



TfL Restricted

Contract Reference Number: TfL 95861

Date: 1st August 2022

Contract for Services

between

London Transport Museum

and

Mosaic Fulfilment Solutions

Version: Generic November 2021

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THIS CONTRACT is made the 1st day of August 2022

BETWEEN:

- (1) London Transport Museum (Trading) Ltd whose registered office is at 5 Endeavour Square, London, E20 1JN ("**the Authority**"); and
- (2) Mosaic Fulfilment Solutions Ltd, a company registered in England and Wales (Company Registration Number 06891662) whose registered office is at York House, Wetherby Road, York, YO26 7NH ("**the Service Provider**").

RECITALS:

- A. This contract is for the provision of London Transport Museums Fulfilment and Warehousing. Services outlined within Schedule 3 of this Contract.
- B. The Authority wishes the Service Provider to provide the Services and the Service Provider is willing to provide the Services to the Authority on the terms and conditions set out in the Contract.
- C. The Service Provider should be aware that the Authority does not offer any guarantee or minimum volume of the Services that may be delivered under this Contract and does not offer any exclusivity to the Service Provider.

THE PARTIES AGREE THAT:

1. Definitions and Interpretation

In the Contract (including the Recitals):

- 1.1 unless the context indicates otherwise the following expressions shall have the following meanings:

"Affected Party" has the meaning given to it in Clause 27.3;

"Authority Assets" means any assets (whether tangible or intangible), materials, resources, systems, networks, connectivity and other equipment, machinery and facilities owned by or licensed to the Authority or any member of the Authority Group;

"Authority Group" shall mean where the Authority is:

- (a) TfL, TfL in its own right and as holding company of all its subsidiaries (as defined in section 1159 of the Companies Act 2006) from time to time together and reference to any **"member of the Authority Group"**

shall refer to TfL or any such subsidiary; and

- (b) the Greater London Authority (GLA), the GLA, TfL, the Mayor's Office for Policing and Crime, the London Fire Commissioner, London Legacy Development Corporation and the Old Oak and Park Royal Development Corporation ("**Functional Bodies**") each in their own right and as holding companies of all of their subsidiaries (as defined in section 1159 of the Companies Act 2006) from time to time together and reference to any "**member of the Authority Group**" shall refer to the GLA, any Functional Body or any such subsidiary;

"Authority Premises" any land or premises (including temporary buildings) owned or occupied by or on behalf of any member of the Authority Group;

"Business Day" any day excluding Saturdays, Sundays or public or bank holidays in England;

"Cessation Plan" a plan agreed between the Parties or determined by the Authority pursuant to Clauses 29.1 to 29.5 (inclusive) to give effect to a Declaration of Ineffectiveness or Clauses 29.6 to 29.10 (inclusive) to give effect to a Public Procurement Termination Event;

"Charges" the charges payable by the Authority, in consideration of the due and proper performance of the Services in accordance with the Contract, as specified in or calculated in accordance with Schedule 4 as the same may be varied from time to time in accordance with Clause 27.6 or Clause 32;

"Confidential Information" all information (whether written or verbal) that by its nature may reasonably be regarded as confidential to the Authority (or any member of the Authority Group) whether commercial, financial, technical or otherwise, and including information which relates to the business affairs, customers, suppliers, products, software, telecommunications,

	networks, trade secrets, know-how or personnel of the Authority Group);
“Contract”	this contract, including the Schedules and all other documents referred to in this contract;
“Contract Commencement Date”	the date for commencement of the Contract specified in Schedule 1;
“Contract Information”	(i) the Contract in its entirety (including from time to time agreed changes to the Contract) and (ii) data extracted from the invoices submitted pursuant to Clause 5 which shall consist of the Service Provider’s name, the expenditure account code, the expenditure account code description, the document number, the clearing date and the invoice amount;
“Contract Manager”	the person named as such in Schedule 1 or such other person as notified to the Service Provider by the Authority;
“Data Protection Legislation”	means: <ul style="list-style-type: none"> (a) any legislation in force from time to time in the United Kingdom relating to privacy and/or the Processing of Personal Data, including but not limited to the Data Protection Act 2018; (b) any statutory codes of practice issued by the Information Commissioner in relation to such legislation; and (c) the Privacy and Electronic Communications (EC Directive) Regulations 2003;
“Declaration of Ineffectiveness”	a declaration of ineffectiveness in relation to this Contract made by a Court of competent jurisdiction pursuant to Regulation 98 of the Public Contracts Regulations 2015 or Regulations 113(2)(a) or 118(3) of the Utilities Contracts Regulations 2016;
“Electronic Invoicing Platform”	the Authority’s invoicing platform for the submission and receipt of electronic invoices;

“Electronic Procure-to-Pay (eP2P) Vendor Handbook”

the handbook setting out the system, format, file requirements and steps for registering to use and using the Electronic Invoicing Platform as updated from time to time, a copy of which can be downloaded from the following link-
<https://tfl.gov.uk/corporate/publications-and-reports/procurement-information#on-this-page-5>;

“Force Majeure Event”

any of the following: riot, civil unrest, war, act of terrorism, threat or perceived threat of act of terrorism, fire, earthquake, extraordinary storm, flood, abnormal weather conditions or other natural catastrophe or strikes, lock-outs or other industrial disputes to the extent that such event has materially affected the ability of the Affected Party to perform its obligations in accordance with the terms of the Contract but excluding any such event insofar as it arises from or is attributable to the wilful act, omission or negligence of the Affected Party or the failure on the part of the Affected Party to take reasonable precautions to prevent such Force Majeure Event or its impact;

“Holding Company”

any company which from time to time directly or indirectly controls the Service Provider as set out by section 1159 of the Companies Act 2006;

“Insolvency Event”

any of the following:

- (a) either or both of the Service Provider or the Holding Company making any voluntary arrangement with its creditors or becoming subject to an administration order;
- (b) a receiver, administrative receiver, manager, or administrator being appointed over all or part of the business of either or both of the Service Provider or the Holding Company;
- (c) the Service Provider applying to court for, or obtaining, a moratorium under Part A1 of the Insolvency Act 1986;

- (d) being a company, either or both of the Service Provider or the Holding Company having passed a resolution for its winding-up or being subject to a petition for its winding-up (except for the purposes of a voluntary amalgamation, reconstruction or other re-organisation without insolvency);
- (e) either or both of the Service Provider or the Holding Company ceasing or threatening to cease to carry on its business for any reason or being unable to pay its debts within the meaning of the Insolvency Act 1986;
- (f) being an individual or firm, the Service Provider becoming bankrupt or dying;
- (g) being an individual or firm, the Service Provider's financial position deteriorating so far as to reasonably justify the opinion that its ability to give effect to the terms of the Contract are in jeopardy; or
- (h) any similar event to those in (a) to (g) above occurring in relation to either or both of the Service Provider or the Holding Company under the law of any applicable jurisdiction for those purposes;

“Intellectual Property Rights”

any patent, know-how, trade mark or name, service mark, design right, utility model, copyright, rights in passing off, database right, rights in commercial or technical information, any other rights in any invention, discovery or process and any other intellectual property rights, in each case whether registered or unregistered and including applications for the grant of any such rights and all rights or forms of protection having equivalent or similar effect in each case in the United Kingdom and anywhere else in the world;

“Key Personnel”	the Service Provider’s key personnel named in Schedule 1;
“Losses”	all costs (including legal costs and costs of enforcement), expenses, liabilities (including any tax liability), injuries, direct, indirect or consequential loss (all three of which terms include pure economic loss, loss of profits, loss of business, depletion of goodwill and like loss), damages, claims, demands, proceedings and judgments;
“Milestone”	an event which is the completion of one or more of the specified activities as may be set out in the Project Plan;
“Parties”	the Authority and the Service Provider (including their successors and permitted assignees) and “Party” shall mean either of them as the case may be;
“PDF Invoices”	invoices in PDF (portable document format) format;
“Personal Data”	has the meaning given to it in the Data Protection Legislation;
“Processing”	has the meaning given to it in the Data Protection Legislation;
“Procurement Manager”	the person named as such in Schedule 1 and referred to in Clause 7 or such other person as notified to the Service Provider by the Authority;
“Project Plan”	the plan (if any) for implementation including (without limitation) project delivery set out in Schedule 5, developed and agreed by the Parties in relation to the performance and timing of the Services under the Contract which may include Milestones;
“Public Procurement Termination Event”	has the meaning given to it in Clause 29.7;
“Public Procurement Termination Grounds”	any one or more of the grounds described either in Regulation 73(1) of the Public Contracts Regulations 2015 or Regulation 89(1) of the Utilities Contracts Regulations 2016;

“Service Commencement Date”	the date for commencement of the Services set out in Schedule 1;
“Service Provider Equipment”	the equipment and materials of whatsoever nature used by the Service Provider in providing the Services which do not themselves form part of the Services and in which title is not intended to pass to the Authority under the Contract;
“Service Provider’s Personnel”	all such persons, including (without limitation) employees, officers, suppliers, sub-contractors and agents of the Service Provider, as are engaged in the performance of any of the Services and including the Key Personnel;
“Services”	<p>(a) subject to Clause 27.6 all or any part of the services to be provided to, or activities to be undertaken and completed for, the Authority by the Service Provider under the Contract as detailed in the Specification including any variations to such services or activities pursuant to Clause 32; and</p> <p>(b) any services, functions or responsibilities which may be reasonably regarded as incidental to the foregoing services or activities and which may be reasonably inferred from the Contract;</p>
“Specification”	the specification and other requirements set out in Schedule 3;
“Supply Chain Finance Option”	has the meaning given to it in paragraph 1 of Part B of Schedule 6;
“Term”	the period during which the Contract continues in force as provided in Clause 2 and Schedule 1;
“TfL”	Transport for London, a statutory corporation established under the Greater London Authority Act 1999;
“Transparency Commitment”	means the Authority’s commitment to publish its contracts, tender documents and data from invoices received in accordance with the Local Government Transparency Code

2015 and the Authority's own published transparency commitments;

“VAT”

means value added tax as provided for in the Value Added Tax Act 1994 and any tax replacing the same or of a similar nature.

- 1.2 a reference to the singular includes the plural and vice versa, and a reference to any gender includes all genders;
- 1.3 a reference to any statute, enactment, order, regulation or other similar instrument shall be construed as a reference to the statute, enactment, order, regulation or instrument as amended or re-enacted by any subsequent statute, enactment, order, regulation or instrument and shall include all statutory instruments or orders made pursuant to it whether replaced before or after the date of execution of the Contract;
- 1.4 a reference to any document other than as specified in Clause 1.3 and save as expressed otherwise shall be construed as a reference to the document as at the date of execution of the Contract;
- 1.5 headings are included in the Contract for ease of reference only and do not affect the interpretation or construction of the Contract;
- 1.6 references to Clauses and Schedules are, unless otherwise provided, references to clauses of, and schedules to, the Contract and any reference to a paragraph in any Schedule shall, in the absence of provision to the contrary, relate to the paragraph in that Schedule;
- 1.7 in the event, and only to the extent, of any conflict between the Clauses and the Schedules, the Clauses prevail, except where:
 - 1.7.1 the conflicting part of the Schedule is explicitly expressed to take precedence; or
 - 1.7.2 the conflict is with a provision in Schedule 2 (Special Conditions of Contract), in which case the provisions in Schedule 2 shall prevail;
- 1.8 the Schedules form part of the Contract and will have the same force and effect as if expressly set out in the body of the Contract;
- 1.9 the expression “person” means any individual, firm, body corporate, unincorporated association, partnership, government, state or agency of a state or joint venture; and
- 1.10 the words “including”, “includes” and “included” will be construed without limitation unless inconsistent with the context.

2. Commencement and Duration

The Contract commences on the Contract Commencement Date and continues in force for the duration stated in Schedule 1 unless terminated earlier in accordance with Clause 27.

3. The Services

3.1 The Service Provider:

3.1.1 shall provide the Services to the Authority from the Service Commencement Date in accordance with the Contract;

3.1.2 acknowledges that it has sufficient information about the Authority and the Specification and that it has made all appropriate and necessary enquiries to enable it to perform the Services in accordance with the Contract;

3.1.3 shall neither be entitled to any additional payment nor excused from any obligation or liability under the Contract due to any misinterpretation or misunderstanding by the Service Provider of any fact relating to the Specification or otherwise to the Contract; and

3.1.4 shall comply with all lawful and reasonable directions of the Authority relating to its performance of the Services.

3.2 Notwithstanding anything to the contrary in the Contract, the Authority's discretion in carrying out its statutory duties shall not be fettered or otherwise constrained or affected by any provision of the Contract;

3.3 The Service Provider shall provide the Services:

3.3.1 with the high degree of skill, care and diligence normally exercised by recognised professional firms or by highly skilled and experienced service providers providing services of a similar scope, type and complexity to the Services and with sufficient resources including project management resources;

3.3.2 in conformance in all respects with the Specification and so that they fulfil the purpose indicated by or to be reasonably inferred from the Specification;

3.3.3 in a safe manner and free from any unreasonable or avoidable risk to any person's health and well-being and in an economic and efficient manner; and

3.3.4 so that they are properly managed and monitored and shall immediately inform the Authority if any aspect of the Contract is not being or is unable to be performed.

- 3.4 Where in the reasonable opinion of the Authority the Service Provider has failed to provide the Services or any part of them in accordance with the Contract, the Service Provider shall, without prejudice to any of the Authority's other rights, re-perform the Services or part thereof as requested by the Authority at no additional cost and within such period of time as reasonably specified by the Authority.
- 3.5 Where reasonably requested to do so by the Authority and provided the Service Provider is willing to so contract, the Service Provider shall contract with such other member(s) of the Authority Group as on the terms of this Contract with only the necessary changes of Parties' details being made.
- 3.6 Throughout the term of the Contract the Service Provider shall when required give to the Authority such written or oral advice or information regarding any of the Services as the Authority may reasonably require.
- 3.7 Where a format for electronic receipt of orders by the Service Provider is set out in Schedule 1, the Service Provider shall, unless the Authority requires otherwise, receive orders in such format and shall maintain its systems to ensure that it is able to do so throughout the Term.

4. Charges

- 4.1 The Service Provider shall invoice the Authority in accordance with the procedures set out in Clause 5 and in consideration of, and subject to the due and proper performance of the Services by the Service Provider in accordance with the Contract, the Authority shall pay the Service Provider the Charges in accordance with those procedures and with the other terms and conditions of the Contract.
- 4.2 The Service Provider is not entitled to reimbursement for expenses unless such expenses are specified in Schedule 4 or have been incurred with the prior written consent of the Authority, in which case the Service Provider shall supply appropriate evidence of expenditure in a form acceptable to the Authority.
- 4.3 All Charges exclude any VAT which may be chargeable, which will be payable in addition to the sum in question at the rate and in the manner for the time being prescribed by law on delivery of a valid VAT invoice.¹

5. Payment Procedures and Approvals

- 5.1 The Service Provider shall invoice the Authority in respect of the Charges:

¹ As of 1 March 2021, additional provisions may be required if the VAT reverse charge applies to certain Services which are classified as construction services under the Construction Industry Scheme and where TfL is not the End User. Please refer to Commercial Technical Bulletin, Issue 67 (11.09.19) for an overview of the VAT reverse charge and its application, and consult with the Governance and Best Practice team for guidance in the first instance. For Contracts requiring additional provisions, please consult with TfL Legal for the appropriate drafting.

- 5.1.1 where no Milestones are specified in Schedule 4, at such dates or at the end of such periods as may be specified in Schedule 1; or
- 5.1.2 if specified in Schedule 4, on completion of each Milestone provided that any preceding Milestones have been completed in accordance with the Contract,

and shall not make any separate charge for submitting any invoice.

5.2 The Service Provider shall submit:

- 5.2.1 PDF Invoices via email to the email address set out in Schedule 1 and shall ensure that each PDF Invoice has a unique file reference and be a separate PDF file; or
- 5.2.2 electronic invoices via the Electronic Invoicing Platform and in compliance with the Electronic Procure-to-Pay (eP2P) Vendor Handbook; and

each such invoice shall contain all information required by the Authority including the Contract Reference Number, SAP order number, Service Provider's name, address and bank account details to which payment should be made, a separate calculation of VAT, the Authority's name and address and a brief description of the Services provided. Invoices shall be clear, concise, accurate, and adequately descriptive to avoid delays in processing subsequent payment. PDF Invoices, which are sent to the Authority via email, are taken to have been received at the time of transmission. Electronic invoices are taken to have been received at the time when they are transmitted to the Authority via the Electronic Invoicing Platform.

5.3 In the event of a variation to the Services in accordance with the Contract that involves the payment of additional charges to the Service Provider, the Service Provider shall identify these separately on the relevant invoices.

5.4 The Authority shall consider and verify each invoice, which is submitted by the Service Provider in accordance with this Clause 5, in a timely manner. If the Authority considers that the Charges claimed by the Service Provider in any invoice have:

- 5.4.1 been correctly calculated and that such invoice is otherwise correct, the invoice shall be approved and payment shall be made by bank transfer (Bank Automated Clearance System (BACS)) or such other method as the Authority may choose from time to time within 30 days of receipt of such invoice or such other time period as may be specified in Schedule 1;
- 5.4.2 not been calculated correctly or if the invoice contains any other error or inadequacy, the Authority shall notify the Service

Provider and the Parties shall work together to resolve the error or inadequacy. Upon resolution, the Service Provider shall submit a revised invoice to the Authority.

The Authority shall not be entitled to treat any properly submitted invoice as disputed or incorrect solely due to its own undue delay in considering and verifying it.

- 5.5 No payment made by the Authority (including any final payment) or act or omission or approval by the Authority or Contract Manager or Procurement Manager (whether related to payment or otherwise) shall:

5.5.1 indicate or be taken to indicate the Authority's acceptance or approval of the Services or any part of them or any act or omission of the Service Provider, or otherwise prejudice any rights, powers or remedies which the Authority may have against the Service Provider, or absolve the Service Provider from any obligation or liability imposed on the Service Provider under or by virtue of the Contract; or

5.5.2 prevent the Authority from recovering any amount overpaid or wrongfully paid including payments made to the Service Provider by mistake of law or fact. Without prejudice to Clause 18, the Authority shall be entitled to withhold such amount from any sums due or which may become due to the Service Provider or the Authority may recover such amount as a debt.

- 5.6 Except where otherwise provided in the Contract, the Charges shall be inclusive of all costs of staff, facilities, equipment, materials and other expenses whatsoever incurred by the Service Provider in discharging its obligations under the Contract.

- 5.7 Interest shall accrue at the rate of two percent (2%) above the base rate of the Bank of England from time to time on all sums due and payable under this Contract from the due date until the date of actual payment (both before and after judgement). All such interest shall be calculated on the basis of the actual number of days elapsed, over a three hundred and sixty five (365) day year and compounded at monthly intervals. The parties agree that this provision constitutes a substantial remedy for late payment of any sum payable under the Contract in accordance with s8(2) of the Late Payment of Commercial Debts (Interest) Act 1998.

6. Warranties and Obligations

- 6.1 Without prejudice to any other warranties expressed elsewhere in the Contract or implied by law, the Service Provider warrants, represents and undertakes to the Authority that:

6.1.1 the Service Provider:

- 6.1.1.1 has full capacity and authority and all necessary licences, permits, permissions, powers and consents (including, where its procedures so require, the consent of its Holding Company) to enter into and to perform the Contract; and
- 6.1.1.2 is aware of the purposes for which the Services are required and acknowledges that the Authority is reliant upon the Service Provider's expertise and knowledge in the provision of the Services; and
- 6.1.1.3 is entering into this Contract as principal and not as agent for any person and that it will act as an independent contractor in carrying out its obligations under this Contract;
- 6.1.2 the Contract is executed by a duly authorised representative of the Service Provider;
- 6.1.3 all materials, equipment and goods used or supplied by the Service Provider in connection with the Contract shall be of satisfactory quality within the meaning of the Sale of Goods Act 1979 (as amended), sound in design and in conformance in all respects with the Specification; and
- 6.1.4 all documents, drawings, computer software and any other work prepared or developed by the Service Provider or supplied to the Authority under the Contract shall not infringe any Intellectual Property Rights or any other legal or equitable right of any person.
- 6.2 Each warranty and obligation in this Clause 6 shall be construed as a separate warranty or obligation (as the case may be) and shall not be limited or restricted by reference to, or reference from, the terms of any other such warranty or obligation or any other term of the Contract.

7. Operational Management

- 7.1 The Authority authorises the Contract Manager to act as the Authority's representative for the Contract.
- 7.2 The Service Provider shall deal with the Contract Manager (or their nominated representative) in respect of all matters arising under the Contract, except as set out below or unless otherwise notified by the Authority:
 - 7.2.1 variations to the Contract;
 - 7.2.2 any matter concerning the terms of the Contract; and
 - 7.2.3 any financial matter (including any issues in Schedule 4),

which shall be referred to the Procurement Manager.

- 7.3 The Service Provider shall, at the Authority's request, provide promptly to the Authority at no additional cost such reports on the provision of the Services as the Authority may reasonably request.

8. Service Provider's Personnel

- 8.1 The Parties confirm that the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended do not apply on the Contract Commencement Date or the expiry or termination of this Contract.
- 8.2 Nothing in this Contract will render the Service Provider's Personnel, an employee, agent or partner of the Authority or Authority Group by virtue of the provision of the Services by the Service Provider under the Contract, and the Service Provider shall be responsible for making appropriate deductions for tax and national insurance contributions from the remuneration paid to the Service Provider's Personnel.
- 8.3 The Service Provider shall provide the Service Provider's Personnel as necessary for the proper and timely performance and management of the Services in accordance with the Contract. All personnel deployed on work relating to the Contract shall have the appropriate qualifications and competence, be properly managed and supervised and in these and any other respects be acceptable to the Authority.
- 8.4 Without prejudice to any of the Authority's other rights, powers or remedies, the Authority may (without liability to the Service Provider) deny access to any Service Provider's Personnel to any Authority Premises and/or require that any Service Provider's Personnel be immediately removed from performing the Services if such Service Provider's Personnel in the Authority's view have not been properly trained in any way required by this Contract, are otherwise incompetent, negligent, guilty of misconduct or could be a danger to any person. The Authority shall notify the Service Provider of such denial and/or requirement in writing and the Service Provider shall comply with such notice and provide a suitable replacement (with the Contract Manager's prior consent in the case of Key Personnel).
- 8.5 The Service Provider shall give the Authority, if so requested, full particulars of all persons who are or may be at any time employed on the Contract and shall take all reasonable steps to avoid changes to any of its staff designated in the Contract as Key Personnel. The Service Provider shall give the Authority reasonable notice of any proposals to change Key Personnel and Clause 8.3 shall apply to the proposed replacement personnel.
- 8.6 Notwithstanding Clause 8.1, the Service Provider shall indemnify, keep indemnified and hold harmless the Authority from and against all Losses which the Authority or other member of the Authority Group incur or suffer in relation to the Service Provider's Personnel or any person who may

allege to be the same (whenever such Losses may arise) or any failure by the Service Provider to comply with Clause 8.4.

- 8.7 The Service Provider shall pay to the Service Provider's Personnel not less than the amounts declared to the Authority (if any) as part of the tender process for the Contract and not less than the amounts to which the Service Provider's Personnel are contractually entitled.
- 8.8 The Service Provider shall provide training to the Authority's personnel (including its employees, officers, suppliers, sub-contractors and agents) as specified in Schedule 1.

9. Sub-Contracting and Change of Ownership

- 9.1 The Service Provider shall not assign or sub-contract all or any part of the Services without the prior written consent of the Authority, which may be refused or granted subject to such conditions as the Authority sees fit.
- 9.2 Where the Service Provider sub-contracts all or any part of the Services to any person, the Service Provider shall:
 - 9.2.1 ensure that such person is obliged to comply with all of the obligations and duties of the Service Provider under the Contract insofar as they relate to the Services or part of them (as the case may be) which that sub-contractor is required to provide;
 - 9.2.2 be responsible for payments to that person;
 - 9.2.3 remain solely responsible and liable to the Authority for any breach of the Contract or any performance, non-performance, part-performance or delay in performance of any of the Services by any sub-contractor to the same extent as if such breach, performance, non-performance, part-performance or delay in performance had been carried out by the Service Provider;
 - 9.2.4 on or before the Contract Commencement Date or the Service Commencement Date (whichever is the earlier), notify the Authority in writing of the name, contact details and details of the legal representatives of any such sub-contractor (of any tier), to the extent that such information has not already been provided by the Service Provider to the Authority under the Contract;
 - 9.2.5 promptly notify the Authority in writing of any change to the information notified under Clause 9.2.4 and provide in writing the name, contact details and details of the legal representatives of each such sub-contractor (of any tier) who is engaged after the Contract Commencement Date or the Service Commencement Date (whichever is the earlier);

- 9.2.6 without prejudice to the provisions of Clause 12, ensure compliance with the Bribery Act 2010 and any guidance issued by the Secretary of State under it when appointing any such sub-contractor;
- 9.2.7 include a term in each sub-contract (of any tier):
 - 9.2.7.1 requiring payment to be made by the Service Provider or (in respect of a sub-contract below the first tier) the payer under the relevant sub-contract, to the sub-contractor within a specified period not exceeding 30 days from receipt of a valid and undisputed invoice as defined by the sub-contract requirements;
 - 9.2.7.2 a requirement that any invoices for payment submitted by the sub-contractor are considered and verified by the Service Provider, or (in respect of a sub-contract below the first tier) the payer under the relevant sub-contract, in a timely manner and that any undue delay in doing so shall not in itself be sufficient justification for failing to treat an invoice as being valid and undisputed under the sub-contract requirements;
 - 9.2.7.3 entitling the Service Provider or (in respect of a sub-contract below the first tier) the payer under the relevant sub-contract to terminate that sub-contract if the relevant sub-contractor fails to comply in the performance of its contract with legal obligations in the fields of environmental, social or labour law; and
 - 9.2.7.4 a requirement that the sub-contractor includes a provision having the same effect as Clause 9.2.7.3 above in any sub-contract it awards.
- 9.3 The Service Provider shall give notice to the Authority within 10 Business Days where:
 - 9.3.1 there is any change in the ownership of the Service Provider where such change relates to 50% or more of the issued share capital of the Service Provider; and
 - 9.3.2 there is any change in the ownership of the Holding Company where such change relates to 50% or more of the issued share capital of the Holding Company; and
 - 9.3.3 (in the case of an unincorporated Service Provider) give notice to the Authority if there is any change in the management personnel of the Service Provider, which alone or taken with any other change in management personnel not previously notified

to the Authority, equates to a change in the identity of 50% or more of the management personnel of the Service Provider.

Upon the occurrence of any of the events referred to at Clauses 9.3.1 – 9.3.3 above, the Authority shall have the right to terminate the Contract.

10. Conflict of Interest

- 10.1 The Service Provider warrants that it does not and will not have at the Contract Commencement Date or Service Commencement Date any interest in any matter where there is or is reasonably likely to be a conflict of interest with the Services or any member of the Authority Group, save to the extent fully disclosed to and approved by the Authority.
- 10.2 The Service Provider shall check for any conflict of interest at regular intervals throughout the Term and in any event not less than once in every six months and shall notify the Authority in writing immediately upon becoming aware of any actual or potential conflict of interest with the Services or any member of the Authority Group and shall work with the Authority to do whatever is necessary (including the separation of staff working on, and data relating to, the Services from the matter in question) to manage such conflict to the Authority's satisfaction, provided that, where the Authority is not so satisfied, it may terminate the Contract in accordance with Clause 27.1.4.

11. Access to Premises and Assets

- 11.1 Subject to Clause 8.4 any access to either or both of any Authority Premises or Authority Assets made available to the Service Provider in connection with the proper performance of the Contract shall be free of charge and shall be used by the Service Provider solely for the purpose of performing the Services during the Term in accordance with the Contract provided, for the avoidance of doubt, the Service Provider shall be responsible for its own costs or travel including either or both of any congestion charging or low emission zone charging. The Service Provider shall:
 - 11.1.1 have the use of such Authority Premises as licensee and shall not have or purport to claim any sole or exclusive right to possession or to possession of any particular part of such Authority Premises;
 - 11.1.2 vacate such Authority Premises upon the termination or expiry of the Contract or at such earlier date as the Authority may determine;
 - 11.1.3 not exercise or purport to exercise any rights in respect of any Authority Premises in excess of those granted under this Clause 11.1;

- 11.1.4 ensure that the Service Provider's Personnel carry any identity passes issued to them by the Authority at all relevant times and comply with the Authority's security procedures as may be notified by the Authority from time to time;
 - 11.1.5 not damage the Authority Premises or any assets on Authority Premises; and
 - 11.1.6 return immediately to the Authority in good working order and satisfactory condition (in the reasonable opinion of the Authority) all Authority Assets used by the Service Provider or the Service Provider's Personnel in the performance of the Services.
- 11.2 Nothing in this Clause 11 shall create or be deemed to create the relationship of landlord and tenant in respect of any Authority Premises between the Service Provider and any member of the Authority Group.
- 11.3 The Authority shall be under no obligation to provide office or other accommodation or facilities or services (including telephony and IT services) to the Service Provider except as may be specified in Schedule 1.

12. Compliance with Policies and Law

- 12.1 The Service Provider, at no additional cost to the Authority:
- 12.1.1 undertakes to procure that all the Service Provider's Personnel comply with all of the Authority's policies and standards that are relevant to the performance of the Services, which are set out in Schedule 9 (including where the GLA is the Authority the Authority's Dignity at Work policy as updated from time to time and with the GLA's Code of Ethics as updated from time to time, and where TfL is the Authority, TfL's workplace harassment policy as updated from time to time (copies of which are available on request from TfL) and with TfL's Code of Conduct (which is available on TfL's website, www.tfl.gov.uk)) including the provisions set out in Schedule 7 and those relating to safety, security, business ethics, drugs and alcohol and any other on site regulations specified by the Authority for personnel working at Authority Premises or accessing the Authority's computer systems. The Authority shall provide the Service Provider with copies of such policies and standards on request. In the event that the Services are being provided to both the GLA and TfL, then the policies and standards of each of the GLA and TfL shall apply as appropriate;
 - 12.1.2 shall provide the Services in compliance with and shall ensure that the Service Provider's Personnel comply with all requirements of all Acts of Parliament, statutory instruments, court orders, regulations, directives, European Community decisions (insofar as legally binding), bye-laws, treaties and

other regulatory requirements relevant to either or both of the Service Provider's or the Authority's business, from time to time in force which are or may become applicable to the Services. The Service Provider shall promptly notify the Authority if the Service Provider is required to make any change to the Services for the purposes of complying with its obligations under this Clause 12.1.2;

12.1.3 without limiting the generality of Clause 12.1.2, shall comply with all relevant enactments in force from time to time relating to discrimination in employment and the promotion of equal opportunities;

12.1.4 acknowledges that the Authority is under a duty under section 149 of the Equality Act 2010 to have due regard to the need to eliminate unlawful discrimination on the grounds of sex, marital or civil partnership status, race, sexual orientation, religion or belief, age, pregnancy or maternity, gender reassignment or disability (a "**Relevant Protected Characteristic**") (as the case may be) and to promote equality of opportunity between persons who share a Relevant Protected Characteristic and persons who do not share it. In providing the Services, the Service Provider shall assist and cooperate with Authority where possible in satisfying this duty;

12.1.5 where possible, shall provide the Services in such a manner as to:

12.1.5.1 promote equality of opportunity for all persons irrespective of their race, sex, disability, age, sexual orientation or religion;

12.1.5.2 eliminate unlawful discrimination; and

12.1.5.3 promote good relations between persons of different racial groups, religious beliefs and sexual orientation;

12.1.6 Where the GLA is the Authority the Service Provider shall:

12.1.6.1 comply with policies developed by the Authority with regard to compliance with the Authority's duties referred to in Clauses 12.1.4 - 12.1.5 as are relevant to the Contract and the Service Provider's activities;

12.1.6.2 obey directions from the Authority with regard to the conduct of the Contract in accordance with the duties referred to in Clauses 12.1.4 - 12.1.5;

12.1.6.3 assist, and consult and liaise with, the Authority with regard to any assessment of the impact on and

relevance to the Contract of the duties referred to in Clauses 12.1.4 - 12.1.5;

- 12.1.6.4 on entering into any contract with a sub-contractor in relation to this Contract, impose obligations upon the sub-contractor to comply with this Clause 12.1.6 as if the sub-contractor were in the position of the Service Provider;
 - 12.1.6.5 provide to the Authority, upon request, such evidence as the Authority may require for the purposes of determining whether the Service Provider has complied with this Clause 12.1.6. In particular, the Service Provider shall provide any evidence requested within such timescale as the Authority may require, and cooperate fully with the Authority during the course of the Authority's investigation of the Service Provider's compliance with its duties under this Clause 12.1.6; and
 - 12.1.6.6 inform the Authority forthwith in writing should it become aware of any proceedings brought against it in connection with this Contract by any person for breach of the Equality Act 2010.
- 12.1.7 without prejudice to any other provision of this Clause 12.1 or the Schedules, where TfL is the Authority, comply with any provisions set out in the Schedules that relate to traffic management and shall comply with the reasonable instructions of TfL's Traffic Manager as may be made available to the Service Provider from time to time. For the purposes of this Clause 12.1.7, "**Traffic Manager**" means TfL's traffic manager appointed in accordance with section 17 of the Traffic Management Act 2004;
- 12.1.8 shall promptly notify the Service Provider's Personnel and the Authority of any health and safety hazards that exist or may arise in connection with the performance of the Services;
- 12.1.9 without limiting the generality of Clause 12.1.2, shall comply with the Bribery Act 2010, the Criminal Finances Act 2017 and any guidance issued by the Secretary of State under it; and
- 12.1.10 where applicable to the Service Provider and without limiting the generality of Clause 12.1.2, shall comply with the Modern Slavery Act 2015 and any guidance issued by the Secretary of State under it.

In all cases, the costs of compliance with this Clause 12.1 shall be borne by the Service Provider.

12.2 In providing the Services, the Service Provider shall (taking into account best available techniques not entailing excessive cost and the best practicable means of preventing, or counteracting the effects of any noise or vibration) have appropriate regard (insofar as the Service Provider's activities may impact on the environment) to the need to:

12.2.1 preserve and protect the environment and to the need to avoid, remedy and mitigate any adverse effects on the environment;

12.2.2 enhance the environment and have regard to the desirability of achieving sustainable development;

12.2.3 conserve and safeguard flora, fauna and geological or physiological features of special interest; and

12.2.4 sustain the potential of natural and physical resources and the need to safeguard the life-supporting capacity of air, water, soil and ecosystems.

Work Related Road Risk

12.3 For the purposes of Clauses 12.3 to 12.12 (inclusive) of this Contract, the following expressions shall have the following meanings:

“Approved Progressive Driver Training”

an ongoing programme of Drivers' training to ensure they have the appropriate knowledge, skills and attitude to operate safely on urban roads. This includes the training specific for the urban environment (including on-road experience from a cyclist's perspective), which is required to be completed at least once every 5 years;

“Car-derived Van”

a vehicle based on a car, but with an interior that has been altered for the purpose of carrying larger amounts of goods and/or equipment;

“Category N2 HGV”

a vehicle designed and constructed for the carriage of goods having a MAM exceeding 3,500 kilograms but not exceeding 12,000 kilograms;

“Category N3 HGV”

a vehicle designed and constructed for the carriage of goods and having a MAM exceeding 12,000 kilograms;

“CLOCS Standard”

the Construction Logistics and Community Safety standard, which aims to eliminate risk of a collision between heavy goods

	vehicles servicing the construction sector and vulnerable road users by ensuring effective practice in the management of operations, vehicles, drivers and construction sites; further information can be found at: www.clocs.org.uk ;
“Collision Report”	a report detailing all collisions during the previous 12 months involving injuries to persons or fatalities;
“Delivery and Servicing Vehicle”	a HGV, a Van or a Car-derived Van;
“Driver”	any employee of the Service Provider (including an agency or contracted driver), who operates Delivery and Servicing Vehicles on behalf of the Service Provider while delivering the Services;
“DVLA”	Driver and Vehicle Licensing Agency;
“Direct Vision Standard” or “DVS”	Direct Vision Standard, a performance based assessment and rating tool, as updated from time to time that measures how much direct vision a Driver has from a Category N3 HGV cab in relation to other road users. Further information can be found at: www.tfl.gov.uk ;
“Equivalent Scheme”	has the meaning given to it in Clause 12.4.1;
“FORS”	the Fleet Operator Recognition Scheme, which is an accreditation scheme for businesses operating commercial vehicles including vans, HGV, coaches and powered two wheelers. It offers impartial, independent advice and guidance to motivate companies to improve their compliance with relevant laws and their environmental, social and economic performance;
“FORS Standard”	the standard setting out the accreditation requirements for the Fleet Operator Recognition Scheme, a copy of which can be found at: www.fors-online.org.uk ;
“Gold Accreditation”	the highest level of accreditation within the FORS Standard, the requirements of

which are more particularly described at:
www.fors-online.org.uk;

“HGV”

a vehicle with a MAM exceeding 3,500 kilograms;

“MAM”

the maximum authorised mass of a vehicle or trailer including the maximum load that can be carried safely while used on the road;

“Silver Accreditation”

the minimum level of accreditation within the FORS Standard acceptable for the contract schedule, the requirements of which are more particularly described at:
www.fors-online.org.uk;

“Van”

a vehicle with a MAM not exceeding 3,500 kilograms; and

“WRRR Self-Certification Report”

has the meaning given to it in Clause 12.10.

Fleet Operator Recognition Scheme Accreditation

12.4 Where the Service Provider operates Delivery and Servicing Vehicles to provide the Services, it shall within 90 days of the Contract Commencement Date:

12.4.1 (unless already registered) register for FORS or a scheme, which in the reasonable opinion of the Authority, is an acceptable substitute to FORS (the **“Equivalent Scheme”**); and

12.4.2 (unless already accredited) have attained the standard of Silver Accreditation (or higher) or the equivalent within the Equivalent Scheme and shall maintain the standard of Silver Accreditation (or equivalent standard within the Equivalent Scheme) by way of an annual independent audit in accordance with the FORS Standard or take such steps as may be required to maintain the equivalent standard within the Equivalent Scheme. Alternatively, where the Service Provider has attained Gold Accreditation, the maintenance requirements shall be undertaken in accordance with the periods set out in the FORS Standard.

Safety Features on HGVs

12.5 The Service Provider shall ensure that every HGV, which it uses to provide the Services, shall be fitted with safety features consistent with the FORS Silver Accreditation.

Construction Logistics and Community Safety (CLOCS)

12.6 Where applicable, for works contracts exceeding a value of £1m:

12.6.1 the Service Provider shall comply with the CLOCS Standard;
and

12.6.2 the Service Provider shall ensure that the conditions at all sites
and locations where:

12.6.2.1 the Services are being delivered; or

12.6.2.2 in connection with the performance of the Services,
any waste is being disposed of or supplies are being
delivered to or from,

are appropriate for each Category N3 HGV being used in the provision of
the Services.

Direct Vision Standard (DVS)

12.7 Where applicable, for contracts exceeding a value of £1m where the
duration will exceed 12 months and a significant amount of the work will
be conducted within the GLA boundaries:

12.7.1 the Service Provider shall comply with the DVS Schedule
attached to this Contract; and

12.7.2 the Service Provider shall ensure that:

12.7.3 all Category N3 HGVs used in the provision of the Services
achieve a minimum of a one (1) star Direct Vision Standard
rating; and

12.7.4 from and including 26 October 2023, all Category N3 HGVs
used in the provision of the Services achieve a minimum of three
(3) star Direct Vision Standard rating.

Driver Training

12.8 Where the Service Provider operates Delivery and Servicing Vehicles to
provide the Services the Service Provider shall ensure that each of its
Drivers attend the Approved Progressive Driver Training throughout the
Term of the Contract.

Collision Reporting

12.9 Where the Service Provider operates Delivery and Servicing Vehicles to
deliver the Contract, the Service Provider shall within 15 days of the
Contract Commencement Date, provide to the Authority a Collision
Report. The Service Provider shall provide to the Authority an updated
Collision Report within five Business Days of a written request from the
Authority at any time.

Self-Certification of Compliance

12.10 Where the Service Provider operates Delivery and Servicing Vehicles to provide the Services, within 90 days of the Contract Commencement Date, the Service Provider shall provide a written report to the Authority detailing its compliance with Clauses 12.4, 12.5, 12.6, 12.7, 12.8 and 12.9 (as applicable) of this Contract (the **“WRRR Self-Certification Report”**). The Service Provider shall provide updates of the WRRR Self-Certification Report to the Authority on each six month anniversary of its submission of the initial WRRR Self-Certification Report.

Obligations of the Service Provider Regarding Sub-contractors

12.11 The Service Provider shall ensure that those of its sub-contractors who operate Category N2 HGVs, Category N3 HGVs, Vans and/or Car-derived Vans to provide the Services shall comply with the corresponding provisions of this Contract:

12.11.1 Clauses 12.4, 12.8, 12.9, 12.10; and

12.11.2 for Category N2 HGVs – Clause 12.5; and

12.11.3 for Category N3 HGVs – Clauses 12.5, and, where applicable 12.6, 12.7;

as if those sub-contractors were a party to this Contract.

Failure to Comply

12.12 Without limiting the effect of any other clause of this Contract relating to termination, if the Service Provider fails to comply with Clauses 12.4, 12.5 (where applicable), 12.6 (where applicable), 12.7 (where applicable), 12.8, 12.9, 12.10 and 12.11 and Schedule 11;

12.12.1 the Service Provider has committed a material breach of this Contract; and

12.12.2 the Authority may refuse the Service Provider, its employees, agents and Delivery and Servicing Vehicles entry onto any property that is owned, occupied or managed by the Authority for any purpose (including but not limited to deliveries).

13. London Living Wage

For the purposes of this Clause 13, the following expressions have the corresponding meanings:

“CCSL”

the Centre for Civil Society Limited or any relevant replacement organisation as notified by the Authority from time to time;

“London Living Wage”	the London rate for the basic hourly wage as updated and published annually by the CCSL (or any relevant replacement organisation) on its website (www.livingwage.org.uk);
“Subcontractor”	a sub-contractor (of any tier) of the Service Provider.

13.1 The Service Provider acknowledges and agrees that the Mayor of London pursuant to section 155 of the Greater London Authority Act 1999 has directed that members of the Authority Group ensure that the London Living Wage be paid to anyone engaged by any member of the Authority Group who is required to discharge contractual obligations (whether as a direct contractor or a sub-contractor (of any tier) of that direct contractor) on the Authority’s estate in the circumstances set out in Clause 13.3.1.

13.2 Without prejudice to any other provision of this Contract, the Service Provider shall:

13.2.1 ensure that its employees and procure that the employees of its Sub-contractors engaged in the provision of the Services:

13.2.1.1 for two (2) or more hours of work in any given day in a week, for eight (8) or more consecutive weeks in a year; and

13.2.1.2 on the Authority’s estate including (without limitation) premises and land owned or occupied by the Authority,

be paid an hourly wage (or equivalent of an hourly wage) equivalent to or greater than the London Living Wage;

13.2.2 ensure that none of:

13.2.2.1 its employees; nor

13.2.2.2 the employees of its Sub-contractors,

engaged in the provision of the Services be paid less than the amount to which they are entitled in their respective contracts of employment;

13.2.3 provide to the Authority such information concerning the London Living Wage as the Authority or its nominees may reasonably require from time to time, including (without limitation):

13.2.3.1 all information necessary for the Authority to confirm that the Service Provider is complying with its obligations under Clause 13; and

13.2.3.2 reasonable evidence that Clause 13 has been implemented;

13.2.4 disseminate on behalf of the Authority to:

13.2.4.1 its employees; and

13.2.4.2 the employees of its Sub-contractors,

engaged in the provision of the Services such perception questionnaires as the Authority may reasonably require from time to time and promptly collate and return to the Authority responses to such questionnaires; and

13.2.5 cooperate and provide all reasonable assistance in monitoring the effect of the London Living Wage including (without limitation):

13.2.5.1 allowing the CCSL to contact and meet with the Service Provider's employees and any trade unions representing the Service Provider's employees;

13.2.5.2 procuring that the Service Provider's Sub-contractors allow the CCSL to contact and meet with the Subcontractors' employees and any trade unions representing the Sub-contractors' employees,

in order to establish that the obligations in Clause 13.3.1 have been complied with.

13.3 For the avoidance of doubt the Service Provider shall:

13.3.1 implement the annual increase in the rate of the London Living Wage; and

13.3.2 procure that its Sub-contractors implement the annual increase in the rate of the London Living Wage,

on or before 1 April in the year following the publication of the increased rate of the London Living Wage.

13.4 The Authority reserves the right to audit (acting by itself or its nominee(s)) the provision of the London Living Wage to the Service Provider's staff and the staff of its Sub-contractors.

13.5 Without limiting the Authority's rights under any other termination provision in this Contract, the Service Provider shall remedy any breach of the provisions of this Clause 13 within four (4) weeks' notice of the same from the Authority (the "**Notice Period**"). If the Service Provider remains in breach of the provisions of this Clause 13 following the Notice Period, the Authority may by written notice to the Service Provider immediately terminate this Contract.

14. **Corrupt Gifts and Payment of Commission**

The Service Provider shall not, and shall ensure that its employees, agents and sub-contractors do not, pay any commission, fees or grant any rebates to any employee, officer or agent of any member of the Authority Group nor favour any employee, officer or agent of any member of the Authority Group with gifts or entertainment of significant cost or value nor enter into any business arrangement with employees, officers or agents of any member of the Authority Group other than as a representative of the Authority, without the Authority's prior written approval.

15. **Equipment**

15.1 Risk in:

15.1.1 all Service Provider Equipment shall be with the Service Provider at all times; and

15.1.2 all other equipment and materials forming part of the Services (title to which will pass to the Authority) ("**Materials**") shall be with the Service Provider at all times until completion of the Services in accordance with the Contract,

regardless of whether or not the Service Provider Equipment and Materials are located at Authority Premises.

15.2 The Service Provider shall ensure that all Service Provider Equipment and all Materials meet all minimum safety standards required from time to time by law.

16. **Quality and Best Value**

16.1 The Service Provider acknowledges that the Authority is a best value authority for the purposes of the Local Government Act 1999 and as such the Authority is required to make arrangements to secure continuous improvement in the way it exercises its functions (having regard to a combination of economy, efficiency and effectiveness) and, as such, the Service Provider shall, where reasonably requested by the Authority, participate in any relevant best value review.

16.2 Where the GLA is the Authority then in accordance with the statutory requirement set out in section 61(3) of the Greater London Authority Act 1999, the Service Provider shall send such representatives as may be requested to attend the Greater London Assembly for questioning in relation to the Contract. The Service Provider acknowledges that it may be liable to a fine or imprisonment if it fails to comply with a summons to attend.

17. **Records, Audit and Inspection**

17.1 The Service Provider shall, and shall procure that its sub-contractors shall:

17.1.1 maintain a complete and correct set of records pertaining to all activities relating to the performance of the Services and the Service Provider's obligations under the Contract and all transactions entered into by the Service Provider for the purposes of the Contract (including time-sheets for the Service Provider's Personnel where such records are material to the calculation of the Charges) ("**Records**"); and

17.1.2 retain all Records during the Term and for a period of not less than 6 years (or such longer period as may be required by law), except Records containing Personal Data (as defined in Data Protection Legislation) which shall only be retained for as long as necessary, following termination or expiry of the Contract ("**Retention Period**").

17.2 The Authority and any person nominated by the Authority has the right to audit any and all Records at any time during the Retention Period on giving to the Service Provider what the Authority considers to be reasonable notice (whether in writing or verbally) and at any reasonable time to inspect any aspect of the Service Provider's performance of the Services (including compliance with Clause 12.1) and the Service Provider shall give all reasonable assistance to the Authority or its nominee in conducting such inspection, including making available documents and staff for interview.

18. **Set-Off**

All damages, costs, charges, expenses, debts, sums or other amounts owing (contingently or otherwise) to or incurred by the Authority arising out of or attributable to this Contract or any other contract between the Authority and the Service Provider may be deducted by the Authority from monies due or which may become due to the Service Provider under this Contract or under any other contract with any member of the Authority Group may recover such amount as a debt.

19. **Indemnity**

19.1 Subject to Clause 19.2, the Service Provider is responsible for and shall indemnify, keep indemnified and hold harmless each of the Authority and all other members of the Authority Group (including their respective employees, sub-contractors and agents) ("**the Indemnified Party**") against all Losses which the Indemnified Party incurs or suffers as a consequence of any breach or negligent performance of the Contract by the Service Provider (or any of the Service Provider's Personnel) (including in each case any non-performance or delay in performance of the Contract) or of any breach of statutory duty, misrepresentation or

misstatement by the Service Provider (or any of its employees, agents or sub-contractors).

19.2 The Service Provider is not responsible for and shall not indemnify the Authority for any Losses to the extent that such Losses are caused by any breach or negligent performance of any of its obligations under the Contract by the Authority or any other member of the Authority Group including by any of their respective employees, agents or sub-contractors.

19.3 Subject to Clauses 19.4 and 19.5, the Service Provider's total liability in respect of all Losses occurring within any year of the Term whether arising from tort (including negligence), breach of contract or otherwise under or in connection with this Contract, shall not exceed:

19.3.1 to the extent any Losses are recoverable from the Insurances (as defined in Clause 20.1), the level of such insurance; or

19.3.2 for any other Losses, twice the annual value of the Contract.

19.4 Nothing in the Contract shall be construed to limit or exclude the Service Provider's liability for:

19.4.1 death or personal injury caused by its negligence;

19.4.2 fraud or fraudulent misrepresentation;

19.4.3 breach of any obligation implied by Section 12 of the Sale of Goods Act 1979 or Section 2 of the Supply of Goods and Services Act 1982; or

19.4.4 any liability to the extent it cannot be limited or excluded by law.

19.5 The limitation of liability set out in Clause 19.3 does not apply to the Service Provider's liability in relation to any breach by the Service Provider of:

19.5.1 Clause 22 (Intellectual Property Rights);

19.5.2 Clause 23 (Privacy, Data Protection and Cyber Security); or

19.5.3 Clause 24 (Confidentiality and Announcements).

19.6

20. **Insurance**

20.1 The Service Provider will at its sole cost maintain employer's liability and motor insurance cover as required by law and insurance cover in the sum of not less than £5 million per claim (in terms approved by the Authority) in respect of the following to cover the Services (the "**Insurances**") and will ensure that the Authority's interest is noted on each and every policy

or that any public liability, product liability or employer's liability insurance includes an Indemnity to Principal clause:

- 20.1.1 public liability to cover injury and loss to third parties;
- 20.1.2 insurance to cover the loss or damage to any item related to the Services;
- 20.1.3 product liability; and
- 20.1.4 professional indemnity or, where professional indemnity insurance is not available, a "financial loss" extension to the public liability insurance referred to in Clause 20.1.1 or, if applicable, the product liability insurance referred to in Clause 20.1.3. Any professional indemnity insurance or "financial loss" extension shall be renewed for a period of 6 years (or such other period as the Authority may stipulate) following the expiry or termination of the Contract.

- 20.2 The insurance cover will be maintained with a reputable insurer.
- 20.3 The Service Provider will produce evidence to the Authority on reasonable request of the insurance policies set out in Clause 20.1 and payment of all premiums due on each policy.
- 20.4 The Service Provider warrants that nothing has or will be done or be omitted to be done which may result in any of the insurance policies set out in Clause 20.1 being or becoming void, voidable or unenforceable.
- 20.5 In the event that any of the Insurances are cancelled or not renewed, the Service Provider shall immediately notify the Authority and shall at its own cost arrange alternative Insurances with an insurer or insurers acceptable to the Authority.

21. The Authority's Data

- 21.1 The Service Provider acknowledges the Authority's ownership of Intellectual Property Rights which may subsist in the Authority's data. The Service Provider shall not delete or remove any copyright notices contained within or relating to the Authority's data.
- 21.2 The Service Provider and the Authority shall each take reasonable precautions (having regard to the nature of their other respective obligations under the Contract) to preserve the integrity of the Authority's data and to prevent any corruption or loss of the Authority's data.

22. Intellectual Property Rights

- 22.1 The Service Provider hereby assigns with full title guarantee to the Authority all Intellectual Property Rights in all documents, drawings, computer software and any other work prepared or developed by or on behalf of the Service Provider in the provision of the Services (the

“Products”) provided that such assignment shall not include items not prepared or developed for the purposes of this Contract.

- 22.2 The Service Provider shall provide the Authority with copies of all materials relied upon or referred to in the creation of the Products together with a perpetual, irrevocable, royalty-free and transferable licence free of charge to use such materials in connection with the use of the Products.
- 22.3 The Service Provider shall have no right (save where expressly permitted under the Contract or with the Authority’s prior written consent) to use any trade marks, trade names, logos or other Intellectual Property Rights of the Authority.
- 22.4 The Service Provider shall ensure that all royalties, licence fees or similar expenses in respect of all Intellectual Property Rights used in connection with the Contract have been paid and are included within the Charges.

23. Privacy, Data Protection and Cyber Security

- 23.1 The Service Provider shall comply with all of its obligations under Data Protection Legislation and, if Processing Personal Data on behalf of the Authority, shall only carry out such Processing for the purposes of providing the Services in accordance with Schedule 2 of this Contract.
- 23.2 The Service Provider must follow the 10 Steps to Cyber Security issued by the National Cyber Security Centre.

24. Confidentiality and Announcements

- 24.1 Subject to Clause 25, the Service Provider will keep confidential:
 - 24.1.1 the terms of this Contract; and
 - 24.1.2 any and all Confidential Information that it may acquire in relation to the Authority.
- 24.2 The Service Provider will not use the Authority’s Confidential Information for any purpose other than to perform its obligations under this Contract. The Service Provider will ensure that its officers and employees comply with the provisions of Clause 24.1.
- 24.3 The obligations on the Service Provider set out in Clause 24.1 will not apply to any Confidential Information:
 - 24.3.1 which either of the Parties can demonstrate is in the public domain (other than as a result of a breach of this Clause 24);
 - 24.3.2 which a Party is required to disclose by order of a court of competent jurisdiction but then only to the extent of such required disclosure; or

- 24.3.3 to the extent that such disclosure is to the Secretary for Transport (or the government department responsible for public transport in London for the time being) the Office of Rail Regulation, or any person or body who has statutory responsibilities in relation to transport in London and their employees, agents and sub-contractors.
- 24.4 The Service Provider shall keep secure all materials containing any information in relation to the Contract and its performance.
- 24.5 The Service Provider shall not communicate with representatives of the general or technical press, radio, television or other communications media in relation to the existence of the Contract or that it is providing the Services to the Authority or in relation to any matter under or arising from the Contract unless specifically granted permission to do so in writing by the Authority. The Authority shall have the right to approve any announcement before it is made.
- 24.6 The provisions of this Clause 24 will survive any termination of this Contract for a period of 6 years from termination.
25. **Freedom of Information and Transparency**
- 25.1 For the purposes of this Clause 25:
- 25.1.1 **“FOI Legislation”** means the Freedom of Information Act 2000, all regulations made under it and the Environmental Information Regulations 2004 and any amendment or re-enactment of any of them and any guidance or statutory codes of practice issued by the Information Commissioner, the Ministry of Justice or the Department for Environment Food and Rural Affairs (including in each case its successors or assigns) in relation to such legislation;
- 25.1.2 **“Information”** means information recorded in any form held by the Authority or by the Service Provider on behalf of the Authority; and
- 25.1.3 **“Information Access Request”** means a request for any Information under the FOI Legislation.
- 25.2 The Service Provider acknowledges that the Authority:
- 25.2.1 is subject to the FOI Legislation and agrees to assist and cooperate with the Authority to enable the Authority to comply with its obligations under the FOI Legislation; and
- 25.2.2 may be obliged under the FOI Legislation to disclose Information without consulting or obtaining consent from the Service Provider.

25.3 Without prejudice to the generality of Clause 25.2, the Service Provider shall and shall procure that its sub-contractors (if any) shall:

25.3.1 transfer to the Contract Manager (or such other person as may be notified by the Authority to the Service Provider) each Information Access Request relevant to the Contract, the Services or any member of the Authority Group that it or they (as the case may be) receive as soon as practicable and in any event within two (2) Business Days of receiving such Information Access Request; and

25.3.2 in relation to Information held by the Service Provider on behalf of the Authority, provide the Authority with details about and copies of all such Information that the Authority requests and such details and copies shall be provided within five (5) Business Days of a request from the Authority (or such other period as the Authority may reasonably specify), and in such forms as the Authority may reasonably specify.

25.4 The Authority shall be responsible for determining whether Information is exempt from disclosure under the FOI Legislation and for determining what Information will be disclosed in response to an Information Access Request in accordance with the FOI Legislation.

25.5 The Service Provider shall not itself respond to any person making an Information Access Request, save to acknowledge receipt, unless expressly authorised to do so by the Authority.

25.6 The Service Provider acknowledges that the Authority is subject to the Transparency Commitment. Accordingly, notwithstanding Clause 24.1 and Clause 25, the Service Provider hereby gives its consent for the Authority to publish the Contract Information to the general public.

25.7 The Authority may in its absolute discretion redact all or part of the Contract Information prior to its publication. In so doing and in its absolute discretion the Authority may take account of the exemptions/exceptions that would be available in relation to information requested under the FOI Legislation.

25.8 The Authority may in its absolute discretion consult with the Service Provider regarding any redactions to the Contract Information to be published pursuant to Clause 25.6. The Authority shall make the final decision regarding both publication and redaction of the Contract Information.

26. **Dispute Resolution**

26.1 The Authority and the Service Provider shall use all reasonable endeavours to negotiate in good faith and settle any dispute or difference that may arise out of or relate to the Contract ("**Dispute**") before resorting to litigation.

- 26.2 If the Dispute is not settled through discussion between the Contract Manager and a representative of the Service Provider within a period of seven (7) Business Days of the date on which the Dispute arose, the Parties may refer the Dispute in writing to a director or chief executive (or equivalent) ("**Senior Personnel**") of each of the Parties for resolution.
- 26.3 If the Dispute is not resolved within 14 Business Days of referral to the Senior Personnel, the Parties shall attempt in good faith to resolve the Dispute through entry into a structured mediation or negotiation with the assistance of a mediator. Either Party may give notice to the other Party ("**Notice**") to commence such process and the Notice shall identify one or more proposed mediators.
- 26.4 If the Parties are unable to agree on a mediator, or if the agreed mediator is unable or unwilling to act within 28 Business Days of the service of the Notice, either Party may apply to the Centre for Effective Dispute Resolution ("**CEDR**") in London to appoint a mediator. The costs of that mediator shall be divided equally between the Parties or as the Parties may otherwise agree in writing.
- 26.5 Where a dispute is referred to mediation under Clause 26.3, the Parties will attempt to settle such Dispute by mediation in accordance with the model mediation procedures published by CEDR or such other procedures as the mediator may recommend.
- 26.6 If the Parties reach agreement on the resolution of the Dispute, such agreement shall be recorded in writing and once signed by the Parties' authorised representatives, shall be final and binding on the Parties.
- 26.7 If either Party refuses at any time to participate in the mediation procedure and in any event if the Parties fail to reach agreement on the Dispute within 40 Business Days of the service of the Notice either Party may commence proceedings in accordance with Clause 41.
- 26.8 For the avoidance of doubt, the Service Provider shall continue to provide the Services in accordance with the Contract and without delay or disruption while the Dispute is being resolved pursuant to this Clause 26.
- 26.9 Neither Party shall be prevented from, or delayed in, seeking any order for specific performance or for interim or final injunctive relief as a result of the provisions of this Clause 26 and Clause 26 shall not apply in respect of any circumstances where such remedies are sought.

27. **Breach and Termination of Contract**

- 27.1 Without prejudice to the Authority's right to terminate at common law, the Authority may terminate the Contract immediately upon giving notice to the Service Provider if:

27.1.1 In addition and without prejudice to Clauses 27.1.2 to 27.1.6 (inclusive), the Service Provider has committed any material or

persistent breach of the Contract and in the case of such a breach that is capable of remedy fails to remedy that breach within 10 Business Days (or such other timeframe as specified in writing by the Authority) from the date of written notice to the Service Provider giving details of the breach and requiring it to be remedied;

- 27.1.2 the Service Provider is subject to an Insolvency Event;
 - 27.1.3 in the event that there is a change of ownership referred to in Clause 9.3 or the Service Provider is in breach of Clause 9.3;
 - 27.1.4 the Authority is not satisfied on the issue of any conflict of interest in accordance with Clause 10;
 - 27.1.5 the Service Provider or any of its officers, employees or agents commits any act of bribery or other offence described in the Bribery Act 2010 and/or the Criminal Finances Act 2017; or
 - 27.1.6 the Service Provider commits any of the money laundering related offences listed in the Public Contracts Regulations 2015; or
 - 27.1.7 the Service Provider fails to comply in the performance of the Services with legal obligations in the fields of environmental, social or labour law.
- 27.2 Without prejudice to any of the Authority's other rights, powers or remedies (whether under the Contract or otherwise) if the Service Provider is in breach of any of its warranties, or obligations either under Clause 6 or any other provision of this Contract, the Service Provider shall, if required to do so by the Authority, promptly remedy and/or re-perform the Services or part of them at its own expense to ensure compliance with such warranties and obligations. Nothing in this Clause 27.2 shall prevent the Authority from procuring the provision of any Services or any remedial action in respect of any Services from an alternative contractor and, where the Authority so procures any Services or any remedial action, the Authority shall be entitled to recover from the Service Provider all additional cost, loss and expense incurred by the Authority and attributable to the Authority procuring such Services or remedial action from such alternative contractor.
- 27.3 Neither Party shall be deemed to be in breach of the Contract, or otherwise liable to the other Party in any manner whatsoever, for any failure or delay in performing its obligations under the Contract to the extent that such failure or delay is due to a Force Majeure Event. If a Force Majeure Event has continued for more than 8 weeks from the date on which that Force Majeure Event first arose and is having a material adverse effect on either Party's performance of its obligations under the Contract ("**the Affected Party**"), then for as long as such Force Majeure Event continues and has that effect, the Party not affected by such Force

Majeure Event (“**Innocent Party**”) may terminate the Contract immediately upon giving notice to the Affected Party. If the Contract is terminated in accordance with this Clause 27.3 then without prejudice to any rights and liabilities which accrued prior to termination the Affected Party shall not be liable to the Innocent Party by reason of such termination.

- 27.4 Without prejudice to the Authority’s right to terminate the Contract under Clause 27.1 or to terminate at common law, the Authority may terminate the Contract at any time without cause subject to giving the Service Provider written notice of the period specified in Schedule 1, provided that this Clause 27.4 may be disapplied by notice to that effect in Schedule 1.
- 27.5 Without prejudice to the Authority’s right to terminate the Contract under Clauses 27.1, 27.4 or at common law, the Authority may terminate the Contract at any time following a Declaration of Ineffectiveness in accordance with the provisions of Clause 29.
- 27.6 To the extent that the Authority has a right to terminate the Contract under this Clause 27 then, as an alternative to termination, the Authority may by giving notice to the Service Provider require the Service Provider to provide part only of the Services with effect from the date specified in the Authority’s notice (“**Change Date**”) whereupon the provision of the remainder of the Services will cease and the definition of “the Services” shall be construed accordingly. The Charges applicable with effect from the Change Date will be adjusted proportionately or if in the Authority’s opinion a proportionate adjustment would not be reasonable in such manner as the Authority may determine.

28. **Consequences of Termination or Expiry**

- 28.1 Notwithstanding the provisions of Clause 24, wherever the Authority chooses to put out to tender for a replacement service provider some or all of the Services, the Service Provider shall disclose to tenderers such information concerning the Services as the Authority may require for the purposes of such tender and shall also comply with all requirements as are set out at Schedule 8. The Service Provider may impose upon any recipient of such information such obligations of confidentiality as it may require.
- 28.2 The termination or expiry of the Contract shall not prejudice or affect any right, power or remedy which has accrued or shall accrue to either Party prior to or after such termination or expiry.
- 28.3 Upon expiry or termination of the Contract (howsoever caused):
 - 28.3.1 the Service Provider shall, at no further cost to the Authority:
 - 28.3.1.1 take all such steps as shall be necessary to agree with the Authority a plan for the orderly handover of Services to the Authority (or its nominee), such that

the Services can be carried on with the minimum of interruption and inconvenience to the Authority and to effect such handover; and

28.3.1.2 on receipt of the Authority's written instructions to do so (but not otherwise), arrange to remove all electronically held information by a mutually agreed date, including the purging of all disk-based information and the reformatting of all disks.

28.3.2 the Authority shall (subject to Clauses 18, 28.1 and 28.4 and the provisions of any security for due performance supplied by the Service Provider) pay the Service Provider any Charges remaining due in relation to any Services properly performed in accordance with the Contract up to the date of termination or expiry calculated so far as is possible in accordance with Schedule 4 or otherwise reasonably determined by the Authority.

28.4 On termination of all or any part of the Contract, the Authority may enter into any agreement with any third party or parties as the Authority thinks fit to provide any or all of the Services and (save where terminated under Clause 27.4) the Service Provider shall be liable for all additional expenditure reasonably incurred by the Authority in having such services carried out and all other costs and damages reasonably incurred by the Authority in consequence of such termination. The Authority may deduct such costs from the Charges or otherwise recover such costs from the Service Provider as a debt.

29. Declaration of Ineffectiveness and Public Procurement Termination Event

29.1 In the event that a court makes a Declaration of Ineffectiveness, the Authority shall promptly notify the Service Provider. The Parties agree that the provisions of Clause 28 and Clauses 29.1, 29.2, 29.4 to 29.6 (inclusive) and 29.12 shall apply as from the time when the Declaration of Ineffectiveness is made.

29.2 The Declaration of Ineffectiveness shall not prejudice or affect any right, liability or remedy which has accrued or shall accrue to either Party prior to or after such Declaration of Ineffectiveness in respect of the period prior to the Declaration of Ineffectiveness, save as otherwise expressly provided to the contrary in Clauses 29.1 to 29.6 inclusive.

29.3 During any court proceedings seeking a Declaration of Ineffectiveness, the Authority may require the Service Provider to prepare a Cessation Plan in accordance with this Clause 29.3 by issuing a notice in writing. As from the date of receipt by the Service Provider of such notification from the Authority, the Parties (acting reasonably and in good faith) shall agree or, in the absence of such agreement, the Authority shall reasonably determine an appropriate Cessation Plan with the object of achieving:

- 29.3.1 an orderly and efficient cessation of the Services or (at the Authority's request) a transition of the Services to the Authority or such other entity as the Authority may specify; and
- 29.3.2 minimal disruption or inconvenience to the Authority or to customers of the Services or to public passenger transport services or facilities,
- in accordance with the provisions of Clauses 29.2 to 29.6 (inclusive) and which the Parties agree would have effect in the event that a Declaration of Ineffectiveness is made.
- 29.4 Where there is any conflict or discrepancy between the provisions of Clause 28 and Clauses 29.2 to 29.6 (inclusive) and 29.12 or the Cessation Plan, the provisions of these Clauses 29.2 to 29.6 (inclusive) and 29.12 and the Cessation Plan shall prevail.
- 29.5 The Parties will comply with their respective obligations under the Cessation Plan (as agreed by the Parties or, where agreement cannot be reached, as reasonably determined by the Authority) in the event that a Declaration of Ineffectiveness is made.
- 29.6 The Authority shall pay the Services Provider's reasonable costs in assisting the Authority in preparing, agreeing and complying with the Cessation Plan. Such costs shall be based on any comparable costs or Charges agreed as part of this Contract or as otherwise reasonably determined by the Authority. Provided that the Authority shall not be liable to the Service Provider for any loss of profit, revenue, goodwill or loss of opportunity as a result of the early termination of this Contract pursuant to any Declaration of Ineffectiveness.
- 29.7 Without prejudice to the Authority's rights of termination implied into the Contract by Regulation 73(3) of the Public Contracts Regulations 2015 or Regulation 89(3) of the Utilities Contracts Regulations 2016, in the event that the Authority exercises its right to terminate pursuant to this Clause 29.7 (a "**Public Procurement Termination Event**"), the Authority shall promptly notify the Service Provider and the Parties agree that:
- 29.7.1 the provisions of Clause 28 and these Clauses 29.7 to 29.12 (inclusive) shall apply as from the date of receipt by the Service Provider of the notification of the Public Procurement Termination Event; and
- 29.7.2 if there is any conflict or discrepancy between the provisions of Clause 28 and these Clauses 29.7 to 29.12 or the Cessation Plan, the provisions of these Clauses 29.7 to 29.12 and the Cessation Plan shall prevail.
- 29.8 Termination on the Public Procurement Termination Grounds shall not prejudice or affect any right, liability or remedy which has accrued or shall

accrue to either Party prior to or after such termination on Public Procurement Termination Grounds, in respect of the period prior to such termination, save as otherwise expressly provided in Clauses 29.7 to 29.11 inclusive.

29.9 As from the date of receipt by the Service Provider of the notification of the termination on Public Procurement Termination Grounds, the Parties (acting reasonably and in good faith) shall agree or, in the absence of such agreement, the Authority shall reasonably determine an appropriate Cessation Plan with the object of achieving:

29.9.1 an orderly and efficient cessation or (at the Authority's election) a transition to the Authority or such other entity as the Authority may specify of: (i) the Services; or (at Authority's election), (ii) the part of the Services which are affected by the Public Procurement Termination Grounds; and

29.9.2 minimal disruption or inconvenience to the Authority or to customers of the Services or to public passenger transport services or facilities,

in accordance with the provisions of these Clauses 29.7 to 29.11 (inclusive) and to take account of the circumstances of the Public Procurement Termination Grounds.

29.10 Upon agreement, or determination by the Authority, of the Cessation Plan the Parties will comply with their respective obligations under the Cessation Plan.

29.11 The Authority shall pay the Service Provider's reasonable costs in assisting the Authority in preparing, agreeing and complying with the Cessation Plan. Such costs shall be based on any comparable costs or Charges agreed as part of this Contract or as otherwise reasonably determined by the Authority, provided that the Authority shall not be liable to the Service Provider for any loss of profit, revenue, goodwill or loss of opportunity as a result of the early termination of this Contract as a result of Public Procurement Termination Grounds.

29.12 For the avoidance of doubt, the provisions of this Clause 29 (and applicable definitions) shall survive any termination of the Contract following a Declaration of Ineffectiveness or termination on Public Procurement Termination Grounds.

30. Survival

The provisions of Clauses 1, 3.1.3, 4, 5, 6.1.4, 8.1, 9.2.2, 9.2.3, 11.1.1, 11.1.2, 11.1.5, 11.2, 15, 17-21 (inclusive), 22.2, 23-26 (inclusive), 28, 29-32 (inclusive), 34-41 (inclusive) and any other Clauses or Schedules that are necessary to give effect to those Clauses shall survive termination or expiry of the Contract. In addition, any other provision of the Contract

which by its nature or implication is required to survive the termination or expiry of the Contract shall do so.

31. Rights of Third Parties

- 31.1 Save that any member of the Authority Group has the right to enforce the terms of the Contract in accordance with the Contracts (Rights of Third Parties) Act 1999 (“**Third Party Act**”), the Parties do not intend that any of the terms of the Contract will be enforceable by virtue of the Third Party Act by any person not a party to it.
- 31.2 Notwithstanding Clause 31.1, the Parties are entitled to vary or rescind the Contract without the consent of any other person including any member of the Authority Group.

32. Contract Variation

Save where the Authority may require an amendment to the Services and/or this Contract is amended pursuant to the Service Provider’s exercise of any Supply Chain Finance Option, the Contract may only be varied or amended with the written agreement of both Parties. Save for any variations or amendments to reflect the Service Provider’s exercise of any Supply Chain Finance Option (the mechanism for which is set out at Part B of Schedule 6) the details of any variations or amendments shall be set out in such form as the Authority may dictate and which may be substantially in the form set out in Part A of Schedule 6 and shall not be binding upon the Parties unless completed in accordance with such form of variation.

33. Novation

- 33.1 The Authority may novate or otherwise transfer the Contract (in whole or in part).
- 33.2 Within 10 Business Days of a written request from the Authority, the Service Provider shall at its expense execute such agreement as the Authority may reasonably require to give effect to any such transfer all or part of its rights and obligations under the Contract to one or more persons nominated by the Authority.
- 33.3 Subject to Clause 9, the Contract is personal to the Service Provider who shall not assign the benefit or delegate the burden of the Contract or otherwise transfer any right or obligation under the Contract without the prior written consent of the Authority.

34. Non-Waiver of Rights

No waiver of any of the provisions of the Contract is effective unless it is expressly stated to be a waiver and communicated to the other Party in writing in accordance with the provisions of Clause 36. The single or partial exercise of any right, power or remedy under the Contract shall not

in any circumstances preclude any other or further exercise of it or the exercise of any other such right, power or remedy.

35. Illegality and Severability

If any provision of the Contract (in whole or in part) is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed from the Contract and the remaining provisions shall continue in full force and effect as if the Contract had been executed without the invalid, illegal, or unenforceable provision. In the event that in the Authority's reasonable opinion such a provision is so fundamental as to prevent the accomplishment of the purpose of the Contract, the Authority and the Service Provider shall immediately commence good faith negotiations to remedy such invalidity.

36. Notices

36.1 With the exception of invoices, any notice, demand or communication in connection with this Contract will be in writing and may be delivered by hand or prepaid recorded delivery first class post addressed to the recipient at its registered office, the address stated in Schedule 1 or any other address notified to the other Party in writing in accordance with this Clause as an address to which notices and other documents may be sent. The notice, demand or communication will be deemed to have been duly served:

36.1.1 if delivered by hand, at the time of delivery; or

36.1.2 if delivered by post, two (2) Business Days after being posted or in the case of Airmail 14 Business Days after being posted.

37. Entire Agreement

37.1 Subject to Clause 37.2:

37.1.1 the Contract and all documents referred to in the Contract, contains all of the terms which the Parties have agreed relating to the subject matter of the Contract and such documents and supersedes and extinguishes any prior drafts, agreements, undertakings, representations, warranties and arrangements of any nature whatsoever, whether or not in writing relating to the provision of the Services. Neither Party has been induced to enter into the Contract by a statement which the Contract does not contain; and

37.1.2 without prejudice to the Service Provider's obligations under the Contract, the Service Provider is responsible for and shall make no claim against the Authority in respect of any misunderstanding affecting the basis of the Service Provider's tender in respect of the Contract or any incorrect or incomplete information howsoever obtained.

37.2 Nothing in this Clause 37 excludes any liability which one Party would otherwise have in respect of any statement it has made fraudulently to the other Party.

38. Counterparts

This Contract may be executed in any number of counterparts or duplicates, each of which shall be an original, and such counterparts or duplicates shall together constitute one and the same agreement.

39. Relationship of the Parties

Nothing in the Contract constitutes, or shall be deemed to constitute, a partnership between the Parties. Except as expressly provided in the Contract, neither Party shall be deemed to be the agent of the other, nor shall either Party hold itself out as the agent of the other.

40. Further Assurance

Each Party will do or procure the doing of all acts and things and execute or procure the execution of all such documents as the other Party reasonably considers necessary to give full effect to the provisions of the Contract.

41. Governing Law

41.1 The Contract shall be governed by and construed in accordance with the law of England and Wales.

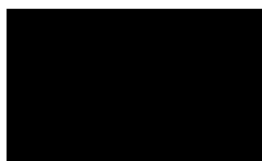
41.2 Without prejudice to Clause 26, the courts of England and Wales will have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Contract.

41.3 Either Party may seek interim injunctive relief or any other interim measure of protection in any court of competent jurisdiction.

41.4 Subject to Clause 41.3, each Party waives any objection to, and submits to, the jurisdiction of the courts of England and Wales. Each Party agrees that a judgment or order of any such court is binding upon it and may be enforced against it in the courts of England and Wales or any other jurisdiction.

THE CONTRACT has been signed for and on behalf of the Parties the day and year written above.

Signed by
for and on behalf of
the Authority



Signature



Print name and position

Date: 29 July 2022

Signed by
for and on behalf of
the Service Provider



)
)
Signature



Print name and position

Date: 29th July 2022

SCHEDULE 1 - KEY CONTRACT INFORMATION

- 1. Contract Reference Number: TfL 95861 – London Transport Museum Provision of Warehousing and Fulfilment**
- 2. Name of Service Provider: Mosaic Fulfilment Solutions Ltd**
- 3. Commencement:**
 - (a) Contract Commencement Date: 1st August 2022**
 - (b) Service Commencement Date: 1st August 2022**
- 4. Duration/Expiry Date:**
 - (a) Initial Contract Expiry Date: 1st August 2026**
 - (b) Latest Contract Expiry Date: 1st August 2027**
- 5. Payment (see Clauses 5.1 and 5.4):**

Clause 5.1

The Service Provider will raise two sets of invoices addressed to London Transport Museum every four weeks.

One Invoice is for Shipping Costs which include Carriage costs for UK and International Deliveries. These costs will be variable and will depend on the volume of customer orders on London transport Museums E-commerce website.

The second invoice is for Account Management (fixed Monthly charges) and IT Costs (Fixed Monthly Costs) and Warehousing costs which includes the following costs:

Fixed monthly charges for Account Management and IT Costs – refer to Schedule 4 Charges shall not exceed [REDACTED] per calendar month for the entire duration of the contract including optional extension year.

Warehousing costs include:

- Warehousing processing
- Picking and Packaging materials
- Stock Storage and Processing Goods In /Warehousing
- Print Jobs
- Returns
- Requests/data storage
- IT Costs (non-fixed)

The costs for warehousing costs listed in bullet points above are outlined in Schedule 4 – Order Charges. These prices provided in Schedule 4 will be fixed for the contract duration including the optional extension period. However, some of the costs may vary dependent on the volume of sales on London Transport Museums E-commerce website.

The Service Provider must provide a breakdown of all costs in the form of a backing sheet attached to both invoices.

Both invoices will be sent to London Transport Museum within 5 working days of LTMs period end dates supplied below:

Periodic calendar

Period 1 - 1 April to 30 April 2022
Period 2 - 1 May to 28 May 2022
Period 3 - 29 May to 25 June 2022
Period 4 - 26 June to 23 July 2022
Period 5 - 24 July to 20 August 2022
Period 6 - 21 August to 17 September 2022
Period 7 - 18 September to 15 October 2022
Period 8 - 16 October to 12 November 2022
Period 9 - 13 November to 10 December 2022
Period 10 - 11 December to 7 January 2023
Period 11 - 8 January to 4 February 2023
Period 12 - 5 February to 4 March 2023
Period 13 - 5 March to 31 March 2023

The Service Provider Will Invoice the Authority every 4 weeks in line with the periodic calendar outlined above

Clause 5.4

Where no alternative is listed, payment must be made within 30 days of receipt of invoices.

**** the period cannot exceed 30 days***

6. Email address where PDF Invoices shall be sent:

[REDACTED]

Mosaic Fulfilment Solutions will also copy the Ecommerce Manager, Head of Retail and Merchandiser into each invoice email throughout the contract duration.

7. Time for payment where not 30 days (see Clause 5.4): N/A

8. Details of the Authority's Contract Manager

Name:

Address:

Email:

9. Details of the Authority's Procurement Manager

Name:

Address:

Email:

10. Service Provider's Key Personnel:

Name & Position	Contact Details	Area of Responsibility

11. Notice period in accordance with Clause 27.4 (termination without cause):
90 days

12. Address for service of notices and other documents in accordance with Clause 36:

For the Authority:

As section 9

For the Service Provider: As section 10

- 13. Office facilities to be provided to the Service Provider in accordance with Clause 11.3:** Not applicable
- 14. Training to be provided by the Service Provider in accordance with Clause 8.8:** Not applicable

SCHEDULE 2 - SPECIAL CONDITIONS OF CONTRACT

A1 PRIVACY AND DATA PROTECTION

For the purposes of this Clause A1, unless the context indicates otherwise, the following expressions shall have the following meanings:

“Authority Personal Data”	Personal Data and/or Sensitive Personal Data Processed by the Service Provider or any sub-contractor on behalf of the Authority, pursuant to or in connection with this Contract;
“Data Controller”	has the meaning given to it in Data Protection Legislation;
“Data Processor”	has the meaning given to it in Data Protection Legislation;
“Data Protection Impact Assessment”	an assessment by the Data Controller of the impact of the envisaged Processing on the protection of Personal Data;
“Data Protection Legislation”	means: (a) any legislation in force from time to time in the United Kingdom relating to privacy and/or the Processing of Personal Data, including but not limited to the Data Protection Act 2018; (b) any statutory codes of practice issued by the Information Commissioner in relation to such legislation; and (c) the Privacy and Electronic Communications (EC Directive) Regulations 2003;
“Data Subject”	has the meaning given to it in Data Protection Legislation;
“Personal Data”	has the meaning given to it in Data Protection Legislation;
“Processing”	has the meaning given to it in Data Protection Legislation and “Process” and “Processed” will be construed accordingly;

“Restricted Countries”	any country outside the European Economic Area other than the UK following withdrawal from the European Union;
“Sensitive Personal Data”	sensitive or special categories of Personal Data (as defined in Data Protection Legislation) which is Processed pursuant to or in connection with this Contract; and
“Subject Request”	a request made by or on behalf of a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation including the right (i) to be informed, (ii) of access, (iii) to rectification, (iv) to erasure, (v) to restrict processing, (vi) to data portability, (vii) to object and (viii) to automated decision making including profiling.

A1.1 With respect to the Parties' rights and obligations under the Contract, the Parties acknowledge that the Authority is a Data Controller solely responsible for determining the purposes and manner in which Authority Personal Data is to be Processed, and that the Service Provider is a Data Processor.

A1.2 Details of the Authority Personal Data to be Processed by the Service Provider and the purposes of such Processing are as follows:

A1.2.1 The Authority Personal Data to be Processed by the Service Provider (if any) concerns the following categories of Data Subject:

London Transport Museum Ecommerce customers

A1.2.2 The Authority Personal Data to be Processed includes the following types of Personal Data and/or Sensitive Personal Data:

- Billing postal address of London Transport Museums Ecommerce customers (Customers who purchase anything from the LTM website – www.ltmuseumshop.co.uk)
- Shipping postal address of customer or specified recipient
- Customer and/or recipient telephone number
- Customer and/or recipient email address
- Contents of query emails (free text)

A1.2.3 The Authority Personal Data is to be Processed for the following purpose(s):

- For the provision of the fulfilment of online orders to the LTM online shop and the subsequent customer service queries that may arise between the fulfiller and LTM Online shop team.

A1.2.4 The Authority Personal Data is to be Processed in the following Restricted Countries:

- Not applicable

A1.2.5 The subject matter of the Authority Personal Data to be Processed is:

- The Processing is necessary to ensure that the Service Provider can effectively deliver the contract to provide LTM online shop order fulfilment services for customers placing orders online at www.ltmuseumshop.co.uk

A1.2.6 The duration of the Processing shall be:

- Contract commencement to the latest contract expiry date (dates tbc)

A1.2.7 The nature of the Processing is:

- Online shop orders including customer data is fed to the fulfiller's software by way of an API (Application Programming Interface) feed. The fulfiller will receive and store order and customer information on their order management system in order to process the customer order for despatch.

A1.3 Without prejudice to the generality of Clause 23, the Service Provider shall:

A1.3.1 process the Authority Personal Data only in accordance with written instructions from the Authority to perform its obligations under the Contract;

A1.3.2 use its reasonable endeavours to assist the Authority in complying with any obligations under Data Protection Legislation and shall not perform its obligations under this Contract in such a way as to cause the Authority to breach any of its obligations under Data Protection Legislation to the extent the Service Provider is aware, or ought reasonably to have been aware, that the same would be a breach of such obligations;

A1.3.3 notify the Authority without undue delay if it determines or is notified that an instruction to Process Personal Data issued to it by the Authority is incompatible with any obligations under Data Protection Legislation to the extent

the Service Provider is aware, or ought reasonably to have been aware, that the same would be a breach of such obligations;

- A1.3.4 maintain, and make available to the Authority on its request, documentation which describes the Processing operations for which it is responsible under this Contract including:
 - A1.3.4.1 the purposes for which Authority Personal Data is Processed;
 - A1.3.4.2 the types of Personal Data and categories of Data Subject involved;
 - A1.3.4.3 the source(s) of the Personal Data;
 - A1.3.4.4 any recipients of the Personal Data;
 - A1.3.4.5 the location(s) of any overseas Processing of Authority Personal Data;
 - A1.3.4.6 retention periods for different types of Authority Personal Data; and
 - A1.3.4.7 where possible a general description of the security measures in place to protect Authority Personal Data;
- A1.3.5 where requested to do so by the Authority, assist the Authority in carrying out a Data Protection Impact Assessment in accordance with guidance issued from time to time by the Information Commissioner (and any relevant requirements detailed in Data Protection Legislation);
- A1.3.6 without prejudice to any cyber security and/or payment card industry data security standard obligations in this Contract, take appropriate technical and organisational security measures which are appropriate to protect against unauthorised or unlawful Processing of Authority Personal Data and against accidental loss, destruction of, or damage to such Authority Personal Data which the Authority may reasonably reject (but failure to reject shall not amount to approval by the Authority of the adequacy of the measures);
- A1.3.7 without prejudice to any cyber security and/or payment card industry data security standard obligations in this Contract, provide the Authority with such information as the Authority may from time to time require to satisfy itself of compliance by the Service Provider (and/or any

authorised sub-contractor) with Clauses A1.3.6 and A1.3.8, including, protocols, procedures, guidance, training and manuals. For the avoidance of doubt, this shall include a full report recording the results of any privacy or security audit carried out at the request of the Service Provider itself or the Authority;

A1.3.8 notify the Authority without undue delay and in any event within 24 hours by written notice with all relevant details reasonably available of any actual or suspected breach of this Clause A1, including the unauthorised or unlawful Processing of Authority Personal Data, or its accidental loss, destruction or damage;

A1.3.9 having notified the Authority of a breach in accordance with Clause A1.3.8, keep the Authority properly and regularly informed in writing until the breach has been resolved to the satisfaction of the Authority;

A1.3.10 fully cooperate as the Authority requires with any investigation or audit in relation to Authority Personal Data and/or its Processing including allowing access to premises, computers and other information systems, records, documents and agreements as may be reasonably necessary (whether in relation to Processing pursuant to the Contract, in relation to compliance with Data Protection Legislation or in relation to any actual or suspected breach), whether by the Authority (or any agent acting on its behalf), any relevant regulatory body, including the Information Commissioner, the police and any other statutory law enforcement agency, and shall do so both during the Contract and after its termination or expiry (for so long as the Party concerned retains and/or Processes Authority Personal Data);

A1.3.11 notify the Authority within two (2) Business Days if it, or any sub-contractor, receives:

 A1.3.11.1 from a Data Subject (or third party on their behalf):

 A1.3.11.1.1 a Subject Request (or purported Subject Request); or

 A1.3.11.1.2 any other request, complaint or communication relating to the Authority's obligations under Data Protection Legislation;

 A1.3.11.2 any communication from the Information Commissioner or any other regulatory

- authority in connection with Authority Personal Data; or
 - A1.3.11.3 a request from any third party for disclosure of Authority Personal Data where compliance with such request is required or purported to be required by law;
 - A1.3.12 provide the Authority with full cooperation and assistance (within the timescales reasonably required by the Authority) in relation to any complaint, communication or request made as referred to in Clause A1.3.11, including by promptly providing:
 - A1.3.12.1 the Authority with full details and copies of the complaint, communication or request; and
 - A1.3.12.2 where applicable, such assistance as is reasonably requested by the Authority to enable it to comply with the Subject Request within the relevant timescales set out in Data Protection Legislation;
 - A1.3.13 when notified in writing by the Authority, supply a copy of, or information about, any Authority Personal Data. The Service Provider shall supply such information or data to the Authority within such time and in such form as specified in the request (such time to be reasonable) or if no period of time is specified in the request, then within two (2) Business Days from the date of the request;
 - A1.3.14 when notified in writing by the Authority, comply with any agreement between the Authority and any Data Subject in relation to any Processing which causes or is likely to cause substantial and unwarranted damage or distress to such Data Subject, or any court order requiring the rectification, blocking, erasure or destruction of any Authority Personal Data; and
 - A1.3.15 if required to do so by Data Protection Legislation, appoint a designated Data Protection Officer.
- A1.4 The Service Provider shall not share Authority Personal Data with any sub-contractor without prior written consent from the Authority. The Service Provider shall provide the Authority with such information regarding the proposed sub-contractor as the Authority may reasonably require. The Service Provider shall only share Authority Personal Data with a sub-contractor where there is a written contract

in place between the Service Provider and the sub-contractor which requires the sub-contractor to:

- A1.4.1 only Process Authority Personal Data in accordance with the Authority's written instructions to the Service Provider; and
 - A1.4.2 comply with the same obligations which the Service Provider is required to comply with under this Clause A1 (and in particular Clauses 12.1, 17.1, 17.2, 19.1, 21.2, 23 and 24).
- A1.5 The Service Provider shall, and shall procure that any sub-contractor shall:
- A1.5.1 only Process Authority Personal Data in accordance with the Authority's written instructions to the Service Provider and as reasonably necessary to perform the Contract in accordance with its terms;
 - A1.5.2 not Process Authority Personal Data for any other purposes (in whole or part) and specifically, but without limitation, reproduce or refer to it in training materials, training courses, commercial discussions and negotiations with third parties or in relation to proposals or tenders with the Authority;
 - A1.5.3 not Process Authority Personal Data in such a way as to:
 - A1.5.3.1 place the Authority in breach of Data Protection Legislation;
 - A1.5.3.2 expose the Authority to the risk of actual or potential liability to the Information Commissioner or Data Subjects;
 - A1.5.3.3 expose the Authority to reputational damage including adverse publicity;
 - A1.5.4 not allow Service Provider's Personnel to access Authority Personal Data unless such access is necessary in connection with the provision of the Services;
 - A1.5.5 take all reasonable steps to ensure the reliability and integrity of all Service Provider's Personnel who can access Authority Personal Data;
 - A1.5.6 ensure that all Service Provider's Personnel who can access Authority Personal Data:
 - A1.5.6.1 are informed of its confidential nature;

- A1.5.6.2 are made subject to an explicit duty of confidence;
 - A1.5.6.3 understand and comply with any relevant obligations created by either this Contract or Data Protection Legislation; and
 - A1.5.6.4 receive adequate training in relation to the use, care, protection and handling of Personal Data on an annual basis.
- A1.5.7 not disclose or transfer Authority Personal Data to any third party without the Service Provider having obtained the prior written consent of the Authority (save where such disclosure or transfer is specifically authorised under this Contract);
- A1.5.8 without prejudice to Clause A1.3.6, wherever the Service Provider uses any mobile or portable device for the transmission or storage of Authority Personal Data, ensure that each such device encrypts Authority Personal Data; and
- A1.5.9 comply during the course of the Contract with any written retention and/or deletion policy or schedule provided by the Authority to the Service Provider from time to time.
- A1.6 The Service Provider shall not, and shall procure that any sub-contractor shall not, Process or otherwise transfer any Authority Personal Data in or to any Restricted Countries without prior written consent from the Authority (which consent may be subject to additional conditions imposed by the Authority).
- A1.7 If, after the Service Commencement Date, the Service Provider or any sub-contractor wishes to Process and/or transfer any Authority Personal Data in or to any Restricted Countries, the following provisions shall apply:
 - A1.7.1 the Service Provider shall submit a written request to the Authority setting out details of the following:
 - A1.7.1.1 the Authority Personal Data which will be transferred to and/or Processed in any Restricted Countries;
 - A1.7.1.2 the Restricted Countries which the Authority Personal Data will be transferred to and/or Processed in;

- A1.7.1.3 any sub-contractors or other third parties who will be Processing and/or receiving Authority Personal Data in Restricted Countries;
 - A1.7.1.4 how the Service Provider shall ensure an adequate level of protection and adequate safeguards in respect of the Authority Personal Data that will be Processed in and/or transferred to Restricted Countries so as to ensure the Authority's compliance with Data Protection Legislation;
 - A1.7.2 in preparing and evaluating such a request, the Parties shall refer to and comply with applicable policies, procedures, guidance and codes of practice produced by the Parties and/or the Information Commissioner in connection with the Processing of Personal Data in (and/or transfer of Personal Data to) any Restricted Countries;
 - A1.7.3 the Service Provider shall comply with any written instructions and shall carry out such actions as the Authority may notify in writing when providing its consent to such Processing or transfers, including:
 - A1.7.3.1 incorporating standard and/or model clauses (which are approved by the European Commission as offering adequate safeguards under the Data Protection Legislation) into this Contract or a separate data processing agreement between the Parties; and
 - A1.7.3.2 procuring that any sub-contractor or other third party who will be Processing and/or receiving or accessing the Authority Personal Data in any Restricted Countries enters into a data processing agreement with the Service Provider on terms which are equivalent to those agreed between the Authority and the Service Provider in connection with the Processing of Authority Personal Data in (and/or transfer of Authority Personal Data to) any Restricted Countries, and which may include the incorporation of the clauses referred to in A1.7.3.1.
- A1.8 The Service Provider and any sub-contractor (if any), acknowledge:

- A1.8.1 the importance to Data Subjects and the Authority of safeguarding Authority Personal Data and Processing it only in accordance with the Authority's written instructions and the Contract;
- A1.8.2 the loss and damage the Authority is likely to suffer in the event of a breach of the Contract or negligence in relation to Authority Personal Data;
- A1.8.3 any breach of any obligation in relation to Authority Personal Data and/or negligence in relation to performance or non performance of such obligation shall be deemed a material breach of Contract;
- A1.8.4 notwithstanding Clause 27.1.1, if the Service Provider has committed a material breach under Clause A1.8.3 on two or more separate occasions, the Authority may at its option:
 - A1.8.4.1 exercise its step in rights pursuant to Clause A16;
 - A1.8.4.2 withdraw authorisation for Processing by a specific sub-contractor by immediate written notice; or
 - A1.8.4.3 terminate the Contract in whole or part with immediate written notice to the Service Provider.
- A1.9 Compliance by the Service Provider with this Clause A1 shall be without additional charge to the Authority.
- A1.10 The Service Provider shall remain fully liable for all acts or omissions of any sub-contractor.
- A1.11 Following termination or expiry of this Contract, howsoever arising, the Service Provider:
 - A1.11.1 may Process the Authority Personal Data only for so long and to the extent as is necessary to properly comply with its non-contractual obligations arising under law and will then comply with Clause A1.11.3;
 - A1.11.2 where Clause A1.11.1 does not apply, may Process the Authority Personal Data only for such duration as agreed in Clause A1.2.6 above and following this will then comply with Clauses A1.11.3 and A1.11.4;

- A1.11.3 subject to Clause A1.11.1, shall on written instructions from the Authority either securely destroy or securely and promptly return to the Authority or a recipient nominated by the Authority (in such usable format as and to the extent the Authority may reasonably require) the Authority Personal Data; or
- A.1.11.4 in the absence of instructions from the Authority after 12 months from the expiry or termination of the Contract securely destroy the Authority Personal Data.
- A1.12 Authority Personal Data may not be Processed following termination or expiry of the Contract save as permitted by Clause A1.11.
- A1.13 For the avoidance of doubt, and without prejudice to Clause A1.11, the obligations in this Clause A1 shall apply following termination or expiry of the Contract to the extent the Party concerned retains or Processes Authority Personal Data.
- A1.14 The indemnity in Clause 19 shall apply to any breach of Clause A1 and shall survive termination or expiry of the Contract.
- A1.15 The Parties' liability in respect of any breach of Clause 23.1 and this Clause A1 insofar as they relate to fines, court awards, settlements and legal costs shall be unlimited.

A2 IT SYSTEMS

For the purposes of this Clause A2, unless the context indicates otherwise, the following expressions shall have the following meanings:

“Euro Compliant”

that the software, electronic or magnetic media, hardware or computer system (whichever is applicable) is capable of, and will not require any replacement or changes in order to be capable of, supporting the introduction of, changeover to and operation of the Euro as a currency and in dual currency (Sterling and Euro) and will not manifest any material error nor suffer a diminution in performance or loss of functionality as a result of such introduction, changeover or operation and it shall (if applicable) be capable of processing transactions calculated in Euros separately from or in conjunction with other currencies and is capable of complying with any legislative changes relating to the Euro;

A2.1 The Service Provider shall ensure that:

A2.1.1 any software, electronic or magnetic media, hardware or computer system used or supplied by the Service Provider in connection with the Contract shall:

A2.1.1.1 not have its functionality or performance affected, or be made inoperable or be more difficult to use by reason of any data related input or processing in or on any part of such software, electronic or magnetic media, hardware or computer system;

A2.1.1.2 not cause any damage, loss or erosion to or interfere adversely or in any way with the compilation, content or structure of any data, database, software or other electronic or magnetic media, hardware or computer system used by, for or on behalf of the either or both of the Authority or any other member of the Authority Group, on which it is used or with which it interfaces or comes into contact;

A2.1.1.3 comply with the Government's open standards principles as documented at <https://www.gov.uk/government/publications/open-standards-principles/open-standards-principles#open-standards-principles>;

A2.1.1.4 be Euro Compliant; and

any variations, enhancements or actions undertaken by the Service Provider in respect of such software, electronic or magnetic media, hardware or computer system shall not affect the Service Provider's compliance with this Clause A2.

A12

OPTION TO EXTEND DURATION

A12.1 The Authority has an option, exercisable at its sole discretion, to extend the duration of the Contract for a further period or periods up to a total of one (1) year by notice in writing to the Service Provider provided that such notice is served at least one month prior to the expiry of the initial duration of the Contract or the expiry of any previous extension, if later.

A27 WASTE ELECTRICAL AND ELECTRONIC EQUIPMENT REGULATIONS 2013

A27.1 For the purposes of this Clause A27, unless the context indicates otherwise, the following expressions shall have the following meanings:

“WEE Equipment” means any Equipment which falls within the scope of the WEEE Regulations; and

“WEEE Regulations” means Waste Electrical and Electronic Equipment Regulations 2013 (as amended by the Waste Electrical and Electronic Equipment and Restriction on the Use of Certain Hazardous Substances in Electrical and Electronic Equipment (Amendment) Regulations 2014 and the Waste Electrical and Electronic Equipment (Amendment) Regulations 2015.

A27.2 When procuring any WEE Equipment for use in accordance with the Services whether by direct purchase by the Service Provider, purchase on behalf of the Authority, lease or otherwise the Service Provider will ensure that in accordance with the WEEE Regulations that the producer of the WEE Equipment (whether that be the Service Provider or a third party) shall assume responsibility for financing the costs of the collection, treatment, recovery and environmentally sound disposal of:

- (a) all Waste Electrical and Electronic Equipment arising from the WEE Equipment; and
- (b) all Waste Electrical and Electronic Equipment arising from equipment placed on the market prior to 13 August 2005 where such equipment is to be replaced by the WEEE Equipment and the WEEE Equipment is of an equivalent type or is fulfilling the same function as the equipment.

A27.3 The Service Provider shall indemnify and keep indemnified the Authority as a result of any Losses which it incurs as a result of any failure on the part of the Authority or the relevant producer to comply with the terms of this Clause A27.

A29 Equality, Diversity and Inclusion

A29.1 For the purposes of this Clause A29, unless the context indicates otherwise, the following expressions shall have the following meanings:

“EDI Action Plan”	means the strategic equality, diversity and inclusion action plan as negotiated and agreed by the Parties and attached to this Clause A29 at Appendix 2; and
“EDI Policy”	means a written policy setting out how a Service Provider will promote equality, diversity and inclusion;
“Equality Statement”	means a short written statement setting out how a Service Provider will embed equality, diversity and inclusion in its performance of the Contract; and
“Minimum Records”	means all information relating to the Service Provider's performance of and compliance with Clause A29 and the adoption and implementation of an EDI Action Plan, by each subcontractor and, where applicable, subject to the provisions of Clause A29.3, indirect subcontractor, of the Service Provider.

EDI Policy

A29.2 From the Contract Commencement Date, the Service Provider shall provide the Authority with a copy of its EDI Policy. The Service Provider shall keep its EDI Policy under review for the duration of the Contract and shall provide the Authority with any such revised EDI Policy once available.

EDI Action Plan

A29.3 Where a contract has a contract value of over £5 million and for the duration of the Contract, the Service Provider shall comply with the agreed EDI Action Plan and shall procure that each of its subcontractors:

A29.3.1 adopts and implements; and

A29.3.2 in respect of indirect subcontractors, uses reasonable endeavours to procure that those indirect subcontractors adopt and implement, a strategic equality and diversity plan in respect of their respective employees engaged in the performance of the Contract which is at least as

extensive in scope as that agreed with the Authority and set out in the EDI Action Plan.

Equality Statement

- A29.4 Where a Contract has a total value over £1 million, the Service Provider shall submit and keep under review an Equality Statement setting out how they will embed equality, diversity and inclusion in the performance of the Contract.

Monitoring and Reporting

For the purposes of this clause, “BAME”, “disabled”, “diversity” and “SMEs” have the meanings set out in Appendix 1 to this Clause A29.

- A29.5 Subject to Clause A29.3, the Service Provider shall use reasonable endeavours to provide the Authority on the date of this Contract and subsequently every 12 months from that date or such other frequency as the Authority may reasonably request, with the following information:

- A29.5.1 an annual report on performance and compliance with the equality, diversity and inclusion provisions as set out in Clause A29.3. The annual report should set out:

- (a) the performance of the Service Provider over the past 12 months in relation to the EDI Action Plan;
- (b) employee breakdown: the proportion of its employees engaged in the performance of the Contract to the extent reasonably possible, the employees of its subcontractors or indirect subcontractors engaged pursuant to the terms of the relevant subcontracts in the performance of the Contract who are:
 - of non-white British origin or who classify themselves as being non-white British;
 - female;
 - from the local community;
 - disabled;
- (c) expenditure breakdown: a statement broken down by activity and material type of how they have used and how much has been spent with:
 - Small and Medium Enterprises;

- BAME businesses;
- suppliers from other under-represented or protected groups;
- suppliers demonstrating a diverse workforce composition.

A29.6 Progress and approval (where due) of actions will be monitored via four weekly (or as otherwise agreed) progress meetings with the Authority. The Service Provider shall provide a written update prior to the progress meetings and should request additional meetings (if necessary) with the Authority to discuss progress or seek sign-off for completed actions.

A29.7 The Service Provider shall ensure at all times that it complies with the requirements of the Data Protection Act 2018 in the collection and reporting of the information to the Authority pursuant to Clause A29.5.

EDI Audit

A29.8 The Authority or its nominee may from time to time undertake any audit or check of any and all information regarding the Service Provider's compliance with Clause A29. The Authority's rights pursuant to this clause shall audit of include any and all documents and records of the Service Provider and its subcontractors and, where applicable, subject to the provisions of Clause A29.3, indirect subcontractors, and shall include the Minimum Records.

A29.9 The Service Provider shall maintain and retain the Minimum Records for a minimum of 6 years from the termination or expiry of the Contract. The Service Provider shall procure that each of its subcontractors and, where applicable subject to the provisions of Clause A29.3, indirect subcontractors, shall maintain and retain records equivalent to the Service Provider's Minimum Records for a minimum of 6 years from the termination or expiry of the Contract. The Service Provider shall procure that each subcontract between it and its subcontractors and, where applicable, subject to the provisions of Clause A29.3, each subcontract between its subcontractors and any indirect subcontractors of the Service Provider, shall contain rights of audit in favour of and enforceable by the Authority substantially equivalent to those granted by the Service Provider pursuant to Clause A29.

A29.10 The Authority shall use reasonable endeavours to co-ordinate its audits and to manage the number, scope, timing and method of undertaking audits so as to ensure that the Service Provider and each subcontractor is not, without due cause, disrupted or delayed in the

performance of its obligations under the Contract and each relevant subcontract.

A29.11 The Service Provider shall promptly provide, and procure that its subcontractors and, where applicable subject to the provisions of Clause A29.3, indirect subcontractors, promptly provide all reasonable co-operation in relation to any audit or check including, to the extent reasonably possible in each particular circumstance:

A29.11.1 granting or procuring the grant of access to any premises used in the Service Provider's performance of the Contract or in its relevant subcontractor or indirect subcontractor's performance of its subcontract, whether the Service Provider's own premises or otherwise;

A29.11.2 granting or procuring the grant of access to any equipment (including all computer hardware and software and databases) used (whether exclusively or non-exclusively) in the performance of the Service Provider's or the relevant subcontractor or indirect subcontractor's obligations specified in Clause A29.3, wherever situated and whether the Service Provider's own equipment or otherwise; and

A29.11.3 complying with the Authority's reasonable requests for access to senior personnel engaged in the Service Provider's performance of the Contract or the relevant subcontractor or indirect subcontractor's performance of its subcontract.

Gender Neutral Language

A29.12 For the duration of the Contract, the Service Provider shall endeavour to employ gender-neutral language in all communications relating to the Contract, including but not limited to communications with job applicants, employees, apprentices, contractors, customers and members of the public. Gender-neutral language includes avoidance of male or female pronouns and male or female forms of job titles where unnecessary.

APPENDIX 1 TO CLAUSE A29 - EQUALITY, DIVERSITY AND INCLUSION

DEFINITIONS

Definitions and terminology	Meaning
Accessibility	This term refers to the design of products, devices, services, or environments that is inclusive of disabled people.
Black Asian and Minority Ethnic (BAME) Groups	Ethnic groups who have a common experience of discrimination based on their skin colour or ethnic origin. Individuals may self-identify in different ways but BAME is the collective term used by TfL to describe people who may have this range of experiences.
Disability	Physical or mental impairment that has a ‘substantial’ and ‘long-term’ negative effect on a person’s ability to do normal daily activities.
Diversity	Recognising, respecting and valuing a wide set of differences and understanding that an individual’s opportunities are impacted by characteristics beyond those protected by legislation, e.g. class, family background, political views, union membership etc.
Equality	<p>Recognising and respecting differences, including different needs, to ensure that everyone:</p> <ul style="list-style-type: none"> • can live their lives free from discrimination; • knows their rights will be protected; and • has what they need to succeed in life. <p>Equality is about ensuring equality of opportunity by tackling the barriers that some groups face and making London fairer by narrowing the social and economic divides that separate people. The characteristics protected by equality legislation are age, disability, gender, gender reassignment, ethnicity, pregnancy and maternity, religion and/or belief and sexual orientation.</p>
Equality Impact Assessments (EqIA)	As a public body, TfL is bound by the Public Sector Equality Duty (PSED) under the Equality Act 2010. An EqIA is a tool used to demonstrate that TfL has met its PSED duties. Like a risk assessment process, an EqIA is a process that helps TfL to make more inclusive decisions and to make sure that TfL’s programmes, policies, projects and the way TfL designs, builds and operates services works well for TfL staff and customers.
Ethnicity	An individual’s identification with a group sharing any or all of the following: country of origin, cultural origins or practice, language, nationality religion, skin colour.
Gender	The social differences between women and men that have been learned are changeable over time and have wide

	variations both within and between cultures. The term is often used to differentiate from 'sex', a term referring to biological differences. It is important to note that some people consider themselves to be 'gender fluid' (someone whose sense of their gender may vary) or 'gender non-binary' (someone who does not wish to be defined as male or female).
Gay	Refers to a man who has a romantic and/or sexual orientation towards men. Also a generic term for lesbian and gay sexuality - some women define themselves as gay rather than lesbian.
Inclusion	Removing barriers and taking steps to create equality, harness diversity and produce safe, welcoming communities and cultures that encourage innovative and fresh ways of thinking and allow people to speak up, especially to suggest where things could be done better.
Inclusive Design	Creating environments which everyone can use to access and benefit from the full range of opportunities available, confidently, independently, with choice and dignity, which avoids separation or segregation and is made up of places and spaces that acknowledge diversity and difference, meeting the needs of everyone in society.
Lesbian	Refers to a woman who has a romantic and/or sexual orientation towards women.
Neurodiverse	A concept where neurological differences are recognised and respected in the same way as any other human difference.
Non-Binary	An umbrella term for people whose gender identity is not comfortably expressed by 'man' or 'woman'. Non-binary identities are varied and can include people who identify with some aspects of binary identities, while others reject them entirely.
Pay gap	Difference between the average pay of two different groups of people, for example men and women, or groups from different ethnic backgrounds.
Sexual Orientation	A person's emotional, physical and/or sexual attraction, and the expression of that attraction.
Supplier Diversity	<p>Diverse suppliers are from one of the following five categories:</p> <p>1. Small and Medium Enterprises (SMEs).</p> <p>A small enterprise is a business which has both 0-49 full-time equivalent employees and either:</p> <ul style="list-style-type: none"> • turnover per annum of no more than £5.6 million net (or £6.72 million gross) in the last financial year; or

- balance sheet total of no more than £2.8 million net (£3.36 million gross).

A medium enterprise is a business which has both 50-249 full-time equivalent employees and either;

- turnover per annum of no more than £22.8 million net (or £27.36 million gross) in the last financial year; or
- balance sheet total of no more than £11.4 million net (or £13.68 million gross).

2. A minority-led business is a business which is 51% or more owned by members of one or more BAME groups. Minority ethnic groups are all people including those who have classified themselves as members of ethnic groups other than 'white British'. The minority ethnic classification groups used by TfL for monitoring purposes are those taken from the census:

Ethnic group	Racial Origin
White British	Irish Any other White background
Mixed	White & Black Caribbean White & Black African White & Asian Any other Mixed background
Asian or Asian British	Indian Pakistani Bangladeshi Any other Asian background
Black or Black British	Caribbean African Any other Black background
Chinese or other Ethnic Group	Chinese Any other ethnic group

3. A supplier from an under-represented group which is 51% or more owned by members of one or more of the following groups (where not covered by previous definitions):
- women;
 - disabled people;
 - lesbians, gay men, bisexual people;
 - trans people;
 - older people (aged 60 or over); and

	<ul style="list-style-type: none"> • younger people (aged 24 or under). <p>4. A supplier from a protected group is one which is 51% or more owned by members of a group for which protection is provided by anti-discriminatory legislation and which is not already covered by the above (such as religious, faith or belief groups or alternatively, ownership by a social enterprise or a voluntary/community organisation).</p> <p>5. Suppliers demonstrating a diverse workforce composition are those with full time equivalent employees in the supplier's workforce who may be from one or more minority ethnic groups, and/or under-represented groups and/or protected groups as listed above.</p>
Trans or transgender	Current terminology for people who do not want to live as the sex they were assigned at birth.
Young adults, children and young people	<p>Young adults are people aged 16 to 24, whether in education or employment.</p> <p>Children and young people can be further subdivided into:</p> <p>i) Young children – those that use the transport network escorted by parents or carers.</p> <p>ii) School children – those, usually aged between 11-16 at secondary school, that use the transport network independently or with members of their peer group.</p>

SCHEDULE 3 – SPECIFICATION



 Transport for London

**Volume 2
The Specification**

**London Transport Museum (LTM) Provision of
Warehousing and Fulfilment**

TfL Reference Number: TfL 95861
Find a Tender Ref: 2022/S 000-005451

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1. ORGANISATIONAL OVERVIEW

I.1 Transport for London (TfL)

TfL was created in 2000 as the integrated body responsible for London's transport system. TfL is a functional body of the Greater London Authority. Its primary role is to implement the Mayor of London's Transport Strategy and manage transport services to, from and within London.

TfL manages London's buses, the Tube network, Docklands Light Railway, Overground and Trams. TfL also runs Santander Cycles, London River Services, Victoria Coach Station, the Emirates Air Line and London Transport Museum. As well as controlling a 580km network of main roads and the city's 6,000 traffic lights, TfL also regulates London's taxis and private hire vehicles and the Congestion Charge scheme.

Further background on what TfL does can be found on the TfL website here:

<https://tfl.gov.uk/corporate/about-tfl/what-we-do>

I.2 London Transport Museum (LTM)

London Transport Museum's online shop (www.ltmuseumshop.co.uk) which is part of the Retail team, in LTM's Trading department.

2. INTRODUCTION

2.1 Background

London Transport Museum is located in the heart of Covent Garden, London. Our charitable mission is to use the story of transport to encourage, enrich, and inspire all Londoners and those who love this city to get the most out of London. The Museum and its collections bring together the past, present and future to show just how much transport has influenced our modern city, society and culture. Transport keeps London working and growing and continues to make life in the Capital better. The Museum's funding is mainly self-generated through ticket and shop sales, corporate hire, and sponsorship. The Museum also receives a grant in aid from TfL (Transport for London). The Museum has charitable status. The London Transport Museum (LTM) has a physical shop in Covent Garden and an e-commerce website (ltmuseumshop.co.uk) offering a wide range of products including gifts, toys, prints and made-to-order furniture. The website is successful, with recent benchmarking data across the cultural sector confirming LTM's online shop was third place in turnover, only behind Tate and V&A in 2021. All revenue from the online shop helps to support the museum's wide range of public services and charitable commitments. In 2020, the website was re-platformed to Magento v2, interfacing with several third-party systems such as made to order product suppliers, EPOS system (Futura), payment systems (Adyen and PayPal), email marketing provider (Emarsys) and our ecommerce fulfilment and warehousing provider.

London Transport Museum are seeking to identify and appoint a fulfilment and warehousing organisation to support our ecommerce business – www.ltmuseumshop.co.uk.

2.2 Objectives

London Transport Museum are seeking an ecommerce fulfilment and warehousing provider with experience specifically in the retail sector. Evidence of relevant experience will be requested and is an essential requirement. Museum and heritage sector experience is desirable.

2.3 Aims of tender

The current fulfilment contract is due to end on 31st July 2022 and London Transport Museum is seeking a supplier to provide online customer order pick, pack and despatch service, account management and customer service support, stock management and warehousing facility. Detailed requirements are outlined throughout this specification.

This contract is required to be in place by the beginning of June 2022 to allow for a period of transition from the incumbent supplier.

London Transport Museum's online business has grown consistently year on year, in the financial year 2020/2021, online revenue grew by an extraordinary 60% against the previous year, contributing 80% of total retail sales. This demonstrates a significant shift to online shopping during the pandemic and has created a step change in the way London Transport Museum customers are engaging and shopping with our brand. Customers are demanding increasingly more from London Transport Museum's online shop in terms of product, user experience and excellent post purchase service.

This contract is a mutually beneficial relationship that requires a pro-active approach from the supplier to achieve financial (£1,600,800 net revenue by 2024/25) and sustainability objectives set by London Transport Museum. We require a supplier who can scale up and support the online shop's growth, particularly during the peak trading period between October and December, and play an active role in supporting innovative ideas to grow sales such as direct marketing, gift wrapping and providing a seamless and positive post purchase shopping experience for our customers.

2.4 Key considerations

- The Service Providers warehouse depot will be required to be in UK mainland.
- Fulfilment service is not required for furniture, made to order posters and vintage originals categories as these are delivered straight to customer from manufacturer. Further information included in Appendix 3. Fulfilment requirements are outlined below in section 3.1.
- Integration with Adobe Commerce (ecommerce platform) and Futura (EPOS system) must be supported by the Service Provider.
- Currently 52% of online retail sales are taken between October and December this is the peak trading period in the calendar.
- Poster sales are vital to our online business, generating 19% of online revenue per annum. All pre-printed posters are supplied flat-packed, specialist storage, packaging and postage solution for pre-printed posters is a key requirement.
- Environmental impact is a key consideration for packaging solutions and delivery service in line with section 4.9 of this specification.

- Pro-active account management is required to help grow sales and support stock management and customer service requests.
- The supplier will handle all personal data about customers and orders in compliance with all relevant data protection legislation, including the UK General Data Protection Regulation (UK GDPR), and the Data Protection Act 2018.
- The Supplier will comply with TfL's Data Protection and Cyber Security policies which are detailed in Schedule 9 of the Terms and Conditions

3. SCOPE

3.1 The Requirement

The Service Provider requirements are:

Note: We do not require a new ecommerce or EPOS platform.

- Picking, packaging and despatching of online retail orders to UK and overseas customers.
- Ability to support and scale up goods in and fulfilment for peak/Christmas trading, orders are at least x3 times higher during periods 9 and 10
- Order management system integrated with Adobe Commerce
- Warehousing facility to fulfil online orders and deep storage
- Transfer of existing stock to the new facility
- Stock management facility and conducting annual stock audits
- Customer service fulfilment
- Contract to commence June 2022 for mobilisation and ready for transition to go live on 31 July 2022.

- Provide a goods in facility to accept, process and store stock from LTM and external suppliers
- Provide strong account management to work with LTM's online retail team to meet SLA's set for order fulfilment, customer service and stock management requests
- Fulfilment of selected product lines sold through ltmuseumshop.co.uk website, to customers from around the world and manage returns. Refer to appendix 3 for breakdown of product groups and fulfilment houses
- Supporting LTM's customer service team to respond to all customer service enquiries to the ltmuseumshop.co.uk. LTM's customer service team are customer facing, they relay relevant queries to the fulfilment supplier from LTM's customer service email account for resolution.
- Provide direct mail printing and fulfilment facility to support LTM's marketing campaigns
- Support LTM's environmental objectives by providing environmentally sustainable packaging solutions
- Provide LTM with reports as outlined in requirements to manage stock
- Support barcode picking for accuracy and speed
- Integrate with ecommerce platform (Adobe Commerce) for order management and LTM's retail EPOS system (Futura) for order management, goods in and stock management.
- Provide live examples of successful integrations achieved in the past and evidence of test and learn plan
- Provide a transition plan to be ready for go live by July 2022.

4. DELIVERABLES

4.1 Transition and mobilisation period

The transition and mobilisation period will take place between contract commencement (early June 2022) and go live (end of July 2022).

The transition and mobilisation period will include:

- Stock transfer

The Service Provider will work with the incumbent supplier and LTM to transfer stock and packaging materials from the existing warehouse to the new facility, including organising transport logistics to facilitate this.

The Service Provider will be responsible for arranging transport and providing LTM with a plan for storing palletised and pick slot items.

- IT system set up, Data Migration and Testing

The new Service Provider will also be required to work with LTM's ecommerce agency (who host and develop the Online shop website) and TfL's IT (Information Technology) team to connect the Service Provider with Adobe commerce and Futura for managing stock and exporting customer orders.

- The Internal Service Providers Training

The Service Provider will be responsible for training their customer service teams to handle LTM customer queries and their internal fulfilment team for picking, packaging, and despatch of LTM customer online orders.

4.2 Warehousing and Storage

The warehouse depot will be required to be in UK mainland.

London Transport Museum's online shop sells a broad selection of London transport themed gifts including homeware, clothing and accessories, posters (flat packed and rolled) books and toys that are shipped directly to our online customers from our third-party fulfilment warehouse.

This stock requires storage in the form of both bulk (palletised) and in pick slots (for picking items for orders).

Bulk storage requirement ranges throughout the year from 10,000 to 40,000 units and from 40 to 50 pallet locations with a low point in March-April and a peak in November to support peak trading and comprises the following categories: toys, cushions, posters, books, clothing, gifts, & LTM specific packaging materials

Picking Slot Requirement is 600 to 700 pick locations accommodating 25,000 to 35,000 units of stock, of these 220 are Poster picking slots accommodating approx 16,000 units.

LTM's current total storage space (bulk and pick slots) is approx. 461 sq ft.

The warehouse must provide safe and secure storage for all online shop products at premises and allow LTM to access and inspect storage facilities and products stores during the annual audit (see SLA 7 in section 5) or when requested. stock volumes and storage requirements are reviewed regularly to minimise storage costs and damage.

LTM's world famous poster collection is available to purchase via our online shop as reprinted posters in a number of sizes and formats, see sizes listed below. The posters are currently stored in a bespoke shelving location (in the same warehouse as the other online stock outlined above) as they require more space and protection from any damage.

There should be a workstation available where posters can be rolled and packaged into cardboard tubes.

Pre-printed poster sizes:

20 x 30 inches – Double Crown

25 x 40 inches – Double Royal

All posters are supplied flat-packed directly from external printers, or via stock transfer from our depot in Acton, West London.

The Service Provider will package pre-printed posters. This involves carefully rolling the posters, inserting them into a plastic sleeve and then inserting into a cardboard tube and finally sealed with a lid (maximum 2 posters per tube to avoid creasing and damage). The sleeves are supplied by London Transport Museum.

4.3 Stock

Stock will be delivered to the Service Provider's warehouse directly from LTM suppliers in accordance with the Service Provider's Goods In procedure which involves receiving stock, checking products, putting the stock away in the relevant location (bulk or pick slots) and

producing a goods in report for LTM on a daily basis. Please refer to SLA 3 in section 5 for lead times related to processing Goods in.

The Service Provider's stock and order management system will be integrated with LTM's ecommerce platform (Adobe Commerce) for sending stock level updates and transferring order data and also with LTM's stock management system (Futura) for transferring order data and booking in stock. The stock systems will be updated and managed daily by the Service Provider(i.e. recording stock transfers, products taken into stock and added/removed from stock) to ensure the correct stock levels are reflected across all systems and the website is displaying the correct quantity to sell.

LTM will receive daily and weekly stock reports (outlined in section 4.8) from the Service Provider's stock management system and LTM will request regular stock checks (around 10 SKUs – stock keeping units per week) as part of stock maintenance and to resolve any discrepancies. If products are discontinued LTM shall notify the Service provider so that stock records can be updated as soon as possible.

LTM has an annual stock take (counting of entire business inventory) at all sites where stock is stored. This normally takes place in March and a date is agreed with the warehouse in advance so that stock can be prepared in time for the external auditors to review. As part of the stock take, a procedure document detailing exactly how the stock take will be conducted must be produced by the Service Provider for LTM's approval before the annual stock take takes place

4.4 Order Processing and Delivery

Please note: The following information is provided for guidance only and may not reflect the actual number and nature of orders received during the contact duration.

LTM's online shop offers worldwide delivery. 80% of online orders are shipped to UK addresses and 20% are for overseas customers. International orders are currently shipped via UPS. Our UK mainland orders are shipped via Royal Mail (for standard delivery) and Parcel Force (for our next day delivery service). Royal Mail is our preferred UK postal service.

As a gifting website, sales follow a seasonal trend year on year, the graphs

below illustrate the sales / orders online by period. Order volumes are at least x3 times higher during periods 8, 9 and 10 which are our peak/Christmas trading periods, generating 52% of our overall online sales. The supplier will be required to scale up the level of goods in, customer service and order packaging and despatch to support during these vital months.

Graph 1 - Total online sales throughout 2020/2021

The X axis shows the periods of the year (every 4 weeks)

The Y axis shows the sales made online in £ (GBP)



Graph 2- Total online orders throughout 2020/2021

The X axis shows the periods of the year (every 4 weeks)

The Y axis shows the number of orders in thousands



4.5 Order picking and packaging and despatch:

The Service Provider will provide LTM with a cost-effective plan for order picking, packaging and despatch process flow, including the specialised resourcing that will be required for packaging posters as they require rolling and insertion in tubes.

The Service Provider will be required to provide the services of fulfilment and warehousing Monday – Saturday 9am – 5pm

Key highlights of the current process are listed below:

- Orders are exported to the Service Provider via LTM's ecommerce platform securely (in real time) and in a format that is acceptable by the Service Provider for processing.
- Orders are exported from the Service Provider to LTM's retail system Futura to ensure stock records are maintained accurately.
- The items in the order shall be picked by the Service Provider's fulfilment team using a barcode scanning system (to ensure accuracy and speed) and packaged carefully and robustly using environmentally friendly materials before being shipped. Please refer to SLA 3 for LTM's delivery lead times.
- If an order contains an item(s) that is out of stock or discontinued, the order shall be part-fulfilled and LTM informed through a 'backorder report' provided by the fulfilment supplier which lists orders and items that have not been despatched. This report is also used to reflect pre-orders for ordered items that are due to be stocked.
- All products delivered to customers are packaged with a delivery note which includes LTM branding and a template agreed by LTM.
- If the order requires items to be packaged separately then split delivery notes are printed and included in the parcel (relevant to the package contents)
- If items are damaged or lost in the post then the Service Provider shall claim the cost value of lost or damaged parcels on behalf of LTM, and the reimbursement is reflected in the periodic invoices.
- LTM currently only use tracked delivery service for UK orders (via Royal Mail) but tracked service for international delivery is required as part of this contract.
- Minimising delivery costs where possible for example grouping products into the same package if this can be achieved securely and economically with couriers. Posters are currently packaged in cardboard tubes this means when a customer places an order for a poster(s) and other gift items, the packages arrive separately and LTM incurs an extra shipment costs. LTM would ideally like to find a more effective packaging solution for orders containing posters and other items.
- All personal data about customers in order exports, delivery notes and shipments must be handled securely and in compliance with all relevant data protection legislation, including the UK General Data Protection Regulation (UK GDPR), and the Data Protection Act 2018.

4.6 International Deliveries

Gifts on LTM's ecommerce website are available to purchase worldwide.

LTM's international audience makes up approx. 20% of our overall sales.

LTM's overseas shipping terms (Incoterms) are currently DDU (delivered duty unpaid) so the customer pays import duties, customs charges, or local taxes on delivery. LTM wish to explore other methods with the Service Provider (such as DDP – delivery duty paid) to reflect local charges on the website at point of purchase, this will enable LTM to offer an enhanced shopping experience to our online customers.

The Service Provider will be responsible for ensuring all overseas orders contain the correct paperwork in the package(s) to ensure the customer is charged the correct local charges.

Currently LTM use UPS to ship orders overseas but we are open to exploring other couriers based on value for money, reputation and whether they can offer an end-to-end tracking service. If overseas orders (where retail value of the items exceed £50.00) are lost or damaged, the Service Provider shall seek compensation on LTM's behalf and reimbursements will be reflected in the periodic invoices.

4.7 Returns

LTM's current fulfilment supplier receives approximately 500 returned orders to the warehouse per annum for processing, this figure varies per year.

Our current customer returns procedure is outlined in the Returns section of our website ltmuseumshop.co.uk. LTM do not offer free returns postage unless the item(s) is faulty or damaged in transit. The freepost address will be provided by the Service Provider.

The Service Provider will quality check each returned item and provide a weekly returns report containing information about the returned SKU(s), customer order number, quality check outcome (i.e. has it been returned to stock because it is in saleable condition or if damaged, added to quarantined stock) and a reason code for the return. The reason codes are agreed with LTM. If the return is due to the postal company i.e. a failed delivery, then the Service Provider will

inform LTM before the item(s) is returned to stock in case a re-delivery attempt is required.

The cost of any returns, replacement items, packaging charges or reimbursement of postal charges or courier charges are covered by the Service Provider, where the return or replacement has been due to the fault of the Service Provider or courier.

4.8 Account Management Responsibilities (based on fixed monthly charge)

The London Transport Museum is seeking a proactive approach to account management on a day to day, operational (for example stock check requests, customer service, reporting) and strategic level (cost efficiencies, process improvements and resource allocation) to meet LTM's periodic KPI targets. Specific areas to cover include (but are not necessarily limited to):

- Monthly packaging stock checks (volume and suitability)
- Ad-hoc stock checks as requested by LTM.
- Procure LTM specific packaging requirements
- Weekly status calls between LTM and the Service Providers nominated account manager
- Quarterly strategic management (Service Level Agreement) meetings
- Dealing with daily customer queries (on average 475 in an off-peak month) Note: These are not direct from customer but relayed from LTM's online customer service team
- Processing stock management requests
- Managing full inventory annual stock take
- Managing reporting requirements

4.9 Environmental Impact

London Transport Museum's sustainability roadmap outlines a number of initiatives to reduce the Museum's environmental footprint. Below are our environmental requirements that the Service Provider must meet:

Packaging and materials

- Consolidating packages / deliveries to ensure where possible so that all items are delivered in one package (including rolled posters)
- Void space in packages/boxes sent to customers must be limited
- All paper and board packaging must be FSC accredited

- Paper tape must be used unless it's not fit for purpose in exceptional cases
- Filling and packaging material should be recycled and bubble wrap should be cardboard where possible
- Paperless delivery notes in line with LTM's environmental objectives.

Delivery and logistics

- Use of couriers with strong environmental credentials preferred e.g. electric vehicles and plan towards carbon neutral deliveries

4.10 Reporting

LTM's reporting requirements are listed below to enable effective stock and order management and to help inform strategic decisions.

Daily reports (excel format)

- Picking errors – LTM order number, SKU (Stock Keeping Unit) number, product name date of order, reason for pick error, quantity of SKUs
- Back orders/orders not despatched with reasons – LTM order number SKU number, quantity, product name, reason for why item/order has not been despatched
- Goods in – LTM SKU code, product description, weight and dimensions, barcode, unit quantity, cost value, Supplier Name, LTM Purchase Order number.

Weekly reports (every Monday, excel format)

- Returns – order number, order date, SKU and product name, reason for return, quantity, shipping country, return date, returned to pick or to quarantine
- Replacement items despatched with reason codes – order number, SKU and product name, quantity, reason for replacement, shipping country, date replacement sent
- Quarantine stock – SKU, product name, quantity, condition of item(s)

Periodic reports in excel format (see section 4.9 for period end dates)

- Courier claims for lost/damaged items – order number, SKU and product name, unit quantity, order date, outcome of claim, name of courier

- Invoicing estimates – in advance if invoice dates cannot be aligned with LTM period dates
- Itemised list of items despatched with picking/packaging and shipping cost information

Quarterly reports: in excel format (provided in July, October, January and March)

- Slow moving stock – SKU, product name, unit quantities, location (pick slot or bulk storage) barcode, cost price, retail price, supplier name
- Stock holding – pick and pallet locations – SKU, product name, unit quantity, location (ie pick slot, bulk, quarantine) barcode, cost price, retail price, supplier name

4.II Invoicing

LTM shall receive two sets of invoices each period from the Service Provider.

One invoice is for shipping costs for the use of couriers such as Royal Mail.

The second invoice is for Account Management, Warehousing, Packing, and all other costs.

A breakdown of all costs to be provided in the form of a backing sheet attached to the invoices.

The invoices shall include the following standard periodic costs:

Shipping invoice includes the following:

Carriage costs for UK and international deliveries.

Account management and warehousing invoice includes the following:

Customer service support

Print production

Stock storage and processing goods in

Processing returns

IT setup/change requests/data storage.

Picking customer orders

Packaging materials

The invoices are sent to LTM within 5 working days of our period end dates (supplied at the beginning of each Financial Year – 01 April).

London Transport Museums period end dates for 2022/2023 invoicing are provided below for reference:

Period 1 - 1 April to 30 April 2022
Period 2 - 1 May to 28 May 2022
Period 3 - 29 May to 25 June 2022
Period 4 - 26 June to 23 July 2022
Period 5 - 24 July to 20 August 2022
Period 6 - 21 August to 17 September 2022
Period 7 - 18 September to 15 October 2022
Period 8 - 16 October to 12 November 2022
Period 9 - 13 November to 10 December 2022
Period 10 - 11 December to 7 January 2023
Period 11 - 8 January to 4 February 2023
Period 12 - 5 February to 4 March 2023
Period 13 - 5 March to 31 March 2023

4.12 System Integrations

The LTM online shop is based on Adobe Commerce platform which is responsible for taking and processing orders from online customers. It is connected to one other major system in the LTM ecosystem which is Futura (retail EPOS (Electronic Point of Sale system)).

Current integrations (via an API- Application Programming Interface) are summarised below.

Adobe Commerce and the Service Provider integration:

- Export of customer orders from ecommerce platform to the Service provider which need to be picked, packed and despatched by the Service Provider.
- Import of stock levels from the Service Provider to Adobe Commerce to ensure accurate and up to date stock quantities are being reflected on the ecommerce site.
- Import of order shipment status from the Service Provider to trigger 'Your order is on its way' email to the customer.

Futura and the Service Provider integration

- Integration is focused on goods-in management.

- The Service Provider exports the required stock data and sends it as CSV file via SFTP for Futura to import.

4.13 Christmas trading

LTM's online retail sales follow a seasonal gifting trading pattern. For the past three years we have been launching online Black Friday promotions from early November to maximise sales and promote our Christmas gifting category through a strong marketing campaign (including social media, newsletters and PR collaborations).

From October to December (periods 8 to 10) the traffic to ltmuseumshop.co.uk reaches peak levels and the number of transactions increase by at least x3.

Sales during this period account for over 50% of LTM's total annual sales.

During the peak trading period order fulfilment, Goods in, storage and customer service resource is scaled up to handle the extra demand and to ensure all supplier stock is booked in on time and customer orders are despatched and delivered within the service level agreement.

4.14 Customer Service

LTM has a dedicated customer service team that handles inbound customer queries via email. Queries related to stock or orders fulfilled by the Service Provider are forwarded to the Service Providers customer service team to respond to. LTM then respond to the customer directly to resolve the query.

During off peak months the number of queries LTM receives daily is approximately 20-40 emails (this fluctuates according to product launches, marketing and promotional activity). The number of queries increases to 50-80 emails per day during the peak trading months (October to December).

The Service Provider will be required to provide customer service support between Monday to Friday between the hours of 09:00 – 17:00 hours

LTM also require weekend and out of hours customer service support during peak trading months or when we have significant marketing activity planned to manage the high volume of customer queries.

Out of Hours customer service support Monday – Friday 5pm onwards.

Extra customer service support during peak trading months would be 8 hours per weekend for approximately 8 weekends. Ranging from November to January.

4.15. Rebate Structure

A discount incentive from the Service Provider to LTM will be applied if LTM overachieve on estimated orders detailed in Table I. If orders are overachieved a rebate structure will be applied.

Table I below outlines our 5 year sales and orders forecast, plus projected orders for the third party fulfiller:

The rebate structure is applicable to ONLY row 'Estimated Orders for the Service Provider'.

More detail around the rebate structure is outlined in Appendix E – Pricing Template.

Table I – Projected sales and order forecasts from 2022-2027

Online	2022/23	2023/24	2024/25	2025/26	2026/27
Sales Online Shop	£1,386,000	£1,525,000	£1,601,000	£1,681,000	£1,731,000
Estimated orders for the Service Provider	27,940	29,337	30,804	32,344	33,961

5. SERVICE LEVEL AGREEMENTS (SLAS)/KEY PERFORMANCE INDICATORS (KPIs)

If the appointed supplier fails to meet the following SLAs over three consecutive periods, the Authority can terminate the contract:

- SLA 1
- SLA 2
- SLA 3
- SLA 5
- SLA 6

If the appointed supplier fails to meet the following SLAs over three consecutive quarters the Authority can terminate the contract:

- SLA 4

If the appointed supplier fails to meet the following SLA annually the Authority can terminate the contract:

- SLA 7

SLA	Description	Review
SLA 1	<p>Customer service</p> <p>Supplier will respond to LTM customer service team's emails and telephone queries in relation to customer orders within 24 hours, 5 days a week and 7 days during peak trading period (Nov to Jan).</p> <p>Supplier shall provide daily customer service support to respond to LTM customer service team requests (via email and/or phone) regarding customer order information, despatch status updates, and stock availability.</p>	Periodic
SLA 2	<p>Fulfilment</p> <p>Orders must be processed and despatched within 24 hours (on working days) to meet 3-5 working day standard delivery timeframe, prioritising orders for next day delivery (minimum requirement for cut off time is 2pm) Picking accuracy shall be in excess of 99%</p>	Periodic
SLA 3	<p>Goods in</p> <p>Stock to be booked in within 24 hours (on working days) and confirmation reported daily</p>	Periodic
SLA 4	<p>Shipping rates</p> <p>Courier rates to be reviewed every quarter, supplier to provide a recommendations report based on client budget, environmental impact / courier credentials</p>	Quarterly

SLA 5	<p>Returns</p> <p>Returns should not exceed 5% of forecasted order volumes.</p> <p>90% of returns will be actioned within 1 working day of receipt.</p> <p>100% of returns will be actioned within 2 working days of receipt.</p>	Periodic
SLA 6	<p>Overall Performance</p> <ul style="list-style-type: none"> • Periodic reviews with LTM and supplier for BAU activities and key performances achieved • LTM to hold the ability to terminate the work with the new supplier after 3-5 months of service level doesn't meet the minimum requirements 	Periodic
SLA 7	<p>Stock Accuracy</p> <ul style="list-style-type: none"> • Supplier is to maintain an accurate stock file at all times and support weekly checks requested by LTM • A full Stock Take must be conducted by the supplier yearly which is audited by LTM and our own external auditors by physically checking a selection of products by location and from the stock file • No more than 3 variances should be found in order for the stock take to be signed off, if more are found and LTM & our Auditors are not happy with the level of stock accuracy the stock take may have to be conducted again 	Yearly

SCHEDULE 4 – CHARGES

[REDACTED]	
[REDACTED]	
[REDACTED]	

Rebate Structure:

The rebate structure will be applied at the end of each financial year (commencing 1st April -31st March each annum). If order forecasts are overachieved, the Service Provider will deduct the rebate amount applied from the following invoice.

On the last year of the contract any final rebate due will be credited on the last invoice payable to the Authority.

Projected orders from 2022-2027

Online	2022/23	2023/24	2024/25	2025/26	2026/27
Estimated orders for Service Provider	27,940	29,337	30,804	32,344	33,961

If the above projected orders from 2022-2027 are exceeded each annum a rebate will be applied based on the exceeded amount:

[illegible]

SCHEDULE 5 - PROJECT PLAN

Not Applicable

SCHEDULE 6 - FORM FOR VARIATION

PART A

Contract Parties: *[to be inserted]*

Contract Number: *[to be inserted]*

Variation Number: *[to be inserted]*

Authority Contact Telephone: *[to be inserted]*

Date: *[to be inserted]*

AUTHORITY FOR VARIATION TO CONTRACT (AVC)

Pursuant to Clause 32 of the Contract, authority is given for the variation to the Services and the Charges as detailed below. The duplicate copy of this form must be signed by or on behalf of the Service Provider and returned to the Procurement Manager as an acceptance by the Service Provider of the variation shown below.

DETAILS OF VARIATION	AMOUNT (£)
ALLOWANCE TO THE AUTHORITY	
EXTRA COST TO THE AUTHORITY	
TOTAL	

.....
For the Authority (signed)

.....
(print name)

ACCEPTANCE BY THE SERVICE PROVIDER	
Date	Signed

PART B – SUPPLY CHAIN FINANCE OPTION RELATED VARIATIONS

1. The Authority is developing a scheme and system whereby the Service Provider may be permitted, at the Authority's sole discretion, to seek payment of invoices in respect of Charges under this Contract within a time period less than the 30 days of receipt set out Clause 5.4.1 in consideration for a reduction in the Charges due thereunder (the **"Supply Chain Finance Option"**).
2. The Service Provider hereby agrees that where such requests are made by the Service Provider and approved by the Authority, by way of such process and/or systems put in place by the Authority acting either on its own behalf or by or via its employees, agents, contractors or otherwise such request, approval and resulting accelerated and reduced payment shall constitute the Service Provider's exercise of the Supply Chain Finance Option and the valid and legally binding:
 - 2.1 variation by the Parties of the related Charges due and payable to the Service Provider under this Contract; and
 - 2.2 waiver by the Service Provider of any right held previously by it to invoice for and be paid the amount by which the Charges are reduced pursuant to its exercise of the Supply Chain Finance Option.

SCHEDULE 7 - CONTRACT QUALITY, ENVIRONMENTAL & SAFETY

CONSIDERATIONS

COVERED IN SECTION 4.9 IN SCHEDULE 3 - VOLUME 2 – TFL 95861 – THE SPECIFICATION

SCHEDULE 8 – RE-TENDER COOPERATION

1. DEFINITIONS

- 1.1 For the purposes of this Schedule 8, unless the context indicates otherwise, the following expressions shall have the following meanings:

“Exit Plan” means the plan to be provided by the Service provider to the Authority which shall detail set out the detail requested within this Schedule 8;

“Replacement Service Provider” means any replacement Service Provider or provider to the Authority of the Services (or any part of the Services) and any Sub-Contractor to such replacement Service Provider;

“Termination Assistance Period” means the period immediately following the issue of a notice to terminate the Agreement or Contract by either Party.

- 1.2 The Service Provider shall, within three (3) months after the Commencement Date, deliver to the Contracting Authority an Exit Plan which:

1.2.1 sets out the Service Provider's proposed methodology for achieving an orderly transition of the Services from the Service Provider to the Contracting Authority and/or its Replacement Service Provider on the expiry or termination of this Contract;

1.2.2 complies with the requirements set out in paragraph 1.3;

1.2.3 is otherwise reasonably satisfactory to the Contracting Authority;

- 1.3 The Exit Plan shall set out, as minimum:

1.3.1 how the required information is obtained;

1.3.2 the management structure to be employed during both transfer and cessation of the Services;

1.3.4 a detailed description of both the transfer and cessation processes, including a timetable;

1.3.5 how the Services will transfer to the Replacement Service Provider and/or the Contracting Authority, including details of the processes, documentation, data transfer, systems migration, security and the segregation of the Contracting Authority's technology components from any technology components operated by the Service Provider or its Sub-Contractors (where applicable);

- 1.3.6 proposals for providing the Contracting Authority or a Replacement Service Provider copies of all documentation:
- a) used in the provision of the Services and necessarily required for the continued use thereof, in which the Intellectual Property Rights are owned by the Service Provider; and
 - b) relating to the use and operation of the Services;
- 1.3.7 proposals for the assignment or novation of the provision of all services, leases, maintenance agreements and support agreements utilised by the Service Provider in connection with the performance of the supply of the Services;
- 1.3.8 proposals for the identification and return of all Contracting Authority Property in the possession of and/or control of the Service Provider or any third party (including any Sub-Contractor);
- 1.3.9 proposals for the disposal of any redundant Services and materials;
- 1.3.10 procedures to:
- a) deal with requests made by the Contracting Authority and/or a Replacement Service Provider for Staffing Information pursuant to Clause A19 to Schedule 2;
 - b) determine which Service Provider Personnel are or are likely to become Transferring Service Provider Employees; and
 - c) identify or develop any measures for the purpose of the Employment Regulations envisaged in respect of Transferring Service Provider Employees;
- 1.3.11 how each of the issues set out will be addressed to facilitate the transition of the Services from the Service Provider to the Replacement Service Provider and/or the Contracting Authority with the aim of ensuring that there is no disruption to or degradation of the Services during the Termination Assistance Period; and
- 1.3.12 proposals for the supply of any other information or assistance reasonably required by the Contracting Authority or a Replacement Service Provider in order to effect an orderly handover of the provision of the Services.
- 1.3.13 procedures for the reconciliation of outstanding invoices

SCHEDULE 9 – TRANSPORT FOR LONDON POLICIES

This Schedule 9 sets out the policies that are applicable to the provision of the Services.

In accordance with Clause 12.1.1, the Service Provider shall comply with the policies listed in this Schedule 9, unless and to the extent that such provisions are contrary to the Service Provider's obligations under this Agreement.

1. Information and Records Management Policy
2. Information Security Classification Standard
3. Information Security Policy
4. Privacy and Data Protection Policy
5. Cryptography Policy
6. Cloud Cyber Security Policy

Copies of the policies listed in 1 to 6 above can be obtained from the Authority upon request.

SCHEDULE 10 – CYBER SECURITY MANAGEMENT SCHEDULE

CYBER SECURITY MANAGEMENT SCHEDULE

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1. **DEFINITIONS**

“Cloud”	A type of internet-based computing service where organisation can have aspects of their IT infrastructure managed by external providers, normally as a Software as a Service (SaaS), Platform as a Service (PaaS) or Infrastructure as a Service (IaaS) basis
“Cyber Essentials Scheme”	is a UK government scheme encouraging organisations to adopt good practice in information security, focussing mainly on technical controls rather than governance, risk, and policy
“Cyber Security Policy / Policies”	The high level Cyber Security requirements for all IT and Operational technology and data owned by The Authority or operated and supported by third parties for on behalf of The Authority.
“Cyber Security Standard(s)”	The technical detail behind the implementation of the high level cyber security requirements as set out in the Cyber Security Policies.
“Data”	means data created, generated or collected, during the performance of the Services (or any part thereof), including Personal Data and data supplied to The Authority and members of the TfL Group in connection with the Services or this Agreement;
“Good Industry Practice”	means the exercise of that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced operator engaged in the same type of undertaking under the same or similar circumstances.
HMG Information Security Assurance Standards	the meaning and definition as well as relevant policy documents and standards can be found at https://www.gov.uk/government/collections/government-security-or-any-updated-link ;
“Information Asset Register”	means a register of all information assets relating to the services connected to this Agreement as detailed in paragraph 3.2(c)
“Information Security Management System” or “ISMS”	a framework of governance models, policies and procedures, based on a business risk approach to establish, implement, operate, monitor, review, maintain and improve information security in accordance with the requirements of Paragraph 15
ISO/IEC 27001	is an information security standard specification for an information security management system (ISMS), with

	an emphasis on measuring and evaluating how well an organisation's ISMS is performing.
“IT Services”	means the IT services that support the delivery of the Services;
“Malicious Software”	means any software that brings harm to a computer system. Commonly known as malware can be in the form of worms, viruses, trojans, spyware, and adware which steal protected data, delete documents or add software not approved by a user.
“Operational Technology”	means any hardware or software which monitors and/or operates a physical process.
“Outline Security Management Plan”	means the security plan provided by the Service Provider as part of their tender submission
“Removable Media”	any type of storage device that can be removed from a computer while the system is running. Examples of removable media include CDs, DVDs and Blu-Ray disks, as well as diskettes and USB drives
“Security Incident”	a potential or actual event or attempted breach of security affecting the confidentiality, integrity or availability of the Services, IT Services or Networks which process or hold Data
“Security Management Plan”	means the Service Provider's security plan developed and revised pursuant to Paragraph 14
“Security Policy”	means any of The Authority's security policies as amended by The Authority from time to time;
“Security Risk”	meaning all Risks associated with the security of the Services which may have a negative impact upon the agreed security posture, including information security and any risks identified pursuant to the Security Management Schedule.
“Security Risk Register”	means a register of Security Risks produced and maintained as detailed in paragraph 3.2(b)
“Service Assets”	means all assets and rights including all physical assets, Software, IPR, as well as spares and components whether in storage, repair or on sites, used by the Service Provider to provide the Services in accordance with this Agreement;

“Service Provider Personnel”	means all employees, agents, consultants and contractors of the Service Provider or of any Sub-Contractor
“Service Provider Premises”	means any land or building where the Service Provider carries out any part of this contract
“The Authority’s Information Security Controls Framework”	means a hierarchy of IT security documents consisting of the high level Information Management Security Policy and ten security principles (Information Security Controls Framework); “ available upon request”
“The Authority’s Network(s)”	means the network infrastructure and services owned or used by The Authority to support the delivery of the IT Services.
“The Authority’s Personnel ”	means all employees, agents, consultants and contractors of The Authority
“TfL (The Authority) Restricted”	as defined in the TfL Information Security Classification Standard (listed in Annex 5)
“TfL(The Authority) Sites”	means all of The Authority’s premises where the services are delivered

2. SCOPE AND PURPOSE

2.1 The purpose of this Schedule is to:

- (a) set out the principles of protective security to be applied by the Service Provider in its delivery of the Services;
- (b) set out the Service Provider's wider security obligations relating to the Services;
- (c) set out the Service Provider’s requirements to test and audit the Services including any Information Security Management System, to ensure compliance with the security requirements set out in this Agreement;
- (d) set out the Service Provider's obligations in the event of a Security Incident;
- (e) set out the principles for the Service Provider's development, implementation, operation, maintenance and continual improvement of the Security Management Plan;

- (f) set out the principles for the Service Provider's development, implementation, operation, maintenance and continual improvement of the Information Security Management System;
- (g) set out any Service Provider obligation for certification against the Services such as, ISO/IEC 27001, the Cyber Essentials Scheme or HMG Information Security Assurance Standards;
- (h) set out any Service Provider requirements to deliver the Services or Service Assets in accordance with the CESG Commercial Product Assurance (CPA) Scheme; and
- (i) set out the requirements on the Service Provider when delivering the Service(s), which are aligned with the 10 Steps to Cyber security set out by the Government (see Annex 5).
- (j) the Supplier's obligation to comply with the Operations Technology Cyber Security Standards (see Annex 5).

3. SECURITY PRINCIPLES

- 3.1 The Service Provider acknowledges that security, data protection and confidentiality are of fundamental importance in relation to its provision of the Services and The Authority's ability to retain public confidence. The Service Provider shall at all times comply with the security principles set out in Paragraph 3 in the delivery of the Services.
- 3.2 In recognition of the importance that The Authority places on security, data protection and confidentiality, the Service Provider shall ensure that a director or relevant individual, as agreed by The Authority, is made aware of the risks set out in the Security Management Plan and is assigned overall responsibility for ensuring that:
 - (a) appropriate members of Service Provider Personnel and the Service Provider's management team take responsibility for managing the different levels of security risk and promoting a risk management culture;
 - (b) a Security Risk Register is produced and maintained and that all Security Risks are documented in an appropriate manner and is included in any contract risk register if one is in place. This Security Risk Register must be available for audit when reasonably required by The Authority as set out in Clause 7 of this Schedule
 - (c) an Information Asset Register is produced and maintained and that all assets are documented in an appropriate manner in the Information Asset Register and shall identify the criticality of the relevant Service Assets in the delivery of the Services. This register must be available for audit when reasonably required by The Authority as stated in Paragraph 7 of this Schedule and when a Security Incident occurs.

- (d) supporting policies are implemented (where relevant) and communicated with Service Provider Personnel.
- 3.3 The Service Provider shall, and procure that its Sub-contractors shall, at all times ensure that:
 - (a) security threats to the Services are minimised and mitigated;
 - (b) the Services shall fully comply at all times with:
 - (i) any security requirements set out in Annex 3;
 - (ii) the agreed Outline Risk Management Processes and approach set out in Annex 2; and
 - (iii) Good Industry Practice.
- 3.4 The Service Provider must notify The Authority of any instances where software, applications, services or processes are hosted or run from the cloud that are not part of the Agreement, and that host, process or connect with any of The Authority's Operational or IT technology, Data and Networks or handle The Authority's Data. The Service Provider is responsible for ensuring that any such cloud services comply with this Cyber Security Management Schedule.

4. ACCESS CONTROLS AND SECURE CONFIGURATION OF SYSTEMS

- 4.1 The Service Provider shall comply with all obligations relating to the patching and configuration management of Service Assets as set out in Annex 4 in addition to any specific obligations set out in Annex 4, the Service Provider shall ensure that:
 - (a) security patches are applied to Service Assets as soon as possible in line with vendor recommendations in accordance with overall risk management;
 - (b) account management and configuration control processes are implemented to ensure that access to Service Assets by Service Provider Personnel is limited to the extent required for them to fulfil their roles in supporting the delivery of the Services.
 - (c) when Service Provider Personnel change roles or no longer support the delivery of the Services access rights are revoked or reviewed;
 - (d) any system administration functionality is strictly controlled and restricted to those Service Provider Personnel who need to have access to such functionality and that the ability of Service Provider Personnel to change the configuration of the Services is appropriately limited and fully auditable;

- (e) Service Provider Personnel are informed of what constitutes acceptable access of Operational or IT technology, Data and Networks and the consequences of non-compliance;
- (f) any preconfigured passwords delivered with any Service Assets are changed prior to their implementation for use in the Services;
- (g) the Services have appropriate devices, tools or applications in place to filter traffic or separate connections, such as industry standard firewalls and Malicious Software protection, to all public or private networks which are not controlled by or on behalf of The Authority.
- (h) all wireless functionality is secure; and
- (i) software upgrades and patching must be managed appropriately and access to any software shall be granted using the principle of least privilege.

5. SERVICE PROVIDER PERSONNEL

- 5.1 The Service Provider shall, appoint a member of Service Provider Personnel to be the security manager who shall be responsible for the development, monitoring, enforcement, maintenance and enhancement of all security measures set out in this Agreement (the "**Security Manager**"). The Security Manager shall be a member of the Key Personnel
- 5.2 The Service Provider shall ensure that all Service Provider Personnel are security screened or vetted appropriate to the Data and shall provide The Authority within five (5) working days of the Effective date, and every twelve (12) months thereafter, written confirmation that this obligation has been complied with.
- 5.3 The Service Provider shall immediately notify The Authority if it becomes aware of any security clearance issues in relation to the Service Provider Personnel and the Service Provider shall undertake any action requested by The Authority in relation to mitigating the impact of any such security clearance issues.
- 5.4 The Service Provider shall not remove or replace the Security Manager (including when carrying out Exit Management) unless:
 - (a) requested to do so by The Authority;
 - (b) the Security Manager concerned resigns, retires or dies or is on maternity, paternity, adoption or long-term sick leave;
 - (c) the Security Manager's employment or contractual arrangement with the Service Provider or a Sub-contractor is terminated for material breach of contract by that person; or
 - (d) the Service Provider obtains The Authority's prior written consent (such consent not to be unreasonably withheld or delayed) and the role is not left vacant.

5.5 The Service Provider shall:

- (a) notify The Authority promptly of the absence of the Security Manager (other than for short-term sickness or holidays of three (3) weeks or less, in which case the Service Provider shall ensure appropriate temporary cover for Security Manager);
- (b) ensure that Security Manager role is not vacant for any longer than fifteen (15) Working Days;
- (c) give as much notice to The Authority as is reasonably practicable (and in any event twenty (20) Working Days' notice) of any intention to remove or replace Security Manager except in the cases of death, unexpected ill health or a material breach by the Security Manager of his or her employment contract;
- (d) ensure that all arrangements for planned changes in the Security Manager provide adequate periods during which incoming and outgoing Security Manager work together to transfer responsibilities and ensure that such change does not have an adverse impact on the performance of the Services; and
- (e) ensure that any replacement for the Security Manager
 - (i) is only employed or engaged with The Authority's prior written consent (such consent not to be unreasonably withheld or delayed)
 - (ii) has a level of qualifications and experience appropriate for a Security Manager; and
 - (iii) is fully competent to carry out the tasks of a Security Manager whom he or she has replaced.

6. TRAINING

- 6.1 The Service Provider shall ensure that all Service Provider Personnel have undergone suitable security awareness training prior to their deployment and such security awareness training shall cover, as a minimum; account usage, malicious software, home and mobile working, use of removable media, audit and inspection and Security Incident reporting and data handling. The Service Provider shall implement an up-to-date on-going programme of security awareness training for Service Provider Personnel throughout the Term.
- 6.2 The Service Provider shall provide additional training to its Service Provider Personnel, which may be required following a Security Incident, the application of a patch or update, or any relevant Operational Change or Variation
- 6.3 The Service Provider shall ensure that all Service Provider Personnel are familiar with their responsibilities under applicable law and policies including, as a minimum, the Data Protection Legislation, the Security Policies set out in Paragraph 1 of this Schedule and policies in relation to the handling of

protectively marked materials both during their employment and following the termination of or change to the terms of their employment.

7. TESTING & AUDIT

- 7.1 The Service Provider shall conduct regular automated vulnerability scans of the Services, as agreed in the Risk Management Process and ensure that any identified vulnerabilities are appropriately mitigated or patched in line with The Authority's Security Patching standard (Annex 5), taking into consideration the risk posed to The Authority and the Services.
- 7.2 The Service Provider shall conduct security tests, including ethical hacking and penetration tests, to assure compliance with the Security Incident Management Process, the security provisions in this Agreement, the Security Management Plan. The Service Provider shall conduct security testing in accordance with the Security Management Plan. The Service Provider shall conduct such security tests, as a minimum, every twelve (12) months from the Service Commencement Date and shall include security penetration testing of the Services and the associated technical infrastructure. Wherever the Services are accessible from the internet or other such public network, the Service Provider shall carry out security penetration tests from the internet or the public network.
- 7.3 The Service Provider shall, within one (1) week completion of the security tests carried out in accordance with Paragraph 7.2, provide a report to The Authority setting out:
- (a) the outcome of such security tests including all identified vulnerabilities;
 - (b) the Service Provider's plans to remedy each such identified vulnerability as soon as possible, provided that any such remediation must be implemented in accordance with this Agreement including The Authority's Change Management Process and the Variation Procedure.
- 7.4 The Service Provider shall implement its plans to each identified vulnerability in accordance with the report delivered pursuant to Paragraph 7.3 save to the extent directed by The Authority in writing.
- 7.5 The Service Provider shall, upon request by The Authority, following a Security Incident, carry out such additional security testing over and above the obligations set out in Paragraph 7.2 as The Authority requires.
- 7.6 The Authority shall be entitled to send a member of The Authority's Personnel to witness the conduct of any audit or security tests carried out by or on behalf of the Service Provider. The Service Provider shall provide The Authority with the results of such audits (in a form agreed with The Authority in advance) as soon as practicable after the completion of each audit or test.
- 7.7 In addition to complying with the Requirements, PCI DSS where applicable and other relevant industry standards and Good Industry Practice, the Service Provider shall at least once during each twelve (12) month period starting from

the Service Commencement Date, engage an appropriately skilled third party to conduct a formal audit of the Services against the then current versions of the following:

- (a) the security controls, processes and procedures required pursuant to this Agreement;
- (b) the Data Protection Legislation (using BS10012 or another standard as agreed with The Authority), where applicable; and
- (c) the Security Management Plan,

and shall, within five (5) Working Days of becoming aware of actual or potential security issues which impact or could impact the Services, the Service Provider shall inform The Authority of each such issue and shall keep The Authority up-to-date as the Service Provider investigates the nature and impact of such issue. Within five (5) Working Days of the finalisation of the audit findings, the Service Provider shall provide to The Authority a copy of all such findings which are relevant to the Services.

- 7.8 Without prejudice to any other right of audit or access granted to The Authority pursuant to this Agreement or at Law, The Authority and/or its representatives may carry out such audits in relation to security matters as are reasonably required to assess the Service Provider's compliance with the Information Security Management System and the Security Management Plan.
- 7.9 If any test or audit carried out pursuant to this Paragraph 7 reveals any non-compliance with this Agreement or vulnerability (and, in the case of a TfL audit, The Authority has informed the Service Provider thereof), the Service Provider shall, as soon as reasonably practicable, provide The Authority with a written plan to remedy each such identified vulnerability as soon as possible, provided that any such remediation must be implemented in accordance with this Agreement including The Authority's Change Management Process and the Variation Procedure. The Service Provider shall implement its plans to remedy each identified vulnerability in accordance with such report save to the extent directed by The Authority in writing.

8. SECURITY INCIDENT MANAGEMENT PROCESS

- 8.1 The Service Provider shall, and shall procure that its Sub-contractors shall:
- (a) establish, document and share with The Authority a process to identify and respond to Security Incidents and mitigate the impact of such Security Incidents on the Services, including in relation to assigning clearly defined roles and responsibilities to specific Service Provider Personnel;
 - (b) record each Security Incident and corresponding severity level in the Service Provider's ISMS; and

- (c) without limitation to the other provisions of this Agreement, follow The Authority's reasonable instructions in relation to the identification and resolution of any Security Incident.
- 8.2 The Service Provider shall notify and ensure The Authority is aware (via CyberSec@tfl.gov.uk) as soon as possible and in any event no later than within one (1) hour upon becoming aware of any Security Incident or any potential Security Incident.
- 8.3 In addition to the requirements in clause 8.2 the Service Provider will additionally provide written notice with all relevant details reasonably available of any actual or suspected breach of security in relation to The Authority Personal Data including unauthorised or unlawful access or Processing of, or accidental loss, destruction or damage of any Authority Personal Data
- 8.4 If a Security Incident occurs, the Service Provider shall, within the framework of the Security Incident Management Process:
 - (a) immediately take steps to assess the scope of the Data, user accounts and/or The Authority Personal Data compromised or affected including, but not limited to, the amount of Data and/or The Authority Personal Data affected;
 - (b) immediately take the steps necessary to remedy or protect the integrity of the Services against any such Security Incident;
 - (c) securely collect and preserve evidence, including logs, to support the Security Incident management process described in this Paragraph and share with The Authority such evidence via secure channels as requested by The Authority;
 - (d) handle any information pertaining to the Security Incident according to the handling requirements for TfL RESTRICTED information defined in The Authority's Information Security Classification Standard;
 - (e) promptly escalate the Security Incident to a person or governance forum with a level of seniority within the Service Provider's organisation as The Authority may reasonably require;
 - (f) as requested by The Authority:
 - (i) provide such information in relation to the Security Incident (including, if necessary, by collating such information from its and its Sub-contractors' systems and the Service Provider Personnel);
 - (ii) provide relevant The Authority Personnel with supervised access (or, if the Parties agree, direct access) to any relevant systems, Service Provider Sites and Service Provider Personnel in order to investigate the Security Incident; and

- (iii) follow The Authority's directions in relation to the steps necessary or desirable to remedy or protect the integrity of the Services; and
- (g) as soon as reasonably practicable develop and provide TfL with a copy of its remediation plan for the Security Incident which sets out full details of the steps taken and to be taken by the Service Provider to:
 - (i) correct, make good, reinstate, replace and remediate all deficiencies and vulnerabilities, loss and/or damage to the Service Assets, Data, and/or Services in connection with the Security Incident; and
 - (ii) perform or re-perform any security tests or alternative tests relating to the security of the Service Assets and/or Services as appropriate and within the timescales specified by The Authority, to assure The Authority that the Security Incident has been addressed and its effects mitigated,

provided that any such remediation must be implemented in accordance with this Agreement including the TfL Change Management Process and the Variation Procedure. The Service Provider shall fully implement and comply with such remediation plan save to the extent directed by The Authority in writing

8.5 The Service Provider shall provide a detailed report to The Authority within two (2) Working Days of the resolution of the Security Incident, such report to detail:

- (a) the nature of the Security Incident;
- (b) the causes and consequences of the Security Incident;
- (c) the actions undertaken and length of time taken by the Service Provider to resolve the Security Incident; and
- (d) the actions undertaken by the Service Provider to prevent recurrence of the Security Incident.

8.6 If there is a suspected security event up to and including a Security Incident, the Service Provider shall to the extent requested by the The Authority CISO (or any duly authorised delegate):

- (a) provide information in relation to the Services which is relevant collating, if necessary, relevant information from Sub-contractors' systems and the Service Provider Personnel;
- (b) provide relevant The Authority Personnel with supervised access (or, if the Parties agree, direct access) to any relevant systems, Service Provider Sites and Service Provider Personnel in order to investigate the security incident; and

- (c) follow The Authority's directions in relation to the steps necessary or desirable to remedy or protect the integrity of the Services; and
- (d) work with The Authority to identify any lessons learnt which could mitigate any gaps in process, policy or controls.

and The Authority shall reimburse the Service Provider's reasonable, demonstrable costs and expenses in relation to the Service Provider's compliance with such request.

9. SECURITY LOGGING AND MONITORING

9.1 The Service Provider shall ensure that the Security Management Plan sets out its monitoring strategy to monitor its own performance of its obligations under this Schedule. The Service Provider shall update its monitoring strategy as necessary throughout the term of this Agreement in response to:

- (a) changes to applicable laws, regulations and standards;
- (b) changes to Good Industry Practice;
- (c) any relevant Operational Changes or Variations and/or associated processes;
- (d) any Security Incident; and
- (e) any reasonable request by The Authority.

9.2 The monitoring strategy should include, as a minimum, processes for monitoring and logging (as appropriate):

- (a) networks and host systems to detect attacks originating both on an internal private network or from public networks (e.g. internet);
- (b) instances of misuse of the Services, Service Provider systems used in the delivery of the Services and access to TfL RESTRICTED Data by The Authority Personnel and Service Provider Personnel, including attempts at such misuse;
- (c) wireless access points to ensure that all wireless networks are secure and no unauthorised access points are available;
- (d) Malicious Software on: (i) the Service Provider systems used in the delivery of the Services and, (ii) the Services;
- (e) access to and movement of TFL RESTRICTED Data, including internal access to such Data; and
- (f) traffic for unusual or malicious incoming and outgoing activity that could be indicative of an attempt or actual attack.

- 9.3 The Service Provider shall ensure that access to system logs and monitoring information is strictly restricted to those Service Provider Personnel who need to access these items to ensure the delivery and integrity of the Services.
- 9.4 The Service Provider shall ensure that any monitoring process complies with the monitoring strategy developed in accordance with Paragraphs 9.1 and 9.2 and all of its legal and regulatory obligations pursuant to Applicable Law.
- 9.5 The Service Provider shall maintain a log of:
- (a) all instances of Service Provider Personnel accessing Personal Data;
 - (b) all Service Recipient, The Authority Personnel and Service Provider Personnel logon attempts, successful and failed, to the Services or any elements of the Service Provider Solution requiring authentication;
 - (c) all actions taken by Service Recipients, The Authority Personnel or Service Provider Personnel with administrative privileges;
 - (d) all instances of accounts being created for Service Recipients, The Authority Personnel or Service Provider Personnel and their relevant privileges;
 - (e) all records of formal staff induction or certification required by Service Provider Personnel to operate systems and handle TFL RESTRICTED Data (where required);
 - (f) all instances of accounts for Service Recipients, The Authority Personnel, or Service Provider Personnel being deleted;
 - (g) Service Provider Personnel system access group memberships in relation to relevant Service Assets;
 - (h) Service Recipient and group privilege changes against each of the system resources;
 - (i) unauthorised use of input and output devices and removable media; and
 - (j) all access to log files and audit systems.
- 9.6 The logs required in 9.5 above must be raw logs, which are provided in a structured text format and the schema for such logs will need to be provided.
- 9.7 The Service Provider shall implement recording mechanisms to identify The Authority Personnel and Service Provider Personnel and their actions when cases of misuse are being investigated and shall ensure that any such recording mechanisms are protected against manipulation and disruption.
- 9.8 The Service Provider shall regularly review logs to identify: (i) anomalies; (ii) suspicious activity; and (iii) suspected Security Incidents. The Service Provider shall notify The Authority of such findings in accordance with Paragraph 8.2

- 9.9 The Service Provider shall provide copies of any log data collected by the Service Provider during its delivery of the Services (system audit log data) at The Authority's request in a human readable electronic format such as comma-separated value or Microsoft Excel.

10. MALICIOUS SOFTWARE

- 10.1 The Service Provider shall throughout the Term, use the latest versions of anti-malware solutions and software available from an industry accepted vendor (unless otherwise agreed in writing between the Parties) to check for, contain the spread of, and minimise the impact of Malicious Software in the IT Services (or as otherwise agreed by the parties).
- 10.2 Notwithstanding Clause 10.1, if Malicious Software is detected within services provided by the Service Provider, the Service Provider shall ensure the effect of the Malicious Software is mitigated and, particularly if Malicious Software causes loss of operational efficiency or loss or corruption of Data, restore the Services to their desired operating efficiency.
- 10.3 Any cost arising out of the actions of the Parties taken in compliance with the provisions of Clause 10.2 shall be borne by the Parties as follows:
- (a) by the Service Provider if the Malicious Software originates from the Service Provider Software, the Third Party Software supplied by the Service Provider (except where The Authority has waived the obligation set out in Clause 10.11) or The Authority's Data (whilst The Authority's Data was under the control of the Service Provider) unless the Service Provider can demonstrate that such Malicious Software was present and not quarantined or otherwise identified by The Authority when provided to the Service Provider; and
 - (b) otherwise by The Authority.

1.1.1

11. REMOVABLE MEDIA

- 11.1 The Service Provider may only use Removable Media to support its delivery of the Services if it has obtained prior written consent of The Authority and has implemented appropriate controls to ensure that the use of any input or output devices and removable media is restricted strictly to that needed to supply and support delivery of the Services.
- 11.2 If removable media is approved for use by The Authority, the Service Provider shall ensure that it deploys suitable anti-virus and anti-malware checking solutions to actively scan for the introduction of Malware onto systems and networks through all Data imports and exports from removable media and that the removable media is encrypted to a suitable standard agreed in advance with The Authority in writing.
- 11.3 The Service Provider shall report any loss or interception of Data as a result of the use of removable media to The Authority in accordance with Clause 8 and The Authority reserves the right in such instances to rescind its approval in relation to the Service Provider's continued use of removable media.

12. MOBILE AND HOME WORKING

- 12.1 The Service Provider may only use offer Mobile and Home working to support its delivery of the Services if it has obtained prior written consent of The Authority and has implemented appropriate controls to ensure.
- 12.2 If such consent is granted but the Service Provider does not have a home and mobile policy for Service Provider Personnel, The Authority's Home and Mobile Working Cyber Security Policy shall apply to the Service Provider and its Service Provider Personnel.
- 12.3 If the Service Provider has a home and mobile working policy in relation to the Service Provider Personnel, the Service Provider shall:
- (a) ensure through this policy that:
 - (i) Data is protected and suitably encrypted in line with Cyber Security Policy (see Annex 5), when stored outside of the Service Provider Premises;
 - (ii) Data is protected when accessed, imported or exported through a connection other than one which is accessed at the Service Provider Premises; and
 - (iii) Security Incident management plans acknowledge the increased risk posed by home and mobile working such as theft or loss of Data and The Authority's Data and/or devices; and
- 12.4 The Service Provider shall report any loss or interception of Data or The Authority's Data as a result of home or mobile working to The Authority in accordance with Clause 8.

13. DISPOSALS

- 13.1 The Service Provider shall not reuse any Service Asset or Removable Media used in the performance of the Services unless such items have been wiped securely in accordance with a The Authority agreed standard.
- 13.2 The Service Provider shall securely dispose of and delete Data from Service Assets used for the delivery of the Services to a The Authority agreed standard upon the termination or expiry of this Agreement or when such Service Assets are no longer required for the delivery of the Services, whichever is sooner, and documented accordingly.
- 13.3 The Service Provider shall ensure that the disposal of any Service Asset is accurately reflected in the Information Asset Register.

14. SECURITY MANAGEMENT PLAN

- 14.1 The Outline Security Management Plan as at the Effective Date is set out at Annex 1 (*Outline Security Management Plan*).

14.2 The Service Provider shall within fifteen (15) Working Days of the Effective Date submit to The Authority for approval, a draft Security Management Plan which a minimum will:

- (a) set out the security measures to be implemented and maintained by the Service Provider in relation to all aspects of the Services and all processes associated with the delivery of the Services and shall at all times comply with and specify security measures and procedures which are sufficient to ensure the Services comply with this Schedule;
- (b) reference and comply with the security requirements set out in Annex 3;
- (c) state any other cyber security industry standards over and above those set out in this Schedule which are applicable to the Services;
- (d) state all applicable law which relates to the security of the Services; and
- (e) how the Service Provider will comply with any other security requirements The Authority may reasonably request from time to time.

When the Security Management Plan is approved by The Authority the approved plan will replace the Outline Security Management Plan in Annex 1.

14.3 The Service Provider shall review and update the Security Management Plan at least annually and as required in response to:

- (a) changes to the Cyber Security Standards;
- (b) emerging changes in Good Industry Practice;
- (c) any relevant Operational Change or Variation and/or associated processes;
- (d) any new perceived or changed security threats; and
- (e) any reasonable request by The Authority.

14.4 The Service Provider shall submit any amendments to the Security Management Plan for Approval by The Authority in accordance with the variation procedure set out in this Agreement

15. INFORMATION SECURITY MANAGEMENT SYSTEM

15.1 The Service Provider shall develop, implement, operate, maintain the ISMS and shall within fifteen (15) Working Days of the Effective Date submit a draft ISMS to The Authority to assure. The Service Provider shall ensure that the ISMS includes the Security Incident Management Process, dealing with, among other matters, Security Incident management.

15.2 The ISMS shall, unless otherwise specified by The Authority in writing, be designed to protect all aspects of:

- (a) the Services;
 - (b) all processes associated with the delivery of the Services; and
 - (c) The Authority's Sites, the Service Provider Solution and any information and Data (including The Authority's Confidential Information and The Authority's Data) to the extent used by The Authority or the Service Provider in connection with this Agreement.
- 15.3 The Service Provider shall make any document referenced in the ISMS available to The Authority upon request.
- 15.4 If the investigation of a Security Incident reveals weaknesses or flaws in the ISMS, then any change to the ISMS to remedy the weakness or flaw shall be submitted to The Authority for approval in accordance with the Variation procedure set out in this Agreement for the avoidance of doubt, if a change needs to be made to the ISMS to address an instance of non-compliance with the Security Management Plan or security requirements, the change to the ISMS shall be at no cost to The Authority.
- 15.5 The ISMS will be fully reviewed in accordance with ISO/IEC 27001 by the Service Provider at least annually, or from time to time as agreed with The Authority, in response to:
- (a) changes to Good Industry Practice;
 - (b) any relevant Operational Changes or Variations or proposed Operational Changes or Variations to the Services and/or associated processes;
 - (c) any new perceived or changed security threats; and
 - (d) any reasonable request by The Authority.
- 15.6 The Service Provider shall provide the results of such reviews to The Authority (together with such related information as The Authority may reasonably request) as soon as reasonably practicable after their completion. The results of the review should include, without limitation:
- (a) suggested improvements to the effectiveness of the ISMS;
 - (b) updates to the risk assessments;
 - (c) proposed modifications to the procedures and controls that affect the ability to respond to events that may impact on the ISMS; and
 - (d) suggested improvements in measuring the effectiveness of controls.

16. COMPLIANCE WITH ISO/IEC 27001

- 16.1 The Service Provider shall obtain certification from a UKAS registered organisation of the ISMS to ISO/IEC 27001 for any aspects of the business that

is necessary to support the Services. The Service Provider shall obtain such certification within twelve (12) months of the Effective Date and shall maintain such certification throughout the Term.

- 16.2 If certain parts of the ISMS do not conform to Good Industry Practice, or controls as described in ISO/IEC 27001 and the Service Provider shall promptly notify The Authority of this.
- 16.3 Without prejudice to any other audit rights set out in this Agreement The Authority may carry out, or appoint an independent auditor to carry out, such regular security audits as may be required in accordance with Good Industry Practice in order to ensure that the ISMS maintains compliance with the principles and practices of ISO/IEC27001.
- 16.4 If on the basis of evidence provided by such audits, The Authority, acting reasonably, considers that compliance with the principles and practices of ISO/IEC 27001 is not being achieved by the Service Provider, then The Authority shall notify the Service Provider of the same and the Service Provider shall, as soon as reasonably practicable, provide The Authority with a written plan to remedy each such non-compliance as soon as possible, provided that any such remediation must be implemented in accordance with this Agreement.

17. APPROVED PRODUCTS

- 17.1 The Service Provider shall ensure that all Service Assets providing security enforcing functionality are certified under the CESG Commercial Product Assurance (CPA) Scheme, to the appropriate grade, as defined with Annex 3 "Security Requirements", provided that relevant certified products are available in the market.
- 17.2 If a product is not assured under the CPA scheme, The Authority reserves the right to require bespoke assurance of that product under a recognised scheme such as CESG Tailored Assurance Service (CTAS).

**ANNEX 1 – OUTLINE SECURITY MANAGEMENT PLAN/SECURITY
MANAGEMENT PLAN**

The Service Provider shall within fifteen (15) Working Days of the Effective Date submit an Outline Security Management Plan to The Authority for approval.

ANNEX 2 – OUTLINE RISK MANAGEMENT PROCESS

THE SERVICE PROVIDER WILL BE REQUIRED TO SUBMIT A DRAFT OUTLINE RISK MANAGEMENT PLAN. *within fifteen (15) Working Days of the Effective Date* THIS WILL BE REVIEWED BY TFL CYBER SECURITY AND AN UPDATED OUTLINE SECURITY MANAGEMENT PLAN WILL FORM ANNEX 2.

- How and when risk assessments are conducted
- Once found, what are the timeframes mitigations of risks once discovered
- Whether vulnerability scans or vulnerability management are to be provided
- The regularity of vulnerability scans and penetration testing
- The type of scans required (credentialed or non-credentialed)
- The output of this service- whether the automated report from the scanning tool or a fully analysed report
- Against what baseline the scans will be performed

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ANNEX 3 – SECURITY REQUIREMENTS

Not applicable

ANNEX 4 – CONFIGURATION MANAGEMENT OF SERVICE ASSETS

Not applicable

ANNEX 5 – LIST OF RELEVANT POLICIES

TO BE PROVIDED BY THE AUTHORITY UPON REQUEST

Network Security Policy defines the requirements for securing The Authority's networks as well as the information and network specific devices on them.

System Access Control Policy defines the requirements for managing user and system account access to applications and technology such as allowing them to sign in to OneLondon or SAP.

Cyber Security Incident Management Policy defines how we will handle cyber security incidents and the requirements for reporting and managing those incidents.

Malware Prevention Policy defines the requirements for helping to prevent malware (malicious software eg computer viruses) from infecting our systems and networks.

- **Security Logging, Monitoring and Audit Policy** details the requirements for security logging and monitoring of access to our technology and data and the audit capabilities.

Removable Media Policy details the requirements for using removable media such as USBs, CDs or portable hard drives.

Home and Mobile Working Cyber Security Policy details the requirements for allowing and supporting secure home and mobile working.

Third Party Cyber Security Policy defines the rules governing how the security of third party custodians of The Authority's information, technology and third party connections to The Authority's systems will be ensured.

TfL (The Authority's) Information Security Classification Standard details the information security classification scheme covering information and records, in all formats, and the minimum requirements for managing such information

10 Steps to Cyber Security - <https://www.gov.uk/government/publications/cyber-risk-management-a-board-level-responsibility/10-steps-summary>

Cyber Essentials Scheme

<https://www.gov.uk/government/publications/cyber-essentials-scheme-overview>

- **Security Patching Standard** details the requirements for applying security-related updates ('security patches') in order to help secure TTL systems and applications in line with the secure builds and configurations policy.
- **Operations Technology Cyber Security Standard** describes the cyber security requirements for operational technology assets throughout their lifecycle

SCHEDULE 11 – HEAVY GOODS VEHICLE DIRECT VISION STANDARD SCHEDULE

Heavy Goods Vehicle Direct Vision Standard Schedule

1 Introduction

1. In this Schedule, the following terms shall have the corresponding meanings:

“Agreed DVS Plan”	means the Initial DVS Plan as updated and approved in accordance with the terms of this Schedule;
“Initial DVS Plan”	means the initial plan set out at Appendix 1 which sets out and proposes how the [Service Provider] shall ensure that: <ul style="list-style-type: none">(a) from and including 26 October 2019, all Category N3 HGVs used in the delivery of the contract achieve a minimum of a one (1) star Direct Vision Standard rating;(b) from and including 26 October 2023 all Category N3 HGVs used in the provision of the [Services] achieve a minimum of three (3) star Direct Vision Standard rating;

2 DVS Plan

2.1 The Service Provider shall comply with the Initial DVS Plan from the Contract Commencement Date. Within fifteen (15) Business Days of the Contract Commencement Date the Contracting Authority shall either;

- 2.1.1 confirm that the Initial DVS Plan is approved, in which case such plan shall become the Agreed DVS Plan; or
- 2.1.2 provide the Service Provider with any comments on and/or amendments to the Initial DVS Plan.

2.2 Within thirty (30) Business Days (for the purpose of paragraph 2.1.2) or 15 Business Days (for the purpose of paragraph 2.3.2) of receipt of any comments and/or amendments from the Contracting Authority in accordance with paragraph 2.1.2 or paragraph 2.3.2 (as applicable), the Service Provider shall:

2.2.1 develop the Initial DVS Plan to reflect such comments and/or amendments; and

2.2.2 submit an updated Initial DVS Plan to the Contracting Authority for approval.

2.3 Within fifteen (15) Business Days of receipt of the updated Initial DVS Plan, the Contracting Authority shall confirm that either the updated Initial DVS Plan:

2.3.1 is approved, in which case it shall become the Agreed DVS Plan; or

2.3.2 not approved and provide its further comments and/or amendments to the Service Provider and the Service Provider shall revise and re-submit the updated Initial DVS Plan for approval in accordance with paragraph 2.2.

The process set out in this paragraph 2.3 shall be repeated until the updated Initial DVS Plan is approved by the Contracting Authority.

2.4 Where the Contracting Authority, acting reasonably, has not approved the updated Initial DVS Plan, the Service Provider may refer that decision to the dispute resolution process set out in the Contract.

2.5 Without limiting any other provision of this Contract, the Service Provider shall, at no additional cost to the Contracting Authority, and as part of the Services:

2.5.1 implement, observe and comply with the Agreed DVS Plan; and

2.5.2 review and amend the Agreed DVS Plan (as necessary) on each 12 month anniversary of the Contract Commencement Date or earlier if requested by the Contracting Authority, to reflect:

2.5.2.1 any changes to the nature of the Services; and

2.5.2.2 any comments and/or amendments made or proposed by the Contracting Authority.

3 DVS Co-ordinator

- 3.1 The Service Provider shall nominate an employee/member of the Service Provider Personnel with the necessary experience, competency and authority to:
 - 3.1.1 be responsible for implementation and compliance with the Agreed DVS Plan; and
 - 3.1.2 act as the Service Provider's authorised representative on all matters concerning the Agreed DVS Plan ("**DVS Co-ordinator**").
- 3.2 The Service Provider shall add the DVS Co-ordinator's details to the list of Key Personnel set out in Schedule 1.

4 Self Certification and Reporting

On each 12 month anniversary of the Contract Commencement Date the Service Provider shall submit a report to the Contracting Authority which sets out the Service Provider's progress in respect of implementation of the Agreed DVS Plan and confirms (with supporting evidence) that the Service Provider has complied with the Agreed DVS Plan.

APPENDIX 1 TO SCHEDULE 11

HGV DVS Plan

Contact details

Supplier	[REDACTED]		
Contract name	[REDACTED]	Contract ref	[REDACTED]
HGV DVS Coordinator		Name	[REDACTED]
Job title	[REDACTED]	Email	[REDACTED]
Phone number	[REDACTED]	Mobile number	[REDACTED]

Contract overview

<p>Please provide an overview of the HGV delivery and servicing requirements of the contract to which the HGV DVS requirements are applicable and have been applied (max 250 words)</p>
<p>[REDACTED]</p>
<p>[REDACTED]</p>
<p>[REDACTED]</p>
<ul style="list-style-type: none">[REDACTED]
<ul style="list-style-type: none">[REDACTED]

HGV DVS Planned Outputs

[illegible][illegible]

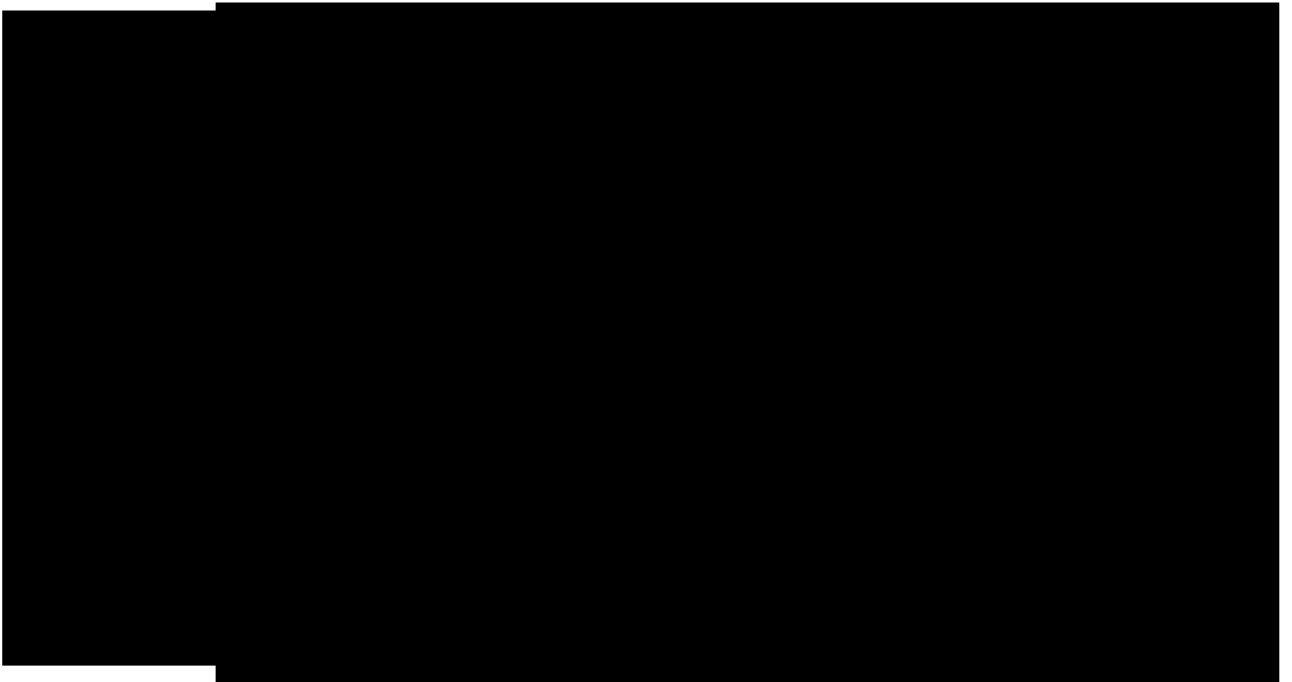
HGV DVS method statement

Please provide details of the activities you will undertake to achieve the HGV DVS Planned Outputs. This should include any information and assumptions made to inform the HGV DVS Plan and any engagement with Sub-Contractors, vehicle suppliers and Off-road Site operators that are relevant to the outputs you have indicated in your HGV DVS Plan.

Please provide an overview of how Mosaic Fulfilment Solutions own account vehicle fleet used to deliver the Services will meet the outputs of the HGV DVS Plan (Max 250 words)



Please provide an overview of the engagement activities with Sub-Contractors that are required to deliver the Services, will meet the outputs of the HGV DVS Plan (max 250 words)



Please provide an overview of any Mosaic Fulfilment Solutions owned or operated Off-road Sites engagement activities with Off-Road Site operators used to deliver the Services will meet the outputs of the HGV DVS Plan (Max 250 words)

N/A

Please provide details of the Off-Road Sites that are required to deliver the Services.

Not applicable

Site name	Site operator	Site location	Site type	Ground rating

