

REDACTED

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File Ref: PO 7137

Date: 10th September 2019

Contract Amendment No: 2

CONTRACT FOR: International Citizen Service Phase 2 (ICS2)

CONTRACT NUMBER: PO 7173

With reference to the contract dated 02nd November 2015, (as most recently amended by the letter dated 30th May 2018) both Parties have in principle agreed to the following variations to the Contract:

Section 1 – Form of Contract

3. Commencement and Duration of Services

Delete: “The supplier shall start the services on 1st September 2015 (the “Start Date”) and shall complete them by 31st December 2019 (the “End Date”) unless this contract is terminated earlier in accordance with its terms and conditions. As per the advertised ITT documentation there may be, at DFID’s discretion the opportunity of a 24 month extension period to this contract.”

Insert: “The supplier shall start the services on 1st September 2015 (the “Start Date”) and shall complete them by 27th February 2021 (the “End Date”) unless this contract is terminated earlier in accordance with its terms and conditions. As per the advertised ITT documentation there may be, at DFID’s discretion the opportunity of a 24 month extension period to this contract.”

4. Financial Limit

Delete: “Payments under this contract shall not, in any circumstances, exceed £92,999,895 exclusive of any government tax, if applicable (the “Financial Limit”).”

Insert: “Payments under this contract shall not, in any circumstances, exceed £107,999,895 exclusive of any government tax, if applicable (the “Financial Limit”).”

Note: The total value (exclusive of any government tax, if applicable) is £109,372,395. This includes a volunteer contribution of £REDACTED for the Amendment #2 extension period.

Section 2 – Standard Terms & Conditions – Service Contracts

Delete: This section in its entirety and replace with the following (attached):

Section 2 DFID Standard terms and Conditions v2.1 January 2019

Section 3 – Terms of Reference for PO 7137 ICS2

Add: Terms of Reference for ICS 2 (Extension #2 attached)

Section 4 – Special Conditions

Para 1.2: DFID Officials

Delete: The Project Officer is:

REDACTED
Deputy Team Leader - Higher Education, Skills and Youth Team
22 Whitehall
London
Telephone: REDACTED

Insert: The Project Officer is:

REDACTED
Youth Empowerment Policy Lead - Higher Education, Skills and Youth Team
22 Whitehall
London
Telephone: REDACTED

Para 2: Additional Documents included in this Contract:

Add: VSO ICS2 Commercial Proforma. REDACTED
VSO ICS2 accompanying Notes to Commercial Bid. REDACTED
VSO ICS2 Extension Technical methodology. REDACTED

All received under cover of reference REDACTED emails dated 31/07/19 and /02/09/19

Para 7: Limitation of Liability:

Delete: The supplier's limit of liability shall be as provided for in Clause 34 of Section 2 unless a different amount is provided for below in which event that different amount will apply.

Insert: The supplier's limit of liability shall be as provided for in Clause 35 of Section 2 unless a different amount is provided for below in which event that different amount will apply.

Section 5 – Schedule of Prices

Delete: The amount to be paid for the completion of the services is fixed at £92,999,895

Insert: The amount to be paid for the completion of the services is fixed at £107,999,895 (exclusive of any government tax)

ADD: Proforma Cost Template ICS2 extension (Attached)

Note: The total value (exclusive of any government tax, if applicable) is £109,372,395. This includes a volunteer contribution of £REDACTED for the Amendment #2 extension period.

This amendment relates to a 14 month extension to the existing ICS2 contract with a value of £15,000,000 (exclusive of any government tax and volunteer contributions) to deliver an additional REDACTED ICS placements until February 2021 and prepare for contract closure and potential handover to the successor programme (ICS3).

NOTE: The signed Supplier Code of Conduct agreed with Amendment No 1 remains extant for the duration of this extension.

Please confirm in writing by signing and returning one copy of this letter, within **15 working days** of the date of signature on behalf of DFID that you accept the variation[s] set out herein.

The Contract, including any previous variation, shall remain effective and unaltered except as amended by this letter.

Words and expressions in this letter shall have the meanings given to them in the Contract.

Signed by an authorised signatory for and on behalf
of the Secretary of State for International Development

Name: [REDACTED]

Position:

Signature:

Date: [

Signed by an authorised signatory for and on behalf of
the Supplier

Name: [REDACTED]

Signature:

Date: [

Enc

Section 3 - International Citizen Service Terms of Reference for ICS2 Extension #2

Introduction

1. The Department for International Development (DFID) is currently funding phase 2 of the International Citizen Service (ICS) programme, which provides opportunities for young people across the UK and the global south. This programme contributes to development by deploying youth volunteers from the UK and overseas to work with local organisations on poverty reduction projects in developing countries.
2. We are currently designing the next phase of the programme, ICS3. ICS3 will build on the successes of ICS2 but bring a range of key changes, including an increased focus on employability, skills and diversity in an innovative and ambitious way to maximise the benefits delivered by the programme.

The Objective

3. DFID ministers would like to avoid a gap in delivery between ICS2 and ICS3. An extension of ICS2 has already been agreed from February 2019 to December 2019 to the value of £15 million. The extension proposed here will cover a gap in delivery between the previous ICS2 extension and the start of ICS3.
4. ICS2 extension 2 will continue the same objectives, recipient, scope, methodology, reporting and outputs, timing, performance requirements, duty of care and safeguard considerations, transparency and delivery chain mapping, and as procurement and contractual obligations as the ICS2 extension 1 and the original contract before it, apart from the stipulations noted below.
5. In terms of scope, whilst the original contract delivered up to 7,000 volunteers per year, and the previous extension delivered 3,000 volunteers over 10 months to the value of £15 million, this extension will deliver volunteer placements (50% UK, 50% developing countries) at the same rate as the extension (REDACTED per annum pro rata), but over a flexible period up to a maximum of 14 months.
6. This extension will not extend beyond the end of February 2021, in line with the 24-month maximum extension set out in the original ICS2 contract
7. Under the terms of this flexible extension, DFID reserves the right to wind down the extension should ICS3 be ready to launch prior to February 2021. The table below gives an indication of the key break points in the extension. Following notification of a break in the extension contract, the supplier will have 3 months to wind down activities for a transition to ICS3 including a possible handover to any new supplier(s).

Proposed break points:

| Date | Rationale | Conditions |
|----------------|----------------------|--|
| September 2020 | ICS3 ready to launch | Notice of a break will only be served when all volunteers from Summer cycle have returned 3-month wind down until November 2019 |

8. The price point for this flexible extension will remain the same as the current extension, unless VSO can fully substantiate either i) any increase through added value or ii) any decrease through efficiencies. Any such exception for a specific area (or areas) will be agreed between VSO, the Children Youth and Education Department and PCD.

Constraints and dependencies

9. The successful delivery of this extension is contingent on suitable numbers of high-quality volunteers applying for placements, and suitable numbers of sustainable and safe projects in communities overseas being identified, risk-assessed and delivered.
10. Providing an appropriate number of sustainable, safe projects is partially dependent on political stability and attitudes towards civil society in-country, which can change significantly in a short space of time. Given the number of volunteer placements being supported under this extension, the Provider should be able to flex volunteer placement locations to ensure volunteer numbers can still be met even if projects in certain countries become non-viable for a period of time.

Exit Management

11. In accordance with DFID Standard Condition 16, both DFID and VSO will work collaboratively to facilitate the wind down/closure of ICS2 activities and ensure a smooth transition to any new ICS3 requirement, whether this is with the incumbent (VSO) or any other new supplier.
12. VSO are therefore required to revise and resubmit their "Exit Management Plan" for further consideration/agreement with DFID, within six weeks of formal issue of Amendment #2. This should take cognisance of the following scenarios:

Scenario 1: ICS3 awarded to Incumbent supplier (VSO)

Scenario 2: ICS3 awarded to new supplier July/Aug

Annex 1: DFID Priority Countries suitable for ICS placements under ICS 2 extension 2

- Bangladesh
- Ethiopia
- Ghana
- Kenya
- Malawi
- Mozambique
- Nepal
- Nigeria
- Rwanda
- Sierra Leone
- Tanzania
- Uganda
- Zambia
- Zimbabwe