

**SCHEDULE 9.1**

**STAFF TRANSFER**

## **SCHEDULE 9.1**

### **STAFF TRANSFER**

1. **Not Used**

2. **INTERPRETATION**

Where a provision in this Schedule 9.1 imposes an obligation on the Supplier to provide an indemnity, undertaking or warranty, the Supplier shall procure that each of its Sub-contractors shall comply with such obligation and provide such indemnity, undertaking or warranty to the Authority, Former Supplier, Replacement Supplier or Replacement Sub-contractor, as the case may be.

**PART A**

**Transferring Authority Employees at commencement of Services**

**1. RELEVANT TRANSFERS**

- 1.1 Subject to Paragraph 1.2 below, the Parties do not intend that there will be any Transferring Authority Employees at the commencement of the Services.
- 1.2 If any employee of the Authority claims (or it is determined) that his/her contract of employment has been transferred from the Authority to the Supplier and/or any Notified Sub-contractor, if any, pursuant to the Employment Regulations or the Acquired Rights Directive then:
- (a) the Supplier shall, and/or shall procure that the Notified Sub-contractor shall, within 5 Working Days of the Supplier (or the Notified Sub-contractor, if appropriate) becoming aware of that fact, give notice in writing to the Authority; and
  - (b) the Authority may offer (or may procure that a third party may offer) employment to such person within 15 Working Days of receipt of the notification by the Supplier and/or any Notified Sub-contractor, or take such other reasonable steps as the Authority considers appropriate to deal with the matter provided always that such steps are in compliance with Law.
- 1.3 If an offer referred to in Paragraph 1.2(b) is accepted, or if the situation has otherwise been resolved by the Authority, the Supplier shall, or shall procure that the Notified Sub-contractor shall, immediately release the person from his/her employment or alleged employment.
- 1.4 If by the end of the 15 Working Day period specified in Paragraph 1.2(b):
- (a) no such offer of employment has been made;
  - (b) such offer has been made but not accepted; or
  - (c) the situation has not otherwise been resolved,
- the Supplier and/or any Notified Sub-contractor may within 5 Working Days give notice to terminate the employment or alleged employment of such person.
- 1.5 Subject to the Supplier and/or any Notified Sub-contractor acting in accordance with the provisions of Paragraphs 1.2 to 1.4 and subject to Paragraph 1.6, the Authority shall indemnify the Supplier and/or any Notified Sub-contractor (as appropriate) against all Employee Liabilities arising out of the employment and termination pursuant to the provisions of Paragraph 1.4.
- 1.6 The Supplier shall take, or procure that the Notified Sub-contractor shall take, all reasonable steps where appropriate to minimise any such Employee Liabilities.
- 1.7 The indemnity in Paragraph 1.5:
- (a) shall not apply to:

- (i) any claim for:
  - (A) discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or
  - (B) equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,

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

- (ii) any claim that the termination of employment was unfair because the Supplier and/or Notified Sub-contractor neglected to follow a fair dismissal procedure save that the Authority acknowledges and agrees that the Supplier shall not be required to carry out a pooling and selection process with its existing employees; and
- (b) shall apply only where the notification referred to in Paragraph 1.2(a) is made by the Supplier and/or any Notified Sub-contractor (as appropriate) to the Authority within 6 months of the Service Transfer Date.

- 1.8 If any such person as is referred to in Paragraph 1.2 is neither re-employed by the Authority nor dismissed by the Supplier and/or any Notified Sub-contractor within the time scales set out in Paragraph 1.4 such person shall be treated as a Transferring Authority Employee and having transferred to the Supplier and/or any Notified Sub-contractor and the Supplier shall, or shall procure that the Notified Sub-contractor shall, comply with such obligations as may be imposed upon it under Law.

## **2. PRINCIPLES OF GOOD EMPLOYMENT PRACTICE**

- 2.1 The Parties agree that the Principles of Good Employment Practice issued by the Cabinet Office in December 2010 apply to the treatment by the Supplier of employees whose employment begins after the Relevant Transfer Date, and the Supplier undertakes to treat such employees in accordance with the provisions of the Principles of Good Employment Practice.

- 2.2 The Supplier shall, and shall procure that each Sub-contractor shall, comply with any requirement notified to it by the Authority relating to pensions which is consistent with the provisions of Annex A to Part A in respect of any Transferring Authority Employee as set down in:

- (a) the Cabinet Office Statement of Practice on Staff Transfers in the Public Sector of January 2000, revised 2007;
- (b) HM Treasury's guidance "Staff Transfers from Central Government: A Fair Deal for Staff Pensions of 1999;
- (c) HM Treasury's guidance "Fair deal for staff pensions: procurement of Bulk Transfer Agreements and Related Issues" of June 2004; and/or
- (d) the New Fair Deal.

- 2.3 Any changes embodied in any statement of practice, paper or other guidance that replaces any of the documentation referred to in Paragraphs 2.1 or 2.2 shall be agreed in accordance with the Change Control Procedure.

3. **PENSIONS**

The Supplier shall, and shall procure that each of its Sub-contractors shall, comply with the pensions provisions in the following Annex to Part A.

**ANNEX TO PART A**

**1 PARTICIPATION IN THE SCHEME**

- 1.1 The Supplier undertakes that on or before the Relevant Transfer Date it will enter into the Admission Agreement and become a Participation Body in respect of any Fair Deal Employee who may transfer to it in accordance with Paragraph 1.7 of Part A to this Schedule 9.1 and it shall continue to be a Participation Body in the Scheme for the duration of the Agreement.
- 1.2 The Parties undertake to comply with their obligations set out in the MSA Transition Agreement in respect of any such Fair Deal Employee.
- 1.3 The Supplier and the Authority undertake to do all such things and execute any documents (including the Admission Agreement) as may be required to enable the Supplier to become a Participation Body in respect of each Fair Deal Employee.
- 1.4 The Supplier shall bear its own costs in connection with the negotiation, preparation and execution of documents to facilitate the Supplier becoming a Participation Body.
- 1.5 If the contracts of the Fair Deal Employees transfer to any sub-contractor (or more than one sub-contractor) by virtue of the operation of TUPE, any successor legislation or otherwise, the Supplier shall procure that such employer of the Fair Deal Employees shall comply with and discharge the obligations of the Supplier set out in this Annex to Part A.
- 1.6 The Supplier shall procure that each Fair Deal Employee has an express term in his or her contract of employment with the Supplier such that the Supplier shall ensure that the Fair Deal Employee may be, and may continue to be, an Active Member.

**2 FUTURE SERVICE BENEFITS**

- 2.1 The Supplier shall procure that each Fair Deal Employee shall so long as the individual wishes to remain be an Active Member of the Scheme, in accordance with the provisions governing the Scheme for service from (and including) the Relevant Transfer Date.

**3 UNDERTAKING FROM THE SUPPLIER - INFORMATION AND COMMUNICATION**

- 3.1 The Supplier undertakes to the Authority (for the benefit of the Authority itself and for the Authority as agent and trustee for the benefit of the Fair Deal Employees) that:
  - (a) all information which:
    - (i) the Authority;
    - (ii) the professional advisers to the Scheme and the Authority; and/or
    - (iii) the administrator of the Scheme,may reasonably request for the participation in the Scheme shall be supplied to them expeditiously;

- (b) Other than in the ordinary course of business, it shall not without the consent in writing of the Authority, consent to, instigate, encourage or assist any event which could impose on the Scheme or on the Authority a cost or liability in respect of any Fair Deal Employee greater than the cost which would have been payable or liability that would have been incurred in respect of that Fair Deal Employee had that consent, instigation, encouragement or assistance not been given;
- (c) it will comply with the provisions of the MSA Transition Agreement; and
- (d) it shall not take or omit to take any action which would materially affect the benefits under the Scheme of any Fair Deal Employees without the prior written agreement of the Authority (not to be unreasonably withheld or delayed) provided that the Supplier will be so entitled without the requirement of consent to give effect to any pre-existing contractual obligations to any Fair Deal Employees.

#### **4 FUNDING**

- 4.1 The Supplier shall indemnify and keep indemnified the Authority on demand against any claim, payment or loss incurred by the Scheme or the Authority for any failure by the Supplier or any sub-contractor to comply with the governing documentation of the Scheme or the Admission Agreement.
- 4.2 The Supplier shall pay to the Scheme all such amounts as are required of an employer participating in the relevant parts of the Scheme under the terms of the Admission Agreement entered into by the Supplier and the governing documentation of the Scheme.

#### **5 CHANGES IN PENSION COSTS**

- 5.1 Notwithstanding paragraph 4.1 and 4.2 above, where any changes occur after the Effective Date in the Employer Pension Costs and/or where any Earnings Definition Change result in additional Fair Deal Employee Costs to the Supplier and/or any Sub-contractor (other than any Excluded Costs which shall not be taken into account), the Supplier may propose a reasonable adjustment to the Charges to meet such additional Fair Deal Employee Costs that the Supplier and/or any Sub-contractor incurs as a result of such change. Any such adjustment shall be proposed and dealt with as a Contract Change proposed by the Supplier pursuant to Schedule 8.2 (Change Control Procedure).
- 5.2 For the purposes of paragraph 5.1:
  - (a) “Employer Pension Costs” means the following contributions as referred to in the following sub clauses of the Admission Agreement:
    - (i) 7.1.1 (annual administration charges);
    - (ii) 7.1.2 (other administrative charges);
    - (iii) 7.1.5 (Partnership Pension Account employer contributions);
    - (iv) 7.1.7 (Accruing Superannuation Liability Charge); and

- (v) 7.1.8 (flat rate charges applicable to Partnership Ill Health and Death Benefits).
- (b) “Earnings Definition Change” means a change to the definition under the Schemes of earnings on which contributions are based from that which at the Effective Date applies or from when they come into operation will apply under the Schemes (as applicable).
- (c) “Excluded Costs” means costs which are referred to the following sub clauses of the Admission Agreement;
  - (i) 7.1.3 (additional expenses flowing from Admitted Body's breach);
  - (ii) 7.1.4 (employee contributions);
  - (iii) 7.1.6 (compensation for Admitted Body 's breach); and
  - (iv) 7.2 (early retirement, excessive pay awards, augmentation, amortisation of lump sum into employer contribution rate, et al).

## **6 SUBSEQUENT TRANSFERS**

The Supplier shall:

- (a) not adversely affect pension rights accrued by any Transferring Authority Employee in the period ending on the Service Transfer Date; and
- (b) provide all such co-operation and assistance as the Scheme and the Replacement Supplier and/or Authority may reasonably require to enable Replacement Supplier to participate in the Scheme in respect of any Eligible Employee and to give effect to any transfer of accrued rights required as part of participation under New Fair Deal.

## **7 PENSION EXIT PROVISIONS**

The Parties shall comply with the Pension Exit Provisions (as necessary) set out in Annex E of this Schedule 9.1.



## **Transferring Former Supplier Employees at commencement of Services**

### **1 RELEVANT TRANSFERS**

#### **1.1 The Authority and the Supplier agree that:**

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

#### **1.2 The Parties shall comply with the provisions set out in the MSA Transition Agreement.**

### **2 PRINCIPLES OF GOOD EMPLOYMENT PRACTICE**

#### **2.1 The Parties agree that the Principles of Good Employment Practice issued by the Cabinet Office in December 2010 apply to the treatment by the Supplier of employees whose employment begins after the Relevant Transfer Date, and the Supplier undertakes to treat such employees in accordance with the provisions of the Principles of Good Employment Practice.**

### **3 PRINCIPLES OF GOOD EMPLOYMENT PRACTICE**

#### **3.1 The Supplier shall, and shall procure that each Sub-contractor shall, comply with any requirement notified to it by the Authority relating to pensions which is consistent with the provisions in Annex B of Part B in respect of any Transferring Former Supplier Employee as set down in:**

- (a) the Cabinet Office Statement of Practice on Staff Transfers in the Public Sector of January 2000, revised 2007;
- (b) HM Treasury's guidance "Staff Transfers from Central Government: A Fair Deal for Staff Pensions of 1999;
- (c) HM Treasury's guidance: "Fair deal for staff pensions: procurement of Bulk Transfer Agreements and Related Issues" of June 2004; and/or
- (d) the New Fair Deal.

#### **3.2 Any changes embodied in any statement of practice, paper or other guidance that replaces any of the documentation referred to in Paragraph 3.1 shall be agreed in accordance with the Change Control Procedure.**

### **4 PENSIONS**

The Supplier shall, and shall procure that each Sub-contractor shall, comply with

the pensions provisions in the Annex to Part B in respect of any Transferring Former Supplier Employees who transfer from the Former Supplier to the Supplier.

## **PART B**

### **Transferring Former Supplier Employees at commencement of Services**

#### **1 RELEVANT TRANSFERS**

##### **1.1 The Authority and the Supplier agree that:**

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

##### **1.2 The Parties shall comply with the provisions set out in Schedule 17 (MSA Transition Agreement).**

#### **2 PRINCIPLES OF GOOD EMPLOYMENT PRACTICE**

##### **2.1 The Parties agree that the Principles of Good Employment Practice issued by the Cabinet Office in December 2010 apply to the treatment by the Supplier of employees whose employment begins after the Relevant Transfer Date, and the Supplier undertakes to treat such employees in accordance with the provisions of the Principles of Good Employment Practice.**

#### **3 PRINCIPLES OF GOOD EMPLOYMENT PRACTICE**

##### **3.1 The Supplier shall, and shall procure that each Sub-contractor shall, comply with any requirement notified to it by the Authority relating to pensions in respect of any Transferring Former Supplier Employee as set down in:**

- (a) the Cabinet Office Statement of Practice on Staff Transfers in the Public Sector of January 2000, revised 2007;
- (b) HM Treasury's guidance "Staff Transfers from Central Government: A Fair Deal for Staff Pensions of 1999;
- (c) HM Treasury's guidance: "Fair deal for staff pensions: procurement of Bulk Transfer Agreements and Related Issues" of June 2004; and/or
- (d) the New Fair Deal.

##### **3.2 Any changes embodied in any statement of practice, paper or other guidance that replaces any of the documentation referred to in Paragraph 3.1 shall be agreed in accordance with the Change Control Procedure.**

#### 4 **PENSIONS**

The Supplier shall, and shall procure that each Sub-contractor shall, comply with the pensions provisions in the following Annex to Part B in respect of any Transferring Former Supplier Employees who transfer from the Former Supplier to the Supplier.

### **ANNEX TO PART B**

#### **PENSIONS**

#### **PENSIONS FOR TRANSFERRING FORMER SUPPLIER EMPLOYEES WHO ARE NEW FAIR DEAL EMPLOYEES**

##### **1 PARTICIPATION IN THE SCHEME**

- 1.1 The Supplier undertakes that on or before the Relevant Transfer Date it will enter into the Admission Agreement and become a Participation Body in respect of any Fair Deal Employee who may transfer to it in accordance with Paragraph 1 of Part B of Schedule 9.1 and it shall continue to be a Participation Body in the Scheme for the duration of the Agreement.
- 1.2 The Parties undertake to comply with their obligations set out in the MSA Transition Agreement in respect of any such Fair Deal Employee.
- 1.3 The Supplier and the Authority undertake to do all such things and execute any documents (including the Admission Agreement) as may be required to enable the Supplier to become a Participation Body in respect of each Fair Deal Employee.
- 1.4 The Supplier shall bear its own costs in connection with the negotiation, preparation and execution of documents to facilitate the Supplier becoming a Participation Body.
- 1.5 If the contracts of the Fair Deal Employees transfer to any sub-contractor (or more than one sub-contractor) by virtue of the operation of TUPE, any successor legislation or otherwise, the Supplier shall procure that such employer of the Fair Deal Employees shall comply with and discharge the obligations of the Supplier set out in this Annex to Part B.
- 1.6 The Supplier shall procure that each Fair Deal Employee has an express term in his or her contract of employment with the Supplier such that the Supplier shall ensure that the Fair Deal Employee may be, and may continue to be, an Active Member.

##### **2 FUTURE SERVICE BENEFITS**

- 2.1 The Supplier shall procure that each Fair Deal Employee so long as the individual wishes to remain shall be an Active Member of the Scheme, in accordance with the provisions governing the Schemes for service from (and including) the Relevant Transfer Date.

**3 UNDERTAKING FROM THE SUPPLIER - INFORMATION AND COMMUNICATION**

3.1 The Supplier undertakes to the Authority (for the benefit of the Authority itself and for the Authority as agent and trustee for the benefit of the Fair Deal Employees) that:

(a) all information which:

(i) the Authority;

(ii) the professional advisers to the Scheme and the Authority; and/or

(iii) the administrator of the Scheme,

may reasonably request for the participation in the Scheme shall be supplied to them expeditiously;

(b) it shall not without the consent in writing of the Authority, consent to, instigate, encourage or assist any event which could impose on the Scheme or on the Authority a cost or liability in respect of any Fair Deal Employee greater than the cost which would have been payable or liability that would have been incurred in respect of that Fair Deal Employee had that consent, instigation, encouragement or assistance not been given;

(c) comply with the provisions of the MSA Transition Agreement; and

(d) it shall not take or omit to take any action which would materially affect the benefits under the Scheme of any Fair Deal Employees without the prior written agreement of the Authority (not to be unreasonably withheld or delayed) provided that the Supplier will be so entitled without the requirement of consent to give effect to any pre-existing contractual obligations to any Fair Deal Employees.

**4 FUNDING**

4.1 The Supplier shall indemnify and keep indemnified the Authority on demand against any claim, payment or loss incurred by the Scheme or the Authority for any failure or alleged failure by the Supplier or any sub-contractor to comply with the governing documentation of the Scheme or the Admission Agreement.

4.2 The Supplier shall pay to the Scheme all such amounts as are required of an employer participating in the relevant parts of the Scheme under the terms of the Admission Agreement entered into by the Supplier and the governing documentation of the Scheme.

**5 CHANGES IN PENSION COSTS**

5.1 Notwithstanding paragraph 4.1 and 4.2 above, where any changes occur after the Effective Date in the Employer Pension Costs and/or where any Earnings Definition Change result in additional Fair Deal Employee Costs to the Supplier and/or any Sub-contractor (other than any Excluded Costs which shall not be taken into account), the Supplier may propose a reasonable adjustment to the Charges to meet such additional Fair Deal Employee Costs that the Supplier and/or any Sub-

contractor incurs as a result of such change. Any such adjustment shall be proposed and dealt with as a Contract Change proposed by the Supplier pursuant to Schedule 8.2 (Change Control Procedure).

5.2 For the purposes of paragraph 5.1:

- (a) “Employer Pension Costs” means the following contributions as referred to in the following sub clauses of the Admission Agreement:
  - (i) 7.1.1 (annual administration charges);
  - (ii) 7.1.2 (other administrative charges);
  - (iii) 7.1.5 (Partnership Pension Account employer contributions);
  - (iv) 7.1.7 (Accruing Superannuation Liability Charge); and
  - (v) 7.1.8 (flat rate charges applicable to Partnership Ill Health and Death Benefits).
- (b) “Earnings Definition Change” means a change to the definition under the Schemes of earnings on which contributions are based from that which at the Effective Date applies or from when they come into operation will apply under the Schemes (as applicable).
- (c) “Excluded Costs” means costs which are referred to the following sub clauses of the Admission Agreement;
  - (i) 7.1.3 (additional expenses flowing from Admitted Body's breach);
  - (ii) 7.1.4 (employee contributions);
  - (iii) 7.1.6 (compensation for Admitted Body 's breach); and
  - (iv) 7.2 (early retirement, excessive pay awards, augmentation, amortisation of lump sum into employer contribution rate, et al).

**6 SUBSEQUENT TRANSFERS**

The Supplier shall:

- (a) not adversely affect pension rights accrued by any Transferring Authority Employee in the period ending on the Service Transfer Date; and
- (b) provide all such co-operation and assistance as the Scheme and the Replacement Supplier and/or Authority may reasonably require to enable Replacement Supplier to participate in the Scheme in respect of any Eligible Employee and to give effect to any transfer of accrued rights required as part of participation under New Fair Deal.

**7 PENSION EXIT PROVISIONS**

The Parties shall comply with the Pension Exit Provisions (as necessary) set out in Part E of this Schedule 9.1.

**PENSIONS FOR TRANSFERRING FORMER SUPPLIER EMPLOYEES WHO ARE NOT FAIR DEAL EMPLOYEES**

**8 PENSION PROTECTION**

- 8.1 Subject to Paragraph 8, the Supplier shall at all material times and as a minimum provide the Transferring Former Supplier Employees who are not Fair Deal Employees with access to a pension arrangement which satisfies the obligations (if any) of the Supplier under TUPE, the Pension Protection Requirements and the Auto Enrolment Obligations.
- 8.2 Notwithstanding Paragraph 8, nothing shall prevent the Supplier from agreeing with any Transferring Former Supplier Employee who is not a Fair Deal Employee that such employee will be provided with pension benefits during the time he or she is engaged in providing the Service which are different to those which would otherwise be provided under Paragraph 8, provided that this is permitted by law.

**9 INDEMNITY**

The Supplier shall indemnify and keep indemnified the Authority in respect of any claims, losses, demands, liabilities of any kind whatsoever and expenses reasonably incurred which arise out of or in connection with any failure of the Supplier to comply with this Annex to Part B or the MSA Agreement (as necessary) in relation to the provision of pension, retirement, health and death benefits to any Transferring Supplier Employees who are not Fair Deal Employees or any individuals employed by the Supplier on and after the Relevant Transfer Date.

**10 PENSION EXIT PROVISIONS**

The Parties shall comply with the Pension Exit Provisions (as necessary) set out in Part E of this Schedule 9.1.

**PART C**

**No transfer of employees at commencement of Services**

**NOT USED**



**PART D**  
**EMPLOYMENT EXIT PROVISIONS**

**1     PRE-SERVICE TRANSFER OBLIGATIONS**

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

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

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

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

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

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

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

1.5     From the date of the earliest event referred to in Paragraph 1.1(a), 1.1(b) and 1.1(c), the Supplier agrees, that it shall not, and agrees to procure that each Sub-contractor shall not, assign any person to the provision of the Services who is not listed on the Supplier's Provisional Supplier Personnel List and shall not without the approval of the Authority (not to be unreasonably withheld or delayed):

- (a)     replace or re-deploy any Supplier Personnel listed on the Supplier Provisional Supplier Personnel List other than where any replacement is of

equivalent grade, skills, experience and expertise and is employed on the same terms and conditions of employment as the person he/she replaces;

- (b) make, promise, propose or permit any material changes to the terms and conditions of employment of the Supplier Personnel (including any payments connected with the termination of employment);
- (c) increase the proportion of working time spent on the Services (or the relevant part of the Services) by any of the Supplier Personnel save for fulfilling assignments and projects previously scheduled and agreed;
- (d) introduce any new contractual or customary practice concerning the making of any lump sum payment on the termination of employment of any employees listed on the Supplier's Provisional Supplier Personnel List;
- (e) increase or reduce the total number of employees so engaged, or deploy any other person to perform the Services (or the relevant part of the Services); or
- (f) terminate or give notice to terminate the employment or contracts of any persons on the Supplier's Provisional Supplier Personnel List save by due disciplinary process,

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

1.6 During the Term, the Supplier shall provide, and shall procure that each Sub-contractor shall provide, to the Authority any information the Authority may reasonably require relating to the manner in which the Services are organised, which shall include:

- (a) the numbers of employees engaged in providing the Services;
- (b) the percentage of time spent by each employee engaged in providing the Services; and
- (c) a description of the nature of the work undertaken by each employee by location.

1.7 The Supplier shall provide, and shall procure that each Sub-contractor shall provide, all reasonable cooperation and assistance to the Authority, any Replacement Supplier and/or any Replacement Sub-contractor to ensure the smooth transfer of the Transferring Supplier Employees on the Service Transfer Date including providing sufficient information in advance of the Service Transfer Date to ensure that all necessary payroll arrangements can be made to enable the Transferring Supplier Employees to be paid as appropriate. Without prejudice to the generality of the foregoing, within 5 Working Days following the Service Transfer Date, the Supplier shall provide, and shall procure that each Sub-contractor shall provide, to the Authority or, at the direction of the Authority, to

any Replacement Supplier and/or any Replacement Sub-contractor (as appropriate), in respect of each person on the Supplier's Final Supplier Personnel List who is a Transferring Supplier Employee:

- (a) the most recent month's copy pay slip data;
- (b) details of cumulative pay for tax and pension purposes;
- (c) details of cumulative tax paid;
- (d) tax code;
- (e) details of any voluntary deductions from pay; and
- (f) bank/building society account details for payroll purposes.

## **2 EMPLOYMENT REGULATIONS EXIT PROVISIONS**

- 2.1 The Authority and the Supplier acknowledge that subsequent to the commencement of the provision of the Services, the identity of the provider of the Services (or any part of the Services) may change (whether as a result of termination or Partial Termination of this Agreement or otherwise) resulting in the Services being undertaken by a Replacement Supplier and/or a Replacement Sub-contractor. Such change in the identity of the supplier of such services may constitute a Relevant Transfer to which the Employment Regulations and/or the Acquired Rights Directive will apply. The Authority and the Supplier further agree that, as a result of the operation of the Employment Regulations, where a Relevant Transfer occurs, the contracts of employment between the Supplier and the Transferring Supplier Employees (except in relation to any contract terms disappplied through operation of regulation 10(2) of the Employment Regulations) will have effect on and from the Service Transfer Date as if originally made between the Replacement Supplier and/or a Replacement Sub-contractor (as the case may be) and each such Transferring Supplier Employee.
- 2.2 The Supplier shall, and shall procure that each Sub-contractor shall, comply with all its obligations in respect of the Transferring Supplier Employees arising under the Employment Regulations in respect of the period up to (and including) the Service Transfer Date and shall perform and discharge, and procure that each Sub-contractor shall perform and discharge, all its obligations in respect of all the Transferring Supplier Employees arising in respect of the period up to (and including) the Service Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions which in any case are attributable in whole or in part to the period ending on (and including) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between: (i) the Supplier and/or the Sub-contractor (as appropriate); and (ii) the Replacement Supplier and/or Replacement Sub-contractor.
- 2.3 Subject to Paragraph 2.4, the Supplier shall indemnify the Authority and/or the Replacement Supplier and/or any Replacement Sub-contractor against any Employee Liabilities in respect of any Transferring Supplier Employee (or, where

applicable any employee representative as defined in the Employment Regulations) arising from or as a result of:

- (a) any act or omission of the Supplier or any Sub-contractor whether occurring before, on or after the Service Transfer Date;
- (b) the breach or non-observance by the Supplier or any Sub-contractor occurring on or before the Service Transfer Date of:
  - (i) any collective agreement applicable to the Transferring Supplier Employees; and/or
  - (ii) any other custom or practice with a trade union or staff association in respect of any Transferring Supplier Employees which the Supplier or any Sub-contractor is contractually bound to honour;
- (c) any claim by any trade union or other body or person representing any Transferring Supplier Employees arising from or connected with any failure by the Supplier or a Sub-contractor to comply with any legal obligation to such trade union, body or person arising on or before the Service Transfer Date;
- (d) any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
  - (i) in relation to any Transferring Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on and before the Service Transfer Date; and
  - (ii) in relation to any employee who is not a Transferring Supplier Employee, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Supplier to the Authority and/or Replacement Supplier and/or any Replacement Sub-contractor, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on or before the Service Transfer Date;
- (e) a failure of the Supplier or any Sub-contractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Supplier Employees in respect of the period up to (and including) the Service Transfer Date);
- (f) any claim made by or in respect of any person employed or formerly employed by the Supplier or any Sub-contractor other than a Transferring Supplier Employee for whom it is alleged the Authority and/or the Replacement Supplier and/or any Replacement Sub-contractor may be liable by virtue of this Agreement and/or the Employment Regulations and/or the Acquired Rights Directive; and

- (g) any claim made by or in respect of a Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee relating to any act or omission of the Supplier or any Sub-contractor in relation to its obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the failure by the Authority and/or Replacement Supplier to comply with regulation 13(4) of the Employment Regulations.
- 2.4 The indemnities in Paragraph 2.3 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Replacement Supplier and/or any Replacement Sub-contractor whether occurring or having its origin before, on or after the Service Transfer Date, including any Employee Liabilities:
- (a) arising out of the resignation of any Transferring Supplier Employee before the Service Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Replacement Supplier and/or any Replacement Sub-contractor to occur in the period on or after the Service Transfer Date); or
  - (b) arising from the Replacement Supplier's failure, and/or Replacement Sub-contractor's failure, to comply with its obligations under the Employment Regulations.
- 2.5 If any person who is not a Transferring Supplier Employee claims, or it is determined in relation to any person who is not a Transferring Supplier Employee, that his/her contract of employment has been transferred from the Supplier or any Sub-contractor to the Replacement Supplier and/or Replacement Sub-contractor pursuant to the Employment Regulations or the Acquired Rights Directive, then:
- (a) the Authority shall procure that the Replacement Supplier shall, or any Replacement Sub-contractor shall, within 5 Working Days of becoming aware of that fact, give notice in writing to the Supplier; and
  - (b) the Supplier may offer (or may procure that a Sub-contractor may offer) employment to such person within 15 Working Days of the notification by the Replacement Supplier and/or any and/or Replacement Sub-contractor or take such other reasonable steps as it considers appropriate to deal with the matter provided always that such steps are in compliance with Law.
- 2.6 If such offer is accepted, or if the situation has otherwise been resolved by the Supplier or a Sub-contractor, the Authority shall procure that the Replacement Supplier shall, or procure that the Replacement Sub-contractor shall, immediately release or procure the release of the person from his/her employment or alleged employment.
- 2.7 If after the 15 Working Day period specified in Paragraph 2.5(b) has elapsed:
- (a) no such offer of employment has been made;
  - (b) such offer has been made but not accepted; or

- (c) the situation has not otherwise been resolved

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

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

- 2.9 The indemnity in Paragraph 2.8:

- (a) shall not apply to:

- (i) any claim for:

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

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

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

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

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

- 2.10 If any such person as is described in Paragraph 2.5 is neither re-employed by the Supplier or any Sub-contractor nor dismissed by the Replacement Supplier and/or Replacement Sub-contractor within the time scales set out in Paragraphs 2.5 to 2.7, such person shall be treated as a Transferring Supplier Employee and the Replacement Supplier and/or Replacement Sub-contractor shall comply with such obligations as may be imposed upon it under applicable Law.

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

contractor, shall promptly provide to the Supplier and each Sub-contractor in writing such information as is necessary to enable the Supplier and each Sub-contractor to carry out their respective duties under regulation 13 of the Employment Regulations.

- 2.12 Subject to Paragraph 2.13, the Authority shall procure that the Replacement Supplier indemnifies the Supplier on its own behalf and on behalf of any Replacement Sub-contractor and its sub-contractors against any Employee Liabilities in respect of each Transferring Supplier Employee (or, where applicable any employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee) arising from or as a result of:
- (a) any act or omission of the Replacement Supplier and/or Replacement Sub-contractor;
  - (b) the breach or non-observance by the Replacement Supplier and/or Replacement Sub-contractor on or after the Service Transfer Date of:
    - (i) any collective agreement applicable to the Transferring Supplier Employees; and/or
    - (ii) any custom or practice in respect of any Transferring Supplier Employees which the Replacement Supplier and/or Replacement Sub-contractor is contractually bound to honour;
  - (c) any claim by any trade union or other body or person representing any Transferring Supplier Employees arising from or connected with any failure by the Replacement Supplier and/or Replacement Sub-contractor to comply with any legal obligation to such trade union, body or person arising on or after the Relevant Transfer Date;
  - (d) any proposal by the Replacement Supplier and/or Replacement Sub-contractor to change the terms and conditions of employment or working conditions of any Transferring Supplier Employees on or after their transfer to the Replacement Supplier or Replacement Sub-contractor (as the case may be) on the Relevant Transfer Date, or to change the terms and conditions of employment or working conditions of any person who would have been a Transferring Supplier Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Relevant Transfer Date as a result of or for a reason connected to such proposed changes;
  - (e) any statement communicated to or action undertaken by the Replacement Supplier or Replacement Sub-contractor to, or in respect of, any Transferring Supplier Employee on or before the Relevant Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Supplier in writing;
  - (f) any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions;

- (i) in relation to any Transferring Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising after the Service Transfer Date; and
    - (ii) in relation to any employee who is not a Transferring Supplier Employee, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Supplier or Sub-contractor, to the Replacement Supplier or Replacement Sub-contractor to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising after the Service Transfer Date;
  - (g) a failure of the Replacement Supplier or Replacement Sub-contractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Supplier Employees in respect of the period from (and including) the Service Transfer Date; and
  - (h) any claim made by or in respect of a Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee relating to any act or omission of the Replacement Supplier or Replacement Sub-contractor in relation to obligations under regulation 13 of the Employment Regulations.
- 2.13 The indemnities in Paragraph 2.12 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Supplier and/or any Sub-contractor (as applicable) whether occurring or having its origin before, on or after the Relevant Transfer Date, including any Employee Liabilities arising from the failure by the Supplier and/or any Sub-contractor (as applicable) to comply with its obligations under the Employment Regulations.



**PART E**  
**PENSION EXIT PROVISIONS**

1.1 The Supplier shall procure that on the earliest of:

- (a) receipt of a notification from the Authority of a Service Transfer or intended Service Transfer;
- (b) receipt of the giving of notice of early termination or any Partial Termination of this Agreement;
- (c) the date which is 12 months before the end of the Term; and

no change is made to pension, retirement and death benefits provided for or in respect of any Transferring Authority Employee or Transferring Supplier Employee or Transferring Former Supplier Employee who will transfer on the Transferring Date and no category of earnings which were not previously pensionable are made pensionable and the contributions (if any) payable by such employees are not reduced without (in any case) the prior written approval of the Authority (such approval not to be unreasonably withheld). Save that this Paragraph 1.1 shall not apply to any change made as a consequence of participation in the Scheme in accordance with the Admission Agreement.

1.2 The Supplier shall:

- (a) maintain such documents and information as will be reasonably required to manage the pension aspects of any onward transfer of any person engaged or employed by the Supplier in the provision of the Services on the expiry or termination of this Agreement;
- (b) promptly provide to the Authority such documents and information relating to the pension benefits and entitlements of any person engaged or employed by the Supplier in the provision of the Services on the expiry or termination of this Agreement which the Authority may reasonably request at any time;
- (c) promptly and fully co-operate with the reasonable requests of the Authority relating to any administrative tasks necessary to deal with the pension aspects of any onward transfer of any person engaged or employed by the Supplier in the provision of the Services. Any such requests made by the Authority shall be made in writing and can be made at any time during the Agreement. Where there is no agreement to the contrary, the Supplier shall provide the information within twenty eight (28) days of the request; and
- (d) ensure that all pension and life assurance contributions and premiums due to be paid on behalf of any person engaged or employed by the Supplier in the provision of the Services who is to be subject to an onward transfer on the Relevant Transfer Date have been paid in full at that date.

1.3 The Supplier shall procure that any Sub-Contractor complies with and discharges the obligations imposed on the Supplier in this Schedule 9.1 as if those obligations applied directly to that Sub-Contractor.

- 1.4 The Supplier shall procure that the trustees of any pension arrangement in which any Transferring Authority Employees or Transferring Supplier Employees or Transferring Former Supplier Employees have accrued benefits as a consequence of being engaged or employed by the Supplier in the provision of the Services will provide all assistance which the Authority may reasonably require to deal with the pension aspects of any onward transfer of any such employees.

**PART F**

The Authority confirms that it shall comply (and shall procure compliance by the "Contractor" (as defined in the MSA Transition Agreement)) with the obligations in clause 6.12 of the MSA Transition Agreement and with the following obligations as set out below in the attached Schedule N to the MSA Transition Agreement (which the Authority confirms has been agreed between the Contractor and the Authority pursuant to clause 6.12.1 of the MSA Transition Agreement).

For the purposes of Schedule N below, reference to the "Agreement" in Schedule N is to the MSA Transition Agreement.

## SCHEDULE N (TO THE MSA TRANSITION AGREEMENT)

### BULK TRANSFER TERMS

In this Schedule N, unless the context otherwise requires, the following expressions have the meanings set out below. Definitions set out in Clause 1 of the Agreement and in Schedule 17 of the Agreement and in Schedule O also apply to this Schedule N unless the same term is expressly defined herein.

<b>"Atos 2011 Scheme"</b>	means the Atos UK 2011 Pension Scheme established by a trust deed dated 30 June 2011;
<b>"Atos CS Scheme"</b>	means the Atos CS Scheme established by a trust deed dated 31 October 1994;
<b>"2011 AVC Transfer Value"</b>	means the amount available as a transfer value from the Atos 2011 Scheme in respect of the invested additional voluntary contributions made by Consenting Fair Deal Employees to the Atos 2011 Scheme towards securing Money Purchase Benefits thereunder;
<b>"CS AVC Transfer Value"</b>	means the amount available as a transfer value from the Atos CS Scheme in respect of the invested additional voluntary contributions made by Consenting Fair Deal Employees to the Atos CS Scheme towards securing Money Purchase Benefits thereunder;
<b>"Contractor's Actuary"</b>	means the Actuary appointed by the Contractor;
<b>"Contractor 2011 Bulk Transfer Terms"</b>	means the bulk transfer terms issued by the Contractor's Actuary (as set out in Appendix 2 of the document dated 6 <sup>th</sup> February 2015 in respect of the Atos 2011 Scheme a copy of which is included in Sub-Schedule 1) which specify actuarial methods and assumptions for calculating the Transfer Values from the Atos 2011 Scheme and which have been accepted by the Authority after taking appropriate advice;
<b>"Contractor CS Bulk Transfer Terms"</b>	means the bulk transfer terms issued by the Contractor's Actuary (as set out in Appendix 1 of the document dated 6 <sup>th</sup> February 2015 in respect of the Atos CS Scheme a copy of which is included in Sub-Schedule 1) which specify actuarial methods and assumptions for calculating the Transfer Values from the Atos CS Scheme and which have been accepted by the Authority after taking appropriate advice;
<b>"Contractor 2011 Bulk Transfer Value"</b>	means the value of the retirement and death benefits under the Atos 2011 Scheme (including AVCs based on added years of Reckonable Service deemed to have accrued and to have been secured by the additional voluntary contributions made by Consenting Fair Deal Employees) based on Reckonable Service up to the day immediately prior to the Relevant Transfer Date, which are prospectively and contingently payable to and in respect of the Consenting Fair Deal Employees (but excluding any benefits which may be payable wholly as a result of injury under the Atos 2011 Scheme and any Money Purchase Benefits) as calculated by the Atos 2011 Scheme Actuary in accordance with the actuarial methods and assumptions set out in the Contractor 2011 Bulk Transfer Terms and, for the avoidance of doubt a separate transfer value will be calculated in respect of each group of Consenting Fair Deal Employees if more than

one sub-group transfers on more than one date;

**"Contractor CS Bulk Transfer Value"**

means the value of the retirement and death benefits under the Atos CS Scheme (including AVCs based on added years of Reckonable Service deemed to have accrued and to have been secured by the additional voluntary contributions made by Consenting Fair Deal Employees) based on Reckonable Service up to the day immediately prior to the Relevant Transfer Date, which are prospectively and contingently payable to and in respect of the Consenting Fair Deal Employees (but excluding any benefits which may be payable wholly as a result of injury under the Atos CS Scheme and any Money Purchase Benefits) as calculated by the Atos CS Scheme Actuary in accordance with the actuarial methods and assumptions set out in the Contractor CS Bulk Transfer Terms and, for the avoidance of doubt a separate transfer value will be calculated in respect of each group of Consenting Fair Deal Employees if more than one sub-group transfers on more than one date;

**"Contractor 2011 Bulk Transfer Amount"**

means the amount equal to the Contractor 2011 Bulk Transfer Value adjusted to the date of payment in accordance with the Timing Adjustment.

**"Contractor CS Bulk Transfer Amount"**

means the amount equal to the Contractor CS Bulk Transfer Value adjusted to the date of payment in accordance with the Timing Adjustment.

**"Money Purchase Benefits"**

means money purchase benefits as defined in Section 181 of the Pension Schemes Act 1993;

**"PCSPS AVC Scheme"**

means the scheme known as The Civil Service Additional Voluntary Contribution Scheme operated through the Schemes. A reference to the PCSPS AVC Scheme shall where appropriate, include a reference to the administrators thereof;

**"Reckonable Service"**

means reckonable or pensionable service (as appropriate) under the Atos 2011 Scheme or Atos CS Scheme (as appropriate) within the meaning of the Rules of the respective schemes up to the date immediately prior to the Relevant Transfer Date;

**"Schemes Shortfall"**

means an amount determined on such basis as is agreed between the Authority and appropriate representatives of the Schemes as representing the difference in monetary value between the Total Transfer Amount and the amount calculated by the Schemes Actuary as being necessary to fund the benefits to be provided under the Schemes for the Consenting Fair Deal Employees following the Transfer as at the day immediately prior to the Relevant Transfer Date;

**"Timing Adjustment"**

has the meaning given to it in the relevant Appendix of Sub-Schedule 1 as appropriate in each context in which it is used;

**"Total Transfer Amount"**

means the total in aggregate of the Contractor 2011 Bulk Transfer Amount and the Contractor CS Bulk Transfer Amount (as adjusted by paragraph 5.2, if applicable);

**"Transfer Value Date"**

means the date following 30 days after the date on which the Contractor 2011 Bulk Transfer Value and the Contractor CS Bulk Transfer Value are determined and verified;

**1. SCHEDULE O**

The provisions of Schedule O shall apply except for:-

- 1.1 where any provision of Schedule O is expressly disapplied by this Schedule N; and
- 1.2 where there is any conflict between the provisions of Schedule O and this Schedule N, in which case the relevant provisions of this Schedule N shall apply in place of the corresponding provisions of Schedule O.

**2. REQUIREMENTS OF CONTRACTOR SCHEMES**

- 2.1 The Contractor shall procure that, by no later than the Relevant Transfer Date the CONTRACTOR Schemes:-

- 2.1.1 each contain a provision enabling them to make transfer payments to the Schemes and the PCSPS AVC Scheme; and

- 2.1.2 for the purpose of determining whether a Fair Deal Employee is entitled to benefits (including any enhancement of service on ill-health retirement or death benefits) under the CONTRACTOR Schemes, they take periods of employment with the Authority and the Contractor into account as a single unbroken period.

- 2.2 The Contractor shall procure that such documents, information and other evidence as the Authority may reasonably require from time to time and at any time to enable it to be satisfied that the Contractor and the CONTRACTOR Schemes comply and continue to comply with the requirements of this paragraph 2 relating to Fair Deal Employees are submitted to the Authority as soon as is practicable.

**3. MEMBERSHIP OF SCHEMES**

The Authority shall use best endeavours to procure that:-

- 3.1 all Fair Deal Employees shall be admitted automatically to membership of the relevant section of the Schemes on the Retender Cutover Date);
- 3.2 membership of the Schemes for Fair Deal Employees shall not be conditional on such Fair Deal Employees agreeing to payment of any transfer value from the CONTRACTOR Schemes in respect of them.

**4. CALCULATION OF TOTAL TRANSFER AMOUNT**

- 4.1 Paragraphs 3.1 to 3.3 of Schedule O shall not apply.

- 4.2 Within 90 days of the expiry of the request period pursuant to paragraph 2.1.2 of Schedule O, the Contractor shall procure that:-

- 4.2.1 the Atos 2011 Scheme's Actuary determines the Contractor 2011 Bulk Transfer Value and notifies the Contractor, the Schemes Actuary and the Authority of the value;

- 4.2.2 the Atos CS Scheme's Actuary determines the Contractor CS Bulk Transfer Value and notifies the Contractor, the Schemes Actuary and the Authority of the value;

- 4.3 Within 90 days after the notifications referred to in paragraph 4.2 the Contractor and the Authority shall procure that the respective Atos 2011 Scheme Actuary, the Atos CS Scheme Actuary and the Schemes Actuary verify the values of the Contractor 2011 Bulk Transfer Value, the Contractor CS Bulk Transfer Value and the Total Transfer Amount.

**5. PAYMENT OF TOTAL TRANSFER AMOUNT**

- 5.1 Paragraph 5.1 of Schedule O shall not apply.
- 5.2 The Contractor shall procure that on the Transfer Value Date, there is paid an amount in total equal in value to the Total Transfer Amount with such parts of the Total Transfer Amount as are paid:-
- 5.2.1 by the CONTRACTOR Schemes being paid to the Schemes in cash (or with the consent of an appropriate representative of the Schemes, in specie); and
- 5.2.2 by the Contractor being paid to the Authority on behalf of the Schemes in cash.
- 5.3 The proportions of the Total Transfer Amount being paid under paragraphs 5.2.1 and 5.2.2 respectively shall be decided between the Contractor and the trustees of the Contractor Schemes and shall be notified in writing to the Authority 5 Working Days in advance of payment.
- 5.4 If consent to an in specie transfer under paragraph 5.2.1 is refused, an adjustment to the Total Transfer Amount to account for the cost of liquidating assets in the Contractors' Schemes may be made on a basis agreed between the Contractor and the Schemes Actuary.
- 5.5 The Authority shall, as soon as reasonably practicable following receipt by it of cleared funds under paragraph 5.2.2 above, pay an amount in cash equal to the amount received under paragraph 5.2.2 above to the Schemes.
- 5.6 The Authority shall be responsible for paying to the Schemes an amount in cash equal to the Schemes Shortfall.
- 5.7 The Authority shall use best endeavours to procure that the Schemes promptly accept the Total Transfer Amount.
- 5.8 The Authority shall use best endeavours to procure that, subject to receipt of the Total Transfer Amount and the Schemes Shortfall by the Schemes:-
- 5.8.1 each of the Consenting Fair Deal Employees is awarded a credit of day for day equivalent pensionable service in the Schemes or such actuarially equivalent service credits as the Schemes Actuary has determined and agreed with the Authority, and
- 5.8.2 for the purpose of calculating benefits for and in respect of the Consenting Fair Deal Employees under the Schemes, the pensionable service so credited and the pensionable service which each of the Consenting Fair Deal Employees accrues in the Schemes from the Relevant Transfer Date are treated in the Schemes as a single unbroken period.
- 5.9 The Contractor shall procure that on or before the Transfer Value Date:
- 5.9.1 the Atos 2011 Scheme shall pay or transfer to the PCSPS AVC Scheme an amount in cash equal to the 2011 AVC Transfer Value; and
- 5.9.2 the Atos CS Scheme shall pay or transfer to the PCSPS AVC Scheme an amount in cash equal to the CS AVC Transfer Value.
- 5.10 The Authority shall use best endeavours to procure that:-

- 5.10.1 the PCSPS AVC Scheme promptly accepts the 2011 AVC Transfer Value and the CS AVC Transfer Value; and
  - 5.10.2 subject to receipt of the 2011 AVC Transfer Value and the CS AVC Transfer Value by the PCSPS AVC Scheme, each Consenting Fair Deal Employee is awarded Money Purchase Benefits in the PCSPS AVC Scheme (additional to the benefits to be provided in respect of the Transfer Value) of such amount as is equal in value to the amount of the 2011 AVC Transfer Value and the CS AVC Transfer Value attributable to the Consenting Fair Deal Employee in question.
- 5.11 In the event that any or all of the Fair Deal Employees do not elect to transfer their benefits pursuant to paragraph 2 of Schedule O such Fair Deal Employees shall be offered preserved benefits in the relevant Contractor's Scheme on the terms set out in the relevant Scheme's governing documentation as at the Relevant Transfer Date.



**SUB-SCHEDULE 1**

**BULK TRANSFER TERMS IN RESPECT OF THE ATOS CS SCHEME AND THE ATOS  
2011 SCHEME ISSUED BY THE CONTRACTOR'S ACTUARY**

[EMBEDDED DOCUMENT REMOVED]

**SUB-SCHEDULE 2**

**LIST OF EMPLOYEES WHO ARE FAIR DEAL EMPLOYEES**

[REDACTED]