
28. Personal Data shall not be retained or processed for longer than is necessary to perform each Party's respective obligations under the Contract which is specified in Annex 1 (*Processing Personal Data*).
29. Notwithstanding the general application of paragraphs 2 to 16 of this Joint Schedule 11 to Personal Data, where the Supplier is required to exercise its regulatory and/or legal obligations in respect of Personal Data, it shall act as an Independent Controller of Personal Data in accordance with paragraphs 18 to 28 of this Joint Schedule 11.

Annex 1 - Processing Personal Data

This Annex shall be completed by the Controller, who may take account of the view of the Processors, however the final decision as to the content of this Annex shall be with the Relevant Authority at its absolute discretion.

- 1.1 The contact details of the Relevant Authority's Data Protection Officer are as per the Order Form.
- 1.2 The contact details of the Supplier's Data Protection Officer are: DPO@EHI.com
- 1.3 The Processor shall comply with any further written instructions with respect to Processing by the Controller.
- 1.4 Any such further instructions shall be incorporated into this Annex.

Description	Details
Identity of Controller for each Category of Personal Data	<p>The Relevant Authority is Controller and the Supplier is Processor</p> <p>The Parties acknowledge that in accordance with paragraph 3 to paragraph 16 and for the purposes of the Data Protection Legislation, the Relevant Authority is the Controller and the Supplier is the Processor of the following Personal Data.</p> <p>The Supplier is Controller and the Relevant Authority is Processor</p> <p><i>The Parties acknowledge that for the purposes of the Data Protection Legislation, the Supplier is the Controller and the Relevant Authority is the Processor in accordance with paragraph 3 to paragraph 16 of the following Personal Data:</i></p> <ul style="list-style-type: none"> ● <i>Not Applicable</i> <p>The Parties are Joint Controllers</p> <p><i>The Parties acknowledge that they are Joint Controllers for the purposes of the Data Protection Legislation in respect of:</i></p> <ul style="list-style-type: none"> ● <i>Not Applicable</i> <p>The Parties are Independent Controllers of Personal Data</p> <ul style="list-style-type: none"> ● <i>Not Applicable</i>

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Duration of the Processing	<i>As set out in the respective Controller's Privacy Policy.</i>
Nature and purposes of the Processing	<i>Vehicle Lease, Fleet Management and Salary Sacrifice Car Schemes.</i>
Type of Personal Data	<p><i>Basic contact details, personal identifiers and, where relevant, driving licence data will be processed for the Customer's employees who are entitled to a company car or make further use of the Services offered by Novuna Vehicle Solutions but not limited to Novuna Vehicle Solutions' provision of Services pertaining to the administration of the salary sacrifice car scheme.</i></p> <p><i>Basic contact details, personal identifiers and, where relevant, driving licence data will be processed for the Customer's employees who are drivers of vehicles within the Customer's fleet.</i></p>
Categories of Data Subject	<p><i>Basic contact details, personal identifiers and, where relevant, driving licence data will be processed for the Customer's employees who are entitled to a company car or make further use of the Services offered by Novuna Vehicle Solutions but not limited to Novuna Vehicle Solutions' provision of Services pertaining to the administration of the salary sacrifice car scheme.</i></p> <p><i>Basic contact details, personal identifiers and, where relevant, driving licence data will be processed for the Customer's employees who are drivers of vehicles within the Customer's fleet.</i></p>
Plan for return and destruction of the data once the Processing is complete UNLESS requirement under Union or Member State law to preserve that type of data	<p><i>Data will be processed for the duration of the contract with the Customer, and extended as required until individual hire agreements made under this Agreement have also terminated.</i></p> <p><i>Novuna Vehicle Solutions may retain data beyond these points only where required to do so to meet legal obligations.</i></p>

Annex 2 - Joint Controller Agreement NOT APPLICABLE

1. Joint Controller Status and Allocation of Responsibilities

1.1 With respect to Personal Data under Joint Control of the Parties, the Parties envisage that they shall each be a Data Controller in respect of that Personal Data in accordance with the terms of this Annex 2 (Joint Controller Agreement) in replacement of paragraphs 3-16 of Joint Schedule 11 (Where one Party is Controller and the other Party is Processor) and paragraphs 18-28 of Joint Schedule 11 (Independent Controllers of Personal Data). Accordingly, the Parties each undertake to comply with the applicable Data Protection Legislation in respect of their Processing of such Personal Data as Data Controllers.

1.2 The Parties agree that the [Supplier/Relevant Authority]:

- (a) is the exclusive point of contact for Data Subjects and is responsible for all steps necessary to comply with the UK GDPR regarding the exercise by Data Subjects of their rights under the UK GDPR;
- (b) 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;
- (c) is solely responsible for the Parties' compliance with all duties to provide information to Data Subjects under Articles 13 and 14 of the UK GDPR;
- (d) is responsible for obtaining the informed consent of Data Subjects, in accordance with the UK GDPR, for Processing in connection with the Deliverables where consent is the relevant legal basis for that Processing; and
- (e) shall make available to Data Subjects the essence of this Annex (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 [Supplier's/Relevant Authority's] privacy policy (which must be readily available by hyperlink or otherwise on all of its public facing services and marketing).

1.3 Notwithstanding the terms of clause 1.2, 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 Controller.

2. Undertakings of both Parties

2.1 The Supplier and the Relevant Authority each undertake that they shall:

- (a) report to the other Party every 6 months on:

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- (i) the volume of Data Subject Access Request (or purported Data Subject Access Requests) from Data Subjects (or third parties on their behalf);
- (ii) the volume of requests from Data Subjects (or third parties on their behalf) to rectify, block or erase any Personal Data;
- (iii) 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;
- (iv) any communications from the Information Commissioner or any other regulatory authority in connection with Personal Data; and
- (v) 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 the Contract during that period;

- (b) notify each other immediately if it receives any request, complaint or communication made as referred to in Clauses 2.1(a)(i) to (v);
- (c) provide the other Party with full cooperation and assistance in relation to any request, complaint or communication made as referred to in Clauses 2.1(a)(iii) to (v) to enable the other Party to comply with the relevant timescales set out in the Data Protection Legislation;
- (d) not disclose or transfer the Personal Data to any third party unless necessary for the provision of the Deliverables and, for any disclosure or transfer of Personal Data to any third party, (save where such disclosure or transfer is specifically authorised under the Contract or is required by Law) ensure consent has been obtained from the Data Subject prior to disclosing or transferring the Personal Data to the third party. For the avoidance of doubt, the third party to which Personal Data is transferred must be subject to equivalent obligations which are no less onerous than those set out in this Annex;
- (e) request from the Data Subject only the minimum information necessary to provide the Deliverables and treat such extracted information as Confidential Information;
- (f) 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;

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- (g) 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:
 - (i) are aware of and comply with their duties under this Annex 2 (Joint Controller Agreement) and those in respect of Confidential Information;
 - (ii) 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 the that Party would not be permitted to do so; and
 - (iii) have undergone adequate training in the use, care, protection and handling of personal data as required by the applicable Data Protection Legislation;
- (h) ensure that it has in place Protective Measures as appropriate to protect against a Personal Data Breach having taken account of the:
 - (i) nature of the data to be protected;
 - (ii) harm that might result from a Personal Data Breach;
 - (iii) state of technological development; and
 - (iv) cost of implementing any measures;
- (i) 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 it holds; and
- (j) ensure that it notifies the other Party as soon as it becomes aware of a Personal Data Breach.

2.2 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.

3. **Data Protection Breach**

- 3.1 Without prejudice to clause 3.2, 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:

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- (a) 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; and
- (b) all reasonable assistance, including:
 - (i) 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;
 - (ii) co-operation with the other Party including taking such reasonable steps as are directed by the other Party to assist in the investigation, mitigation and remediation of a Personal Data Breach;
 - (iii) co-ordination with the other Party regarding the management of public relations and public statements relating to the Personal Data Breach; and/or
 - (iv) 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 Clause 3.2.

3.2 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 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:

- (a) the nature of the Personal Data Breach;
- (b) the nature of Personal Data affected;
- (c) the categories and number of Data Subjects concerned;
- (d) the name and contact details of the Supplier's Data Protection Officer or other relevant contact from whom more information may be obtained;
- (e) measures taken or proposed to be taken to address the Personal Data Breach; and
- (f) describe the likely consequences of the Personal Data Breach.

4. Audit

4.1 The Supplier shall permit:

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- (a) the Relevant Authority, or a third-party auditor acting under the Relevant Authority's direction, to conduct, at the Relevant Authority's cost, data privacy and security audits, assessments and inspections concerning the Supplier's data security and privacy procedures relating to Personal Data, its compliance with this Annex 2 and the Data Protection Legislation; and/or
- (b) the Relevant Authority, or a third-party auditor acting under the Relevant Authority'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 Supplier so far as relevant to the Contract, and procedures, including premises under the control of any third party appointed by the Supplier to assist in the provision of the Deliverables.

4.2 The Relevant Authority may, in its sole discretion, require the Supplier to provide evidence of the Supplier's compliance with Clause 4.1 in lieu of conducting such an audit, assessment or inspection.

5. Impact Assessments

5.1 The Parties shall:

- (a) 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); and
- (b) maintain full and complete records of all Processing carried out in respect of the Personal Data in connection with the Contract, in accordance with the terms of Article 30 UK GDPR.

6. ICO Guidance

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

7. Liabilities for Data Protection Breach

[Guidance: This clause represents a risk share, you may wish to reconsider the apportionment of liability and whether recoverability of losses are likely to be hindered by the contractual limitation of liability provisions]

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- 7.1 If financial penalties are imposed by the Information Commissioner on either the Relevant Authority or the Supplier for a Personal Data Breach ("**Financial Penalties**") then the following shall occur:
- (a) if in the view of the Information Commissioner, the Relevant Authority is responsible for the Personal Data Breach, in that it is caused as a result of the actions or inaction of the Relevant Authority, its employees, agents, contractors (other than the Supplier) or systems and procedures controlled by the Relevant Authority, then the Relevant Authority shall be responsible for the payment of such Financial Penalties. In this case, the Relevant Authority will conduct an internal audit and engage at its reasonable cost when necessary, an independent third party to conduct an audit of any such Personal Data Breach. The Supplier shall provide to the Relevant Authority and its third party investigators and auditors, on request and at the Supplier's reasonable cost, full cooperation and access to conduct a thorough audit of such Personal Data Breach;
 - (b) if in the view of the Information Commissioner, the Supplier is responsible for the Personal Data Breach, in that it is not a Personal Data Breach that the Relevant Authority is responsible for, then the Supplier shall be responsible for the payment of these Financial Penalties. The Supplier will provide to the Relevant Authority and its auditors, on request and at the Supplier's sole cost, full cooperation and access to conduct a thorough audit of such Personal Data Breach; or
 - (c) if no view as to responsibility is expressed by the Information Commissioner, then the Relevant Authority and the Supplier shall work together to investigate the relevant Personal Data Breach 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 34 of the Core Terms (Resolving disputes).
- 7.2 If either the Relevant Authority or the Supplier 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 Personal Data Breach. Where both Parties are liable, the liability will be apportioned between the Parties in accordance with the decision of the Court.
- 7.3 In respect of any losses, cost claims or expenses incurred by either Party as a result of a Personal Data Breach (the "Claim Losses"):
- (a) if the Relevant Authority is responsible for the relevant Personal Data Breach, then the Relevant Authority shall be responsible for the Claim Losses;
 - (b) if the Supplier is responsible for the relevant Personal Data Breach, then the Supplier shall be responsible for the Claim Losses: and

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- (c) if responsibility for the relevant Personal Data Breach is unclear, then the Relevant Authority and the Supplier shall be responsible for the Claim Losses equally.

7.4 Nothing in either clause 7.2 or clause 7.3 shall preclude the Relevant Authority and the Supplier 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 Personal Data Breach and the legal and financial obligations of the Relevant Authority.

8. Termination

If the Supplier is in material Default under any of its obligations under this Annex 2 (*Joint Controller Agreement*), the Relevant Authority shall be entitled to terminate the Contract by issuing a Termination Notice to the Supplier in accordance with Clause 10 of the Core Terms (*Ending the contract*).

9. Sub-Processing

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

- (a) 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 the Contract, and provide evidence of such due diligence to the other Party where reasonably requested; and
- (b) ensure that a suitable agreement is in place with the third party as required under applicable Data Protection Legislation.

10. Data Retention

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 and their privacy policy (save to the extent (and for the limited period) that such information needs to be retained by the a Party for statutory compliance purposes or as otherwise required by the Contract), and taking all further actions as may be necessary to ensure its compliance with Data Protection Legislation and its privacy policy.

Joint Schedule 12 (Supply Chain Visibility)

1. Definitions

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

"Contracts Finder"	the Government's publishing portal for public sector procurement opportunities;
"SME"	an enterprise falling within the category of micro, small and medium sized enterprises defined by the Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium sized enterprises;
"Supply Chain Information Report Template"	the document at Annex 1 of this Schedule 12; and
"VCSE"	a non-governmental organisation that is value-driven and which principally reinvests its surpluses to further social, environmental or cultural objectives.

2. Visibility of Sub-Contract Opportunities in the Supply Chain

2.1 The Supplier shall:

- 2.1.1 subject to Paragraph 2.3, advertise on Contracts Finder all Sub-Contract opportunities arising from or in connection with the provision of the Deliverables above a minimum threshold of £25,000 that arise during the Contract Period;
- 2.1.2 within 90 days of awarding a Sub-Contract to a Subcontractor, update the notice on Contract Finder with details of the successful Subcontractor;
- 2.1.3 monitor the number, type and value of the Sub-Contract opportunities placed on Contracts Finder advertised and awarded in its supply chain during the Contract Period;
- 2.1.4 provide reports on the information at Paragraph 2.1.3 to the Relevant Authority in the format and frequency as reasonably specified by the Relevant Authority; and
- 2.1.5 promote Contracts Finder to its suppliers and encourage those organisations to register on Contracts Finder.

- 2.2 Each advert referred to at Paragraph 2.1.1 of this Schedule 12 shall provide a full and detailed description of the Sub-Contract opportunity with each of the mandatory fields being completed on Contracts Finder by the Supplier.
- 2.3 The obligation on the Supplier set out at Paragraph 2.1 shall only apply in respect of Sub-Contract opportunities arising after the Effective Date.
- 2.4 Notwithstanding Paragraph 2.1, the Authority may by giving its prior Approval, agree that a Sub-Contract opportunity is not required to be advertised by the Supplier on Contracts Finder.

3. Visibility of Supply Chain Spend

- 3.1 In addition to any other management information requirements set out in the Contract, the Supplier agrees and acknowledges that it shall, at no charge, provide timely, full, accurate and complete SME management information reports (the “SME Management Information Reports”) to the Relevant Authority which incorporates the data described in the Supply Chain Information Report Template which is:
 - (a) the total contract revenue received directly on the Contract;
 - (b) the total value of sub-contracted revenues under the Contract
(including revenues for non-SMEs/non-VCSEs); and
 - (c) the total value of sub-contracted revenues to SMEs and VCSEs.
- 3.2 The SME Management Information Reports shall be provided by the Supplier in the correct format as required by the Supply Chain Information Report Template and any guidance issued by the Relevant Authority from time to time. The Supplier agrees that it shall use the Supply Chain Information Report Template to provide the information detailed at Paragraph 3.1(a) –(c) and acknowledges that the template may be changed from time to time (including the data required and/or format) by the Relevant Authority issuing a replacement version. The Relevant Authority agrees to give at least thirty (30) days’ notice in writing of any such change and shall specify the date from which it must be used.
- 3.3 The Supplier further agrees and acknowledges that it may not make any amendment to the Supply Chain Information Report Template without the prior Approval of the Authority.

Annex 1

Supply Chain Information Report template



Supply Chain Information
Report templat