Recital A Crown Commercial Service

Call Off Order Form and Call Off Terms for Goods and/or Services

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FRAMEWORK SCHEDULE 4

CALL OFF ORDER FORM AND CALL OFF TERMS

PART 1 – CALL OFF ORDER FORM

SECTION A

This Call Off Order Form is issued in accordance with the provisions of the Framework Agreement for the provision of Contact Centre Services Package A**,** dated 5th June 2018**.**

The Supplier agrees to supply the Goods and/or Services specified below on and subject to the terms of this Call Off Contract.

For the avoidance of doubt this Call Off Contract consists of the terms set out in this Call Off Order Form and the Call Off Terms.

Order Number	**ItT_21216**
From	{Redacted} **The Department for Work and Pensions** **("CUSTOMER")**
To	**G4S Government and Outsourcing Services (UK) Limited** **("SUPPLIER")**

SECTION B

1. **CALL OFF CONTRACT PERIOD**

1.1.	**Call Off Commencement Date**: **1st August 2018, subject to the commencement date being the date the first service commences.**
1.2.	**Expiry Date**: End date of Call Off Initial Period: **31st July 2021,** ***subject to the Call Off commencement date at 1.1 above.*** End date of Call Off Extension Period: **31st July 2022,** ***subject to the Call Off commencement date at 1.1 above and any such customer requirement to extend the Call Off Contract*****.** Minimum written notice to Supplier in respect of extension: Three (3) months

2. **GOODS AND/OR SERVICES**

2.1	**Goods and/or Services required**: In Call Off Schedule 2 (Goods and/or Services)

3. IMPLEMENTATION PLAN

3.1. **Implementation Plan**:

The Supplier shall provide the Customer with a draft Implementation Plan for Approval within 10 Working Days from the Call Off award date.

The implementation plan shall be included in Call Off Schedule 4:

2. IMPLEMENTATION PLAN

2.1 The draft Implementation Plan is set out at Schedule 2 Annex 1.

2.2 The Milestones will be agreed as part of the implementation and transition planning process between the Customer and the Supplier. They will be agreed and locked down at each iteration of the Plan. The milestones will be detailed as outlined Table 1. Part 2 Call-Off terms 6.1 refers.

2.3 The Customer proposes that Delay Payments, as aligned to relevant Milestones and yet to be agreed between the Customer and Supplier as part of the Implementation Plan, shall apply as follows:

2.3.1 For each day of delay a daily sum of £500 shall be incurred as a liability of the Supplier until such time that the relevant key Milestone is Achieved. For the avoidance of doubt Milestone payments are not used in the Call Off order.

2.3.2 Amounts incurred by the Supplier by way of Delay Payments shall be set off against sums due to the Supplier in accordance with the provisions of clause 23.3.1 (Retention and Set Off).

Milestone	Deliverables	Duration	Milestone Date	Customer Responsibilities	Delay Payments
1 2 3 4					

4. CONTRACT PERFORMANCE

4.1. **Standards**:

	As per Statement of Requirements and terms and conditions Schedule 7.
4.2	**Service Levels/Service Credits**: **Part A and** Annex 1 of Call Off Schedule 6 (Service Levels, Service Credits and Performance Monitoring). **Service Credit Cap** (Call Off Schedule 1 (Definitions)): For the purpose of the definition of Service Credit Cap in Call Off Schedule 1 (Definitions), the applicable percentage of the Estimated Year 1 Call Off Contract Charges and subsequent contract years Call Off Contract Charges shall be 20%. **Customer periodic reviews of Service Levels** (Clause 13.7.1 of the Call Off Terms): For the purpose of clause 13.7.1 the total number of Service Level Performance Criteria for which the weighting is to be changed should not exceed eight (8).
4.3	**Critical Service Level Failure**: In relation to the Percentage Calls Answered (PCA) Service Level Performance Criteria a Critical Service Level Failure shall occur when the PCA performance is assessed at below 80% (PCA), across one or more service lines, for a consecutive period of twelve (12) weeks or three (3) separate instances occur of four (4) weeks or longer in a twelve (12) month rolling period.
4.4	**Performance Monitoring:** In Part B of Call Off Schedule 6 (Service Levels, Service Credits and Performance Monitoring)
4.5	**Period for providing Rectification Plan:** The period of ten (10) Working Days in Clause 38.2.1(a) shall be amended to two (2)

5. PERSONNEL

5.1	**Key Personnel**: {Redacted}
5.2	**Relevant Convictions** (Clause 27.2 of the Call Off Terms): Clause 27.2 et seq of the Call Off Terms applies.

6. PAYMENT

6.1	**Call Off Contract Charges** (including any applicable discount(s), but excluding VAT): In Annex 1 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing) Add to Call Off Schedule 3 paragraph 8; 8.1.8 In the Suppliers financial bid the proposed financial charging recovers amortised liabilities within the first two years, subject to volume. The initial Banded Rate will be based on Column F (Cells F79 – F81) of the financial bid. Once the amortised liabilities have been recovered, subject to volume, the banded rate reverts to Column I (Cells 79 - 81), subject to no other changes that impacts the Banded Rate. 8.1.9 Where the existing Banded Rates (floor or ceiling) are exceeded by 15% the Banded Rate will be reviewed at the time 15% tolerance is exceed i.e. as part of the monthly review. The initial Banded

Rates have been determined as part of the tender information. The intention is not to review the Banded Rates for short term peaks or troughs even if these would amend the Banded Rate or would do if such a rate had been applied, but where sustained volumes changes are assessed e.g. business volume forecast changes, service scope changes then the Customer and Supplier (both acting reasonably at all times) will determine and agree a new applicable Banded Rate. There is a possibility that in consideration of any volume changes the same Banded Rate may apply even though the banded volume changes. This will be considered by the Customer and Supplier taking into account all available information e.g. volume, AHT, complexity, projected Supplier costs and margins. If the Customer and the Supplier are unable to agree changes to the applicable Banded Rates within 15 days of such review then either party may pursue resolution pursuant to Schedule 11 or options therein.

	Band A Floor	Band C Ceiling
Existing Banded Rate	1,300,000	1,400,001
15% Tolerance Trigger	1,105,000	1,610,001

8.1.10 The application of Banded Rate changes shall be adjusted automatically in suppliers invoicing where the volume for that months charges are applied at the Banded Rate. The Banded Rate applied for the whole volume for the month will be at whatever Banded Rate is applicable for the total volume.

8.1.11 Where the Customer dictates that a review in the reduction of charges should be considered taking all relevant factors into account and that paragraph 9 of this Call Off Schedule 3 and/or paragraph 9.2 of this Call Off Schedule 3 would delay any such reduction.

8.1.12 On the basis that costs, services and volume may change during the lifetime of the contract, or agreed extension, where the change creates particular issues the Supplier and Customer will review in good faith how this impacts the Supplier's service and financial model and in respect of any financial hardship this may cause the supplier, notwithstanding all other available options to the Supplier to mitigate the issue.

8.1.13 Where the Variation procedure is used in accordance with clause 22.1 of this Call Off order amends the charges due to the adoption of an additional service line this may require some adjustment to the requirements and charging under the contract. This is not intended to change the overall nature of the contract; Any agreed charging will consider Price Per Activity Minute (PpAM) under consideration of the contract charging methodology (Banded Rate) or as a separate charging mechanism based on the requirements and agreed Supplier rate.

8.1.14 Call Volume (PpAM) to be paid on the higher of actual volume or 95% of forecast volume in the first twelve (12) months of the contract (this being when Services commence) and the higher of actual volume or 90% of forecast volume for each subsequent year, applies to each service line individually. If the optional twelve (12) month extension is applied the charging rate shall be reviewed with an intention to reduce the rate of forecast volume x applicable percentage in operation at that time.

Added at Schedule 3 Annex 1:

	Overarching principles; 1. Overarching principles 1.1 The Suppliers financial model as part of the bid submitted recovers set up, implementation, live running and resource liabilities under the principles of the Price per Activity Minute (PpAM) and Banded Rate recovery methodology, notwithstanding any future changes to the cost recovery methodology 1.2 TUPE, Exit Management and Decommissioning liabilities will be paid as they are incurred, after validation of an invoice submitted by the Supplier to the Customer has been carried out. These liabilities will be paid at the lower of the actual value of costs incurred and the capped maximum for each cost type as set out in the Supplier's pricing model, as part of the bid submitted 1.3 For the avoidance of doubt Call Off Schedule 3 paragraph 11, Indexation is not applicable.
6.2	**Payment terms/profile** (including method of payment e.g. Government Procurement Card (GPC) or BACS): In Annex 2 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)
6.3	**Reimbursable Expenses**: Not permitted
6.4	Customer billing address (paragraph 7.6 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)): The Customer shall issue a purchase order to the Supplier prior to commencement of the Service. All invoices payable in compliance with the requirements of Schedule 3 must include the appropriate purchase order number shall be sent to the following address; {Redacted} The following information is required independently from the Supplier before a claim is submitted for payment by the Customer. a) Fully itemised invoices supported by relevant Management Information (MI) and shall be sent to the following person; {Redacted} An electronic copy of the invoice must also be sent via email to {Redacted} All unstructured e-invoices sent via email will also need to adhere to the following guidelines to ensure processing of your invoice; All files/invoices must be in pdf format; One pdf per invoice – All supporting documentation must be included within this pdf; Do not attach additional/separate supporting documentation as a separate file; Multiple invoices can be attached to one email but each invoice must be in a separate pdf (and no additional supporting files).
6.5	**Call Off Contract Charges fixed for** (paragraph 8.2 of Schedule 3 (Call Off Contract Charges, Payment and Invoicing)):

	Three Call Off Contract Years from the Call Off Commencement Date. Paragraph 8.2 of Schedule 3 shall be amended to; 8.2 Subject to paragraphs 8.1.1 to 8.1.5 and 8.1.8 to 8.1.14 of this Call Off Schedule 3, the Call Off Contract Charges will remain fixed for the number of Contract Years specified in the Call Off Order Form. Add to paragraph 12 of this Call Off Schedule 3; 12.1.8 Where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.8 of this Call Off Schedule 3. 12.1.9 Where an adjustment of the Banded Rate is required as the floor/ceiling tolerance of 15% has been exceeded the Banded Rate will be amended by way of variation. Where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.9 of this Call Off Schedule 3. 12.1.10 For the avoidance of doubt no variation is required to adjust the Banded Rate where the monthly volume falls within the Banded Rate table. Where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.10 of this Call Off Schedule 3 12.1.11 On the date agreed where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.11 of this Call Off Schedule 3 12.1.12 Where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.12 of this Call Off Schedule 3 12:1.13 Where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.13 of this Call Off Schedule 3 12.1.14 Subject to Schedule 3 Annex 1 Overarching principles clause 1.1 and 1.2 - TUPE, Exit Management and Decommissioning liabilities will be paid as they are incurred, after validation of an invoice submitted by the Supplier to the Customer has been carried out. These liabilities will be paid at the lower of the actual value of costs incurred and the capped maximum for each cost type as set out in the Supplier's pricing model, as part of the bid submitted. 12.1.15 Where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.14 of this Call Off Schedule 3. 12.1.16 Parties shall amend the Call Off Contract Charges shown in Annex 1 to this Call Off Schedule 3 to reflect such variations as agreed under Call Off Schedule 3.
6.6	**Supplier periodic assessment of Call Off Contract Charges** (paragraph 9.2 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)) will be carried out on: **Six (6) months** of each Call Off Contract Year during the Call off Contract Period.
6.7	**Supplier request for increase in the Call Off Contract Charges** (paragraph 10 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)): Permitted within the parameters of additional clause 10.2

7. LIABILITY AND INSURANCE

7.1	**Estimated Year 1 Call Off Contract Charges**:

	The sum of {Redacted} (excludes TUPE)
7.2	**Supplier's limitation of Liability** (In Clause 36.2.1 (b) (i) to (iv) of the Call Off Terms); The wording *"ten million pounds (£10,000,000) or a sum equal to one hundred and fifty per cent (150%)"* in Clause 36.2.1(b)(i) shall be amended to **£5,000,000** The wording *"ten million pounds (£10,000,000) in each such Call Off Contract Year or a sum equal to one hundred and fifty percent (150%)"* in Clause 36.2.1(b)(ii) shall be amended to **£5,000,000** The wording *"ten million pounds (£10,000,000) in each such Call Off Contract Year or a sum equal to one hundred and fifty percent (150%)"* in Clause 36.2.1(b)(iii) shall be amended to **£5,000,000** Clause 36.2.1 (b) (iv) shall apply.
7.3	**Insurance** (Clause 37.3 of the Call Off Terms): Employers' Liability Insurance with a value of £5 million.

8. TERMINATION AND EXIT

8.1	**Termination on material Default** (Clause 41.2.1(c) of the Call Off Terms)): In Clause 41.2.1(c) of the Call Off Schedule the percentage of "80%" in clause 41.2.1(c) shall be amended to 30%.
8.2	**Termination without cause notice period** (Clause 41.7.1 of the Call Off Terms): The period of three (3) months in Clause 41.7.1 shall be amended to twelve (12) months.
8.3	**Undisputed Sums Limit** Clause 42.1.1 of the Call Off Terms shall be amended to read " The Supplier may, by issuing a Termination Notice to the Customer, terminate this Call Off Contract if the Customer fails to pay an undisputed sum due to the Supplier under this Call Off Contract which in aggregate exceeds an amount equal to three month's average Call Off Contract Charges.
8.4	**Exit Management:** Call Off Schedule 9 (Exit Management) shall be amended by adding the following clauses: 13.1 The Termination Services to be provided by the Supplier shall be specified by the Customer in the Termination Assistance Notice and may include (but are not limited to) the following services: 13.2 notifying the Sub-contractors of procedures to be followed during the Termination Assistance Period and providing management to ensure these procedures are followed; 13.3 providing assistance and expertise as necessary to examine all operational and business processes (including all supporting documentation) in place and re-writing and implementing processes and procedures such that they are appropriate for use by the Customer and/or Replacement Supplier after the end of the Termination Assistance Period; 13.4 delivering to the Customer the existing systems support profiles, monitoring or system logs, problem tracking/resolution documentation and status reports all relating to the 12 month period immediately prior to the commencement of the Termination Services);

	13.5 providing details of work volumes and staffing requirements over the 12 month period immediately prior to the commencement of the Termination Services; 13.6 with respect to work in progress as at the end of the Termination Assistance Period, documenting the current status (including plans, risks, issues and current progress) and stabilising such work in progress for continuity during transition; 13.7 providing the Customer with any problem logs which have not previously been provided, including any unresolved incidents and known errors which are likely to remain unresolved at the end of the Termination Assistance Period; 13.8 providing assistance and expertise as necessary to examine all governance and reports in place for the provision of the Services providing assistance and expertise as necessary to examine all relevant roles and responsibilities in place for the provision of the Services and re-writing and implementing these such that they are appropriate for the continuation of the Services after the Termination Assistance Period; 13.9 making available to the Customer and/or the Replacement Supplier expertise to analyse training requirements and provide all necessary training for the use of tools by such staff as are nominated by the Customer (acting reasonably) at the time of termination or expiry. A documented plan is to be separately provided for this activity and agreed with the Customer at the time of termination or expiry; 13.10 analysing and providing information about capacity and performance requirements, processor requirements and bandwidth requirements, and known planned requirements for capacity growth across these areas; 13.11 analysing and providing information on data analysis which aids the Customer in improving the service 13.12 generating a computer listing of the Source Code of all items of Specially Written Software held in escrow in a form and on media reasonably requested by the Customer; 13.13 assisting in the execution of a parallel operation until the effective date of expiry or termination of this Call Off Contract; 13.14 answering all reasonable questions from the Customer and/or its potential Replacement Supplier/s regarding the Services; the provision of access to the Customer and/or the Replacement Supplier/s during the Termination Assistance Period and for a period not exceeding six months afterwards for the purpose of the smooth transfer of the Services to the Customer and/or the Replacement Supplier: 13.15 to information and documentation relating to the transferring Services that is in the possession or control of the Supplier or its Sub-contractors (and the Supplier agrees and shall procure that its Sub-contractors do not destroy or dispose of that information within this period) including the right to take reasonable copies of that material; 13.16 following reasonable notice and during the Supplier's normal business hours, access to members of the Supplier Personnel who have been involved in the provision or management of the Services and who are still employed or engaged by the Supplier or its Sub-contractors;

14 Disputes Relating to Termination Services

14.1 Where there is any dispute between the parties regarding the manner in which the Termination Services are to be performed; such dispute shall be resolved in accordance with the Dispute Resolution Procedure.

15 KNOWLEDGE TRANSFER AND WORK SHADOWING

During the Termination Assistance Period, the Supplier will:

15.1 transfer all training material and provide appropriate training to those Customer and/or Replacement Supplier staff responsible for internal training in connection with the provision of the Services;

15.2 provide for transfer to the Customer and/or the Replacement Supplier of all knowledge reasonably required for the provision of the Services which may, as appropriate, include information, records and documents; and

15.3 provide the Supplier and/or Replacement Supplier with access to such members of the Supplier or its Sub-contractors' personnel in accordance with 15.4 below.

15.4 to facilitate the transfer of knowledge from the Supplier to the Customer and/or its Replacement Supplier, the Supplier shall provide a detailed explanation of the procedures and operations used to provide the Services, the change management process and other standards and procedures to the operations personnel of the Customer and/or the Replacement Supplier.

15.5 the information which the Supplier shall provide to the Customer and/or its Replacement Supplier pursuant to paragraph 5.1 above will include copies of up-to-date procedures and operations manuals;

15.6 during the Termination Assistance Period the Supplier shall grant any agent or personnel (including employees, consultants and Suppliers) of the potential Replacement Supplier and/or the Customer access, during business hours and upon reasonable prior written notice, to any Sites for the purpose of effecting a prompt knowledge transfer provided that any such agent or personnel (including employees, consultants and Suppliers) having access to any Sites under this paragraph shall:

15.7.1 sign a confidentiality undertaking in favour of the Supplier (in such form as the Supplier shall reasonably require);

15.7.2 comply with the Supplier’s reasonable health and safety policies and site rules communicated to them; and

15.7.3 not interfere with or disrupt the provision of the Services by the Supplier.

15.8 Subject to paragraph the above, during the Termination Assistance Period the Supplier shall allow the Customer personnel and/or the potential Replacement Supplier's personnel to shadow the Supplier Personnel to:

15.8.1 observe the performance of the relevant live Services and prepare for their transition;

15.8.2 facilitate knowledge and skills transfer; and

	15..8.3 Enable the Customer and/or the potential Replacement Suppliers to participate in decisions that affect the Services and/or the Replacement Services, provided such shadowing does not cause disruption to the Supplier's day to day activities. 15.9 the Supplier shall make available such numbers of suitably experienced and skilled personnel (including Key Personnel) to the Customer and/or the Replacement Supplier during the execution of the parallel operation referred to in paragraph 13.13 (above) as is necessary to achieve the relevant knowledge and skills transfer. 15.10 following appointment of any Replacement Supplier, the Customer shall be entitled to bring the Replacement Supplier to any meetings relating to the Services, provided that the Supplier may request that the Replacement Supplier be excluded from discussions relating to commercial issues which are sensitive to the Supplier's business and which are not relevant to the provision of the Replacement Services (including discussion of any proprietary processes or information considered confidential by the Supplier).

9. SUPPLIER INFORMATION

9.1	**Supplier's inspection of Sites, Customer Property and Customer Assets:** Not applicable
9.2	**Commercially Sensitive Information**: Discussions will continue during the implementation period subject to clause 34.4

10. OTHER CALL OFF REQUIREMENTS

10.1	**Recitals** (in preamble to the Call Off Terms): Recitals B to E - shall apply Recital C - date of issue of the Statement of Requirements v27: **12.02.2018** Recital D - date of receipt of Call Off Tender: **05.03.2018** and subsequent revisions**.** *Recital E – On the basis of the Call Off Tender, the Customer selected the Supplier to provide the Goods and/or Services to the Customer in accordance with the terms of this Call Off Contract.*
10.2	**Call Off Guarantee (Clause 4 of the Call Off Terms):** This Call Off Contract is subject to a Call Off Guarantee from {Redacted} which the Supplier must procure and deliver to the Customer by 21 June 2018.
10.3	**Security**: Security requirements shall apply in accordance with paragraphs 1 – 8 of this Call Off Schedule 7; and Security Policy as stated in Schedule 7, Annex 1; or versions as updated from time to time. • The Security Policy consists of: • DWP Security Policies and Standards • Information Security Policy • Acceptable Use Policy

	• Physical Security Policy • Baseline Personnel Security Standard for DWP contractors • Data Security training and awareness slide pack for DWP Suppliers • Data protection and security Information Bulletin Available at https://www.gov.uk/government/publications/data-protection-and-security-of-information-supplying-to-dwp
10.4	**ICT Policy:** In Call Off Schedule 7 (Security)
10.5	**Testing**: In Call Off Schedule 5 (Testing)
10.6	**Business Continuity & Disaster Recovery**: In Call Off Schedule 8 (Business Continuity and Disaster Recovery) Amend Call Off Schedule 8 paragraph 2.1- 2.1 Within thirty days (30) Working Days prior to the service Commencement Date the Supplier shall prepare and deliver to the Customer for the Customer's written Approval a plan, which shall detail the processes and arrangements that the Supplier shall follow to: **Disaster Period**: For the purpose of the definition of "Disaster" in Call Off Schedule 1 (Definitions) the "Disaster Period" shall be one (1) hour
10.7	**Failure of Supplier Equipment (Clause 32.8 of the call off Terms):** For the purpose of that Clause the value for X shall be ten (10) and the value for Y shall be two (2.
10.8	**Protection of Customer Data** (Clause 34.2.3 of the Call Off Terms): The format of Customer data is defined at Call Off Schedule 18 (Schedules of Processing, Personal Data and Data Subjects). Clause 34.5 has been amended as set out in the body of the Call Off Contract to reflect the requirements of the General Data Protection Regulations applicable as from May 2018.
10.9	**Notices** (Clause 55.6 of the Call Off Terms): Customer's postal address and email address: {Redacted} Supplier's postal address and email address: {Redacted}
10.10	**Transparency Reports** In Call Off Schedule 13 (Transparency Reports)

10.11	**Alternative and/or additional provisions (including any Alternative and/or Additional Clauses under Call Off Schedule 14):** As an alternative clause the following will be included in Schedule 14: Financial Limits (see paragraph 4.1 of this Call Off Schedule 14). As an additional clause the following will be included in Schedule 14 Security Measures (see paragraph 4.2 of this Call Off Schedule 14); Obligations to Advertise Supply Chain Opportunities (see paragraph 7 of this Call Off Schedule 14). Department for Work and Pensions ("DWP") Additional or Alternative Clauses (see paragraph 8 of this Call Off Schedule 14 - OBLIGATION WITH RESPECT TO OFFSHORING DWP DATA).
10.12	**Call Off Tender (including post tender clarifications)**: In Schedule 15
10.13	**Life Chances** Life Chances Workforce Monitoring – at Call Off Schedule 16. and clause 7.1.4 (m)
10.14	**Welsh Language Scheme** Welsh Language Scheme - at Call Off Schedule 17 and clause 7.1.4 (m).

FORMATION OF CALL OFF CONTRACT

BY SIGNING AND RETURNING THIS CALL OFF ORDER FORM (which may be done by electronic means) the Supplier agrees to enter a Call Off Contract with the Customer to provide the Goods and/or Services in accordance with the terms Call Off Order Form and the Call Off Terms.

The Parties hereby acknowledge and agree that they have read the Call Off Order Form and the Call Off Terms and by signing below agree to be bound by this Call Off Contract.

In accordance with paragraph 7 of Framework Schedule 5 (Call Off Procedure), the Parties hereby acknowledge and agree that this Call Off Contract shall be formed when the Customer acknowledges (which may be done by electronic means) the receipt of the signed copy of the Call Off Order Form from the Supplier within two (2) Working Days from such receipt.

For and on behalf of the Supplier:

Name and Title	
Signature	
Date	

For and on behalf of the Customer:

Name and Title	{Redacted} Commercial Director
Signature	
Date	

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PART 2 –CALL OFF TERMS

TERMS AND CONDITIONS

RECITALS

A. NOT USED

B. Where recitals B to E have been selected in the Call Off Order Form, the Customer has followed the call off procedure set out in paragraph 1.3 of Framework Schedule 5 (Call Off Procedure) and has awarded this Call Off Contract to the Supplier by way of further competition.

C. The Customer issued its Statement of Requirements for the provision of the Goods and/or Services on the date specified at paragraph 10.1 of the Call Off Order Form.

D. In response to the Statement of Requirements the Supplier submitted a Call Off Tender to the Customer on the date specified at paragraph 10.1 of the Call Off Order form through which it provided to the Customer its solution for providing the Goods and/or Services.

E. On the basis of the Call Off Tender, the Customer selected the Supplier to provide the Goods and/or Services to the Customer in accordance with the terms of this Call Off Contract.

A. <u>PRELIMINARIES</u>

1. DEFINITIONS AND INTERPRETATION

1.1 In this Call Off Contract, unless the context otherwise requires, capitalised expressions shall have the meanings set out in Call Off Schedule 1 (Definitions) or the relevant Call Off Schedule in which that capitalised expression appears.

1.2 If a capitalised expression does not have an interpretation in Call Off Schedule 1 (Definitions) or relevant Call Off Schedule, it shall have the meaning given to it in the Framework Agreement. If no meaning is given to it in the Framework Agreement, it shall, in the first instance, be interpreted in accordance with the common interpretation within the relevant market sector/industry where appropriate. Otherwise, it shall be interpreted in accordance with the dictionary meaning.

1.3 In this Call Off Contract, unless the context otherwise requires:

1.3.1 the singular includes the plural and vice versa;

1.3.2 reference to a gender includes the other gender and the neuter;

1.3.3 references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Crown Body;

1.3.4 a reference to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time;

1.3.5 the words "**including**", "**other**", "**in particular**", "**for example**" and similar words shall not limit the generality of the preceding words and shall be

construed as if they were immediately followed by the words "**without limitation**";

1.3.6 references to "**writing**" include typing, printing, lithography, photography, display on a screen, electronic and facsimile transmission and other modes of representing or reproducing words in a visible form, and expressions referring to writing shall be construed accordingly;

1.3.7 references to "**representations**" shall be construed as references to present facts, to "**warranties**" as references to present and future facts and to "**undertakings"** as references to obligations under this Call Off Contract;

1.3.8 references to "**Clauses**" and "**Call Off Schedules**" are, unless otherwise provided, references to the clauses and schedules of this Call Off Contract and references in any Call Off Schedule to parts, paragraphs, annexes and tables are, unless otherwise provided, references to the parts, paragraphs, annexes and tables of the Call Off Schedule in which these references appear; and

1.3.9 the headings in this Call Off Contract are for ease of reference only and shall not affect the interpretation or construction of this Call Off Contract.

1.4 Subject to Clauses 1.5 and 1.6 (Definitions and Interpretation), in the event of and only to the extent of any conflict between the Call Off Order Form, the Call Off Terms and the provisions of the Framework Agreement, the conflict shall be resolved in accordance with the following order of precedence:

1.4.1 the Framework Agreement, except Framework Schedule 21 (Tender);

1.4.2 the Call Off Order Form;

1.4.3 the Call Off Terms, except Call Off Schedule 15 (Call Off Tender);

1.4.4 Call Off Schedule 15 (Call Off Tender); and

1.4.5 Framework Schedule 21 (Tender).

1.5 Any permitted changes by the Customer to the Template Call Off Terms and the Template Call Off Order Form under Clause 5 (Call Off Procedure) of the Framework Agreement and Framework Schedule 5 (Call Off Procedure) prior to them becoming the Call Off Terms and the Call Off Order Form which comprise this Call Off Contract shall prevail over the Framework Agreement.

1.6 Where Call Off Schedule 15 (Call Off Tender) or Framework Schedule 21 (Tender) contain provisions which are more favourable to the Customer in relation to (the rest of) this Call Off Contract, such provisions of the Call Off Tender or the Tender shall prevail. The Customer shall in its absolute and sole discretion determine whether any provision in the Call Off Tender or Tender is more favourable to it in this context.

2. DUE DILIGENCE

2.1 The Supplier acknowledges that:

2.1.1 the Customer has delivered or made available to the Supplier all of the information and documents that the Supplier considers necessary or relevant for the performance of its obligations under this Call Off Contract;

2.1.2 it has made its own enquiries to satisfy itself as to the accuracy and adequacy of the Due Diligence Information;

2.1.3 it has raised all relevant due diligence questions with the Customer before the Call Off Commencement Date;

2.1.4 it has undertaken all necessary due diligence and has entered into this Call Off Contract in reliance on its own due diligence alone; and

2.1.5 it shall not be excused from the performance of any of its obligations under this Call Off Contract on the grounds of, nor shall the Supplier be entitled to recover any additional costs or charges, arising as a result of any:

(a) misinterpretation of the requirements of the Customer in the Call Off Order Form or elsewhere in this Call Off Contract;

(b) failure by the Supplier to satisfy itself as to the accuracy and/or adequacy of the Due Diligence Information; and/or

(c) failure by the Supplier to undertake its own due diligence.

3. REPRESENTATIONS AND WARRANTIES

3.1 Each Party represents and warranties that:

3.1.1 it has full capacity and authority to enter into and to perform this Call Off Contract;

3.1.2 this Call Off Contract is executed by its duly authorised representative;

3.1.3 there are no actions, suits or proceedings or regulatory investigations before any court or administrative body or arbitration tribunal pending or, to its knowledge, threatened against it (or, in the case of the Supplier, any of its Affiliates) that might affect its ability to perform its obligations under this Call Off Contract; and

3.1.4 its obligations under this Call Off Contract constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms subject to applicable (as the case may be for each Party) bankruptcy, reorganisation, insolvency, moratorium or similar Laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or Law).

3.2 The Supplier represents and warrants that:

3.2.1 it is validly incorporated, organised and subsisting in accordance with the Laws of its place of incorporation;

3.2.2 it has all necessary consents (including, where its procedures so require, the consent of its Parent Company) and regulatory approvals to enter into this Call Off Contract;

3.2.3 its execution, delivery and performance of its obligations under this Call Off Contract does not and will not constitute a breach of any Law or obligation applicable to it and does not and will not cause or result in a Default under any agreement by which it is bound;

3.2.4 as at the Call Off Commencement Date, all written statements and representations in any written submissions made by the Supplier as part of the procurement process, its Tender, Call Off Tender and any other documents submitted remain true and accurate except to the extent that

such statements and representations have been superseded or varied by this Call Off Contract;

3.2.5 if the Call Off Contract Charges payable under this Call Off Contract exceed or are likely to exceed five (5) million pounds, as at the Call Off Commencement Date it has notified the Customer in writing of any Occasions of Tax Non-Compliance or any litigation that it is involved in connection with any Occasions of Tax Non Compliance;

3.2.6 it has and shall continue to have all necessary rights in and to the Third Party IPR, the Supplier Background IPRs and any other materials made available by the Supplier (and/or any Sub-Contractor) to the Customer which are necessary for the performance of the Supplier's obligations under this Call Off Contract including the receipt of the Goods and/or Services by the Customer;

3.2.7 it shall take all steps, in accordance with Good Industry Practice, to prevent the introduction, creation or propagation of any disruptive elements (including any virus, worms and/or Trojans, spyware or other malware) into systems, data, software or the Customer's Confidential Information (held in electronic form) owned by or under the control of, or used by, the Customer;

3.2.8 it is not subject to any contractual obligation, compliance with which is likely to have a material adverse effect on its ability to perform its obligations under this Call Off Contract;

3.2.9 it is not affected by an Insolvency Event and no proceedings or other steps have been taken and not discharged (nor, to the best of its knowledge, are threatened) for the winding up of the Supplier or for its dissolution or for the appointment of a receiver, administrative receiver, liquidator, manager, administrator or similar officer in relation to any of the Supplier's assets or revenue; and

3.2.10 for the Call Off Contract Period and for a period of twelve (12) months after the termination or expiry of this Call Off Contract, the Supplier shall not employ or offer employment to any staff of the Customer which have been associated with the provision of the Goods and/or Services without Approval or the prior written consent of the Customer which shall not be unreasonably withheld.

3.3 Each of the representations and warranties set out in Clauses 3.1 and 3.2 shall be construed as a separate representation and warranty and shall not be limited or restricted by reference to, or inference from, the terms of any other representation, warranty or any undertaking in this Call Off Contract.

3.4 If at any time a Party becomes aware that a representation or warranty given by it under Clauses 3.1 and 3.2 has been breached, is untrue or is misleading, it shall immediately notify the other Party of the relevant occurrence in sufficient detail to enable the other Party to make an accurate assessment of the situation.

3.5 For the avoidance of doubt, the fact that any provision within this Call Off Contract is expressed as a warranty shall not preclude any right of termination the Customer may have in respect of breach of that provision by the Supplier which constitutes a material Default.

4. CALL OFF GUARANTEE

4.1 Where the Customer has stipulated in the Call Off Order Form that this Call Off Contract shall be conditional upon receipt of a Call Off Guarantee, then, on or prior to the Call Off Commencement Date or on any other date specified by the Customer, the Supplier shall deliver to the Customer:

4.1.1 an executed Call Off Guarantee from a Call Off Guarantor; and

4.1.2 a certified copy extract of the board minutes and/or resolution of the Call Off Guarantor approving the execution of the Call Off Guarantee.

4.2 The Customer may in its sole discretion at any time agree to waive compliance with the requirement in Clause 4.1 by giving the Supplier notice in writing.

B. DURATION OF CALL OFF CONTRACT

5. CALL OFF CONTRACT PERIOD

5.1 This Call Off Contract shall take effect on the Call Off Commencement Date and the term of this Call Off Contract shall be the Call Off Contract Period.

5.2 Where the Customer has specified a Call Off Extension Period in the Call Off Order Form, the Customer may extend this Call Off Contract for the Call Off Extension Period by providing written notice to the Supplier before the end of the Initial Call Off Period. The minimum period for the written notice shall be as specified in the Call Off Order Form.

CALL OFF CONTRACT PERFORMANCE

6. IMPLEMENTATION PLAN

6.1 Formation of Implementation Plan

6.1.1 Where an Implementation Plan has not been agreed and included in Call Off Schedule 4 (Implementation Plan) on the Call Off Commencement Date, but the Customer has specified in the Call Off Order Form that the Supplier shall provide a draft Implementation Plan prior to the commencement of the provision of the Goods and/or Services, the Supplier's draft must contain information at the level of detail necessary to manage the implementation stage effectively and as the Customer may require. The draft Implementation Plan shall take account of all dependencies known to, or which should reasonably be known to, the Supplier.

6.1.2 The Supplier shall submit the draft Implementation Plan to the Customer for Approval (such decision of the Customer to Approve or not shall not be unreasonably delayed or withheld) within such period as specified by the Customer in the Call Off Order Form.

6.1.3 The Supplier shall perform each of the Deliverables identified in the Implementation Plan by the applicable date assigned to that Deliverable in the Implementation Plan so as to ensure that each Milestone identified in the Implementation Plan is Achieved on or before its Milestone Date.

6.1.4 The Supplier shall monitor its performance against the Implementation Plan and Milestones (if any) and any other requirements of the Customer as set out in this Call Off Contract and report to the Customer on such performance.

6.2 **Control of Implementation Plan**

6.2.1 Subject to Clause 6.2.2, the Supplier shall keep the Implementation Plan under review in accordance with the Customer's instructions and ensure that it is maintained and updated on a regular basis as may be necessary to reflect the then current state of the provision of the Goods and/or Services. The Customer shall have the right to require the Supplier to include any reasonable changes or provisions in each version of the Implementation Plan.

6.2.2 Changes to the Milestones (if any), Milestone Payments (if any) and Delay Payments (if any) shall only be made in accordance with the Variation Procedure and provided that the Supplier shall not attempt to postpone any of the Milestones using the Variation Procedure or otherwise (except in the event of a Customer Cause which affects the Supplier's ability to achieve a Milestone by the relevant Milestone Date).

6.2.3 Where so specified by the Customer in the Implementation Plan or elsewhere in this Call Off Contract, time in relation to compliance with a date, Milestone Date or period shall be of the essence and failure of the Supplier to comply with such date, Milestone Date or period shall be a material Default unless the Parties expressly agree otherwise.

6.3 **Rectification of Delay in Implementation**

6.3.1 If the Supplier becomes aware that there is, or there is reasonably likely to be, a Delay under this Call Off Contract:

(a) it shall:

(i) notify the Customer as soon as practically possible and no later than within two (2) Working Days from becoming aware of the Delay or anticipated Delay;

(ii) include in its notification an explanation of the actual or anticipated impact of the Delay;

(iii) comply with the Customer's instructions in order to address the impact of the Delay or anticipated Delay; and

(iv) use all reasonable endeavours to eliminate or mitigate the consequences of any Delay or anticipated Delay; and

(b) if the Delay or anticipated Delay relates to a Milestone in respect which a Delay Payment has been specified in the Implementation Plan, Clause 6.4 (Delay Payments) shall apply.

6.4 **Delay Payments**

6.4.1 If Delay Payments have been included in the Implementation Plan and a Milestone has not been Achieved by the relevant Milestone Date, the Supplier shall pay to the Customer such Delay Payments (calculated as set out by the Customer in the Implementation Plan) and the following provisions shall apply:

(a) the Supplier acknowledges and agrees that any Delay Payment is a price adjustment and not an estimate of the Loss that may be suffered by the Customer as a result of the Supplier's failure to Achieve the corresponding Milestone;

(b) Delay Payments shall be the Customer's exclusive financial remedy for the Supplier's failure to Achieve a corresponding Milestone by its Milestone Date except where:

(i) the Customer is otherwise entitled to or does terminate this Call Off Contract pursuant to Clause 41 (Customer Termination Rights) except Clause 41.7 (Termination Without Cause); or

(ii) the delay exceeds the number of days (the "**Delay Period Limit**") specified in Call Off Schedule 4 (Implementation Plan) for the purposes of this sub-Clause, commencing on the relevant Milestone Date;

(c) the Delay Payments will accrue on a daily basis from the relevant Milestone Date and shall continue to accrue until the date when the Milestone is Achieved (unless otherwise specified by the Customer in the Implementation Plan);

(d) no payment or concession to the Supplier by the Customer or other act or omission of the Customer shall in any way affect the rights of the Customer to recover the Delay Payments or be deemed to be a waiver of the right of the Customer to recover any such damages unless such waiver complies with Clause 48 (Waiver and Cumulative Remedies) and refers specifically to a waiver of the Customer's rights to claim Delay Payments; and

(e) the Supplier waives absolutely any entitlement to challenge the enforceability in whole or in part of this Clause 6.4.1 and Delay Payments shall not be subject to or count towards any limitation on liability set out in Clause 36 (Liability).

7. GOODS AND/ OR SERVICES

7.1 Provision of the Goods and/or Services

7.1.1 The Supplier acknowledges and agrees that the Customer relies on the skill and judgment of the Supplier in the provision of the Goods and/or Services and the performance of its obligations under this Call Off Contract.

7.1.2 The Supplier shall ensure that the Goods and/or Services:

(a) comply in all respects with the description of the Goods and/or Services in Call Off Schedule 2 (Goods and/or Services) or elsewhere in this Call Off Contract; and

(b) are supplied in accordance with the provisions of this Call Off Contract (including the Call Off Tender) and the Tender.

7.1.3 The Supplier shall perform its obligations under this Call Off Contract in accordance with:

(a) all applicable Law;

(b) Good Industry Practice;

(c) the Standards;

(d) the Security Policy;

(e) the ICT Policy (if so required by the Customer); and

(f) the Supplier's own established procedures and practices to the extent the same do not conflict with the requirements of Clauses 7.1.3(a) to 7.1.3(e).

7.1.4 The Supplier shall:

(a) at all times allocate sufficient resources with the appropriate technical expertise to supply the Deliverables and to provide the Goods and/or Services in accordance with this Call Off Contract;

(b) subject to Clause 22.1 (Variation Procedure), obtain, and maintain throughout the duration of this Call Off Contract, all the consents, approvals, licences and permissions (statutory, regulatory contractual or otherwise) it may require and which are necessary for the provision of the Goods and/or Services;

(c) ensure that any goods and/or services recommended or otherwise specified by the Supplier for use by the Customer in conjunction with the Deliverables and/or the Goods and/or Services shall enable the Deliverables and/or the Goods and/or the Services to meet the requirements of the Customer;

(d) ensure that the Supplier Assets will be free of all encumbrances (except as agreed in writing with the Customer);

(e) ensure that the Goods and/or Services are fully compatible with any Customer Property or Customer Assets described in Call Off Schedule 4 (Implementation Plan) (or elsewhere in this Call Off Contract) or otherwise used by the Supplier in connection with this Call Off Contract;

(f) minimise any disruption to the Sites and/or the Customer's operations when providing the Goods and/or Services;

(g) ensure that any Documentation and training provided by the Supplier to the Customer are comprehensive, accurate and prepared in accordance with Good Industry Practice;

(h) co-operate with the Other Suppliers and provide reasonable information (including any Documentation), advice and assistance in connection with the Goods and/or Services to any Other Supplier and, on the Call Off Expiry Date for any reason, to enable the timely transition of the supply of the Goods and/or Services (or any of them) to the Customer and/or to any Replacement Supplier;

(i) assign to the Customer, or if it is unable to do so, shall (to the extent it is legally able to do so) hold on trust for the sole benefit of the Customer, all warranties and indemnities provided by third parties or any Sub-Contractor in respect of any Deliverables and/or the Goods and/or Services. Where any such warranties

are held on trust, the Supplier shall enforce such warranties in accordance with any reasonable directions that the Customer may notify from time to time to the Supplier;

(j) provide the Customer with such assistance as the Customer may reasonably require during the Call Off Contract Period in respect of the supply of the Goods and/or Services;

(k) deliver the Goods and/or Services in a proportionate and efficient manner;

(l) ensure that neither it, nor any of its Affiliates, embarrasses the Customer or otherwise brings the Customer into disrepute by engaging in any act or omission which is reasonably likely to diminish the trust that the public places in the Customer, regardless of whether or not such act or omission is related to the Supplier's obligations under this Call Off Contract; and

(m) gather, collate and provide such information and co-operation as the Customer may reasonably request for the purposes of ascertaining the Supplier's compliance with its obligations under this Call Off Contract.

7.1.5 An obligation on the Supplier to do, or to refrain from doing, any act or thing shall include an obligation upon the Supplier to procure that all Sub-Contractors and Supplier Personnel also do, or refrain from doing, such act or thing.

8. SERVICES

8.1 General application

8.1.1 This Clause 8 shall apply if any Services have been included in Annex 1 of Call Off Schedule 2 (Goods and/or Services).

8.2 Time of Delivery of the Services

8.2.1 The Supplier shall provide the Services on the date(s) specified in the Call Off Order Form (or elsewhere in this Call Off Contract) and the Milestone Dates (if any).

8.3 Location and Manner of Delivery of the Services

8.3.1 Except where otherwise provided in this Call Off Contract, the Supplier shall provide the Services to the Customer through the Supplier Personnel at the Sites.

8.3.2 The Customer may inspect and examine the manner in which the Supplier provides the Services at the Sites and, if the Sites are not the Customer Premises, the Customer may carry out such inspection and examination during normal business hours and on reasonable notice.

8.4 Undelivered Services

8.4.1 In the event that any of the Services are not Delivered in accordance with Clauses 7.1 (Provision of the Goods and/or Services), 8.2 (Time of Delivery of the Services) and 8.3 (Location and Manner of Delivery of the Services) ("**Undelivered Services**"), the Customer, without prejudice to any other

rights and remedies of the Customer howsoever arising, shall be entitled to withhold payment of the applicable Call Off Contract Charges for the Services that were not so Delivered until such time as the Undelivered Services are Delivered.

8.4.2 The Customer may, at its discretion and without prejudice to any other rights and remedies of the Customer howsoever arising, deem the failure to comply with Clauses 7.1, (Provision of the Goods and/or Services), 8.2 (Time of Delivery of the Services) and 8.3 (Location and Manner of Delivery of the Services) and meet the relevant Milestone Date (if any) to be a material Default.

8.5 **Obligation to Remedy of Default in the Supply of the Services**

8.5.1 Subject to Clauses 33.9.2 and 33.9.3 (IPR Indemnity) and without prejudice to any other rights and remedies of the Customer howsoever arising (including under Clauses 8.4.2 (Undelivered Services) and 38 (Customer Remedies for Default)), the Supplier shall, where practicable:

(a) remedy any breach of its obligations in Clauses 7 and 8 within three (3) Working Days of becoming aware of the relevant Default or being notified of the Default by the Customer or within such other time period as may be agreed with the Customer (taking into account the nature of the breach that has occurred); and

(b) meet all the costs of, and incidental to, the performance of such remedial work.

8.6 **Continuing Obligation to Provide the Services**

8.6.1 The Supplier shall continue to perform all of its obligations under this Call Off Contract and shall not suspend the provision of the Services, notwithstanding:

(a) any withholding or deduction by the Customer of any sum due to the Supplier pursuant to the exercise of a right of the Customer to such withholding or deduction under this Call Off Contract*;*

(b) the existence of an unresolved Dispute; and/or

(c) any failure by the Customer to pay any Call Off Contract Charges,

unless the Supplier is entitled to terminate this Call Off Contract under Clause 42.1 (Termination on Customer Cause for Failure to Pay) for failure by the Customer to pay undisputed Call Off Contract Charges.

9. GOODS

9.1 **General application**

9.1.1 This Clause 9 shall apply if any Goods have been included in Annex 2 of Call Off Schedule 2 (Goods and/or Services).

9.2 **Time of Delivery of the Goods**

9.2.1 The Supplier shall provide the Goods on the date(s) specified in the Call Off Order Form (or elsewhere in this Call Off Contract) and the Milestone Dates (if any).

9.2.2 Subject to Clause 9.2.3 (Time of Delivery of the Goods), where the Goods are delivered by the Supplier, the point of delivery shall be when the Goods are removed from the transporting vehicle and transferred at the Sites. Where the Goods are collected by the Customer, the point of delivery shall be when the Goods are loaded on the Customer's vehicle.

9.2.3 Where the Customer has specified any Installation Works in the Call Off Order Form, Delivery shall include installation of the Goods by the Supplier Personnel at the Sites (or at such place as the Customer may reasonably direct) in accordance with Clause 10 (Installation Works) and the Call Off Order Form.

9.3 Location and Manner of Delivery of the Goods

9.3.1 Except where otherwise provided in this Call Off Contract, the Supplier shall deliver the Goods to the Customer through the Supplier Personnel at the Sites.

9.3.2 If requested by the Customer prior to Delivery, the Supplier shall provide the Customer with a sample or samples of Goods for evaluation and Approval, at the Supplier’s cost and expense.

9.3.3 The Goods shall be marked, stored, handled and delivered in a proper manner and in accordance the Customer’s instructions as set out in the Call Off Order Form (or elsewhere in this Call Off Contract), Good Industry Practice, any applicable Standards and any Law. In particular, the Goods shall be marked with the Order number and the net, gross and tare weights, the name of the contents shall be clearly marked on each container and all containers of hazardous Goods (and all documents relating thereto) shall bear prominent and adequate warnings.

9.3.4 On dispatch of any consignment of the Goods the Supplier shall send the Customer an advice note specifying the means of transport, the place and date of dispatch, the number of packages, their weight and volume together with the all other relevant documentation and information required to be provided under any Laws.

9.3.5 The Customer may inspect and examine the manner in which the Supplier supplies the Goods at the Sites and, if the Sites are not the Customer Premises, the Customer may carry out such inspection and examination during normal business hours and on reasonable notice.

9.4 Undelivered Goods

9.4.1 In the event that not all of the Goods are Delivered in accordance with Clauses 7.1 (Provision of the Goods and/or Services),9.2 (Time of Delivery of the Goods) and 9.3 (Location and Manner of Delivery of the Goods) ("**Undelivered Goods**"), the Customer, without prejudice to any other rights and remedies of the Customer howsoever arising, shall be entitled to withhold payment of the applicable Call Off Contract Charges for the Goods that were not so Delivered until such time as the Undelivered Goods are Delivered.

9.4.2 The Customer, at its discretion and without prejudice to any other rights and remedies of the Customer howsoever arising deem the failure to comply with Clauses 7.1 (Provision of the Goods and/or Services), 9.2 (Time of Delivery of the Goods) and 9.3 (Location and Manner of Delivery of the Goods) and meet the relevant Milestone Date (if any) to be a material Default.

9.5 Over-Delivered Goods

9.5.1 The Customer shall be under no obligation to accept or pay for any Goods delivered in excess of the quantity specified in the Call Off Order Form (or elsewhere in this Call Off Contract) ("**Over-Delivered Goods**").

9.5.2 If the Customer elects not to accept such Over-Delivered Goods it may, without prejudice to any other rights and remedies of the Customer howsoever arising, give notice in writing to the Supplier to remove them within five (5) Working Days and to refund to the Customer any expenses incurred by the Customer as a result of such Over-Delivered Goods (including but not limited to the costs of moving and storing the Over-Delivered Goods).

9.5.3 If the Supplier fails to comply with the Customer's notice under Clause 9.5.2, the Customer may dispose of such Over-Delivered Goods and charge the Supplier for the costs of such disposal. The risk in any Over-Delivered Goods shall remain with the Supplier.

9.6 Delivery of the Goods by Instalments

9.6.1 Unless expressly agreed to the contrary, the Customer shall not be obliged to accept delivery of the Goods by instalments. If, however, the Customer does specify or agree to delivery by instalments, delivery of any instalment later than the date specified or agreed for its Delivery shall, without prejudice to any other rights or remedies of the Customer howsoever arising, entitle the Customer to terminate the whole or any unfulfilled part of this Call Off Contract for material Default without further liability to the Customer.

9.7 Risk and Ownership in Relation to the Goods

9.7.1 Without prejudice to any other rights or remedies of the Customer howsoever arising:

(a) risk in the Goods shall pass to the Customer at the time of Delivery; and

(b) ownership of to the Goods shall pass to the Customer on the earlier of Delivery of the Goods or payment by the Customer of the Call Off Contract Charges;

9.8 Responsibility for Damage to or Loss of the Goods

9.8.1 Without prejudice to the Supplier's other obligations to provide the Goods in accordance with this Call Off Contract, the Supplier accepts responsibility for all damage to or loss of the Goods if the:

(a) same is notified in writing to the Supplier within three (3) Working Days of receipt and inspection of the Goods by the Customer; and

(b) Goods have been handled by the Customer in accordance with the Supplier's instructions.

9.8.2 Where the Supplier accepts responsibility under Clause 9.8.1, it shall, at its sole option, replace or repair the Goods (or part thereof) within such time as is reasonable having regard to the circumstances and as agreed with the Customer.

9.9 Warranty of the Goods

9.9.1 The Supplier hereby guarantees the Goods for the Warranty Period against faulty materials and workmanship.

9.9.2 If the Customer shall within such Warranty Period or within twenty five (25) Working Days thereafter give notice in writing to the Supplier of any defect in any of the Goods as may have arisen during such Warranty Period under proper and normal use, the Supplier shall (without prejudice to any other rights and remedies of the Customer howsoever arising) promptly remedy such faults or defects (whether by repair or replacement as the Customer shall elect) free of charge.

9.10 Obligation to Remedy Default in the Supply of the Goods

9.10.1 Subject to Clauses 33.9.2 and 33.9.3 (IPR Indemnity) and without prejudice to any other rights and remedies of the Customer howsoever arising (including under Clauses 9.4.2 (Undelivered Goods) and 38 (Customer Remedies for Default)), the Supplier shall, where practicable:

(a) remedy any breach of its obligations in this Clause 9 within three (3) Working Days of becoming aware of the relevant Default or being notified of the Default by the Customer or within such other time period as may be agreed with the Customer (taking into account the nature of the breach that has occurred); and

(b) meet all the costs of, and incidental to, the performance of such remedial work.

9.11 Continuing Obligation to Provide the Goods

9.11.1 The Supplier shall continue to perform all of its obligations under this Call Off Contract and shall not suspend the provision of the Goods, notwithstanding:

(a) any withholding or deduction by the Customer of any sum due to the Supplier pursuant to the exercise of a right of the Customer to such withholding or deduction under this Call Off Contract*;*

(b) the existence of an unresolved Dispute; and/or

(c) any failure by the Customer to pay any Call Off Contract Charges,

unless the Supplier is entitled to terminate this Call Off Contract under Clause 42.1 (Termination on Customer Cause for Failure to Pay) for failure to pay undisputed Call Off Contract Charges.

10. INSTALLATION WORKS

10.1 This Clause 10 shall apply if any Goods have been included in Annex 2 of Call Off Schedule 2 (Goods and/or Services) and the Customer has specified Installation Works in the Call Off Order Form.

10.2 Where the Supplier reasonably believes it has completed the Installation Works it shall notify the Customer in writing. Following receipt of such notice, the Customer shall inspect the Installation Works and shall, by giving written notice to the Supplier:

10.2.1 accept the Installation Works, or

10.2.2 reject the Installation Works and provide reasons to the Supplier if, in the Customer's reasonable opinion, the Installation Works do not meet the requirements set out in the Call Off Order Form (or elsewhere in this Call Off Contract).

10.3 If the Customer rejects the Installation Works in accordance with Clause 10.2, the Supplier shall immediately rectify or remedy any defects and if, in the Customer's reasonable opinion, the Installation Works do not, within five (5) Working Days of such rectification or remedy, meet the requirements set out in the Call Off Order Form (or elsewhere in this Call Off Contract), the Customer may terminate this Call Off Contract for material Default.

10.4 The Installation Works shall be deemed to be completed when the Supplier receives a notice issued by the Customer in accordance with Clause 10.2. Notwithstanding the acceptance of any Installation Works in accordance with Clause 10.2 (Installation Works), the Supplier shall remain solely responsible for ensuring that the Goods and the Installation Works conform to the specification in the Call Off Order Form (or elsewhere in this Call Off Contract). No rights of estoppel or waiver shall arise as a result of the acceptance by the Customer of the Installation Works.

10.5 Throughout the Call Off Contract Period, the Supplier shall have at all times all licences, approvals and consents necessary to enable the Supplier and the Supplier Personnel to carry out the Installation Works.

11. STANDARDS AND QUALITY

11.1 The Supplier shall at all times during the Call Off Contract Period comply with the Standards and maintain, where applicable, accreditation with the relevant Standards' authorisation body.

11.2 Throughout the Call Off Contract Period, the Parties shall notify each other of any new or emergent standards which could affect the Supplier's provision, or the receipt by the Customer, of the Goods and/or Services. The adoption of any such new or emergent standard, or changes to existing Standards (including any specified in the Call Off Order Form), shall be agreed in accordance with the Variation Procedure.

11.3 Where a new or emergent standard is to be developed or introduced by the Customer, the Supplier shall be responsible for ensuring that the potential impact on the Supplier's provision, or the Customer's receipt of the Goods and/or Services is explained to the Customer (within a reasonable timeframe), prior to the implementation of the new or emergent Standard.

11.4 Where Standards referenced conflict with each other or with best professional or industry practice adopted after the Call Off Commencement Date, then the later Standard or best practice shall be adopted by the Supplier. Any such alteration to any Standard or Standards shall require Approval (and the written consent of the Customer where the

relevant Standard or Standards is/are included in Framework Schedule 2 (Goods and/or Services and Key Performance Indicators) and shall be implemented within an agreed timescale.

11.5 Where a standard, policy or document is referred to by reference to a hyperlink, then if the hyperlink is changed or no longer provides access to the relevant standard, policy or document, the Supplier shall notify the Customer and the Parties shall agree the impact of such change.

12. TESTING

12.1 This Clause 12 shall apply if so specified by the Customer in the Call Off Order Form.

12.2 The Parties shall comply with any provisions set out in Call Off Schedule 5 (Testing).

13. SERVICE LEVELS AND SERVICE CREDITS

13.1 This Clause 13 shall apply where the Customer has specified Service Levels and Service Credits in the Call Off Order Form. Where the Customer has specified Service Levels but not Service Credits, only sub-clauses 13.2, 13.3 and 13.7 shall apply.

13.2 When this Clause 13.2 applies, the Parties shall also comply with the provisions of Part A (Service Levels and Service Credits) of Call Off Schedule 6 (Service Levels, Service Credits and Performance Monitoring).

13.3 The Supplier shall at all times during the Call Off Contract Period provide the Goods and/or Services to meet or exceed the Service Level Performance Measure for each Service Level Performance Criterion.

13.4 The Supplier acknowledges that any Service Level Failure may have a material adverse impact on the business and operations of the Customer and that it shall entitle the Customer to the rights set out in Part A of Call Off Schedule 6 (Service Levels, Service Credits and Performance Monitoring) including the right to any Service Credits.

13.5 The Supplier acknowledges and agrees that any Service Credit is a price adjustment and not an estimate of the Loss that may be suffered by the Customer as a result of the Supplier's failure to meet any Service Level Performance Measure.

13.6 A Service Credit shall be the Customer's exclusive financial remedy for a Service Level Failure except where:

13.6.1 the Supplier has over the previous (twelve) 12 Month period accrued Service Credits in excess of the Service Credit Cap;

13.6.2 the Service Level Failure:

(a) exceeds the relevant Service Level Threshold;

(b) has arisen due to a Prohibited Act or wilful Default by the Supplier or any Supplier Personnel; and

(c) results in:

(i) the corruption or loss of any Customer Data (in which case the remedies under Clause 34.2.8 (Protection of Customer Data) shall also be available); and/or

(ii) the Customer being required to make a compensation payment to one or more third parties; and/or

13.6.3 the Customer is otherwise entitled to or does terminate this Call Off Contract pursuant to Clause 41 (Customer Termination Rights) except Clause 41.7 (Termination Without Cause).

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

13.7.1 the total number of Service Level Performance Criteria for which the weighting is to be changed does not exceed the number set out, for the purposes of this clause, in the Call Off Order Form;

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

13.7.3 there is no change to the Service Credit Cap.

14. CRITICAL SERVICE LEVEL FAILURE

14.1 This Clause 14 shall apply if the Customer has specified both Service Credits and Critical Service Level Failure in the Call Off Order Form.

14.2 On the occurrence of a Critical Service Level Failure:

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

14.2.2 the Customer shall (subject to the Service Credit Cap set out in Clause 36.2.1(a) (Financial Limits)) be entitled to withhold and retain as compensation for the Critical Service Level Failure a sum equal to any Call Off Contract Charges which would otherwise have been due to the Supplier in respect of that Service Period ("**Compensation for Critical Service Level Failure**"),

provided that the operation of this Clause 14.2 shall be without prejudice to the right of the Customer to terminate this Call Off Contract and/or to claim damages from the Supplier for material Default as a result of such Critical Service Level Failure.

14.3 The Supplier:

14.3.1 agrees that the application of Clause 14.2 is commercially justifiable where a Critical Service Level Failure occurs; and

14.3.2 acknowledges that it has taken legal advice on the application of Clause 14.2 and has had the opportunity to price for that risk when calculating the Call Off Contract Charges.

15. BUSINESS CONTINUITY AND DISASTER RECOVERY

15.1 This Clause 15 shall apply if the Customer has so specified in the Call Off Order Form.

15.2 The Parties shall comply with the provisions of Call Off Schedule 8 (Business Continuity and Disaster Recovery).

16. DISRUPTION

16.1 The Supplier shall take reasonable care to ensure that in the performance of its obligations under this Call Off Contract it does not disrupt the operations of the Customer, its employees or any other contractor employed by the Customer.

16.2 The Supplier shall immediately inform the Customer of any actual or potential industrial action, whether such action be by the Supplier Personnel or others, which affects or might affect the Supplier's ability at any time to perform its obligations under this Call Off Contract.

16.3 In the event of industrial action by the Supplier Personnel, the Supplier shall seek Approval to its proposals for the continuance of the supply of the Goods and/or Services in accordance with its obligations under this Call Off Contract.

16.4 If the Supplier's proposals referred to in Clause 16.3 are considered insufficient or unacceptable by the Customer acting reasonably then the Customer may terminate this Call Off Contract for material Default.

16.5 If the Supplier is temporarily unable to fulfil the requirements of this Call Off Contract owing to disruption of normal business solely due to a Customer Cause, then subject to Clause 17 (Supplier Notification of Customer Cause), an appropriate allowance by way of an extension of time will be Approved by the Customer. In addition, the Customer will reimburse any additional expense reasonably incurred by the Supplier as a direct result of such disruption.

17. SUPPLIER NOTIFICATION OF CUSTOMER CAUSE

17.1 Without prejudice to any other obligations of the Supplier in this Call Off Contract to notify the Customer in respect of a specific Customer Cause (including the notice requirements under Clause 42.1.1 (Termination on Customer Cause for Failure to Pay)), the Supplier shall:

17.1.1 notify the Customer as soon as reasonably practicable ((and in any event within two (2) Working Days of the Supplier becoming aware)) that a Customer Cause has occurred or is reasonably likely to occur, giving details of:

(a) the Customer Cause and its effect, or likely effect, on the Supplier’s ability to meet its obligations under this Call Off Contract; and

(b) any steps which the Customer can take to eliminate or mitigate the consequences and impact of such Customer Cause; and

(c) use all reasonable endeavours to eliminate or mitigate the consequences and impact of a Customer Cause, including any Losses that the Supplier may incur and the duration and consequences of any Delay or anticipated Delay.

18. CONTINUOUS IMPROVEMENT

18.1 The Supplier shall have an on-going obligation throughout the Call Off Contract Period to identify new or potential improvements to the provision of the Goods and/or Services in accordance with this Clause 18 with a view to reducing the Customer's costs (including the Call Off Contract Charges) and/or improving the quality and efficiency of the Goods and/or Services and their supply to the Customer. As part of this obligation the Supplier shall identify and report to the Customer once every twelve (12) months:

18.1.1 the emergence of new and evolving relevant technologies which could improve the Sites and/or the provision of the Goods and/or Services, and those technological advances potentially available to the Supplier and the Customer which the Parties may wish to adopt;

18.1.2 new or potential improvements to the provision of the Goods and/or Services including the quality, responsiveness, procedures, benchmarking methods, likely performance mechanisms and customer support goods and/or services in relation to the Goods and/or Services;

18.1.3 changes in business processes and ways of working that would enable the Goods and/or Services to be provided at lower costs and/or at greater benefits to the Customer; and/or

18.1.4 changes to the Sites business processes and ways of working that would enable reductions in the total energy consumed annually in the provision of the Goods and/or Services.

18.2 The Supplier shall ensure that the information that it provides to the Customer shall be sufficient for the Customer to decide whether any improvement should be implemented. The Supplier shall provide any further information that the Customer requests.

18.3 If the Customer wishes to incorporate any improvement identified by the Supplier, the Customer shall request a Variation in accordance with the Variation Procedure and the Supplier shall implement such Variation at no additional cost to the Customer.

C. CALL OFF CONTRACT GOVERNANCE

19. PERFORMANCE MONITORING

19.1 The Supplier shall comply with the monitoring requirements set out in Part B (Performance Monitoring) of Call Off Schedule 6 (Service Levels, Service Credits and Performance Monitoring).

20. REPRESENTATIVES

20.1 Each Party shall have a representative for the duration of this Call Off Contract who shall have the authority to act on behalf of their respective Party on the matters set out in, or in connection with, this Call Off Contract.

20.2 The initial Supplier Representative shall be the person named as such in the Call Off Order Form. Any change to the Supplier Representative shall be agreed in accordance with Clause 27 (Supplier Personnel).

20.3 If the initial Customer Representative is not specified in the Call Off Order Form, the Customer shall notify the Supplier of the identity of the initial Customer Representative within five (5) Working Days of the Call Off Commencement Date. The Customer may,

by written notice to the Supplier, revoke or amend the authority of the Customer Representative or appoint a new Customer Representative.

21. RECORDS, AUDIT ACCESS AND OPEN BOOK DATA

21.1 The Supplier shall keep and maintain for seven (7) years after the Call Off Expiry Date (or as long a period as may be agreed between the Parties), full and accurate records and accounts of the operation of this Call Off Contract including the Goods and/or Services provided under it, any Sub-Contracts and the amounts paid by the Customer.

21.2 The Supplier shall:

21.2.1 keep the records and accounts referred to in Clause 21.1 in accordance with Good Industry Practice and Law; and

21.2.2 afford any Auditor access to the records and accounts referred to in Clause 21.1 at the Supplier's premises and/or provide records and accounts (including copies of the Supplier's published accounts) or copies of the same, as may be required by any of the Auditors from time to time during the Call Off Contract Period and the period specified in Clause 21.1, in order that the Auditor(s) may carry out an inspection to assess compliance by the Supplier and/or its Sub-Contractors of any of the Supplier's obligations under this Call Off Contract including in order to:

(a) verify the accuracy of the Call Off Contract Charges and any other amounts payable by the Customer under this Call Off Contract (and proposed or actual variations to them in accordance with this Call Off Contract);

(b) verify the costs of the Supplier (including the costs of all Sub-Contractors and any third party suppliers) in connection with the provision of the Goods and/or Services;

(c) verify the Open Book Data;

(d) verify the Supplier's and each Sub-Contractor's compliance with the applicable Law;

(e) identify or investigate an actual or suspected Prohibited Act, impropriety or accounting mistakes or any breach or threatened breach of security and in these circumstances the Customer shall have no obligation to inform the Supplier of the purpose or objective of its investigations;

(f) identify or investigate any circumstances which may impact upon the financial stability of the Supplier, the Framework Guarantor and/or the Call Off Guarantor and/or any Sub-Contractors or their ability to perform the Goods and/or Services;

(g) obtain such information as is necessary to fulfil the Customer's obligations to supply information for parliamentary, ministerial, judicial or administrative purposes including the supply of information to the Comptroller and Auditor General;

(h) review any books of account and the internal contract management accounts kept by the Supplier in connection with this Call Off Contract;

(i) carry out the Customer's internal and statutory audits and to prepare, examine and/or certify the Customer's annual and interim reports and accounts;

(j) enable the National Audit Office to carry out an examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Customer has used its resources;

(k) review any Performance Monitoring Reports provided under Part B of Call Off Schedule 6 (Service Levels, Service Credits and Performance Monitoring) and/or other records relating to the Supplier's performance of the provision of the Goods and/or Services and to verify that these reflect the Supplier's own internal reports and records;

(l) verify the accuracy and completeness of any information delivered or required by this Call Off Contract;

(m) review the Supplier's quality management systems (including any quality manuals and procedures);

(n) review the Supplier's compliance with the Standards;

(o) inspect the Customer Assets, including the Customer's IPRs, equipment and facilities, for the purposes of ensuring that the Customer Assets are secure and that any register of assets is up to date; and/or

(p) review the integrity, confidentiality and security of the Customer Data.

21.3 The Customer shall use reasonable endeavours to ensure that the conduct of each audit does not unreasonably disrupt the Supplier or delay the provision of the Goods and/or Services save insofar as the Supplier accepts and acknowledges that control over the conduct of audits carried out by the Auditor(s) is outside of the control of the Customer.

21.4 Subject to the Supplier's rights in respect of Confidential Information, the Supplier shall on demand provide the Auditor(s) with all reasonable co-operation and assistance in:

21.4.1 all reasonable information requested by the Customer within the scope of the audit;

21.4.2 reasonable access to sites controlled by the Supplier and to any Supplier Equipment used in the provision of the Goods and/or Services; and

21.4.3 access to the Supplier Personnel.

21.5 The Parties agree that they shall bear their own respective costs and expenses incurred in respect of compliance with their obligations under this Clause 21, unless the audit reveals a Default by the Supplier in which case the Supplier shall reimburse the Customer for the Customer's reasonable costs incurred in relation to the audit.

22. CHANGE

22.1 Variation Procedure

22.1.1 Subject to the provisions of this Clause 22 and Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing), either Party may request a

variation to this Call Off Contract provided that such variation does not amount to a material change of this Call Off Contract within the meaning of the Regulations and the Law. Such a change once implemented is hereinafter called a **"Variation**".

22.1.2 A Party may request a Variation by completing, signing and sending the Variation Form to the other Party giving sufficient information for the receiving Party to assess the extent of the proposed Variation and any additional cost that may be incurred.

22.1.3 Where the Customer has so specified on receipt of a Variation Form from the Supplier, the Supplier shall carry out an impact assessment of the Variation on the Goods and/or Services (the "**Impact Assessment**"). The Impact Assessment shall be completed in good faith and shall include:

(a) details of the impact of the proposed Variation on the Goods and/or Services and the Supplier's ability to meet its other obligations under this Call Off Contract;

(b) details of the cost of implementing the proposed Variation;

(c) details of the on-going costs required by the proposed Variation when implemented, including any increase or decrease in the Call Off Contract Charges, any alteration in the resources and/or expenditure required by either Party and any alteration to the working practices of either Party;

(d) a timetable for the implementation, together with any proposals for the testing of the Variation; and

(e) such other information as the Customer may reasonably request in (or in response to) the Variation request.

22.1.4 The Parties may agree to adjust the time limits specified in the Variation Form to allow for the preparation of the Impact Assessment.

22.1.5 Subject to 22.1.4, the receiving Party shall respond to the request within the time limits specified in the Variation Form. Such time limits shall be reasonable and ultimately at the discretion of the Customer having regard to the nature of the Goods and/or Services and the proposed Variation.

22.1.6 In the event that:

(a) the Supplier is unable to agree to or provide the Variation; and/or

(b) the Parties are unable to agree a change to the Call Off Contract Charges that may be included in a request of a Variation or response to it as a consequence thereof,

the Customer may:

(i) agree to continue to perform its obligations under this Call Off Contract without the Variation; or

(ii) terminate this Call Off Contract with immediate effect, except where the Supplier has already fulfilled part or all of the provision of the Goods and/or Services in accordance with this Call Off Contract or where the Supplier can show evidence of substantial work being

carried out to provide the Goods and/or Services under this Call Off Contract, and in such a case the Parties shall attempt to agree upon a resolution to the matter. Where a resolution cannot be reached, the matter shall be dealt with under the Dispute Resolution Procedure.

22.1.7 If the Parties agree the Variation, the Supplier shall implement such Variation and be bound by the same provisions so far as is applicable, as though such Variation was stated in this Call Off Contract.

22.2 **Legislative Change**

22.2.1 The Supplier shall neither be relieved of its obligations under this Call Off Contract nor be entitled to an increase in the Call Off Contract Charges as the result of a:

(a) General Change in Law;

(b) Specific Change in Law where the effect of that Specific Change in Law on the Goods and/or Services is reasonably foreseeable at the Call Off Commencement Date.

22.2.2 If a Specific Change in Law occurs or will occur during the Call Off Contract Period (other than as referred to in Clause 22.2.1(b)), the Supplier shall:

(a) notify the Customer as soon as reasonably practicable of the likely effects of that change including:

(i) whether any Variation is required to the provision of the Goods and/or Services, the Call Off Contract Charges or this Call Off Contract; and

(ii) whether any relief from compliance with the Supplier's obligations is required, including any obligation to Achieve a Milestone and/or to meet the Service Level Performance Measures; and

(b) provide to the Customer with evidence:

(i) that the Supplier has minimised any increase in costs or maximised any reduction in costs, including in respect of the costs of its Sub-Contractors;

(ii) as to how the Specific Change in Law has affected the cost of providing the Goods and/or Services; and

(iii) demonstrating that any expenditure that has been avoided, for example which would have been required under the provisions of Clause 18 (Continuous Improvement), has been taken into account in amending the Call Off Contract Charges.

22.2.3 Any change in the Call Off Contract Charges or relief from the Supplier's obligations resulting from a Specific Change in Law (other than as referred to in Clause 22.2.1(b)) shall be implemented in accordance with the Variation Procedure.

D. PAYMENT, TAXATION AND VALUE FOR MONEY PROVISIONS

23. CALL OFF CONTRACT CHARGES AND PAYMENT

23.1 Call Off Contract Charges

23.1.1 In consideration of the Supplier carrying out its obligations under this Call Off Contract, including the provision of the Goods and/or Services, the Customer shall pay the undisputed Call Off Contract Charges in accordance with the pricing and payment profile and the invoicing procedure in Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing).

23.1.2 Except as otherwise provided, each Party shall bear its own costs and expenses incurred in respect of compliance with its obligations under Clauses 12 (Testing), 21 (Records, Audit Access and Open Book Data), 34.4 (Transparency and Freedom of Information) and 34.5 (Protection of Personal Data).

23.1.3 If the Customer fails to pay any undisputed Call Off Contract Charges properly invoiced under this Call Off Contract, the Supplier shall have the right to charge interest on the overdue amount at the applicable rate under the Late Payment of Commercial Debts (Interest) Act 1998, accruing on a daily basis from the due date up to the date of actual payment, whether before or after judgment.

23.1.4 If at any time during this Call Off Contract Period the Supplier reduces its Framework Prices for any Goods and/or Services which are provided under the Framework Agreement (whether or not such Goods and/or Services are offered in a catalogue, if any, which is provided under the Framework Agreement) in accordance with the terms of the Framework Agreement, the Supplier shall immediately reduce the Call Off Contract Charges for such Goods and/or Services under this Call Off Contract by the same amount.

23.2 VAT

23.2.1 The Call Off Contract Charges are stated exclusive of VAT, which shall be added at the prevailing rate as applicable and paid by the Customer following delivery of a Valid Invoice.

23.2.2 The Supplier shall indemnify the Customer on a continuing basis against any liability, including any interest, penalties or costs incurred, which is levied, demanded or assessed on the Customer at any time (whether before or after the making of a demand pursuant to the indemnity hereunder) in respect of the Supplier's failure to account for or to pay any VAT relating to payments made to the Supplier under this Call Off Contract. Any amounts due under Clause 23.2 (VAT) shall be paid in cleared funds by the Supplier to the Customer not less than five (5) Working Days before the date upon which the tax or other liability is payable by the Customer.

23.3 Retention and Set Off

23.3.1 The Customer may retain or set off any amount owed to it by the Supplier against any amount due to the Supplier under this Call Off Contract or under any other agreement between the Supplier and the Customer.

23.3.2 If the Customer wishes to exercise its right pursuant to Clause 23.3.1 it shall give notice to the Supplier within thirty (30) days of receipt of the relevant

invoice, setting out the Customer's reasons for retaining or setting off the relevant Call Off Contract Charges.

23.3.3 The Supplier shall make any payments due to the Customer without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise unless the Supplier has obtained a sealed court order requiring an amount equal to such deduction to be paid by the Customer to the Supplier.

23.4 **Foreign Currency**

23.4.1 Any requirement of Law to account for the Goods and/or Services in any currency other than Sterling, (or to prepare for such accounting) instead of and/or in addition to Sterling, shall be implemented by the Supplier free of charge to the Customer.

23.4.2 The Customer shall provide all reasonable assistance to facilitate compliance with Clause 23.4.1 by the Supplier.

23.5 **Income Tax and National Insurance Contributions**

23.5.1 Where the Supplier or any Supplier Personnel are liable to be taxed in the UK or to pay national insurance contributions in respect of consideration received under this Call Off Contract, the Supplier shall:

(a) at all times comply with the Income Tax (Earnings and Pensions) Act 2003 and all other statutes and regulations relating to income tax, and the Social Security Contributions and Benefits Act 1992 and all other statutes and regulations relating to national insurance contributions, in respect of that consideration; and

(b) indemnify the Customer against any income tax, national insurance and social security contributions and any other liability, deduction, contribution, assessment or claim arising from or made (whether before or after the making of a demand pursuant to the indemnity hereunder) in connection with the provision of the Goods and/or Services by the Supplier or any Supplier Personnel.

23.5.2 In the event that any one of the Supplier Personnel is a Worker as defined in Call Off Schedule 1 (Definitions) who receives consideration relating to the Goods and/or Services, then, in addition to its obligations under Clause 23.5.1, the Supplier shall ensure that its contract with the Worker contains the following requirements:

(a) that the Customer may, at any time during the Call Off Contract Period, request that the Worker provides information which demonstrates how the Worker complies with the requirements of Clause 23.5.1, or why those requirements do not apply to it. In such case, the Customer may specify the information which the Worker must provide and the period within which that information must be provided;

(b) that the Worker's contract may be terminated at the Customer's request if:

(i) the Worker fails to provide the information requested by the Customer within the time specified by the Customer under Clause 23.5.2(a); and/or

(ii) the Worker provides information which the Customer considers is inadequate to demonstrate how the Worker complies with Clause 23.5.1 or confirms that the Worker is not complying with those requirements; and

(c) that the Customer may supply any information it receives from the Worker to HMRC for the purpose of the collection and management of revenue for which they are responsible.

24. PROMOTING TAX COMPLIANCE

24.1 This Clause 24 shall apply if the Call Off Contract Charges payable under this Call Off Contract exceed or are likely to exceed five (5) million pounds during the Call Off Contract Period.

24.2 If, at any point during the Call Off Contract Period, an Occasion of Tax Non-Compliance occurs, the Supplier shall:

24.2.1 notify the Customer in writing of such fact within five (5) Working Days of its occurrence; and

24.2.2 promptly provide to the Customer:

(a) details of the steps that the Supplier is taking to address the Occasion of Tax Non-Compliance and to prevent the same from recurring, together with any mitigating factors that it considers relevant; and

(b) such other information in relation to the Occasion of Tax Non-Compliance as the Customer may reasonably require.

24.3 In the event that the Supplier fails to comply with this Clause 24 and/or does not provide details of proposed mitigating factors which in the reasonable opinion of the Customer are acceptable, then the Customer reserves the right to terminate this Call Off Contract for material Default.

25. BENCHMARKING

25.1 The Parties shall comply with the provisions of Framework Schedule 12 (Continuous Improvement and Benchmarking) in relation to the benchmarking of any or all of the Goods and/or Services.

E. SUPPLIER PERSONNEL AND SUPPLY CHAIN MATTERS

26. KEY PERSONNEL

26.1 This Clause 26 shall apply where the Customer has specified Key Personnel in the Call Off Order Form.

26.2 The Call Off Order Form lists the key roles ("**Key Roles**") and names of the persons who the Supplier shall appoint to fill those Key Roles at the Call Off Commencement Date.

26.3 The Supplier shall ensure that the Key Personnel fulfil the Key Roles at all times during the Call Off Contract Period.

26.4 The Customer may identify any further roles as being Key Roles and, following agreement to the same by the Supplier, the relevant person selected to fill those Key Roles shall be included on the list of Key Personnel.

26.5 The Supplier shall not remove or replace any Key Personnel (including when carrying out its obligations under Call Off Schedule 9 (Exit Management) unless:

26.5.1 requested to do so by the Customer;

26.5.2 the person concerned resigns, retires or dies or is on maternity or long-term sick leave;

26.5.3 the person's employment or contractual arrangement with the Supplier or a Sub-Contractor is terminated for material breach of contract by the employee; or

26.5.4 the Supplier obtains the Customer's prior written consent (such consent not to be unreasonably withheld or delayed).

26.6 The Supplier shall:

26.6.1 notify the Customer promptly of the absence of any Key Personnel (other than for short-term sickness or holidays of two (2) weeks or less, in which case the Supplier shall ensure appropriate temporary cover for that Key Role);

26.6.2 ensure that any Key Role is not vacant for any longer than ten (10) Working Days;

26.6.3 give as much notice as is reasonably practicable of its intention to remove or replace any member of Key Personnel and, except in the cases of death, unexpected ill health or a material breach of the Key Personnel's employment contract, this will mean at least three (3) Months' notice;

26.6.4 ensure that all arrangements for planned changes in Key Personnel provide adequate periods during which incoming and outgoing personnel work together to transfer responsibilities and ensure that such change does not have an adverse impact on the provision of the Goods and/or Services; and

26.6.5 ensure that any replacement for a Key Role:

(a) has a level of qualifications and experience appropriate to the relevant Key Role; and

(b) is fully competent to carry out the tasks assigned to the Key Personnel whom he or she has replaced.

26.6.6 shall and shall procure that any Sub-Contractor shall not remove or replace any Key Personnel during the Call Off Contract Period without Approval.

26.7 The Customer may require the Supplier to remove any Key Personnel that the Customer considers in any respect unsatisfactory. The Customer shall not be liable for the cost of replacing any Key Personnel.

27. SUPPLIER PERSONNEL

27.1 **Supplier Personnel**

27.1.1 The Supplier shall:

(a) provide a list of the names of all Supplier Personnel requiring admission to Customer Premises, specifying the capacity in which they require admission and giving such other particulars as the Customer may reasonably require;

(b) ensure that all Supplier Personnel:

(i) are appropriately qualified, trained and experienced to provide the Goods and/or Services with all reasonable skill, care and diligence;

(ii) are vetted in accordance with Good Industry Practice and, where applicable, the Security Policy and the Standards;

(iii) obey all lawful instructions and reasonable directions of the Customer (including, if so required by the Customer, the ICT Policy) and provide the Goods and/or Services to the reasonable satisfaction of the Customer; and

(iv) comply with all reasonable requirements of the Customer concerning conduct at the Customer Premises, including the security requirements set out in Call Off Schedule 7 (Security);

(c) subject to Call Off Schedule 10 (Staff Transfer), retain overall control of the Supplier Personnel at all times so that the Supplier Personnel shall not be deemed to be employees, agents or contractors of the Customer;

(d) be liable at all times for all acts or omissions of Supplier Personnel, so that any act or omission of a member of any Supplier Personnel which results in a Default under this Call Off Contract shall be a Default by the Supplier;

(e) use all reasonable endeavours to minimise the number of changes in Supplier Personnel;

(f) replace (temporarily or permanently, as appropriate) any Supplier Personnel as soon as practicable if any Supplier Personnel have been removed or are unavailable for any reason whatsoever;

(g) bear the programme familiarisation and other costs associated with any replacement of any Supplier Personnel; and

(h) procure that the Supplier Personnel shall vacate the Customer Premises immediately upon the Call Off Expiry Date.

27.1.2 If the Customer reasonably believes that any of the Supplier Personnel are unsuitable to undertake work in respect of this Call Off Contract, it may:

(a) refuse admission to the relevant person(s) to the Customer Premises; and/or

(b) direct the Supplier to end the involvement in the provision of the Goods and/or Services of the relevant person(s).

27.1.3 The decision of the Customer as to whether any person is to be refused access to the Customer Premises shall be final and conclusive.

27.2 **Relevant Convictions**

27.2.1 This sub-clause 27.2 shall apply if the Customer has specified Relevant Convictions in the Call Off Order Form.

27.2.2 The Supplier shall ensure that no person who discloses that he has a Relevant Conviction, or who is found to have any Relevant Convictions (whether as a result of a police check or through the procedure of the Disclosure and Barring Service (DBS) or otherwise), is employed or engaged in any part of the provision of the Goods and/or Services without Approval.

27.2.3 Notwithstanding Clause 27.2.2, for each member of Supplier Personnel who, in providing the Goods and/or Services, has, will have or is likely to have access to children, vulnerable persons or other members of the public to whom the Customer owes a special duty of care, the Supplier shall (and shall procure that the relevant Sub-Contractor shall):

(a) carry out a check with the records held by the Department for Education (DfE);

(b) conduct thorough questioning regarding any Relevant Convictions; and

(c) ensure a police check is completed and such other checks as may be carried out through the Disclosure and Barring Service (DBS),

and the Supplier shall not (and shall ensure that any Sub-Contractor shall not) engage or continue to employ in the provision of the Goods and/or Services any person who has a Relevant Conviction or an inappropriate record.

28. STAFF TRANSFER

28.1 This Clause 28 shall not apply if there are Goods but no Services under this Call Off Contract.

28.2 The Parties agree that :

28.2.1 where the commencement of the provision of the Services or any part of the Services results in one or more Relevant Transfers, Call Off Schedule 10 (Staff Transfer) shall apply as follows:

(a) where the Relevant Transfer involves the transfer of Transferring Customer Employees, Part A of Call Off Schedule 10 (Staff Transfer) shall apply;

(b) where the Relevant Transfer involves the transfer of Transferring Former Supplier Employees, Part B of Call Off Schedule 10 (Staff Transfer) shall apply;

(c) where the Relevant Transfer involves the transfer of Transferring Customer Employees and Transferring Former Supplier Employees, Parts A and B of Call Off Schedule 10 (Staff Transfer) shall apply; and

(d) Part C of Call Off Schedule 10 (Staff Transfer) shall not apply;

28.2.2 where commencement of the provision of the Services or a part of the Services does not result in a Relevant Transfer, Part C of Call Off Schedule 10 (Staff Transfer) shall apply and Parts A and B of Call Off Schedule 10 (Staff Transfer) shall not apply; and

28.2.3 Part D of Call Off Schedule 10 (Staff Transfer) shall apply on the expiry or termination of the Services or any part of the Services;

28.3 The Supplier shall both during and after the Call Off Contract Period indemnify the Customer against all Employee Liabilities that may arise as a result of any claims brought against the Customer by any person where such claim arises from any act or omission of the Supplier or any Supplier Personnel.

29. SUPPLY CHAIN RIGHTS AND PROTECTION

29.1 Appointment of Sub-Contractors

29.1.1 The Supplier shall exercise due skill and care in the selection of any Sub-Contractors to ensure that the Supplier is able to:

(a) manage any Sub-Contractors in accordance with Good Industry Practice;

(b) comply with its obligations under this Call Off Contract in the Delivery of the Goods and/or Services; and

(c) assign, novate or otherwise transfer to the Customer or any Replacement Supplier any of its rights and/or obligations under each Sub-Contract that relates exclusively to this Call Off Contract.

29.1.2 Prior to sub-contacting any of its obligations under this Call Off Contract, the Supplier shall notify the Customer and provide the Customer with:

(a) the proposed Sub-Contractor's name, registered office and company registration number;

(b) the scope of any Goods and/or Services to be provided by the proposed Sub-Contractor; and

(c) where the proposed Sub-Contractor is an Affiliate of the Supplier, evidence that demonstrates to the reasonable satisfaction of the Customer that the proposed Sub-Contract has been agreed on "arm's-length" terms.

29.1.3 If requested by the Customer within ten (10) Working Days of receipt of the Supplier's notice issued pursuant to Clause 29.1.2, the Supplier shall also provide:

(a) a copy of the proposed Sub-Contract; and

(b) any further information reasonably requested by the Customer.

29.1.4 The Customer may, within ten (10) Working Days of receipt of the Supplier's notice issued pursuant to Clause 29.1.2 (or, if later, receipt of any further information requested pursuant to Clause 29.1.3), object to the appointment of the relevant Sub-Contractor if they consider that:

(a) the appointment of a proposed Sub-Contractor may prejudice the provision of the Goods and/or Services or may be contrary to

the interests respectively of the Customer under this Call Off Contract;

(b) the proposed Sub-Contractor is unreliable and/or has not provided reliable goods and or reasonable services to its other customers; and/or

(c) the proposed Sub-Contractor employs unfit persons,

in which case, the Supplier shall not proceed with the proposed appointment.

29.1.5 If:

(a) the Customer has not notified the Supplier that it objects to the proposed Sub-Contractor's appointment by the later of ten (10) Working Days of receipt of:

(i) the Supplier's notice issued pursuant to Clause 29.1.2; and

(ii) any further information requested by the Customer pursuant to Clause 29.1.3; and

(b) the proposed Sub-Contract is not a Key Sub-Contract which shall require the written consent of the Authority and the Customer in accordance with Clause 29.2 (Appointment of Key Sub-Contractors).

the Supplier may proceed with the proposed appointment.

29.2 **Appointment of Key Sub-Contractors**

29.2.1 The Authority and the Customer have consented to the engagement of the Key Sub-Contractors listed in Framework Schedule 7 (Key Sub-Contractors).

29.2.2 Where the Supplier wishes to enter into a new Key Sub-Contract or replace a Key Sub-Contractor, it must obtain the prior written consent of the Authority and the Customer (the decision to consent or otherwise not to be unreasonably withheld or delayed). The Authority and/or the Customer may reasonably withhold its consent to the appointment of a Key Sub-Contractor if any of them considers that:

(a) the appointment of a proposed Key Sub-Contractor may prejudice the provision of the Goods and/or Services or may be contrary to its interests;

(b) the proposed Key Sub-Contractor is unreliable and/or has not provided reliable goods and/or reasonable services to its other customers; and/or

(c) the proposed Key Sub-Contractor employs unfit persons.

29.2.3 Except where the Authority and the Customer have given their prior written consent under Clause 29.2.1, the Supplier shall ensure that each Key Sub-Contract shall include:

(a) provisions which will enable the Supplier to discharge its obligations under this Call Off Contract;

(b) a right under CRTPA for the Customer to enforce any provisions under the Key Sub-Contract which confer a benefit upon the Customer;

(c) a provision enabling the Customer to enforce the Key Sub-Contract as if it were the Supplier;

(d) a provision enabling the Supplier to assign, novate or otherwise transfer any of its rights and/or obligations under the Key Sub-Contract to the Customer or any Replacement Supplier;

(e) obligations no less onerous on the Key Sub-Contractor than those imposed on the Supplier under this Call Off Contract in respect of:

(i) data protection requirements set out in Clauses 34.1 (Security Requirements), 34.2 (Protection of Customer Data) and 34.5 (Protection of Personal Data);

(ii) FOIA requirements set out in Clause 34.4 (Transparency and Freedom of Information);

(iii) the obligation not to embarrass the Customer or otherwise bring the Customer into disrepute set out in Clause 7.1.4(l) (Provision of Goods and/or Services);

(iv) the keeping of records in respect of the Goods and/or Services being provided under the Key Sub-Contract, including the maintenance of Open Book Data;

(v) the conduct of audits set out in Clause 21 (Records, Audit Access & Open Book Data);

(f) provisions enabling the Supplier to terminate the Key Sub-Contract on notice on terms no more onerous on the Supplier than those imposed on the Customer under Clauses 41 (Customer Termination Rights), 43 (Termination by Either Party) and 45 (Consequences of Expiry or Termination) of this Call Off Contract;

(g) a provision restricting the ability of the Key Sub-Contractor to Sub-Contract all or any part of the provision of the Goods and/or Services provided to the Supplier under the Sub-Contract without first seeking the written consent of the Customer;

(h) a provision, where a provision in Call Off Schedule 10 (Staff Transfer) imposes an obligation on the Supplier to provide an indemnity, undertaking or warranty, requiring the Key Sub-Contractor to provide such indemnity, undertaking or warranty to the Customer, Former Supplier or the Replacement Supplier as the case may be.

29.3 **Supply Chain Protection**

29.3.1 The Supplier shall ensure that all Sub-Contracts contain a provision:

(a) requiring the Supplier to pay any undisputed sums which are due from it to the Sub-Contractor within a specified period not exceeding thirty (30) days from the receipt of a Valid Invoice;

(b) requiring that any invoices submitted by a Sub-Contractor shall be considered and verified by the Supplier in a timely fashion and

that undue delay in doing so shall not be sufficient justification for failing to regard an invoice as valid and undisputed;

(c) conferring a right to the Customer to publish the Supplier's compliance with its obligation to pay undisputed invoices to the Sub-Contractor within the specified payment period;

(d) giving the Supplier a right to terminate the Sub-Contract if the Sub-Contractor fails to comply in the performance of the Sub-Contract with legal obligations in the fields of environmental, social or labour law; and

(e) requiring the Sub-Contractor to include in any Sub-Contract which it in turn awards suitable provisions to impose, as between the parties to that Sub-Contract, requirements to the same effect as those required by this Clause 29.3.1.

29.3.2 The Supplier shall:

(a) pay any undisputed sums which are due from it to a Sub-Contractor within thirty (30) days from the receipt of a Valid Invoice;

(b) include within the Performance Monitoring Reports required under Part B of Call Off Schedule 6 (Service Levels, Service Credits and Performance Monitoring) a summary of its compliance with this Clause 29.3.2 (a), such data to be certified each quarter by a director of the Supplier as being accurate and not misleading.

29.3.3 Any invoices submitted by a Sub-Contractor to the Supplier shall be considered and verified by the Supplier in a timely fashion. Undue delay in doing so shall not be sufficient justification for the Supplier failing to regard an invoice as valid and undisputed.

29.3.4 Notwithstanding any provision of Clauses 34.3 (Confidentiality) and 35 (Publicity and Branding) if the Supplier notifies the Customer that the Supplier has failed to pay an undisputed Sub-Contractor's invoice within thirty (30) days of receipt, or the Customer otherwise discovers the same, the Customer shall be entitled to publish the details of the late or non-payment (including on government websites and in the press).

29.4 **Termination of Sub-Contracts**

29.4.1 The Customer may require the Supplier to terminate:

(a) a Sub-Contract where:

(i) the acts or omissions of the relevant Sub-Contractor have caused or materially contributed to the Customer's right of termination pursuant to any of the termination events in Clause 41 (Customer Termination Rights) except Clause 41.7 (Termination Without Cause); and/or

(ii) the relevant Sub-Contractor or its Affiliates embarrassed the Customer or otherwise brought the Customer into disrepute by engaging in any act or omission which is reasonably likely to diminish the trust that the public places in the Customer, regardless of whether or not such act or omission is related

to the Sub-Contractor's obligations in relation to the Goods and/or Services or otherwise; and/or

(b) a Key Sub-Contract where there is a Change of Control of the relevant Key Sub-Contractor, unless:

(i) the Customer has given its prior written consent to the particular Change of Control, which subsequently takes place as proposed; or

(ii) the Customer has not served its notice of objection within six (6) months of the later of the date the Change of Control took place or the date on which the Customer was given notice of the Change of Control.

29.5 **Competitive Terms**

29.5.1 If the Customer is able to obtain from any Sub-Contractor or any other third party more favourable commercial terms with respect to the supply of any materials, equipment, software, goods or services used by the Supplier or the Supplier Personnel in the supply of the Goods and/or Services, then the Customer may:

(a) require the Supplier to replace its existing commercial terms with its Sub-Contractor with the more favourable commercial terms obtained by the Customer in respect of the relevant item; or

(b) subject to Clause 29.4 (Termination of Sub-Contracts), enter into a direct agreement with that Sub-Contractor or third party in respect of the relevant item.

29.5.2 If the Customer exercises the option pursuant to Clause 29.5.1, then the Call Off Contract Charges shall be reduced by an amount that is agreed in accordance with the Variation Procedure.

29.5.3 The Customer's right to enter into a direct agreement for the supply of the relevant items is subject to:

(a) the Customer making the relevant item available to the Supplier where this is necessary for the Supplier to provide the Goods and/or Services; and

(b) any reduction in the Call Off Contract Charges taking into account any unavoidable costs payable by the Supplier in respect of the substituted item, including in respect of any licence fees or early termination charges.

29.6 **Retention of Legal Obligations**

29.6.1 Notwithstanding the Supplier's right to Sub-Contract pursuant to Clause 29 (Supply Chain Rights and Protection), the Supplier shall remain responsible for all acts and omissions of its Sub-Contractors and the acts and omissions of those employed or engaged by the Sub-Contractors as if they were its own.

F. PROPERTY MATTERS

30. CUSTOMER PREMISES

30.1 Licence to occupy Customer Premises

30.1.1 Any Customer Premises shall be made available to the Supplier on a non-exclusive licence basis free of charge and shall be used by the Supplier solely for the purpose of performing its obligations under this Call Off Contract. The Supplier shall have the use of such Customer Premises as licensee and shall vacate the same immediately upon completion, termination, expiry or abandonment of this Call Off Contract and in accordance with Call Off Schedule 9 (Exit Management).

30.1.2 The Supplier shall limit access to the Customer Premises to such Supplier Personnel as is necessary to enable it to perform its obligations under this Call Off Contract and the Supplier shall co-operate (and ensure that the Supplier Personnel co-operate) with such other persons working concurrently on such Customer Premises as the Customer may reasonably request.

30.1.3 Save in relation to such actions identified by the Supplier in accordance with Clause 2 (Due Diligence) and set out in the Call Off Order Form (or elsewhere in this Call Off Contract), should the Supplier require modifications to the Customer Premises, such modifications shall be subject to Approval and shall be carried out by the Customer at the Supplier's expense. The Customer shall undertake any modification work which it approves pursuant to this Clause 30.1.3 without undue delay. Ownership of such modifications shall rest with the Customer.

30.1.4 The Supplier shall observe and comply with such rules and regulations as may be in force at any time for the use of such Customer Premises and conduct of personnel at the Customer Premises as determined by the Customer, and the Supplier shall pay for the full cost of making good any damage caused by the Supplier Personnel other than fair wear and tear. For the avoidance of doubt, damage includes without limitation damage to the fabric of the buildings, plant, fixed equipment or fittings therein.

30.1.5 The Parties agree that there is no intention on the part of the Customer to create a tenancy of any nature whatsoever in favour of the Supplier or the Supplier Personnel and that no such tenancy has or shall come into being and, notwithstanding any rights granted pursuant to this Call Off Contract, the Customer retains the right at any time to use any Customer Premises in any manner it sees fit.

30.2 Security of Customer Premises

30.2.1 The Customer shall be responsible for maintaining the security of the Customer Premises in accordance with the Security Policy. The Supplier shall comply with the Security Policy and any other reasonable security requirements of the Customer while on the Customer Premises.

30.2.2 The Customer shall afford the Supplier upon Approval (the decision to Approve or not will not be unreasonably withheld or delayed) an opportunity to inspect its physical security arrangements.

31. CUSTOMER PROPERTY

31.1 Where the Customer issues Customer Property free of charge to the Supplier such Customer Property shall be and remain the property of the Customer and the Supplier

irrevocably licences the Customer and its agents to enter upon any premises of the Supplier during normal business hours on reasonable notice to recover any such Customer Property.

31.2 The Supplier shall not in any circumstances have a lien or any other interest on the Customer Property and at all times the Supplier shall possess the Customer Property as fiduciary agent and bailee of the Customer.

31.3 The Supplier shall take all reasonable steps to ensure that the title of the Customer to the Customer Property and the exclusion of any such lien or other interest are brought to the notice of all Sub-Contractors and other appropriate persons and shall, at the Customer's request, store the Customer Property separately and securely and ensure that it is clearly identifiable as belonging to the Customer.

31.4 The Customer Property shall be deemed to be in good condition when received by or on behalf of the Supplier unless the Supplier notifies the Customer otherwise within five (5) Working Days of receipt.

31.5 The Supplier shall maintain the Customer Property in good order and condition (excluding fair wear and tear) and shall use the Customer Property solely in connection with this Call Off Contract and for no other purpose without Approval.

31.6 The Supplier shall ensure the security of all the Customer Property whilst in its possession, either on the Sites or elsewhere during the supply of the Goods and/or Services, in accordance with the Customer's Security Policy and the Customer's reasonable security requirements from time to time.

31.7 The Supplier shall be liable for all loss of, or damage to the Customer Property, (excluding fair wear and tear), unless such loss or damage was solely caused by a Customer Cause. The Supplier shall inform the Customer immediately of becoming aware of any defects appearing in or losses or damage occurring to the Customer Property.

32. SUPPLIER EQUIPMENT

32.1 Unless otherwise stated in the Call Off Order Form (or elsewhere in this Call Off Contract), the Supplier shall provide all the Supplier Equipment necessary for the provision of the Goods and/or Services.

32.2 The Supplier shall not deliver any Supplier Equipment nor begin any work on the Customer Premises without obtaining Approval.

32.3 The Supplier shall be solely responsible for the cost of carriage of the Supplier Equipment to the Sites and/or any Customer Premises, including its off-loading, removal of all packaging and all other associated costs. Likewise on the Call Off Expiry Date the Supplier shall be responsible for the removal of all relevant Supplier Equipment from the Sites and/or any Customer Premises, including the cost of packing, carriage and making good the Sites and/or the Customer Premises following removal.

32.4 All the Supplier's property, including Supplier Equipment, shall remain at the sole risk and responsibility of the Supplier, except that the Customer shall be liable for loss of or damage to any of the Supplier's property located on Customer Premises which is due to the negligent act or omission of the Customer.

32.5 Subject to any express provision of the BCDR Plan to the contrary, the loss or destruction for any reason of any Supplier Equipment shall not relieve the Supplier of its obligation to supply the Goods and/or Services in accordance with this Call Off Contract, including the Service Level Performance Measures.

32.6 The Supplier shall maintain all Supplier Equipment within the Sites and/or the Customer Premises in a safe, serviceable and clean condition.

32.7 The Supplier shall, at the Customer's written request, at its own expense and as soon as reasonably practicable:

32.7.1 remove from the Customer Premises any Supplier Equipment or any component part of Supplier Equipment which in the reasonable opinion of the Customer is either hazardous, noxious or not in accordance with this Call Off Contract; and

32.7.2 replace such Supplier Equipment or component part of Supplier Equipment with a suitable substitute item of Supplier Equipment.

32.8 For the purposes of this Clause 32.8, 'X' shall be the number of Service Failures, and 'Y' shall be the period in months, as respectively specified for 'X' and 'Y' in the Call Off Order Form. If this Clause 32.8 has been specified to apply in the Call Off Order Form, and there are no values specified for 'X' and/or 'Y', in default, 'X' shall be two (2) and 'Y' shall be twelve (12). Where a failure of Supplier Equipment or any component part of Supplier Equipment causes X or more Service Failures in any Y Month period, the Supplier shall notify the Customer in writing and shall, at the Customer's request (acting reasonably), replace such Supplier Equipment or component part thereof at its own cost with a new item of Supplier Equipment or component part thereof (of the same specification or having the same capability as the Supplier Equipment being replaced).

G. INTELLECTUAL PROPERTY AND INFORMATION

33. INTELLECTUAL PROPERTY RIGHTS

33.1 **Allocation of title to IPR**

33.1.1 Save as expressly granted elsewhere under this Call Off Contract:

(a) the Customer shall not acquire any right, title or interest in or to the Intellectual Property Rights of the Supplier or its licensors, namely:

(i) the Supplier Background IPR; and

(ii) the Third Party IPR.

(b) the Supplier shall not acquire any right, title or interest in or to the Intellectual Property Rights of the Customer or its licensors, including the:

(i) Customer Background IPR;

(ii) Customer Data; and

(iii) Project Specific IPRs.

33.1.2 Where either Party acquires, by operation of Law, title to Intellectual Property Rights that is inconsistent with the allocation of title set out in Clause 33.1, it shall assign in writing such Intellectual Property Rights as it has acquired to the other Party on the request of the other Party (whenever made).

33.1.3 Neither Party shall have any right to use any of the other Party's names, logos or trade marks on any of its products or services without the other Party's prior written consent.

33.1.4 Unless the Customer otherwise agrees in advance in writing (and subject to Clause 33.10.3):

(a) Project Specific IPR Items shall be created in a format, or able to be converted into a format, which is:

(i) suitable for publication by the Customer as Open Source; and

(ii) based on Open Standards (where applicable);

(b) where the Project Specific IPR Items are written in a format that requires conversion before publication as Open Source or before complying with Open Standards, the Supplier shall also provide the converted format to the Customer.

33.2 **Assignments granted by the Supplier: Project Specific IPR**

33.2.1 The Supplier hereby assigns to the Customer with full guarantee (or shall procure from the first owner the assignment to the Customer), title to and all rights and interest in the Project Specific IPRs. The assignment under this Clause 33.2.1 shall take effect as a present assignment of future rights that will take effect immediately on the coming into existence of the relevant Project Specific IPRs.

33.2.2 The Supplier shall promptly execute all such assignments as are required to ensure that any rights in the Project Specific IPRs are properly transferred to the Customer.

33.2.3 To the extent that it is necessary to enable the Customer to obtain the full benefits of ownership of the Project Specific IPRs, the Supplier hereby grants to the Customer and shall procure that any relevant third party licensor shall grant to the Customer a perpetual, irrevocable, non-exclusive, assignable, royalty-free licence to use, sub-license and/or commercially exploit any Supplier Background IPRs or Third Party IPRs that are embedded in or which are an integral part of the Project Specific IPR Items.

33.3 **Licences granted by the Supplier: Supplier Background IPR**

33.3.1 The Supplier hereby grants to the Customer a perpetual, royalty-free and non-exclusive licence to use the Supplier Background IPR for any purpose relating to the Goods and/or Services (or substantially equivalent goods and/or services) or for any purpose relating to the exercise of the Customer's (or, if the Customer is a Central Government Body, any other Central Government Body's) business or function.

33.3.2 At any time during the Call Off Contract Period or following the Call Off Expiry Date, the Supplier may terminate a licence granted in respect of the Supplier Background IPR under Clause 33.3.1 by giving thirty (30) days' notice in writing (or such other period as agreed by the Parties) if there is a Customer Cause which constitutes a material breach of the terms of 33.3.1 which, if the breach is capable of remedy, is not remedied within

twenty (20) Working Days after the Supplier gives the Customer written notice specifying the breach and requiring its remedy.

33.3.3 In the event the licence of the Supplier Background IPR is terminated pursuant to Clause 33.3.2, the Customer shall:

(a) immediately cease all use of the Supplier Background IPR;

(b) at the discretion of the Supplier, return or destroy documents and other tangible materials that contain any of the Supplier Background IPR, provided that if the Supplier has not made an election within six (6) months of the termination of the licence, the Customer may destroy the documents and other tangible materials that contain any of the Supplier Background IPR; and

(c) ensure, so far as reasonably practicable, that any Supplier Background IPR that is held in electronic, digital or other machine-readable form ceases to be readily accessible (other than by the information technology staff of the Customer) from any computer, word processor, voicemail system or any other device containing such Supplier Background IPR.

33.4 **Customer's right to sub-license**

33.4.1 The Customer may sub-license:

(a) the rights granted under Clause 33.3.1 (Licence granted by the Supplier: Supplier Background IPR) to a third party (including for the avoidance of doubt, any Replacement Supplier) provided that:

(i) the sub-licence is on terms no broader than those granted to the Customer; and

(ii) the sub-licence only authorises the third party to use the rights licensed in Clause 33.3.1 (Licence granted by the Supplier: Supplier Background IPR) for purposes relating to the Goods and/or Services (or substantially equivalent goods and/or services) or for any purpose relating to the exercise of the Customer's (or, if the Customer is a Central Government Body, any other Central Government Body's) business or function; and

(b) the rights granted under Clause 33.3.1 (Licence granted by the Supplier: Supplier Background IPR) to any Approved Sub-Licensee to the extent necessary to use and/or obtain the benefit of the Project Specific IPR provided that the sub-licence is on terms no broader than those granted to the Customer.

33.5 **Customer's right to assign/novate licences**

33.5.1 The Customer may assign, novate or otherwise transfer its rights and obligations under the licences granted pursuant to Clause 33.3 (Licence granted by the Supplier: Supplier Background IPR) to:

(a) a Central Government Body; or

(b) to any body (including any private sector body) which performs or carries on any of the functions and/or activities that previously had been performed and/or carried on by the Customer.

33.5.2 Where the Customer is a Central Government Body, any change in the legal status of the Customer which means that it ceases to be a Central Government Body shall not affect the validity of any licence granted in Clause 33.3 (Licences granted by the Supplier: Supplier Background IPR). If the Customer ceases to be a Central Government Body, the successor body to the Customer shall still be entitled to the benefit of the licences granted in Clause 33.3 (Licence granted by the Supplier: Supplier Background IPR).

33.5.3 If a licence granted in Clause 33.3 (Licence granted by the Supplier: Supplier Background IPR) is novated under Clauses 33.5.1 or there is a change of the Customer's status pursuant to Clause 33.5.2 (both such bodies being referred to as the **"Transferee"**), the rights acquired by the Transferee shall not extend beyond those previously enjoyed by the Customer.

33.6 **Third Party IPR**

33.6.1 The Supplier shall procure that the owners or the authorised licensors of any Third Party IPR grant a direct licence to the Customer on terms at least equivalent to those set out in Clause 33.3 (Licence granted by the Supplier: Supplier Background IPR) and Clause 33.5.1 (Customer's right to assign/novate licences). If the Supplier cannot obtain for the Customer a licence in accordance with the licence terms set out in Clause 33.3 (Licences granted by the Supplier: Supplier Background IPR) and Clause 33.5.1 (Customer's right to assign/novate licences) in respect of any such Third Party IPR, the Supplier shall:

(a) notify the Customer in writing giving details of what licence terms can be obtained from the relevant third party and whether there are alternative Suppliers which the Supplier could seek to use; and

(b) only use such Third Party IPR if the Customer Approves the terms of the licence from the relevant third party.

33.6.2 Should the Supplier become aware at any time, including after termination, that the Project Specific IPRs contain any Intellectual Property Rights for which the Customer does not have a licence, then the Supplier must notify the Customer within 10 days of what those rights are and which parts of the Project Specific IPRs they are found in.

33.6.3 Without prejudice to any other right or remedy of the Customer, if the Supplier becomes aware at any time, including after termination, that any Intellectual Property Rights for which the Customer does not have a licence in accordance with Clause 33.2.3 subsist in the Project Specific IPR Items, then the Supplier must notify the Customer within 10 days of what those rights are and which parts of the Project Specific IPR Items they are found in.

33.7 **Licence granted by the Customer**

33.7.1 The Customer hereby grants to the Supplier a royalty-free, non-exclusive, non-transferable licence during the Call Off Contract Period to use the Customer Background IPR, the Project Specific IPRs and the Customer Data

solely to the extent necessary for providing the Goods and/or Services in accordance with this Call Off Contract, including (but not limited to) the right to grant sub-licences to Sub-Contractors provided that:

(a) any relevant Sub-Contractor has entered into a confidentiality undertaking with the Supplier on the same terms as set out in Clause 34.3 (Confidentiality); and

(b) the Supplier shall not without Approval use the licensed materials for any other purpose or for the benefit of any person other than the Customer.

33.8 **Termination of licenses**

33.8.1 Subject to Clause 33.3 (Licence granted by the Supplier: Supplier Background IPR), all licences granted pursuant to Clause 33 (Intellectual Property Rights) (other than those granted pursuant to Clause 33.6 (Third Party IPR) and 33.7 (Licence granted by the Customer)) shall survive the Call Off Expiry Date.

33.8.2 The Supplier shall, if requested by the Customer in accordance with Call Off Schedule 9 (Exit Management), grant (or procure the grant) to the Replacement Supplier of a licence to use any Supplier Background IPR and/or Third Party IPR on terms equivalent to those set out in Clause 33.3 (Licence granted by the Supplier: Supplier Background IPR) subject to the Replacement Supplier entering into reasonable confidentiality undertakings with the Supplier.

33.8.3 The licence granted pursuant to Clause 33.7 (Licence granted by the Customer) and any sub-licence granted by the Supplier in accordance with Clause 33.7.1 (Licence granted by the Customer) shall terminate automatically on the Call Off Expiry Date and the Supplier shall:

(a) immediately cease all use of the Customer Background IPR and the Customer Data (as the case may be);

(b) at the discretion of the Customer, return or destroy documents and other tangible materials that contain any of the Customer Background IPR and the Customer Data, provided that if the Customer has not made an election within six months of the termination of the licence, the Supplier may destroy the documents and other tangible materials that contain any of the Customer Background IPR and the Customer Data (as the case may be); and

(c) ensure, so far as reasonably practicable, that any Customer Background IPR and Customer Data that are held in electronic, digital or other machine-readable form ceases to be readily accessible from any computer, word processor, voicemail system or any other device of the Supplier containing such Customer Background IPR and/or Customer Data.

33.9 **IPR Indemnity**

33.9.1 The Supplier shall, during and after the Call Off Contract Period, on written demand, indemnify the Customer against all Losses incurred by, awarded

against, or agreed to be paid by the Customer (whether before or after the making of the demand pursuant to the indemnity hereunder) arising from an IPR Claim.

33.9.2 If an IPR Claim is made, or the Supplier anticipates that an IPR Claim might be made, the Supplier may, at its own expense and sole option, either:

(a) procure for the Customer the right to continue using the relevant item which is subject to the IPR Claim; or

(b) replace or modify the relevant item with non-infringing substitutes provided that:

(i) the performance and functionality of the replaced or modified item is at least equivalent to the performance and functionality of the original item;

(ii) the replaced or modified item does not have an adverse effect on any other Goods and/or Services;

(iii) there is no additional cost to the Customer; and

(iv) the terms and conditions of this Call Off Contract shall apply to the replaced or modified Goods and/or Services.

33.9.3 If the Supplier elects to procure a licence in accordance with Clause 33.9.2(a) or to modify or replace an item pursuant to Clause 33.9.2(b), but this has not avoided or resolved the IPR Claim, then:

(a) the Customer may terminate this Call Off Contract by written notice with immediate effect; and

(b) without prejudice to the indemnity set out in Clause 33.9.1, the Supplier shall be liable for all reasonable and unavoidable costs of the substitute goods and/or services including the additional costs of procuring, implementing and maintaining the substitute items.

33.10 **Open Source Publication**

33.10.1 Subject to Clause 33.10.3, the Supplier agrees that the Customer may at its sole discretion publish as Open Source all or part of the Project Specific IPR Items after the Operational Services Commencement Date (such date to be notified by the Customer to the Supplier).

33.10.2 Subject to Clause 33.10.3, the Supplier hereby warrants that the Project Specific IPR Items:

(a) are suitable for release as Open Source and that the Supplier has used reasonable endeavours when developing the same to ensure that publication by the Customer will not enable a third party to use the published Project Specific IPRs or Project Specific IPR Items in any way, which could reasonably be foreseen to compromise the operation, running or security of the Project Specific IPRs or the Customer System;

(b) have been developed by the Supplier using reasonable endeavours to ensure that publication by the Customer of the same shall not cause

any harm or damage to any party using the published Project Specific IPRs;

(c) do not contain any material which would bring the Customer into disrepute upon publication as Open Source;

(d) do not contain any IPRs which have not been licensed to the Customer under licence terms which permit the publication of the Project Specific IPR Items as Open Source by the Customer;

(e) will be supplied in a format suitable for publication as Open Source ("the Open Source Publication Material") no later than the date notified to the Supplier under Clause 33.10.1; and

(f) do not contain any Malicious Software.

33.10.3 The Supplier hereby acknowledges and agrees that any Supplier Background IPRs which it includes in the Open Source Publication Material supplied to the Customer pursuant to Clause 33.10.2(e) and which have not been Approved for exclusion under Clause 33.10.4 will become Open Source and will hereby be licensed to the Customer under the Open Source licence terms adopted by the Customer and treated as such following publication by the Customer.

33.10.4 Where the Customer has Approved a request by the Supplier under Clause 33.1.4, for any part of the Project Specific IPRs to be excluded from the requirement to be in an Open Source format due to the intention to embed or integrate Supplier Background IPRs and/or Third Party IPRs (and where the Parties agree that such IPRs are not intended to be published as Open Source), the Supplier shall:

(a) as soon as reasonably practicable, provide written details of the nature of the IPRs and items or Deliverables based on IPRs which are to be excluded from Open Source publication; and

(b) include in the written details provided under Clause 33.10.4 (a) information about the impact that inclusion of such IPRs and items or Deliverables based on such IPRs will have on any other Project Specific IPRs Items and the Customer's ability to publish such other items or Deliverables as Open Source.

34. SECURITY AND PROTECTION OF INFORMATION

34.1 Security Requirements

34.1.1 The Supplier shall comply with the Security Policy and the requirements of Call Off Schedule 7 (Security) including the Security Management Plan (if any) and shall ensure that the Security Management Plan produced by the Supplier fully complies with the Security Policy.

34.1.2 The Customer shall notify the Supplier of any changes or proposed changes to the Security Policy.

34.1.3 If the Supplier believes that a change or proposed change to the Security Policy will have a material and unavoidable cost implication to the

provision of the Goods and/or Services it may propose a Variation to the Customer. In doing so, the Supplier must support its request by providing evidence of the cause of any increased costs and the steps that it has taken to mitigate those costs. Any change to the Call Off Contract Charges shall then be subject to the Variation Procedure.

34.1.4 Until and/or unless a change to the Call Off Contract Charges is agreed by the Customer pursuant to the Variation Procedure the Supplier shall continue to provide the Goods and/or Services in accordance with its existing obligations.

34.2 **Protection of Customer Data**

34.2.1 The Supplier shall not delete or remove any proprietary notices contained within or relating to the Customer Data.

34.2.2 The Supplier shall not store, copy, disclose, or use the Customer Data except as necessary for the performance by the Supplier of its obligations under this Call Off Contract or as otherwise Approved by the Customer.

34.2.3 To the extent that the Customer Data is held and/or Processed by the Supplier, the Supplier shall supply that Customer Data to the Customer as requested by the Customer and in the format (if any) specified by the Customer in the Call Off Order Form and, in any event, as specified by the Customer from time to time in writing.

34.2.4 The Supplier shall take responsibility for preserving the integrity of Customer Data and preventing the corruption or loss of Customer Data.

34.2.5 The Supplier shall perform secure back-ups of all Customer Data and shall ensure that up-to-date back-ups are stored off-site at an Approved location in accordance with any BCDR Plan or otherwise. The Supplier shall ensure that such back-ups are available to the Customer (or to such other person as the Customer may direct) at all times upon request and are delivered to the Customer at no less than six (6) Monthly intervals (or such other intervals as may be agreed in writing between the Parties).

34.2.6 The Supplier shall ensure that any system on which the Supplier holds any Customer Data, including back-up data, is a secure system that complies with the Security Policy and the Security Management Plan (if any).

34.2.7 If at any time the Supplier suspects or has reason to believe that the Customer Data is corrupted, lost or sufficiently degraded in any way for any reason, then the Supplier shall notify the Customer immediately and inform the Customer of the remedial action the Supplier proposes to take.

34.2.8 If the Customer Data is corrupted, lost or sufficiently degraded as a result of a Default so as to be unusable, the Supplier may:

(a) require the Supplier (at the Supplier's expense) to restore or procure the restoration of Customer Data to the extent and in accordance with the requirements specified in Call Off Schedule 8 (Business Continuity and Disaster Recovery) or as otherwise required by the Customer, and the Supplier shall do so as soon as practicable but not later than five (5) Working Days from the date of receipt of the Customer’s notice; and/or

(b) itself restore or procure the restoration of Customer Data, and shall be repaid by the Supplier any reasonable expenses incurred in doing so to the extent and in accordance with the requirements specified in Call Off Schedule 8 (Business Continuity and Disaster Recovery) or as otherwise required by the Customer.

34.2.9 In accordance with the DWP Offshoring Policy and while not in any way limiting any other provision of this Contract, the Supplier and any of its Sub-Suppliers, shall not process or transfer Customer Data (as described in the DWP Offshoring Policy) outside the United Kingdom without the prior written consent of the Customer, and where the Customer gives consent, the Supplier shall comply with any reasonable instructions notified to it by the Customer in relation to the Customer Data in question.

34.2.10 Where the Customer has given its prior written consent to the Supplier to process, host or access Customer Data from premises outside the United Kingdom (in accordance with clause 34.2.9 of the Call Off Contract):-

a) the Supplier must notify the Customer (in so far as they are not prohibited by Law) where any Regulatory Bodies seek to gain or has gained access to such Customer Data;

b) the Supplier shall take all necessary steps in order to prevent any access to, or disclosure of, any Customer Data to any Regulatory Bodies outside the United Kingdom unless required by Law without any applicable exception or exemption.

34.3 **Confidentiality**

34.3.1 For the purposes of Clause 34.3, the term **"Disclosing Party"** shall mean a Party which discloses or makes available directly or indirectly its Confidential Information and **"Recipient"** shall mean the Party which receives or obtains directly or indirectly Confidential Information.

34.3.2 Except to the extent set out in Clause 34.3 or where disclosure is expressly permitted elsewhere in this Call Off Contract, the Recipient shall:

(a) treat the Disclosing Party's Confidential Information as confidential and keep it in secure custody (which is appropriate depending upon the form in which such materials are stored and the nature of the Confidential Information contained in those materials); and

(b) not disclose the Disclosing Party's Confidential Information to any other person except as expressly set out in this Call Off Contract or without obtaining the owner's prior written consent;

(c) not use or exploit the Disclosing Party's Confidential Information in any way except for the purposes anticipated under this Call Off Contract; and

(d) immediately notify the Disclosing Party if it suspects or becomes aware of any unauthorised access, copying, use or disclosure in any form of any of the Disclosing Party's Confidential Information.

34.3.3 The Recipient shall be entitled to disclose the Confidential Information of the Disclosing Party where:

(a) the Recipient is required to disclose the Confidential Information by Law, provided that Clause 34.4 (Transparency and Freedom of Information) shall apply to disclosures required under the FOIA or the EIRs;

(b) the need for such disclosure arises out of or in connection with:

(i) any legal challenge or potential legal challenge against the Customer arising out of or in connection with this Call Off Contract;

(ii) the examination and certification of the Customer's accounts (provided that the disclosure is made on a confidential basis) or for any examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Customer is making use of any Goods and/or Services provided under this Call Off Contract; or

(iii) the conduct of a Central Government Body review in respect of this Call Off Contract; or

(c) the Recipient has reasonable grounds to believe that the Disclosing Party is involved in activity that may constitute a criminal offence under the Bribery Act 2010 and the disclosure is being made to the Serious Fraud Office;

(d) such information was in the possession of the Disclosing Party without obligation of confidentiality prior to its disclosure by the information owner;

(e) such information was obtained from a third party without obligation of confidentiality;

(f) such information was already in the public domain at the time of disclosure otherwise than by a breach of this Contract or breach of a duty of confidentiality; and

(g) the information is independently developed without access to the Disclosing Party's Confidential Information.

34.3.4 If the Recipient is required by Law to make a disclosure of Confidential Information, the Recipient shall as soon as reasonably practicable and to the extent permitted by Law notify the Disclosing Party of the full circumstances of the required disclosure including the relevant Law and/or regulatory body requiring such disclosure and the Confidential Information to which such disclosure would apply.

34.3.5 Subject to Clause 34.3.2, the Supplier may only disclose the Confidential Information of the Customer on a confidential basis to:

(a) Supplier Personnel who are directly involved in the provision of the Goods and/or Services and need to know the Confidential Information to enable performance of the Supplier’s obligations under this Call Off Contract; and

(b) its professional advisers for the purposes of obtaining advice in relation to this Call Off Contract.

34.3.6 Where the Supplier discloses Confidential Information of the Customer pursuant to Clause 34.3.5, it shall remain responsible at all times for compliance with the confidentiality obligations set out in this Call Off Contract by the persons to whom disclosure has been made.

34.3.7 The Customer may disclose the Confidential Information of the Supplier:

(a) to any Central Government Body on the basis that the information may only be further disclosed to Central Government Bodies;

(b) to the British Parliament and any committees of the British Parliament or if required by any British Parliamentary reporting requirement;

(c) to the extent that the Customer (acting reasonably) deems disclosure necessary or appropriate in the course of carrying out its public functions;

(d) on a confidential basis to a professional adviser, consultant, supplier or other person engaged by any of the entities described in Clause 34.3.7(a) (including any benchmarking organisation) for any purpose relating to or connected with this Call Off Contract;

(e) on a confidential basis for the purpose of the exercise of its rights under this Call Off Contract; or

(f) to a proposed transferee, assignee or novatee of, or successor in title to the Customer,

and for the purposes of the foregoing, references to disclosure on a confidential basis shall mean disclosure subject to a confidentiality agreement or arrangement containing terms no less stringent than those placed on the Customer under Clause 34.3.

34.3.8 Nothing in Clause 34.3 shall prevent a Recipient from using any techniques, ideas or Know-How gained during the performance of this Call Off Contract in the course of its normal business to the extent that this use does not result in a disclosure of the Disclosing Party's Confidential Information or an infringement of Intellectual Property Rights.

34.3.9 In the event that the Supplier fails to comply with Clauses 34.3.2 to 34.3.5, the Customer reserves the right to terminate this Call Off Contract for material Default.

34.4 **Transparency and Freedom of Information**

34.4.1 The Parties acknowledge that

(a) the Transparency Reports; and

(b) the content of this Call Off Contract, including any changes to this Call Off Contract agreed from time to time, except for –

(i) any information which is exempt from disclosure in accordance with the provisions of the FOIA, which shall be determined by the Customer; and

(ii) Commercially Sensitive Information;

(together the "formation") are not Confidential Information.

34.4.2 Notwithstanding any other provision of this Call Off Contract, the Supplier hereby gives its consent for the Customer to publish to the general public the Transparency Information in its entirety (but with any information which is exempt from disclosure in accordance with the provisions of the FOIA redacted). The Customer shall, prior to publication, consult with the Supplier on the manner and format of publication and to inform its decision regarding any redactions but shall have the final decision in its absolute discretion.

34.4.3 The Supplier shall assist and co-operate with the Customer to enable the Customer to publish the Transparency Information, including the preparation of the Transparency Reports in accordance with Call Off Schedule 13 (Transparency Reports).

34.4.4 If the Customer believes that publication of any element of the Transparency Information would be contrary to the public interest, the Customer shall be entitled to exclude such information from publication. The Customer acknowledges that it would expect the public interest by default to be best served by publication of the Transparency Information in its entirety. Accordingly, the Customer acknowledges that it will only exclude Transparency Information from publication in exceptional circumstances and agrees that where it decides to exclude information from publication it will provide a clear explanation to the Supplier.

34.4.5 The Customer shall publish the Transparency Information in a format that assists the general public in understanding the relevance and completeness of the information being published to ensure the public obtain a fair view on how the Call Off Contract is being performed, having regard to the context of the wider commercial relationship with the Supplier.

34.4.6 The Supplier agrees that any Information it holds that is not included in the Transparency Reports but is reasonably relevant to or that arises from the provision of the Services shall be provided to the Customer on request unless the cost of doing so would exceed the appropriate limit prescribed under section 12 of the FOIA. The Customer may disclose such information under the FOIA and the EIRs and may (except for Commercially Sensitive Information, Confidential Information (subject to Clause 34.3.7(c)) and Open Book Data) publish such Information. The Supplier shall provide to the Customer within 5 working days (or such other period as the Customer may reasonably specify) any such Information requested by the Customer.

34.4.7 The Supplier acknowledges that the Customer is subject to the requirements of the FOIA and the EIRs. The Supplier shall:

(a) provide all necessary assistance and cooperation as reasonably requested by the Customer to enable the Customer to comply

with its Information disclosure obligations under the FOIA and EIRs;

(b) transfer to the Customer all Requests for Information relating to this Call Off Contract that it receives as soon as practicable and in any event within two (2) Working Days of receipt;

(c) provide the Customer with a copy of all Information held on behalf of the Customer requested in the Request for Information which is in its possession or control in the form that the Customer requires within five (5) Working Days (or such other period as the Customer may reasonably specify) of the Customer's request for such Information; and

(d) not respond directly to a Request for Information addressed to the Customer unless authorised in writing to do so by the Customer.

34.4.8 The Supplier acknowledges that the Customer may be required under the FOIA and EIRs to disclose Information (including Commercially Sensitive Information) without consulting or obtaining consent from the Supplier. The Customer shall take reasonable steps to notify the Supplier of a Request for Information (in accordance with the Secretary of State's Section 45 Code of Practice on the Discharge of the Functions of Public Authorities under Part 1 of the FOIA) to the extent that it is permissible and reasonably practical for it to do so but (notwithstanding any other provision in this Call Off Contract) the Customer shall be responsible for determining in its absolute discretion whether any Commercially Sensitive Information and/or any other information is exempt from disclosure in accordance with the FOIA and EIRs.

34.5 **Protection of Personal Data**

34.5.1 Each of the Parties including the personnel of each Party (personnel shall include directors, officers, employees, servants, agents, consultants, suppliers and sub-contractors) will comply with all of its applicable requirements of the Data Protection Legislation and shall not knowingly or negligently by any act or omission, place the other Party in breach, or potential breach of Data Protection Legislation. This clause is in addition to and does not relieve, remove or replace a Party's obligations under the Data Protection Legislation. With respect to the Parties' rights and obligations under the Contract, the Parties acknowledge that for the purposes of the Data Protection Legislation, the Authority is the Data Controller and the Supplier is the Data Processor.

34.5.2 The Supplier shall notify the Authority immediately if it considers that any of the Authority's instructions infringe the Data Protection Legislation.

34.5.3 The Supplier shall provide all reasonable assistance to the Authority in the preparation of any Data Protection Impact Assessment prior to commencing any processing. Such assistance may, at the discretion of the Authority, include (without limitation):-

a) a systematic description of the envisaged processing operations and the purpose of the processing;

b) an assessment of the necessity and proportionality of the processing operations in relation to the Services;

c) an assessment of the risks to the rights and freedoms of Data Subjects;

d) the measures envisaged to address the risks, including safeguards, security measures and mechanisms to ensure the protection of Personal Data and Special Categories of Personal Data; and

e) upon request provide a copy of the record of the processing of any Personal Data and Special Categories of Personal Data it carries out on behalf of the Authority including (without limitation) the records specified in Article 30(2) of the GDPR.

34.5.4 The Supplier shall, in relation to any Personal Data and Special Categories of Personal Data processed or to be processed in connection with its obligations under this Contract:-

a) process that Personal Data and Special Categories of Personal Data only to the extent and in such manner as is necessary for the purposes specified in this Contract and in accordance with Annex A in Schedule 18, unless the Supplier is required to process the Personal Data and Special Categories of Personal Data otherwise by Law. In such case, the Supplier shall inform the Authority of that legal requirement unless the Law prevents such disclosure on the grounds of public interest;

b) ensure that it has in place Protective Measures, which have been reviewed and approved by the Authority as appropriate to protect against a Data Loss Event having taken account of the:-

(i) nature of the Personal Data and Special Categories of Personal Data to be protected;

(ii) harm that might result from a Data Loss Event;

(iii) state of technological development; and

(iv) implement any Protective Measures at the Supplier's own expense and at no cost to the Authority;

review and Approval of the Protective Measures by the Authority shall not relieve the Supplier of its obligations under Data Protection Legislation including, for the avoidance of doubt, putting sufficient Protective Measures in place.

c) ensure that it and its Staff:-

(i) do not process Personal Data and Special Categories of Personal Data except in accordance with this Contract and Data Protection Legislation and access to such data is limited to those Staff who need to access Personal Data and Special Categories of Personal Data to meet the Supplier's Data Processor duties under the Contract and Data Protection Legislation and only collect Personal Data and Special Categories of Personal Data on behalf of the Authority in the format agreed with the Authority which shall contain a data protection notice informing the Data Subject of the identity of the Data Controller, the identity of any data protection representative it may have appointed, the purpose(s) for which the Data Subject's Personal Data and Special Categories of Personal Data will be processed and any other information, which is necessary to comply with Data Protection Legislation. The Supplier shall not modify the format agreed with the Authority without the prior written consent of the Authority;

(ii) take all reasonable steps to ensure the reliability and integrity of any Staff who have access to the Personal Data and Special Categories of Personal Data and ensure that they:-

(A) are aware of and comply with the Supplier's duties under this clause 34.5;

(B) are subject to appropriate confidentiality undertakings including between the Supplier and any Sub-processor;

(C) are informed of the confidential nature of the Personal Data and Special Categories of Personal Data and do not publish, disclose or divulge any of the Personal Data and Special Categories of Personal Data to any third party unless directed in writing to do so by the Authority or as otherwise permitted by this Contract or required to do so under a legal requirement/court order (provided that the Supplier shall give notice to the Authority of any disclosure of Personal Data and Special Categories of Personal Data that it or any of its Staff is required to make under such a legal requirement or court order immediately when it is made aware of such a requirement); and

(D) have undergone adequate training in the use, care, protection and handling of Personal Data and Special Categories of Personal Data;

d) not transfer Personal Data and Special Categories of Personal Data outside of the European Economic Area or International Organisation unless the prior written consent of the Authority has been obtained and provided the following conditions are fulfilled:-

(i) the Authority or the Supplier has provided appropriate safeguards in relation to the transfer;

(ii) the Data Subject has enforceable rights and effective legal remedies;

(iii) the Supplier complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data and Special Categories of Personal Data that is transferred; and

(iv) the Supplier complies with any reasonable instructions notified to it in advance by the Authority with respect to the processing of the Personal Data and Special Categories of Personal Data;

e) at the written direction of the Authority, delete or return Personal Data and Special Categories of Personal Data (and any copies of it) using a secure method of transfer to the Authority on termination of the Contract unless the Supplier is required by Law to retain the Personal Data and Special Categories of Personal Data;

f) permit the Authority or the Authority's Representative to inspect and audit the Supplier's Data Processor activities (and/or those of its Staff) and comply with all reasonable requests or directions by the Authority to enable the Authority to verify that the Supplier is in full compliance with its obligations under the Contract.

34.5.5 Subject to clause 34.5.6, the Supplier shall notify the Authority immediately if it:-

a) receives a Data Subject Access Request (or purported Data Subject Access Request);

b) receives a request to rectify, block or erase any Personal Data;

c) receives any other request, notice, complaint or communication relating to either Party's obligations under the Data Protection Legislation;

d) receives any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data and Special Categories of Personal Data processed under this Contract;

e) receives a request from any third party for disclosure of Personal Data and Special Categories of Personal Data where compliance with such request is required or purported to be required by Law; or

f) becomes aware of a Data Protection Breach or a Data Loss Event.

34.5.6 The Supplier's obligation to notify the Authority under clause 34.5.5 shall include the provision of further information to the Authority promptly.

34.5.7 Taking into account the nature of the processing, the Supplier shall provide the Authority with full assistance in relation to either Party's obligations under Data Protection Legislation and any complaint, communication or request made under clause 34.5.5 (and insofar as possible within the timescales reasonably required by the Authority) at no cost to the Authority including by promptly providing:-

a) the Authority with full details and copies of the complaint, communication or request;

b) such assistance as is reasonably requested by the Authority to enable the Authority to comply with a Data Subject Access Request promptly;

c) the Authority, at its request, with any Personal Data and Special Categories of Personal Data it holds in relation to a Data Subject;

d) assistance as requested by the Authority following any Data Loss Event and/or Data Protection Breach to enable the Authority to mitigate the impact of the Personal Data Breach, to ensure that Personal Data Breaches of the same nature do not occur again, to notify the competent regulatory body of the Personal Data Breach and/or to notify the Data Subjects of the Personal Data Breach;

e) assistance as requested by the Authority with respect to any request from the Information Commissioner's Office, or any consultation by the Authority with the Information Commissioner's Office.

34.5.8 The Supplier shall maintain complete and accurate records and information to demonstrate its compliance with its Data Processor obligations under this clause 34.5. This requirement does not apply where the Supplier employs fewer than 250 staff, unless:-

a) the Authority determines the processing is not occasional;

b) the Authority determines the processing includes any Special Categories of Personal Data and/or Personal Data and Special

Categories of Personal Data relating to criminal convictions and offences referred to in Article 10 of the GDPR; and

c) the Authority determines that the processing is likely to result in a risk to the rights and freedoms of Data Subjects.

34.5.9 The Supplier shall allow for audits of its Data Processing activity by the Authority or the Authority's designated auditor. The Supplier shall keep a record of any processing of Personal Data and Special Categories of Personal Data it carries out on behalf of the Authority including (without limitation) the records specified in Article 30(2) of the GDPR. Supplier shall allow for audits of its Data Processing activity by the Customer or the Customer's designated auditor.

34.5.10 The Supplier shall designate a Data Protection Officer if required by Data Protection Legislation or by the Authority in writing.

34.5.11 Before allowing any Sub-processor to process any Personal Data and Special Categories of Personal Data under this Contract, the Supplier must:-

a) notify the Authority in writing of the intended Sub-processor and processing;

b) obtain the advance written consent of the Authority to allow the Sub-processor to process any Personal Data and Special Categories of Personal Data under the Contract; and

(c) enter into a written contract with the Sub-processor which reflects the terms set out in this clause 34.5 such that they apply to the Sub-Processor as a Data Processor.

34.5.12 The Supplier shall remain fully liable for all acts or omissions of any Sub-processor and Staff.

34.5.13 The Authority may, at any time on not less than thirty (30) Working Days' advance notice, revise this clause by replacing it with any applicable controller to processor standard clauses or similar terms forming part of an applicable certification scheme under Article 43 of the GDPR (which shall apply when incorporated by an attachment to this Contract).

34.5.14 The Supplier shall comply with guidance issued by the Information Commissioner's Office. The Authority may on not less than thirty (30) Working Days' notice to the Supplier amend this Contract to ensure that it complies with any guidance issued by the Information Commissioners Officer and/or any changes to Data Protection Legislation.

34.5.15 The Supplier shall indemnify and keep the Authority indemnified from and against all claims, proceedings, actions, damages, loss, penalties, fines, levies, costs and expenses and all loss of profits, business revenue or goodwill (whether direct or indirect) and all consequential or indirect loss howsoever arising out of, in respect of or in connection with, any breach by the Supplier or any of its Staff of this clause 34.5 subject to the Limited Liabilities clause 36.2.1 b) iv)

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35. PUBLICITY AND BRANDING

35.1 The Supplier shall not:

35.1.1 make any press announcements or publicise this Call Off Contract in any way; or

35.1.2 use the Customer's name or brand in any promotion or marketing or announcement of orders,

35.1.3 without Approval (the decision of the Customer to Approve or not shall not be unreasonably withheld or delayed).

35.2 Each Party acknowledges to the other that nothing in this Call Off Contract either expressly or by implication constitutes an endorsement of any products or services of the other Party (including the Goods and/or Services and Supplier Equipment) and each Party agrees not to conduct itself in such a way as to imply or express any such approval or endorsement.

H. LIABILITY AND INSURANCE

36. LIABILITY

36.1 Unlimited Liability

36.1.1 Neither Party excludes or limits it liability for:

(a) death or personal injury caused by its negligence, or that of its employees, agents or Sub-Contractors (as applicable);

(b) bribery or Fraud by it or its employees;

(c) breach of any obligation as to title implied by section 12 of the Sale of Goods Act 1979 or section 2 of the Supply of Goods and Services Act 1982; or

(d) any liability to the extent it cannot be excluded or limited by Law.

36.1.2 The Supplier does not exclude or limit its liability in respect of the indemnity in Clauses 33.9 (IPR Indemnity) and in each case whether before or after the making of a demand pursuant to the indemnity therein.

36.2 Financial Limits

36.2.1 Subject to Clause 36.1 (Unlimited Liability), the Supplier's total aggregate liability:

(a) in respect of all:

(i) Service Credits; and

(ii) Compensation for Critical Service Level Failure;

incurred in any rolling period of 12 Months shall be subject in aggregate to the Service Credit Cap;

(b) in respect of all other Losses incurred by the Customer under or in connection with this Call Off Contract as a result of Defaults by the Supplier shall in no event exceed:

(i) in relation to any Defaults occurring from the Call Off Commencement Date to the end of the first Call Off Contract Year, the higher of five million (£5,000,000) or a sum equal to one hundred and fifty per cent (150%) of the Estimated Year 1 Call Off Contract Charges;

(ii) in relation to any Defaults occurring in each subsequent Call Off Contract Year that commences during the remainder of the Call Off Contract Period, the higher of five million pounds (£5,000,000) in each such Call Off Contract Year or a sum equal to one hundred and fifty percent (150%) of the Call Off Contract Charges payable to the Supplier under this Call Off Contract in the previous Call Off Contract Year; and

(iii) in relation to any Defaults occurring in each Call Off Contract Year that commences after the end of the Call Off Contract Period, the higher of five million pounds (£5,000,000) in each such Call Off Contract Year or a sum equal to one hundred and fifty percent (150%) of the Call Off Contract Charges payable to the Supplier under this Call Off Contract in the last Call Off Contract Year commencing during the Call Off Contract Period;

(iv) in relation to liability arising from Default arising from breach of clause 34.3 (Confidentiality) or Default arising from breach of clause 34.5 (Protection of Personal Data), the higher of twenty million pounds (£20,000,000) in each such Call Off Contract Year or a sum equal to one hundred and fifty percent (150%) of the Call Off Contract Charges payable to the Supplier under this Call Off Contract in the last Call Off Contract Year commencing during the Call Off Contract Period, notwithstanding any other limitation in this clause 36.2.1(b),

unless the Customer has specified different financial limits in the Call Off Order Form.

36.2.2 Subject to Clauses 36.1 (Unlimited Liability) and 36.2 (Financial Limits) and without prejudice to its obligation to pay the undisputed Call Off Contract Charges as and when they fall due for payment, the Customer's total aggregate liability in respect of all Losses as a result of Customer Causes shall be limited to:

(a) in relation to any Customer Causes occurring from the Call Off Commencement Date to the end of the first Call Off Contract Year, a sum equal to the Estimated Year 1 Call Off Contract Charges;

(b) in relation to any Customer Causes occurring in each subsequent Call Off Contract Year that commences during the remainder of the Call Off Contract Period, a sum equal to the Call Off Contract Charges payable to the Supplier under this Call Off Contract in the previous Call Off Contract Year; and

(c) in relation to any Customer Causes occurring in each Call Off Contract Year that commences after the end of the Call Off Contract Period, a sum equal to the Call Off Contract Charges payable to the Supplier under this Call Off Contract in the last Call Off Contract Year commencing during the Call Off Contract Period.

36.3 Non-recoverable Losses

36.3.1 Subject to Clause 36.1 (Unlimited Liability) neither Party shall be liable to the other Party for any:

(a) indirect, special or consequential Loss;

(b) loss of profits, turnover, savings, business opportunities or damage to goodwill (in each case whether direct or indirect).

36.4 Recoverable Losses

36.4.1 Subject to Clause 36.2 (Financial Limits), and notwithstanding Clause 36.3 (Non-recoverable Losses), the Supplier acknowledges that the Customer may, amongst other things, recover from the Supplier the following Losses incurred by the Customer to the extent that they arise as a result of a Default by the Supplier:

(a) any additional operational and/or administrative costs and expenses incurred by the Customer, including costs relating to time spent by or on behalf of the Customer in dealing with the consequences of the Default;

(b) any wasted expenditure or charges;

(c) the additional cost of procuring Replacement Goods and/or Services for the remainder of the Call Off Contract Period and/or replacement Deliverables, which shall include any incremental costs associated with such Replacement Goods and/or Services and/or replacement Deliverables above those which would have been payable under this Call Off Contract;

(d) any compensation or interest paid to a third party by the Customer; and

(e) any fine, penalty or costs incurred by the Customer pursuant to Law.

36.5 Miscellaneous

36.5.1 Each Party shall use all reasonable endeavours to mitigate any loss or damage suffered arising out of or in connection with this Call Off Contract.

36.5.2 Any Deductions shall not be taken into consideration when calculating the Supplier's liability under Clause 36.2 (Financial Limits).

36.5.3 Subject to any rights of the Customer under this Call Off Contract (including in respect of an IPR Claim), any claims by a third party where an indemnity is sought by that third party from a Party to

this Call Off Contract shall be dealt with in accordance with the provisions of Framework Schedule 20 (Conduct of Claims).

37. INSURANCE

37.1 This Clause 37 will only apply where specified in the Call Off Order Form or elsewhere in this Call Off Contract.

37.2 Notwithstanding any benefit to the Customer of the policy or policies of insurance referred to in Clause 31 (Insurance) of the Framework Agreement, the Supplier shall effect and maintain such further policy or policies of insurance or extensions to such existing policy or policies of insurance procured under the Framework Agreement in respect of all risks which may be incurred by the Supplier arising out of its performance of its obligations under this Call Off Contract.

37.3 Without limitation to the generality of Clause 37.2 the Supplier shall ensure that it maintains the policy or policies of insurance as stipulated in the Call Off Order Form.

37.4 The Supplier shall effect and maintain the policy or policies of insurance referred to in Clause 37 for six (6) years after the Call Off Expiry Date.

37.5 The Supplier shall give the Customer, on request, copies of all insurance policies referred to in Clause 37 or a broker's verification of insurance to demonstrate that the appropriate cover is in place, together with receipts or other evidence of payment of the latest premiums due under those policies.

37.6 If for whatever reason the Supplier fails to give effect to and maintain the insurance policies required under Clause 37 the Customer may make alternative arrangements to protect its interests and may recover the premium and other costs of such arrangements as a debt due form the Supplier.

37.7 The provisions of any insurance or the amount of cover shall not relieve the Supplier of any liability under this Call Off Contract. It shall be the responsibility of the Supplier to determine the amount of insurance cover that will be adequate to enable the Supplier to satisfy any liability in relation to the performance of its obligations under this Call Off Contract.

37.8 The Supplier shall ensure that nothing is done which would entitle the relevant insurer to cancel, rescind or suspend any insurance or cover, or to treat any insurance, cover or claim as voided in whole or part. The Supplier shall use all reasonable endeavours to notify the Customer (subject to third party confidentiality obligations) as soon as practicable when it becomes aware of any relevant fact, circumstance or matter which has caused, or is reasonably likely to provide grounds to, the relevant insurer to give notice to cancel, rescind, suspend or void any insurance, or any cover or claim under any insurance in whole or in part.

I. REMEDIES AND RELIEF

38. CUSTOMER REMEDIES FOR DEFAULT

38.1 Remedies

38.1.1 Without prejudice to any other right or remedy of the Customer howsoever arising (including under Call Off Schedule 6 (Service Levels, Service Credits and Performance Monitoring)) and subject to the exclusive financial remedy provisions in Clauses 13.6 (Service Levels and Service Credits) and 6.4.1(b) (Delay Payments), if the Supplier commits any Default of this Call Off Contract then the Customer may (whether or not any part of the Goods and/or Services have been Delivered) do any of the following:

(a) at the Customer's option, give the Supplier the opportunity (at the Supplier's expense) to remedy the Default together with any damage resulting from such Default (where such Default is capable of remedy) or to supply Replacement Goods and/or Services and carry out any other necessary work to ensure that the terms of this Call Off Contract are fulfilled, in accordance with the Customer's instructions;

(b) carry out, at the Supplier's expense, any work necessary to make the provision of the Goods and/or Services comply with this Call Off Contract;

(c) if the Default is a material Default that is capable of remedy (and for these purposes a material Default may be a single material Default or a number of Defaults or repeated Defaults - whether of the same or different obligations and regardless of whether such Defaults are remedied - which taken together constitute a material Default):

(i) instruct the Supplier to comply with the Rectification Plan Process;

(ii) suspend this Call Off Contract (whereupon the relevant provisions of Clause 44 (Partial Termination, Suspension and Partial Suspension) shall apply) and step-in to itself supply or procure a third party to supply (in whole or in part) the Goods and/or Services;

(iii) without terminating or suspending the whole of this Call Off Contract, terminate or suspend this Call Off Contract in respect of part of the provision of the Goods and/or Services only (whereupon the relevant provisions of Clause 44 (Partial Termination, Suspension and Partial Suspension) shall apply) and step-in to itself supply or procure a third party to supply (in whole or in part) such part of the Good and/or Services;

38.1.2 Where the Customer exercises any of its step-in rights under Clauses 38.1.1(c)(ii) or 38.1.1(c)(iii), the Customer shall have the right to charge the Supplier for and the Supplier shall on demand pay any costs reasonably incurred by the Customer (including any reasonable administration costs) in respect of the supply of any part of the Goods and/or Services by the Customer

or a third party and provided that the Customer uses its reasonable endeavours to mitigate any additional expenditure in obtaining Replacement Goods and/or Replacement Goods and/or Services.

38.2 Rectification Plan Process

38.2.1 Where the Customer has instructed the Supplier to comply with the Rectification Plan Process pursuant to Clause 38.1.1(c)(i):

(a) the Supplier shall submit a draft Rectification Plan to the Customer for it to review as soon as possible and in any event within 10 (ten) Working Days (or such other period as may be agreed between the Parties) from the date of Customer's instructions. The Supplier shall submit a draft Rectification Plan even if the Supplier disputes that it is responsible for the Default giving rise to the Customer's request for a draft Rectification Plan.

(b) the draft Rectification Plan shall set out:

(i) full details of the Default that has occurred, including a cause analysis;

(ii) the actual or anticipated effect of the Default; and

(iii) the steps which the Supplier proposes to take to rectify the Default (if applicable) and to prevent such Default from recurring, including timescales for such steps and for the rectification of the Default (where applicable).

38.2.2 The Supplier shall promptly provide to the Customer any further documentation that the Customer requires to assess the Supplier's root cause analysis. If the Parties do not agree on the root cause set out in the draft Rectification Plan, either Party may refer the matter to be determined by an expert in accordance with paragraph 5 of this Call Off Schedule 11 (Dispute Resolution Procedure).

38.2.3 The Customer may reject the draft Rectification Plan by notice to the Supplier if, acting reasonably, it considers that the draft Rectification Plan is inadequate, for example because the draft Rectification Plan:

(a) is insufficiently detailed to be capable of proper evaluation;

(b) will take too long to complete;

(c) will not prevent reoccurrence of the Default; and/or

(d) will rectify the Default but in a manner which is unacceptable to the Customer.

38.2.4 The Customer shall notify the Supplier whether it consents to the draft Rectification Plan as soon as reasonably practicable. If the Customer rejects the draft Rectification Plan, the Customer shall give reasons for its decision and the Supplier shall take the reasons into account in the preparation of a revised Rectification Plan. The Supplier shall submit the revised draft of the Rectification Plan to the Customer for review within five (5) Working Days (or such other period as agreed between the Parties) of the Customer's notice rejecting the first draft.

38.2.5 If the Customer consents to the Rectification Plan, the Supplier shall immediately start work on the actions set out in the Rectification Plan.

39. SUPPLIER RELIEF DUE TO CUSTOMER CAUSE

39.1 If the Supplier has failed to:

39.1.1 Achieve a Milestone by its Milestone Date;

39.1.2 provide the Goods and/or Services in accordance with the Service Levels;

39.1.3 comply with its obligations under this Call Off Contract,

(each a "Supplier Non-Performance"), and can demonstrate that the Supplier Non-Performance would not have occurred but for a Customer Cause, then (subject to the Supplier fulfilling its obligations in Clause 17 (Supplier Notification of Customer Cause)):

(a) the Supplier shall not be treated as being in breach of this Call Off Contract to the extent the Supplier can demonstrate that the Supplier Non-Performance was caused by the Customer Cause;

(b) the Customer shall not be entitled to exercise any rights that may arise as a result of that Supplier Non-Performance to terminate this Call Off Contract pursuant to Clause 41 (Customer Termination Rights) except Clause 41.7 (Termination Without Cause);

(c) where the Supplier Non-Performance constitutes the failure to Achieve a Milestone by its Milestone Date:

(i) the Milestone Date shall be postponed by a period equal to the period of Delay that the Supplier can demonstrate was caused by the Customer Cause;

(ii) if the Customer, acting reasonably, considers it appropriate, the Implementation Plan shall be amended to reflect any consequential revisions required to subsequent Milestone Dates resulting from the Customer Cause;

(iii) if failure to Achieve a Milestone attracts a Delay Payment, the Supplier shall have no liability to pay any such Delay Payment associated with the Milestone to the extent that the Supplier can demonstrate that such failure was caused by the Customer Cause; and/or

(d) where the Supplier Non-Performance constitutes a Service Level Failure:

(i) the Supplier shall not be liable to accrue Service Credits;

(ii) the Customer shall not be entitled to any Compensation for Critical Service Level Failure pursuant to Clause 14 (Critical Service Level Failure); and

(iii) the Supplier shall be entitled to invoice for the Call Off Contract Charges for the provision of the relevant Goods and/or Services affected by the Customer Cause,

in each case, to the extent that the Supplier can demonstrate that the Service Level Failure was caused by the Customer Cause.

39.2 In order to claim any of the rights and/or relief referred to in Clause 39.1, the Supplier shall:

39.2.1 comply with its obligations under Clause 17 (Notification of Customer Cause); and

39.2.2 within ten (10) Working Days of becoming aware that a Customer Cause has caused, or is likely to cause, a Supplier Non-Performance, give the Customer notice (a "**Relief Notice**") setting out details of:

(a) the Supplier Non-Performance;

(b) the Customer Cause and its effect on the Supplier's ability to meet its obligations under this Call Off Contract; and

(c) the relief claimed by the Supplier.

39.3 Following the receipt of a Relief Notice, the Customer shall as soon as reasonably practicable consider the nature of the Supplier Non-Performance and the alleged Customer Cause and whether it agrees with the Supplier's assessment set out in the Relief Notice as to the effect of the relevant Customer Cause and its entitlement to relief, consulting with the Supplier where necessary.

39.4 Without prejudice to Clauses 8.6 (Continuing obligation to provide the Services) and 9.11 (Continuing obligation to provide the Goods), if a Dispute arises as to:

39.4.1 whether a Supplier Non-Performance would not have occurred but for a Customer Cause; and/or

39.4.2 the nature and/or extent of the relief claimed by the Supplier,

either Party may refer the Dispute to the Dispute Resolution Procedure. Pending the resolution of the Dispute, both Parties shall continue to resolve the causes of, and mitigate the effects of, the Supplier Non-Performance.

39.5 Any Variation that is required to the Implementation Plan or to the Call Off Contract Charges pursuant to Clause 39 shall be implemented in accordance with the Variation Procedure.

40. FORCE MAJEURE

40.1 Subject to the remainder of Clause 40 (and, in relation to the Supplier, subject to its compliance with any obligations in Clause 15 (Business Continuity and Disaster Recovery)), a Party may claim relief under Clause 40 from liability for failure to meet its obligations under this Call Off Contract for as long as and only to the extent that the performance of those obligations is directly affected by a Force Majeure Event. Any failure or delay by the Supplier in performing its obligations under this Call Off Contract which results from a failure or delay by an agent, Sub-Contractor or supplier shall be regarded as due to a Force Majeure Event only if that agent, Sub-Contractor or supplier is itself impeded by a Force Majeure Event from complying with an obligation to the Supplier.

40.2 The Affected Party shall as soon as reasonably practicable issue a Force Majeure Notice, which shall include details of the Force Majeure Event, its effect on the

obligations of the Affected Party and any action the Affected Party proposes to take to mitigate its effect.

40.3 If the Supplier is the Affected Party, it shall not be entitled to claim relief under Clause 40 to the extent that consequences of the relevant Force Majeure Event:

40.3.1 are capable of being mitigated by any of the provision of any Goods and/or Services, including any BCDR Goods and/or Services, but the Supplier has failed to do so; and/or

40.3.2 should have been foreseen and prevented or avoided by a prudent Supplier of goods and/or services similar to the Goods and/or Services, operating to the standards required by this Call Off Contract.

40.4 Subject to Clause 40.5, as soon as practicable after the Affected Party issues the Force Majeure Notice, and at regular intervals thereafter, the Parties shall consult in good faith and use reasonable endeavours to agree any steps to be taken and an appropriate timetable in which those steps should be taken, to enable continued provision of the Goods and/or Services affected by the Force Majeure Event.

40.5 The Parties shall at all times following the occurrence of a Force Majeure Event and during its subsistence use their respective reasonable endeavours to prevent and mitigate the effects of the Force Majeure Event. Where the Supplier is the Affected Party, it shall take all steps in accordance with Good Industry Practice to overcome or minimise the consequences of the Force Majeure Event.

40.6 Where, as a result of a Force Majeure Event:

40.6.1 an Affected Party fails to perform its obligations in accordance with this Call Off Contract, then during the continuance of the Force Majeure Event:

(a) the other Party shall not be entitled to exercise any rights to terminate this Call Off Contract in whole or in part as a result of such failure unless the provision of the Goods and/or Services is materially impacted by a Force Majeure Event which endures for a continuous period of more than ninety (90) days; and

(b) the Supplier shall not be liable for any Default and the Customer shall not be liable for any Customer Cause arising as a result of such failure;

40.6.2 the Supplier fails to perform its obligations in accordance with this Call Off Contract:

(a) the Customer shall not be entitled:

(i) during the continuance of the Force Majeure Event to exercise its step-in rights under Clause 38.1.1(b) and 38.1.1(c) (Customer Remedies for Default) as a result of such failure;

(ii) to receive Delay Payments pursuant to Clause 6.4 (Delay Payments) to the extent that the Achievement of any Milestone is affected by the Force Majeure Event; and

(iii) to receive Service Credits or withhold and retain any of the Call Off Contract Charges as Compensation for Critical Service Level

Failure pursuant to Clause 14 (Critical Service Level Failure) to the extent that a Service Level Failure or Critical Service Level Failure has been caused by the Force Majeure Event; and

(b) the Supplier shall be entitled to receive payment of the Call Off Contract Charges (or a proportional payment of them) only to the extent that the Goods and/or Services (or part of the Goods and/or Services) continue to be provided in accordance with the terms of this Call Off Contract during the occurrence of the Force Majeure Event.

40.7 The Affected Party shall notify the other Party as soon as practicable after the Force Majeure Event ceases or no longer causes the Affected Party to be unable to comply with its obligations under this Call Off Contract.

40.8 Relief from liability for the Affected Party under Clause 40 shall end as soon as the Force Majeure Event no longer causes the Affected Party to be unable to comply with its obligations under this Call Off Contract and shall not be dependent on the serving of notice under Clause 40.7.

J. TERMINATION AND EXIT MANAGEMENT

41. CUSTOMER TERMINATION RIGHTS

41.1 Termination in Relation to Call Off Guarantee

41.1.1 Where this Call Off Contract is conditional upon the Supplier procuring a Call Off Guarantee pursuant to Clause 4 (Call Off Guarantee), the Customer may terminate this Call Off Contract by issuing a Termination Notice to the Supplier where:

(a) the Call Off Guarantor withdraws the Call Off Guarantee for any reason whatsoever;

(b) the Call Off Guarantor is in breach or anticipatory breach of the Call Off Guarantee;

(c) an Insolvency Event occurs in respect of the Call Off Guarantor; or

(d) the Call Off Guarantee becomes invalid or unenforceable for any reason whatsoever,

and in each case the Call Off Guarantee (as applicable) is not replaced by an alternative guarantee agreement acceptable to the Customer; or

(e) the Supplier fails to provide the documentation required by Clause 4.1 by the date so specified by the Customer.

41.2 Termination on Material Default

41.2.1 The Customer may terminate this Call Off Contract for material Default by issuing a Termination Notice to the Supplier where:

(a) the Supplier commits a Critical Service Level Failure;

(b) the representation and warranty given by the Supplier pursuant to Clause 3.2.5 (Representations and Warranties) is materially

untrue or misleading, and the Supplier fails to provide details of proposed mitigating factors which in the reasonable opinion of the Customer are acceptable;

(c) as a result of any Defaults, the Customer incurs Losses in any Contract Year which exceed 80% (unless stated differently in the Call Off Order Form) of the value of the Supplier's aggregate annual liability limit for that Contract Year as set out in Clauses 36.2.1(a) and 36.2.1(b) (Liability);

(d) the Customer expressly reserves the right to terminate this Call Off Contract for material Default, including pursuant to any of the following Clauses: 6.2.3 (Implementation Plan), 8.4.2 (Services), 9.4.2 and 9.6.1 (Goods), 10.3 (Installation Works), 14.1 (Critical Service Level Failure), 16.4 (Disruption), 21.5 (Records, Audit Access and Open Book Data), 24 (Promoting Tax Compliance), 34.3.9 (Confidentiality), 50.6.2 (Prevention of Fraud and Bribery), Paragraph 1.2.4 of the Annex to Part A and Paragraph 1.2.4 of the Annex to Part B of Call Off Schedule 10 (Staff Transfer);

(e) the Supplier commits any material Default of this Call Off Contract which is not, in the reasonable opinion of the Customer, capable of remedy; and/or

(f) the Supplier commits a Default, including a material Default, which in the opinion of the Customer is remediable but has not remedied such Default to the satisfaction of the Customer in accordance with the Rectification Plan Process.

41.2.2 For the purpose of Clause 41.2.1, a material Default may be a single material Default or a number of Defaults or repeated Defaults (whether of the same or different obligations and regardless of whether such Defaults are remedied) which taken together constitute a material Default.

41.3 Termination in Relation to Financial Standing

41.3.1 The Customer may terminate this Call Off Contract by issuing a Termination Notice to the Supplier where in the reasonable opinion of the Customer there is a material detrimental change in the financial standing and/or the credit rating of the Supplier which:

(a) adversely impacts on the Supplier's ability to supply the Goods and/or Services under this Call Off Contract; or

(b) could reasonably be expected to have an adverse impact on the Suppliers ability to supply the Goods and/or Services under this Call Off Contract.

41.4 Termination on Insolvency

41.4.1 The Customer may terminate this Call Off Contract by issuing a Termination Notice to the Supplier where an Insolvency Event affecting the Supplier occurs.

41.5 Termination on Change of Control

41.5.1 The Supplier shall notify the Customer immediately in writing and as soon as the Supplier is aware (or ought reasonably to be aware) that it is anticipating, undergoing, undergoes or has undergone a Change of Control and provided such notification does not contravene any Law.

41.5.2 The Supplier shall ensure that any notification made pursuant to Clause 41.5.1 shall set out full details of the Change of Control including the circumstances suggesting and/or explaining the Change of Control.

41.5.3 The Customer may terminate this Call Off Contract by issuing a Termination Notice under Clause 41.5 to the Supplier within six (6) Months of:

(a) being notified in writing that a Change of Control is anticipated or in contemplation or has occurred; or

(b) where no notification has been made, the date that the Customer becomes aware that a Change of Control is anticipated or is in contemplation or has occurred,

but shall not be permitted to terminate where an Approval was granted prior to the Change of Control.

41.6 Termination for breach of Regulations

41.6.1 The Customer may terminate this Call Off Contract by issuing a Termination Notice to the Supplier on the occurrence of any of the statutory provisos contained in Regulation 73 (1) (a) to (c).

41.7 Termination Without Cause

41.7.1 The Customer shall have the right to terminate this Call Off Contract at any time by issuing a Termination Notice to the Supplier giving at least three (3) months written notice (unless stated differently in the Call Off Order Form).

41.8 Termination in Relation to Framework Agreement

41.8.1 The Customer may terminate this Call Off Contract by issuing a Termination Notice to the Supplier if the Framework Agreement is terminated for any reason whatsoever.

41.9 Termination In Relation to Benchmarking

41.9.1 The Customer may terminate this Call Off Contract by issuing a Termination Notice to the Supplier if the Supplier refuses or fails to comply with its obligations as set out in paragraphs 1 and 2 of Framework Schedule 12 (Continuous Improvement and Benchmarking).

41.10 Termination in Relation to Variation

41.10.1 The Customer may terminate this Call Off Contract by issuing a Termination Notice to the Supplier for failure of the Parties to agree or the Supplier to implement a Variation in accordance with the Variation Procedure.

42. SUPPLIER TERMINATION RIGHTS

42.1 Termination on Customer Cause for Failure to Pay

42.1.1 The Supplier may, by issuing a Termination Notice to the Customer, terminate this Call Off Contract if the Customer fails to pay an undisputed sum due to the Supplier under this Call Off Contract which in aggregate exceeds an amount equal to three month's average Call Off Contract Charges (unless a different amount has been specified in the Call Off Order Form), for the purposes of this Clause 42.1.1 (the **"Undisputed Sums Limit"**), and the said undisputed sum due remains outstanding for forty (40) Working Days (the **"Undisputed Sums Time Period"**) after the receipt by the Customer of a written notice of non-payment from the Supplier specifying:

(a) the Customer's failure to pay; and

(b) the correct overdue and undisputed sum; and

(c) the reasons why the undisputed sum is due; and

(d) the requirement on the Customer to remedy the failure to pay; and

this Call Off Contract shall then terminate on the date specified in the Termination Notice (which shall not be less than twenty (20) Working Days from the date of the issue of the Termination Notice), save that such right of termination shall not apply where the failure to pay is due to the Customer exercising its rights under this Call Off Contract including Clause 23.3 (Retention and Set off).

42.1.2 The Supplier shall not suspend the supply of the Goods and/or Services for failure of the Customer to pay undisputed sums of money (whether in whole or in part).

43. TERMINATION BY EITHER PARTY

43.1 Termination for continuing Force Majeure Event

43.1.1 Either Party may, by issuing a Termination Notice to the other Party, terminate this Call Off Contract in accordance with Clause 40.6.1(a) (Force Majeure).

44. PARTIAL TERMINATION, SUSPENSION AND PARTIAL SUSPENSION

44.1 Where the Customer has the right to terminate this Call Off Contract, the Customer shall be entitled to terminate or suspend all or part of this Call Off Contract provided always that, if the Customer elects to terminate or suspend this Call Off Contract in part, the parts of this Call Off Contract not terminated or suspended can, in the Customer's reasonable opinion, operate effectively to deliver the intended purpose of the surviving parts of this Call Off Contract.

44.2 Any suspension of this Call Off Contract under Clause 44.1 shall be for such period as the Customer may specify and without prejudice to any right of termination which has already accrued, or subsequently accrues, to the Customer.

44.3 The Parties shall seek to agree the effect of any Variation necessitated by a partial termination, suspension or partial suspension in accordance with the Variation Procedure, including the effect that the partial termination, suspension or partial

suspension may have on the provision of any other Goods and/or Services and the Call Off Contract Charges, provided that the Supplier shall not be entitled to:

44.3.1 an increase in the Call Off Contract Charges in respect of the provision of the Goods and/or Services that have not been terminated if the partial termination arises due to the exercise of any of the Customer's termination rights under Clause 41 (Customer Termination Rights) except Clause 41.7 (Termination Without Cause); and

44.3.2 reject the Variation.

45. CONSEQUENCES OF EXPIRY OR TERMINATION

45.1 Consequences of termination under Clauses 41.1 (Termination in Relation to Guarantee), 41.2 (Termination on Material Default), 41.3 (Termination in Relation to Financial Standing), 41.8 (Termination in Relation to Framework Agreement), 41.9 (Termination in Relation to Benchmarking) and 41.10 (Termination in Relation to Variation)

45.1.1 Where the Customer:

(a) terminates (in whole or in part) this Call Off Contract under any of the Clauses referred to in Clause 45.1; and

(b) then makes other arrangements for the supply of the Goods and/or Services,

the Customer may recover from the Supplier the cost reasonably incurred of making those other arrangements and any additional expenditure incurred by the Customer throughout the remainder of the Call Off Contract Period provided that Customer shall take all reasonable steps to mitigate such additional expenditure. No further payments shall be payable by the Customer to the Supplier until the Customer has established the final cost of making those other arrangements.

45.2 Consequences of termination under Clauses 41.7 (Termination without Cause) and 42.1 (Termination on Customer Cause for Failure to Pay)

45.2.1 Where:

(a) the Customer terminates (in whole or in part) this Call Off Contract under Clause 41.7 (Termination without Cause); or

(b) the Supplier terminates this Call Off Contract pursuant to Clause 42.1 (Termination on Customer Cause for Failure to Pay),

the Customer shall indemnify the Supplier against any reasonable and proven Losses which would otherwise represent an unavoidable loss by the Supplier by reason of the termination of this Call Off Contract, provided that the Supplier takes all reasonable steps to mitigate such Losses. The Supplier shall submit a fully itemised and costed list of such Losses, with supporting evidence including such further evidence as the Customer may require, reasonably and actually incurred by the Supplier as a result of termination under Clause 41.7 (Termination without Cause).

45.2.2 The Customer shall not be liable under Clause 45.2.1 to pay any sum which:

(a) was claimable under insurance held by the Supplier, and the Supplier has failed to make a claim on its insurance, or has failed to make a claim in accordance with the procedural requirements of the insurance policy; or

(b) when added to any sums paid or due to the Supplier under this Call Off Contract, exceeds the total sum that would have been payable to the Supplier if this Call Off Contract had not been terminated.

45.3 Consequences of termination under Clause 43.1 (Termination for Continuing Force Majeure Event)

45.3.1 The costs of termination incurred by the Parties shall lie where they fall if either Party terminates or partially terminates this Call Off Contract for a continuing Force Majeure Event pursuant to Clause 43.1 (Termination for Continuing Force Majeure Event).

45.4 Consequences of Termination for Any Reason

45.4.1 Save as otherwise expressly provided in this Call Off Contract:

(a) termination or expiry of this Call Off Contract shall be without prejudice to any rights, remedies or obligations accrued under this Call Off Contract prior to termination or expiration and nothing in this Call Off Contract shall prejudice the right of either Party to recover any amount outstanding at the time of such termination or expiry; and

(b) termination of this Call Off Contract shall not affect the continuing rights, remedies or obligations of the Customer or the Supplier under Clauses 21 (Records, Audit Access & Open Book Data), 33 (Intellectual Property Rights), 34.3 (Confidentiality), 34.4 (Transparency and Freedom of Information) 34.5 (Protection of Personal Data), 36 (Liability), 45 (Consequences of Expiry or Termination), 51 (Severance), 53 (Entire Agreement), 54 (Third Party Rights) 56 (Dispute Resolution) and 57 (Governing Law and Jurisdiction), and the provisions of Call Off Schedule 1 (Definitions), Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing), Call Off Schedule 9 (Exit Management), Call Off Schedule 10 (Staff Transfer), Call Off Schedule 11 (Dispute Resolution Procedure) and, without limitation to the foregoing, any other provision of this Call Off Contract which expressly or by implication is to be performed or observed notwithstanding termination or expiry shall survive the Call Off Expiry Date.

45.5 Exit management

45.5.1 The Parties shall comply with the exit management provisions set out in Call Off Schedule 9 (Exit Management).

K. MISCELLANEOUS AND GOVERNING LAW

46. COMPLIANCE

46.1 Health and Safety

46.1.1 The Supplier shall perform its obligations under this Call Off Contract (including those in relation to the Goods and/or Services) in accordance with:

(a) all applicable Law regarding health and safety; and

(b) the Customer's health and safety policy (as provided to the Supplier from time to time) whilst at the Customer Premises.

46.1.2 Each Party shall promptly notify the other of as soon as possible of any health and safety incidents or material health and safety hazards at the Customer Premises of which it becomes aware and which relate to or arise in connection with the performance of this Call Off Contract

46.1.3 While on the Customer Premises, the Supplier shall comply with any health and safety measures implemented by the Customer in respect of Supplier Personnel and other persons working there and any instructions from the Customer on any necessary associated safety measures.

46.2 Equality and Diversity

46.2.1 The Supplier shall:

(a) perform its obligations under this Call Off Contract (including those in relation to provision of the Goods and/or Services) in accordance with:

(i) all applicable equality Law (whether in relation to race, sex, gender reassignment, religion or belief, disability, sexual orientation, pregnancy, maternity, age or otherwise); and

(ii) any other requirements and instructions which the Customer reasonably imposes in connection with any equality obligations imposed on the Customer at any time under applicable equality Law;

(b) take all necessary steps, and inform the Customer of the steps taken, to prevent unlawful discrimination designated as such by any court or tribunal, or the Equality and Human Rights Commission or (any successor organisation).

46.3 Official Secrets Act and Finance Act

46.3.1 The Supplier shall comply with the provisions of:

(a) the Official Secrets Acts 1911 to 1989; and

(b) section 182 of the Finance Act 1989.

46.4 Environmental Requirements

46.4.1 The Supplier shall, when working on the Sites, perform its obligations under this Call Off Contract in accordance with the Environmental Policy of the Customer.

46.4.2 The Customer shall provide a copy of its written Environmental Policy (if any) to the Supplier upon the Supplier's written request.

47. ASSIGNMENT AND NOVATION

47.1 The Supplier shall not assign, novate, Sub-Contract or otherwise dispose of or create any trust in relation to any or all of its rights, obligations or liabilities under this Call Off Contract or any part of it without Approval.

47.2 The Customer may assign, novate or otherwise dispose of any or all of its rights, liabilities and obligations under this Call Off Contract or any part thereof to:

47.2.1 any other Contracting Authority; or

47.2.2 any other body established by the Crown or under statute in order substantially to perform any of the functions that had previously been performed by the Customer; or

47.2.3 any private sector body which substantially performs the functions of the Customer,

and the Supplier shall, at the Customer's request, enter into a novation agreement in such form as the Customer shall reasonably specify in order to enable the Customer to exercise its rights pursuant to this Clause 47.2.

47.3 A change in the legal status of the Customer shall not, subject to Clause 47.4 affect the validity of this Call Off Contract and this Call Off Contract shall be binding on any successor body to the Customer.

47.4 If the Customer assigns, novates or otherwise disposes of any of its rights, obligations or liabilities under this Call Off Contract to a private sector body in accordance with Clause 47.2.3 (the "**Transferee**" in the rest of this Clause 47.4) the right of termination of the Customer in Clause 41.4 (Termination on Insolvency) shall be available to the Supplier in the event of insolvency of the Transferee (as if the references to Supplier in Clause 41.4 (Termination on Insolvency) and to Supplier or Framework Guarantor or Call Off Guarantor in the definition of Insolvency Event were references to the Transferee).

48. WAIVER AND CUMULATIVE REMEDIES

48.1 The rights and remedies under this Call Off Contract may be waived only by notice in accordance with Clause 55 (Notices) and in a manner that expressly states that a waiver is intended. A failure or delay by a Party in ascertaining or exercising a right or remedy provided under this Call Off Contract or by Law shall not constitute a waiver of that right or remedy, nor shall it prevent or restrict the further exercise of that right or remedy.

48.2 Unless otherwise provided in this Call Off Contract, rights and remedies under this Call Off Contract are cumulative and do not exclude any rights or remedies provided by Law, in equity or otherwise.

49. RELATIONSHIP OF THE PARTIES

49.1 Except as expressly provided otherwise in this Call Off Contract, nothing in this Call Off Contract, nor any actions taken by the Parties pursuant to this Call Off Contract, shall create a partnership, joint venture or relationship of employer and employee or principal and agent between the Parties, or authorise either Party to make representations or enter into any commitments for or on behalf of any other Party.

50. PREVENTION OF FRAUD AND BRIBERY

50.1 The Supplier represents and warrants that neither it, nor to the best of its knowledge any Supplier Personnel, have at any time prior to the Call Off Commencement Date:

50.1.1 committed a Prohibited Act or been formally notified that it is subject to an investigation or prosecution which relates to an alleged Prohibited Act; and/or

50.1.2 been listed by any government department or agency as being debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for participation in government procurement programmes or contracts on the grounds of a Prohibited Act.

50.2 The Supplier shall not during the Call Off Contract Period:

50.2.1 commit a Prohibited Act; and/or

50.2.2 do or suffer anything to be done which would cause the Customer or any of the Customer's employees, consultants, Suppliers, sub-contractors or agents to contravene any of the Relevant Requirements or otherwise incur any liability in relation to the Relevant Requirements.

50.3 The Supplier shall during the Call Off Contract Period:

50.3.1 establish, maintain and enforce, and require that its Sub-Contractors establish, maintain and enforce, policies and procedures which are adequate to ensure compliance with the Relevant Requirements and prevent the occurrence of a Prohibited Act;

50.3.2 keep appropriate records of its compliance with its obligations under Clause 50.3.1 and make such records available to the Customer on request;

50.3.3 if so required by the Customer, within twenty (20) Working Days of the Call Off Commencement Date, and annually thereafter, certify to the Customer in writing that the Supplier and all persons associated with it or its Sub-Contractors or other persons who are supplying the Goods and/or Services in connection with this Call Off Contract are compliant with the Relevant Requirements. The Supplier shall provide such supporting evidence of compliance as the Customer may reasonably request; and

50.3.4 have, maintain and where appropriate enforce an anti-bribery policy (which shall be disclosed to the Customer on request) to prevent it and any Supplier Personnel or any person acting on the Supplier's behalf from committing a Prohibited Act.

50.4 The Supplier shall immediately notify the Customer in writing if it becomes aware of any breach of Clause 50.1, or has reason to believe that it has or any of the Supplier Personnel have:

50.4.1 been subject to an investigation or prosecution which relates to an alleged Prohibited Act;

50.4.2 been listed by any government department or agency as being debarred, suspended, proposed for suspension or debarment, or

otherwise ineligible for participation in government procurement programmes or contracts on the grounds of a Prohibited Act; and/or

50.4.3 received a request or demand for any undue financial or other advantage of any kind in connection with the performance of this Call Off Contract or otherwise suspects that any person or Party directly or indirectly connected with this Call Off Contract has committed or attempted to commit a Prohibited Act.

50.5 If the Supplier makes a notification to the Customer pursuant to Clause 50.4, the Supplier shall respond promptly to the Customer's enquiries, co-operate with any investigation, and allow the Customer to audit any books, records and/or any other relevant documentation in accordance with Clause 21 (Records, Audit Access and Open Book Data).

50.6 If the Supplier breaches Clause 50.3, the Customer may by notice:

50.6.1 require the Supplier to remove from performance of this Call Off Contract any Supplier Personnel whose acts or omissions have caused the Supplier's breach; or

50.6.2 immediately terminate this Call Off Contract for material Default.

50.7 Any notice served by the Customer under Clause 50.4 shall specify the nature of the Prohibited Act, the identity of the Party who the Customer believes has committed the Prohibited Act and the action that the Customer has elected to take (including, where relevant, the date on which this Call Off Contract shall terminate).

50.8 The Authority places the utmost importance on the need to prevent fraud and irregularity in the delivery of this Contract. Suppliers and Sub-contractors are required to:

a) have an established system that enables Supplier and Sub-contractor staff to report inappropriate behaviour by colleagues in respect of contract performance claims;

b) ensure that their performance management systems do not encourage individual staff to make false claims regarding achievement of contract performance targets;

c) ensure a segregation of duties within the Supplier's or Sub-contractors operation between those employees directly involved in delivering the service/goods performance and those reporting achievement of contract performance to the Authority;

d) ensure that an audit system is implemented to provide periodic checks, as a minimum at six (6) Monthly intervals, to ensure effective and accurate recording and reporting of contract performance.

50.9 The Supplier shall use its best endeavours to safeguard the Authority's funding of the Contract against fraud generally and, in particular, fraud on the part of the Supplier's directors, employees or Sub-contractors. The Supplier shall pay the utmost regard to safeguarding public funds against misleading claims for payment and shall notify the Authority immediately if it has reason to suspect that any serious irregularity or fraud has occurred or is occurring.

50.10 If the Supplier, its Staff or its Sub-contractors commits Fraud in relation to this or any other contract with the Crown (including the Authority) the Authority may:

a) terminate the Contract and recover from the Supplier the amount of any loss suffered by the Authority resulting from the termination, including the cost reasonably incurred by the Authority of making other arrangements for the supply of the Services and any additional expenditure incurred by the Authority throughout the remainder of the Contract Period; or

b) recover in full from the Supplier any other loss sustained by the Authority in consequence of any Default of this clause.

50.11 Any act of fraud committed by the Supplier or its Sub-contractors (whether under this Contract or any other contract with any other Contracting Body) shall entitle the Authority to terminate this Contract, and any other contract the Authority has with the Supplier, by serving written notice on the Supplier.

50.12 If the Authority finds that the Supplier has deliberately submitted false claims for Contract payments with the knowledge of its senior officers the Authority will be entitled to terminate this Contract, or any other contract the Authority has with the Supplier, with immediate effect

51. SEVERANCE

51.1 If any provision of this Call Off Contract (or part of any provision) is held to be void or otherwise unenforceable by any court of competent jurisdiction, such provision (or part) shall to the extent necessary to ensure that the remaining provisions of this Call Off Contract are not void or unenforceable be deemed to be deleted and the validity and/or enforceability of the remaining provisions of this Call Off Contract shall not be affected.

51.2 In the event that any deemed deletion under Clause 51.1 is so fundamental as to prevent the accomplishment of the purpose of this Call Off Contract or materially alters the balance of risks and rewards in this Call Off Contract, either Party may give notice to the other Party requiring the Parties to commence good faith negotiations to amend this Call Off Contract so that, as amended, it is valid and enforceable, preserves the balance of risks and rewards in this Call Off Contract and, to the extent that is reasonably practicable, achieves the Parties' original commercial intention.

51.3 If the Parties are unable to resolve the Dispute arising under Clause 51 within twenty (20) Working Days of the date of the notice given pursuant to Clause 51.2, this Call Off Contract shall automatically terminate with immediate effect. The costs of termination incurred by the Parties shall lie where they fall if this Call Off Contract is terminated pursuant to Clause 51.

52. FURTHER ASSURANCES

52.1 Each Party undertakes at the request of the other, and at the cost of the requesting Party to do all acts and execute all documents which may be necessary to give effect to the meaning of this Call Off Contract.

53. ENTIRE AGREEMENT

53.1 This Call Off Contract and the documents referred to in it constitute the entire agreement between the Parties in respect of the matter and supersede and extinguish all prior negotiations, course of dealings or agreements made between the Parties in relation to its subject matter, whether written or oral.

53.2 Neither Party has been given, nor entered into this Call Off Contract in reliance on, any warranty, statement, promise or representation other than those expressly set out in this Call Off Contract.

53.3 Nothing in Clause 53 shall exclude any liability in respect of misrepresentations made fraudulently.

54. THIRD PARTY RIGHTS

54.1 The provisions of paragraphs 2.1 and 2.6 of Part A, paragraphs 2.1, 2.6, 3.1 and 3.3 of Part B, paragraphs 2.1 and 2.3 of Part C and paragraphs and 1.4, 2.3 and 2.8 of Part D of Call Off Schedule 10 (Staff Transfer) and the provisions of paragraph 9.9 of Call Off Schedule 9 (Exit Management) (together "**Third Party Provisions**") confer benefits on persons named in such provisions other than the Parties (each such person a "**Third Party Beneficiary**") and are intended to be enforceable by Third Parties Beneficiaries by virtue of the CRTPA.

54.2 Subject to Clause 54.1, a person who is not a Party to this Call Off Contract has no right under the CTRPA to enforce any term of this Call Off Contract but this does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

54.3 No Third Party Beneficiary may enforce, or take any step to enforce, any Third Party Provision without the prior written consent of the Customer, which may, if given, be given on and subject to such terms as the Customer may determine.

54.4 Any amendments or modifications to this Call Off Contract may be made, and any rights created under Clause 54.1 may be altered or extinguished, by the Parties without the consent of any Third Party Beneficiary.

55. NOTICES

55.1 Except as otherwise expressly provided within this Call Off Contract, any notices sent under this Call Off Contract must be in writing. For the purpose of Clause 55, an e-mail is accepted as being "in writing".

55.2 Subject to Clause 55.3, the following table sets out the method by which notices may be served under this Call Off Contract and the respective deemed time and proof of service:

Manner of delivery	Deemed time of delivery	Proof of Service
Email (Subject to Clauses 55.3 and 55.4)	9.00am on the first Working Day after sending	Dispatched as a pdf attachment to an e-mail to the correct e-mail address without any error message
Personal delivery	On delivery, provided delivery is between 9.00am and 5.00pm on a	Properly addressed and delivered as evidenced by

	Working Day. Otherwise, delivery will occur at 9.00am on the next Working Day	signature of a delivery receipt
Royal Mail Signed For™ 1st Class or other prepaid, next Working Day service providing proof of delivery	At the time recorded by the delivery service, provided that delivery is between 9.00am and 5.00pm on a Working Day. Otherwise, delivery will occur at 9.00am on the same Working Day (if delivery before 9.00am) or on the next Working Day (if after 5.00pm)	Properly addressed prepaid and delivered as evidenced by signature of a delivery receipt
E-procurement software message (Subject to Clauses 55.3 and 55.4)	9.00am on the first Working Day after sending	Delivered via an attachment to an e-procurement Supplier record without any error message

55.3 The following notices may only be served as an attachment to an email if the original notice is then sent to the recipient by personal delivery or Royal Mail Signed For™ 1st Class or other prepaid in the manner set out in the table in Clause 55.2:

55.3.1 any Termination Notice (Clause 41 (Customer Termination Rights)),

55.3.2 any notice in respect of:

(a) partial termination, suspension or partial suspension (Clause 44 (Partial Termination, Suspension and Partial Suspension)),

(b) waiver (Clause 48 (Waiver and Cumulative Remedies))

(c) Default or Customer Cause; and

55.3.3 any Dispute Notice.

55.4 Failure to send any original notice by personal delivery or recorded delivery in accordance with Clause 55.3 shall invalidate the service of the related e-mail transmission. The deemed time of delivery of such notice shall be the deemed time of delivery of the original notice sent by personal delivery or Royal Mail Signed For™ 1st Class delivery (as set out in the table in Clause 55.2) or, if earlier, the time of response or acknowledgement by the other Party to the email attaching the notice.

55.5 Clause 55 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution (other than the service of a Dispute Notice under the Dispute Resolution Procedure).

55.6 For the purposes of Clause 55, the address and email address of each Party shall be as specified in the Call Off Order Form.

56. DISPUTE RESOLUTION

56.1 The Parties shall resolve Disputes arising out of or in connection with this Call Off Contract in accordance with the Dispute Resolution Procedure.

56.2 The Supplier shall continue to provide the Goods and/or Services in accordance with the terms of this Call Off Contract until a Dispute has been resolved.

57. GOVERNING LAW AND JURISDICTION

57.1 This Call Off Contract and any issues, Disputes or claims (whether contractual or non-contractual) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of England and Wales.

57.2 Subject to Clause 56 (Dispute Resolution) and Call Off Schedule 12 (Dispute Resolution Procedure) (including the Customer's right to refer the Dispute to arbitration), the Parties agree that the courts of England and Wales (unless stated differently in the Call Off Order Form) shall have exclusive jurisdiction to settle any Dispute or claim (whether contractual or non-contractual) that arises out of or in connection with this Call Off Contract or its subject matter or formation.

CALL OFF SCHEDULE 1: DEFINITIONS

1. In accordance with Clause 1 (Definitions and Interpretation) of this Call Off Contract including its recitals the following expressions shall have the following meanings:

"Achieve"	means in respect of a Test, to successfully pass such Test without any Test Issues in accordance with the Test Strategy Plan and in respect of a Milestone, the issue of a Satisfaction Certificate in respect of that Milestone and "**Achieved**", "**Achieving**" and "**Achievement**" shall be construed accordingly;
"Acquired Rights Directive"	means the European Council Directive 77/187/EEC on the approximation of laws of European member states relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses, as amended or re-enacted from time to time;
"Additional Clauses"	means the additional Clauses in Call Off Schedule 14 (Alternative and/or Additional Clauses) and any other additional Clauses set out in the Call Off Order Form or elsewhere in this Call Off Contract;
"Affected Party"	means the party seeking to claim relief in respect of a Force Majeure;
"Affiliates"	means in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control of that body corporate from time to time;
"AHT"	means 'average handling time' as described in Appendix 6 of the Statement of Requirement;
"Alternative Clauses"	means the alternative Clauses in Call Off Schedule 14 (Alternative and/or Additional Clauses) and any other alternative Clauses set out in the Call Off Order Form or elsewhere in this Call Off Contract;
"Approval"	means the prior written consent of the Customer and "**Approve**" and "**Approved**" shall be construed accordingly;
"Approved Sub-Licensee"	means any of the following: a) a Central Government Body; b) any third party providing goods and/or services to a Central Government Body; and/or c) any body (including any private sector body) which performs or carries on any of the functions and/or activities that previously had been performed and/or carried on by the Customer;
"Auditor"	means: a) the Customer's internal and external auditors; b) the Customer's statutory or regulatory auditors;

c) the Comptroller and Auditor General, their staff and/or any appointed representatives of the National Audit Office;

d) HM Treasury or the Cabinet Office;

e) any party formally appointed by the Customer to carry out audit or similar review functions; and

f) successors or assigns of any of the above;

"Authority" means **THE MINISTER FOR THE CABINET OFFICE ("Cabinet Office")** as represented by Crown Commercial Service, a trading fund of the Cabinet Office, whose offices are located at 9th Floor, The Capital, Old Hall Street, Liverpool L3 9PP;

"BACS" means the Bankers' Automated Clearing Services, which is a scheme for the electronic processing of financial transactions within the United Kingdom;

"Band Ceiling" means the highest rate at which charges can be levied based on the volumes applicable for that invoice ;

"Band Floor" means the lowest rate at which charges can be levied based on the volumes applicable for that invoice;

"Banded Rate" means the rate at which charges can be levied based on the volume applicable for that invoice;

"BCDR Plan" means the plan prepared pursuant to paragraph 2 of Call Off Schedule 8 (Business Continuity and Disaster Recovery), as may be amended from time to time;

"Breach of Security" means the occurrence of unauthorised access to or use of the Premises, the Customer's Premises, the Services, the Customer ICT System, the Supplier ICT system or any ICT or data (including the Customer's Data) and any Personal Data and any Special Categories of Personal Data used by the Customer or the Supplier in connection with this Contract.

"Business Continuity Goods and/or Services" has the meaning given to it in paragraph 4.2.2 of Call Off Schedule 8 (Business Continuity and Disaster Recovery);

"Call Off Commencement Date" means the date of commencement of this Call Off Contract set out in the Call Off Order Form;

"Call Off Contract" means this contract between the Customer and the Supplier (entered into pursuant to the provisions of the Framework Agreement), which consists of the terms set out in the Call Off Order Form and the Call Off Terms;

"Call Off Contract Charges"	means the prices (inclusive of any Milestone Payments and exclusive of any applicable VAT), payable to the Supplier by the Customer under this Call Off Contract, as set out in Annex 1 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing), for the full and proper performance by the Supplier of its obligations under this Call Off Contract less any Deductions;
"Call Off Contract Period"	means the term of this Call Off Contract from the Call Off Commencement Date until the Call Off Expiry Date;
"Call Off Contract Year"	means a consecutive period of twelve (12) Months commencing on the Call Off Commencement Date or each anniversary thereof;
"Call Off Expiry Date"	means: (a) the end date of the Call Off Initial Period or any Call Off Extension Period; or (b) if this Call Off Contract is terminated before the date specified in (a) above, the earlier date of termination of this Call Off Contract;
"Call Off Extension Period"	means such period or periods up to a maximum of the number of years in total as may be specified by the Customer, pursuant to Clause 5.2 and in the Call Off Order Form;
"Call Off Guarantee"	means a deed of guarantee that may be required under this Call Off Contract in favour of the Customer in the form set out in Framework Schedule 13 (Guarantee) granted pursuant to Clause 7 (Call Off Guarantee);
"Call Off Guarantor"	means the person acceptable to the Customer to give a Call Off Guarantee;
"Call Off Initial Period"	means the initial term of this Call Off Contract from the Call Off Commencement Date to the end date of the initial term stated in the Call Off Order Form;
"Call Off Order Form"	means the order form applicable to and set out in Part 1 of this Call Off Contract;
"Call Off Procedure"	means the process for awarding a call off contract pursuant to Clause 5 (Call Off Procedure) of the Framework Agreement and Framework Schedule 5 (Call Off Procedure);
"Call Off Schedule"	means a schedule to this Call Off Contract;
"Call Off Tender"	means the tender submitted by the Supplier in response to the Customer's Statement of Requirements following a Further Competition Procedure and set out at Call Off Schedule 15 (Call Off Tender);
"Call Off Terms"	means the terms applicable to and set out in Part 2 of this Call Off Contract;

"Central Government Body"	means a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics: a) Government Department; b) Non-Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal); c) Non-Ministerial Department; or d) Executive Agency;
"Change of Control"	means a change of control within the meaning of Section 450 of the Corporation Tax Act 2010;
"Charges"	means the charges raised under or in connection with this Call Off Contract from time to time, which shall be calculated in a manner that is consistent with the Charging Structure;
"Charging Structure"	means the structure to be used in the establishment of the charging model which is applicable to the Call Off Contract, which is set out in Framework Schedule 3 (Framework Prices and Charging Structure);
"Commencement Date"	means the date Call Off Services commence;
"Commercially Sensitive Information"	means the Confidential Information listed in the Call Off Order Form (if any) comprising of commercially sensitive information relating to: - (a) the pricing of the Services; (b) details of the Supplier's IPR; (c) the Supplier's business and investment plans; and/or (d) the Supplier's trade secrets; which the Supplier has indicated to the Customer that, if disclosed by the Customer, would cause the Supplier significant commercial disadvantage or material financial loss;
"Comparable Supply"	means the supply of Goods and/or Services to another customer of the Supplier that are the same or similar to the Goods and/or Services;
"Compensation for Critical Service Level Failure"	has the meaning given to it in Clause 14.2.2 (Critical Service Level Failure);
"Confidential Information"	means the Customer's Confidential Information and/or the Supplier's Confidential Information, as the context specifies;
"Contact Centre Services"	means the services to be provided by the Supplier to the Customer as referred to in Annex 1 of Call Off Schedule 2 (Goods and Services);

"Continuous Improvement Plan"	means a plan for improving the provision of the Goods and/or Services and/or reducing the Charges produced by the Supplier pursuant to Framework Schedule 12 (Continuous Improvement and Benchmarking);
"Contracting Authority"	means the Authority, the Customer and any other bodies listed in the OJEU Notice;
"Control"	means control in either of the senses defined in sections 450 and 1124 of the Corporation Tax Act 2010 and "Controlled" shall be construed accordingly;
"Controller"	take the meaning given in the GDPR.
"Conviction"	means other than for minor road traffic offences, any previous or pending prosecutions, convictions, cautions and binding over orders (including any spent convictions as contemplated by section 1(1) of the Rehabilitation of Offenders Act 1974 by virtue of the exemptions specified in Part II of Schedule 1 of the Rehabilitation of Offenders Act 1974 (Exemptions) Order 1975 (SI 1975/1023) or any replacement or amendment to that Order, or being placed on a list kept pursuant to section 1 of the Protection of Children Act 1999 or being placed on a list kept pursuant to the Safeguarding Vulnerable Groups Act 2006;
"Costs"	the following costs (without double recovery) to the extent that they are reasonably and properly incurred by the Supplier in providing the Goods and/or Services: a) the cost to the Supplier or the Key Sub-Contractor (as the context requires), calculated per Man Day, of engaging the Supplier Personnel, including: i) base salary paid to the Supplier Personnel; ii) employer's national insurance contributions; iii) pension contributions; iv) car allowances; v) any other contractual employment benefits; vi) staff training; vii) work place accommodation; viii) work place IT equipment and tools reasonably necessary to provide the Goods and/or Services (but not including items included within limb (b) below); and ix) reasonable recruitment costs, as agreed with the Customer; b) costs incurred in respect of those Supplier Assets which are detailed on the Registers and which would be treated as capital costs according to generally accepted

accounting principles within the UK, which shall include the cost to be charged in respect of Supplier Assets by the Supplier to the Customer or (to the extent that risk and title in any Supplier Asset is not held by the Supplier) any cost actually incurred by the Supplier in respect of those Supplier Assets;

c) operational costs which are not included within (a) or (b) above, to the extent that such costs are necessary and properly incurred by the Supplier in the provision of the Goods and/or Services;

d) Reimbursable Expenses to the extent these have been specified as allowable in the Call Off Order Form and are incurred in delivering any Goods and/or Services where the Call Off Contract Charges for those Goods and/or Services are to be calculated on a Fixed Price or Firm Price pricing mechanism (as set out in Framework Schedule 3 (Framework Prices and Charging Structure);

but excluding:

a) Overhead;

b) financing or similar costs;

c) maintenance and support costs to the extent that these relate to maintenance and/or support Goods and/or Services provided beyond the Call Off Contract Period whether in relation to Supplier Assets or otherwise;

d) taxation;

e) fines and penalties;

f) amounts payable under Clause 25 (Benchmarking); and

g) non-cash items (including depreciation, amortisation, impairments and movements in provisions);

"Critical Service Level Failure" means any instance of critical service level failure specified in the Call Off Order Form;

"Crown" means the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Executive and the National Assembly for Wales), including, but not limited to, government ministers and government departments and particular bodies, persons, commissions or agencies from time to time carrying out functions on its behalf;

"Crown Body" means any department, office or executive agency of the Crown;

"CRTPA" means the Contracts (Rights of Third Parties) Act 1999;

"Customer" means the customer(s) identified in the Call Off Order Form;

"Customer Assets" means the Customer's infrastructure, data, software, materials, assets, equipment or other property owned by

and/or licensed or leased to the Customer and which is or may be used in connection with the provision of the Goods and/or Services;

"Customer Background IPR" means:

a) IPRs owned by the Customer before the Call Off Commencement Date, including IPRs contained in any of the Customer's Know-How, documentation, software, processes and procedures;

b) IPRs created by the Customer independently of this Call Off Contract; and/or

c) Crown Copyright which is not available to the Supplier otherwise than under this Call Off Contract;

"Customer Cause" means any breach of the obligations of the Customer or any other default, act, omission, negligence or statement of the Customer, of its employees, servants, agents in connection with or in relation to the subject-matter of this Call Off Contract and in respect of which the Customer is liable to the Supplier;

"Customer Data" means:

a) the data, guidance, specifications, instructions toolkits, plans databases, patents, patterns, models, design, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, and which are:

i) supplied to the Supplier by or on behalf of the Customer; or

ii) the Supplier is required to generate, process, store or transmit pursuant to this Call Off Contract; or

b) any Personal Data for which the Customer is the Data Controller;

"Customer Premises" means premises owned, controlled or occupied by the Customer which are made available for use by the Supplier or its Sub-Contractors for the provision of the Goods and/or Services (or any of them);

"Customer Property" means the property, other than real property and IPR, including any equipment issued or made available to the Supplier by the Customer in connection with this Call Off Contract;

"Customer Representative" means the representative appointed by the Customer from time to time in relation to this Call Off Contract;

"Customer Responsibilities" means the responsibilities of the Customer set out in Call Off Schedule 4 (Implementation Plan) and any other

responsibilities of the Customer in the Call Off Order Form or agreed in writing between the Parties from time to time in connection with this Call Off Contract;

"Customer's Confidential Information"

means:

a) all Personal Data and any information, however it is conveyed, that relates to the business, affairs, developments, property rights, trade secrets, Know-How and IPR of the Customer (including all Customer Background IPR and Project Specific IPR);

b) any other information clearly designated as being confidential (whether or not it is marked "confidential") or which ought reasonably be considered confidential which comes (or has come) to the Customer's attention or into the Customer's possession in connection with this Call Off Contract; and

c) information derived from any of the above;

"Data Controller"

shall have the same meaning as given in the Data Protection Legislation;

"Data Protection Impact Assessment"

means an assessment by the Controller of the impact of the envisaged processing on the protection of Personal Data.

"Data Loss Event"

any event that results, or may result, in unauthorised access to Personal Data and Special Categories Personal Data held by the Supplier under this Contract and/or actual or potential loss and/or alteration and/or destruction of Personal Data and Special Categories Personal Data in breach of this Contract, including any Personal Data Breach;

"Data Processor"

shall have the same meaning as given in the Data Protection Legislation;

"Data Protection Impact Assessment"

means an assessment by the Data Controller of the impact of the envisaged processing on the protection of Personal Data and Special Categories Personal Data;

"Data Protection Legislation"

means the GDPR, the LED and any applicable national implementing Laws as amended from time to time, the DPA 2018, the Criminal Law Enforcement Data Protection Directive 2016/680, the Regulation of Investigatory Powers Act 2000,

the Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000 (SI 2000/2699), the Electronic Communications Data Protection Directive 2002/58/EC, the Privacy and Electronic Communications (EC Directive) Regulations 2003 and all applicable Law relating to the processing of Personal Data and Special Categories of Personal Data;

"Data Protection Officer"	shall have the same meaning as given in Data Protection Legislation;
"Data Subject"	shall have the same meaning as given in Data Protection Legislation;
"Data Subject Access Request"	means a request made by, or on behalf of, a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation to access their Personal Data and Special Categories Personal Data;
"Deductions"	means all Service Credits, Delay Payments or any other deduction which the Customer is paid or is payable under this Call Off Contract;
"Default"	means any breach of the obligations of the Supplier (including but not limited to including abandonment of this Call Off Contract in breach of its terms) or any other default (including material Default), act, omission, negligence or statement of the Supplier, of its Sub-Contractors or any Supplier Personnel howsoever arising in connection with or in relation to the subject-matter of this Call Off Contract and in respect of which the Supplier is liable to the Customer;
"Delay"	means: a) a delay in the Achievement of a Milestone by its Milestone Date; or b) a delay in the design, development, testing or implementation of a Deliverable by the relevant date set out in the Implementation Plan;
"Delay Payments"	means the amounts payable by the Supplier to the Customer in respect of a delay in respect of a Milestone as specified in the Implementation Plan;
"Delay Period Limit"	shall be the number of days specified in Call Off Schedule 4 (Implementation Plan) for the purposes of Clause 6.4.1(b)(ii);

"Deliverable"	means an item or feature in the supply of the Goods and/or Services delivered or to be delivered by the Supplier at or before a Milestone Date listed in the Implementation Plan (if any) or at any other stage during the performance of this Call Off Contract;
"Delivery"	means delivery in accordance with the terms of this Call Off Contract as confirmed by the issue by the Customer of a Satisfaction Certificate in respect of the relevant Milestone thereof (if any) or otherwise in accordance with this Call Off Contract and accepted by the Customer and "**Deliver**" and "**Delivered**" shall be construed accordingly;
"Disaster"	means the occurrence of one or more events which, either separately or cumulatively, mean that the Goods and/or Services, or a material part thereof will be unavailable (or could reasonably be anticipated to be unavailable) for the period specified in the Call Off Order Form (for the purposes of this definition the **"Disaster Period**");
"Disaster Recovery Goods and/or Services"	means the Goods and/or Services embodied in the processes and procedures for restoring the provision of Goods and/or Services following the occurrence of a Disaster, as detailed further in Call Off Schedule 8 (Business Continuity and Disaster Recovery);
"Disclosing Party"	means a Party which discloses or makes available directly or indirectly its Confidential Information to the Recipient;
"Dispute"	means any dispute, difference or question of interpretation arising out of or in connection with this Call Off Contract, including any dispute, difference or question of interpretation relating to the Goods and/or Services, failure to agree in accordance with the Variation Procedure or any matter where this Call Off Contract directs the Parties to resolve an issue by reference to the Dispute Resolution Procedure;
"Dispute Notice"	means a written notice served by one Party on the other stating that the Party serving the notice believes that there is a Dispute;
"Dispute Resolution Procedure"	means the dispute resolution procedure set out in Call Off Schedule 11 (Dispute Resolution Procedure);
"Documentation"	means descriptions of the Services and Service Levels, technical specifications, user manuals, training manuals, operating manuals, process definitions and procedures, system environment descriptions and all such other documentation (whether in hardcopy or electronic form) as: a) is required to be supplied by the Supplier to the Customer under this Call Off Contract; b) would reasonably be required by a competent third party capable of Good Industry Practice contracted by the Customer to develop, configure, build, deploy, run,

maintain, upgrade and test the individual systems that provide the Goods and/or Services;

c) is required by the Supplier in order to provide the Goods and/or Services; and/or

d) has been or shall be generated for the purpose of providing the Goods and/or Services;

"DOTAS" means the Disclosure of Tax Avoidance Schemes rules which require a promoter of tax schemes to tell HMRC of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in Part 7 of the Finance Act 2004 and as extended to national insurance contributions by the National Insurance Contributions (Application of Part 7 of the Finance Act 2004) Regulations 2012, SI 2012/1868) made under section 132A of the Social Security Administration Act 1992;

"DPA " means the Data Protection Act 2018

"Due Diligence Information" means any information supplied to the Supplier by or on behalf of the Customer prior to the Call Off Commencement Date;

"DWP Offshoring Policy" means the Authority's policy and procedures in relation to hosting or accessing the Authority ICT System or official information outside of the UK including Landed Resources as advised to the Supplier by the Authority from time to time.

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

a) redundancy payments including contractual or enhanced redundancy costs, termination costs and notice payments;

b) unfair, wrongful or constructive dismissal compensation;

c) compensation for discrimination on grounds of sex, race, disability, age, religion or belief, gender reassignment, marriage or civil partnership, pregnancy

and maternity or sexual orientation or claims for equal pay;

d) compensation for less favourable treatment of part-time workers or fixed term employees;

e) outstanding debts and unlawful deduction of wages including any PAYE and National Insurance Contributions in relation to payments made by the Customer or the Replacement Supplier to a Transferring Supplier Employee which would have been payable by the Supplier or the Sub-Contractor if such payment should have been made prior to the Service Transfer Date;

f) claims whether in tort, contract or statute or otherwise;

g) any investigation by the Equality and Human Rights Commission or other enforcement, regulatory or supervisory body and of implementing any requirements which may arise from such investigation;

"Employer's Liability Insurance"	has the meaning given to it in Clause 37.3 of the Call Off Terms;
"Employment Regulations"	means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended or replaced or any other Regulations implementing the Acquired Rights Directive;
"Environmental Policy"	means to conserve energy, water, wood, paper and other resources, reduce waste and phase out the use of ozone depleting substances and minimise the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment, including any written environmental policy of the Customer;
"Environmental Information Regulations or EIRs"	means the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government department in relation to such regulations;
"Estimated Year 1 Call Off Contract Charges"	means the sum in pounds estimated by the Customer to be payable by it to the Supplier as the total aggregate Call Off Contract Charges from the Call Off Commencement Date until the end of the first Call Off Contract Year stipulated in the Call Off Order Form;
"Exit Management and Decommissioning"	means management of the plan as described in paragraph 5 of Call Of Schedule 9 (Exit Management);
"Exit Plan"	means the exit plan described in paragraph 5 of Call Off Schedule 9 (Exit Management);

"Expedited Dispute Timetable"	means the timetable set out in paragraph 5 of Call Off Schedule 11 (Dispute Resolution Procedure);
"Expiry Date"	means (a) the end date of the Call Off Initial Period or any Call Off Extension Period; or (b) if this Call Off Contract is terminated before the date specified in (a) above, the earlier date of termination of this Call Off Contract;
"Extension Period"	means such period or periods up to a maximum of the number of years in total as may be specified by the Customer, pursuant to Clause 5.2 and in the Call Off Order Form;
"Failure of Supplier Equipment"	has the meaning given to it at Clause 32.8 of the call off Terms and applies as follows: For the purpose of that Clause the value for X shall be ten (10) and the value for Y shall be two (2).
"Financial Limits"	has the meaning given in paragraph 4.1 of Call Off Schedule 14;
"FOIA"	means the Freedom of Information Act 2000 as amended from time to time and any subordinate legislation made under that Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government department in relation to such legislation;
"Force Majeure"	means any event, occurrence, circumstance, matter or cause affecting the performance by either the Customer or the Supplier of its obligations arising from: a) acts, events, omissions, happenings or non-happenings beyond the reasonable control of the Affected Party which prevent or materially delay the Affected Party from performing its obligations under this Call Off Contract; b) riots, civil commotion, war or armed conflict, acts of terrorism, nuclear, biological or chemical warfare; c) acts of the Crown, local government or Regulatory Bodies; d) fire, flood or any disaster; and

e) an industrial dispute affecting a third party for which a substitute third party is not reasonably available but excluding:

i) any industrial dispute relating to the Supplier, the Supplier Personnel (including any subsets of them) or any other failure in the Supplier or the Sub-Contractor's supply chain; and

ii) any event, occurrence, circumstance, matter or cause which is attributable to the wilful act, neglect or failure to take reasonable precautions against it by the Party concerned; and

iii) any failure of delay caused by a lack of funds;

"Force Majeure Notice"	means a written notice served by the Affected Party on the other Party stating that the Affected Party believes that there is a Force Majeure Event;
"Former Supplier"	means a supplier supplying the goods and/or Services to the Customer before the Relevant Transfer Date that are the same as or substantially similar to the Goods and/or Services (or any part of the Goods and/or Services) and shall include any sub-contractor of such supplier (or any sub-contractor of any such sub-contractor);
"Framework Agreement"	means the framework agreement between the Authority and the Supplier referred to in the Call Off Order Form;
"Framework Commencement Date"	means 01 June 2017
"Framework Period"	means the period from the Framework Commencement Date until the expiry or earlier termination of the Framework Agreement;
"Framework Price(s)"	means the price(s) applicable to the provision of the Goods and/or Services set out in Framework Schedule 3 (Framework Prices and Charging Structure);
"Framework Schedule"	means a schedule to the Framework Agreement;
"Fraud"	means any offence under any Laws creating offences in respect of fraudulent acts (including the Misrepresentation Act 1967) or at common law in respect of fraudulent acts including acts of forgery;
"Further Competition Procedure"	means the further competition procedure described in paragraph 3 of Framework Schedule 5 (Call Off Procedure);
"General Anti-Abuse Rule"	means (a) the legislation in Part 5 of the Finance Act 2013; and (b) any future legislation introduced into parliament to counteract tax advantages arising from abusive arrangements to avoid national insurance contributions;
"General Change in Law"	means a Change in Law where the change is of a general legislative nature (including taxation or duties of any sort

	affecting the Supplier) or which affects or relates to a Comparable Supply;
"Good Industry Practice"	means standards, practices, methods and procedures conforming to the Law and the exercise of the degree of skill and care, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person or body engaged within the relevant industry or business sector;
"Goods"	means the goods to be provided by the Supplier to the Customer as specified in Annex 2 of Call Off Schedule 2 (Goods and and/or Services);
"Government"	means the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Executive and the National Assembly for Wales), including government ministers and government departments and other bodies, persons, commissions or agencies from time to time carrying out functions on its behalf;
"Government Procurement Card"	means the Government's preferred method of purchasing and payment for low value goods or services https://www.gov.uk/government/publications/government-procurement-card--2 ;
"GDPR"	means the General Data Protection Regulation (*Regulation (EU) 2016/679*). For the avoidance of doubt, the Supplier shall not be required to ensure that its provision of the Services or its other obligations under the Contract comply with the provision of the GDPR until 25 May 2018, although it may expressly elect or agree in writing to be compliant before that date;
"Halifax Abuse Principle"	means the principle explained in the CJEU Case C-255/02 Halifax and others;
"HMRC"	means Her Majesty's Revenue and Customs;
"Holding Company"	has the meaning given to it in section 1159 of the Companies Act 2006;
"ICT Policy"	means the Customer's policy in respect of information and communications technology, referred to in the Call Off Order Form, which is in force as at the Call Off Commencement Date (a copy of which has been supplied to the Supplier), as updated from time to time in accordance with the Variation Procedure;
"Impact Assessment"	has the meaning given to it in Clause 22.1.3 (Variation Procedure);

"Implementation Plan"	means the plan set out in the Call Off Schedule 4 (Implementation Plan);
"Initial Period"	means the initial term of this Call Off Contract from the Call Off Commencement Date to the end date of the initial term stated in the Call Off Order Form;
"Indexation"	means the adjustment of an amount or sum in accordance with paragraph 11 of this Call Off Schedule 3;
"Installation Works"	means all works which the Supplier is to carry out at the beginning of the Call Off Contract Period to install the Goods in accordance with the Call Off Order Form;
"Insolvency Event"	means, in respect of the Supplier or Framework Guarantor or Call Off Guarantor (as applicable): a) a proposal is made for a voluntary arrangement within Part I of the Insolvency Act 1986 or of any other composition scheme or arrangement with, or assignment for the benefit of, its creditors; or b) a shareholders' meeting is convened for the purpose of considering a resolution that it be wound up or a resolution for its winding-up is passed (other than as part of, and exclusively for the purpose of, a bona fide reconstruction or amalgamation); or c) a petition is presented for its winding up (which is not dismissed within fourteen (14) Working Days of its service) or an application is made for the appointment of a provisional liquidator or a creditors' meeting is convened pursuant to section 98 of the Insolvency Act 1986; or d) a receiver, administrative receiver or similar officer is appointed over the whole or any part of its business or assets; or e) an application order is made either for the appointment of an administrator or for an administration order, an administrator is appointed, or notice of intention to appoint an administrator is given; or f) it is or becomes insolvent within the meaning of section 123 of the Insolvency Act 1986; or g) being a "small company" within the meaning of section 382(3) of the Companies Act 2006, a moratorium comes into force pursuant to Schedule A1 of the Insolvency Act 1986; or h) where the Supplier or Framework Guarantor or Call Off Guarantor is an individual or partnership, any event analogous to those listed in limbs (a) to (g) (inclusive) occurs in relation to that individual or partnership; or

i) any event analogous to those listed in limbs (a) to (h) (inclusive) occurs under the law of any other jurisdiction;

"International Organisation"	shall have the same meaning as given in Data Protection Legislation;
"Intellectual Property Rights" or "IPR"	means a) copyright, rights related to or affording protection similar to copyright, rights in databases, patents and rights in inventions, semi-conductor topography rights, trade marks, rights in internet domain names and website addresses and other rights in trade or business names, designs, Know-How, trade secrets and other rights in Confidential Information; b) applications for registration, and the right to apply for registration, for any of the rights listed at (a) that are capable of being registered in any country or jurisdiction; and c) all other rights having equivalent or similar effect in any country or jurisdiction;
"IPR Claim"	means any claim of infringement or alleged infringement (including the defence of such infringement or alleged infringement) of any IPR, used to provide the Goods and/or Services or as otherwise provided and/or licensed by the Supplier (or to which the Supplier has provided access) to the Customer (including any claims arising from the publication of the Project Specific IPRs as Open Source) in the fulfilment of its obligations under this Call Off Contract;
"Key Performance Indicators" or "KPIs"	means the performance measurements and targets in respect of the Supplier's performance of the Framework Agreement set out in Part B of Framework Schedule 2 (Goods and/or Services and Key Performance Indicators);
"Key Personnel"	means the individuals (if any) identified as such in the Call Off Order Form;
"Key Role(s) "	has the meaning given to it in Clause 26.1 (Key Personnel);
"Key Sub-Contract"	means each Sub-Contract with a Key Sub-Contractor;
"Key Sub-Contractor"	means any Sub-Contractor: a) listed in Framework Schedule 7 (Key Sub-Contractors); b) which, in the opinion of the Authority and the Customer, performs (or would perform if appointed) a critical role in the provision of all or any part of the Goods and/or Services; and/or

c) with a Sub-Contract with a contract value which at the time of appointment exceeds (or would exceed if appointed) 10% of the aggregate Call Off Contract Charges forecast to be payable under this Call Off Contract;

"Know-How" means all ideas, concepts, schemes, information, knowledge, techniques, methodology, and anything else in the nature of know-how relating to the Goods and/or Services but excluding know-how already in the other Party's possession before the Call Off Commencement Date;

"Law" means any law, subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, bye-law, enforceable right within the meaning of Section 2 of the European Communities Act 1972, regulation, order, regulatory policy, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements with which the Supplier is bound to comply;

"LED" means Law Enforcement Directive *(Directive (EU) 2016/680)*

"Liability" means liabilities as described in the terms of this Call Off Contract;

"Life Chances Workforce Monitoring" means as described at Call Off Schedule 16;

"Losses" means all losses, liabilities, damages, costs, expenses (including legal fees), disbursements, costs of investigation, litigation, settlement, judgment, interest and penalties whether arising in contract, tort (including negligence), breach of statutory duty, misrepresentation or otherwise and "**Loss**" shall be interpreted accordingly;

"Management Information" means the information to be provided by the Supplier as stated in Appendix 3 of the Statement of Requirements and otherwise as requested by the Customer from time to time;

"Man Day" means 7.5 Man Hours, whether or not such hours are worked consecutively and whether or not they are worked on the same day;

"Man Hours" means the hours spent by the Supplier Personnel properly working on the provision of the Goods and/or Services including time spent travelling (other than to and from the Supplier's offices, or to and from the Sites) but excluding lunch breaks;

"Milestone"	means an event or task described in the Implementation Plan which, if applicable, must be completed by the relevant Milestone Date;
"Milestone Date"	means the target date set out against the relevant Milestone in the Implementation Plan by which the Milestone must be Achieved;
"Milestone Payment"	means a payment identified in the Implementation Plan to be made following the issue of a Satisfaction Certificate in respect of Achievement of the relevant Milestone;
"Month"	means a calendar month and "**Monthly**" shall be interpreted accordingly;
"Obligation to Advertise Supply Chain Opportunities"	means as described at the additional clause in Schedule 14 paragraph 7;
"Occasion of Tax Non-Compliance"	means: a) any tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 which is found on or after 1 April 2013 to be incorrect as a result of: i) a Relevant Tax Authority successfully challenging the Supplier under the General Anti-Abuse Rule or the Halifax Abuse Principle or under any tax rules or legislation in any jurisdiction that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle; ii) the failure of an avoidance scheme which the Supplier was involved in, and which was, or should have been, notified to a Relevant Tax Authority under DOTAS or any equivalent or similar regime in any jurisdiction; and/or b) any tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 which gives rise, on or after 1 April 2013, to a criminal conviction in any jurisdiction for tax related offences which is not spent at the Call Off Commencement Date or to a civil penalty for fraud or evasion;
"Open Book Data "	means complete and accurate financial and non-financial information which is sufficient to enable the Customer to verify the Call Off Contract Charges already paid or payable and Call Off Contract Charges forecast to be paid during the remainder of this Call Off Contract, including details and all assumptions relating to: a) the Supplier's Costs broken down against each Good and/or Service and/or Deliverable, including actual capital expenditure (including capital replacement

costs) and the unit cost and total actual costs of all goods and/or services;

b) operating expenditure relating to the provision of the Goods and/or Services including an analysis showing:

i) the unit costs and quantity of Goods and any other consumables and bought-in goods and/or services;

ii) manpower resources broken down into the number and grade/role of all Supplier Personnel (free of any contingency) together with a list of agreed rates against each manpower grade;

iii) a list of Costs underpinning those rates for each manpower grade, being the agreed rate less the Supplier's Profit Margin; and

iv) Reimbursable Expenses, if allowed under the Call Off Order Form;

c) Overheads;

d) all interest, expenses and any other third party financing costs incurred in relation to the provision of the Goods and/or Services;

e) the Supplier Profit achieved over the Call Off Contract Period and on an annual basis;

f) confirmation that all methods of Cost apportionment and Overhead allocation are consistent with and not more onerous than such methods applied generally by the Supplier;

g) an explanation of the type and value of risk and contingencies associated with the provision of the Goods and/or Services, including the amount of money attributed to each risk and/or contingency; and

h) the actual Costs profile for each Service Period.

"Open Source" means computer software, computer program, and any other material that is published for use, with rights to access and modify, by any person for free, under a generally recognised open source licence;

"Open Standards" means the open standards principles as described by Government and further detailed at https://www.gov.uk/government/publications/open-standards-principles/open-standards-principles (as may be updated from time to time);

"Order" means the order for the provision of the Goods and/or Services placed by the Customer with the Supplier in accordance with the Framework Agreement and under the terms of this Call Off Contract;

"Other Supplier"	means any supplier to the Customer (other than the Supplier) which is notified to the Supplier from time to time and/or of which the Supplier should have been aware;
"Over-Delivered Goods"	has the meaning given to it in Clause 9.5.1 (Over-Delivered Goods);
"Overhead"	means those amounts which are intended to recover a proportion of the Supplier's or the Key Sub-Contractor's (as the context requires) indirect corporate costs (including financing, marketing, advertising, research and development and insurance costs and any fines or penalties) but excluding allowable indirect costs apportioned to facilities and administration in the provision of Supplier Personnel and accordingly included within limb (a) of the definition of "Costs";
"Parent Company"	means any company which is the ultimate Holding Company of the Supplier and which is either responsible directly or indirectly for the business activities of the Supplier or which is engaged by the same or similar business to the Supplier. The term "Holding or Parent Company" shall have the meaning ascribed by the Companies Act 2006 or any statutory re-enactment or amendment thereto;
"Party"	means the Customer or the Supplier and "**Parties**" shall mean both of them;
"Payment and Invoicing"	has the meaning given to it in Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing);
"Percentage Calls Answered"	means the percentage of calls answered that are offered to the queue;
"Performance Monitoring"	means the process as described in paragraph 1.1.2. in Part B of Schedule 6 (Service Levels, Service Credits and Performance Monitoring);
"Performance Monitoring System"	has the meaning given to it in paragraph 1.1.2 in Part B of Schedule 6 (Service Levels, Service Credits and Performance Monitoring);

"Performance Monitoring Reports"	has the meaning given to it in paragraph 3.1 of Part B of Schedule 6 (Service Level, Service Credit and Performance Monitoring);
"Personal Data"	shall have the same meaning as given in Data Protection Legislation;
"Personal Data Breach"	shall have the same meaning as given in Data Protection Legislation;
"Price per Activity Minute" "PpAM"	means the unit of measurement of the service equating to of one minute worth of agent activity.
"Processor"	take the meaning given in the GDPR.
"Processing"	has the meaning given to it in the Data Protection Legislation but, for the purposes of this Call Off Contract, it shall include both manual and automatic processing and "**Process**" and "**Processed**" shall be interpreted accordingly;
"Prohibited Act"	means any of the following: a) to directly or indirectly offer, promise or give any person working for or engaged by a Contracting Authority or any other public body a financial or other advantage to: i) induce that person to perform improperly a relevant function or activity; or ii) reward that person for improper performance of a relevant function or activity; b) to directly or indirectly request, agree to receive or accept any financial or other advantage as an inducement or a reward for improper performance of a relevant function or activity in connection with this Agreement; c) committing any offence: i) under the Bribery Act 2010 (or any legislation repealed or revoked by such Act); or ii) under legislation or common law concerning fraudulent acts; or iii) defrauding, attempting to defraud or conspiring to defraud a Contracting Authority or other public body; or iv) any activity, practice or conduct which would constitute one of the offences listed under (c) above if such activity, practice or conduct had been carried out in the UK.
"Project Specific IPR"	means:

a) Intellectual Property Rights in items created by the Supplier (or by a third party on behalf of the Supplier) specifically for the purposes of this Call Off Contract and updates and amendments of these items including (but not limited to) database schema; and/or

b) IPR in or arising as a result of the performance of the Supplier's obligations under this Call Off Contract and all updates and amendments to the same;

but shall not include the Supplier Background IPR;

"Project Specific IPR Items" means the items in which the Project Specific IPRs subsist;

"Protective Measures" means appropriate technical and organisational measures which shall be sufficient to secure that the Data Processor will meet the requirements of GDPR and ensure the protection rights of the Data Subject and may include (without limitation):

- Pseudonymisation and encrypting Personal Data and Special Categories Personal Data;
- ensuring on-going confidentiality, integrity, availability and resilience of systems and services used for data processing;
- measures to restore the availability and access to Personal Data and Special Categories Personal Data in a timely manner in the event of a physical or technical incident
- ensuring that availability of and access to Personal Data and Special Categories Personal Data can be restored in a timely manner after an incident; and
- regularly assessing and evaluating the effectiveness of such measures adopted by it;

"Pseudonymisation" shall have the same meaning as given in Data Protection Legislation;

"Recipient" means the Party which receives or obtains directly or indirectly Confidential Information from the Disclosing Party);

"Rectification Plan" means the rectification plan pursuant to the Rectification Plan Process;

"Rectification Plan Process" means the process set out in Clause 38.2 (Rectification Plan Process);

"Registers" has the meaning given to in Call Off Schedule 9 (Exit Management);

"Regulations"	means the Public Contracts Regulations 2015 and/or the Public Contracts (Scotland) Regulations 2012 (as the context requires) as amended from time to time;
"Reimbursable Expenses"	has the meaning given to it in Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing);
"Related Supplier"	means any person who provides goods and/or services to the Customer which are related to the Goods and/or Services from time to time;
"Relevant Conviction"	means a Conviction that is relevant to the nature of the Goods and/or Services to be provided and as specified at Clause 27.2 et seq of the Call Off Terms;
"Relevant Requirements"	means all applicable Law relating to bribery, corruption and fraud, including the Bribery Act 2010 and any guidance issued by the Secretary of State for Justice pursuant to section 9 of the Bribery Act 2010;
"Relevant Tax Authority"	means HMRC, or, if applicable, the tax authority in the jurisdiction in which the Supplier is established;
"Relevant Transfer"	means a transfer of employment to which the Employment Regulations applies;
"Relevant Transfer Date"	means, in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place;
"Relief Notice"	has the meaning given to it in Clause 39.2.2 (Supplier Relief Due to Customer Cause);
"Replacement Goods"	means any goods which are substantially similar to any of the Goods and which the Customer receives in substitution for any of the Goods following the Call Off Expiry Date, whether those goods are provided by the Customer internally and/or by any third party;
"Replacement Services"	means any services which are substantially similar to any of the Services and which the Customer receives in substitution for any of the Services following the Call Off Expiry Date, whether those services are provided by the Customer internally and/or by any third party;
"Replacement Sub-Contractor"	means a sub-contractor of the Replacement Supplier to whom Transferring Supplier Employees will transfer on a Service Transfer Date (or any sub-contractor of any such sub-contractor);
"Replacement Supplier"	means any third party provider of Replacement Goods and/or Services appointed by or at the direction of the Customer from time to time or where the Customer is providing Replacement Goods and/or Services for its own account, shall also include the Customer;
"Request for Information"	means a request for information or an apparent request relating to this Call Off Contract or the provision of the Goods

	and/or Services or an apparent request for such information under the FOIA or the EIRs;
"Restricted Countries"	means a country outside the European Economic Area or any country which is not determined to be adequate by the European Commission pursuant to Article 25(6) of Directive 95/46/EC;
"Satisfaction Certificate"	means the certificate materially in the form of the document contained in Call Off Schedule 5 (Testing) granted by the Customer when the Supplier has Achieved a Milestone or a Test;
"Security Management Plan"	means the Supplier's security management plan prepared pursuant to paragraph 4 of Call Off Schedule 7 (Security) a draft of which has been provided by the Supplier to the Customer in accordance with paragraph 4 of Call Off Schedule 7 (Security) and as updated from time to time;
"Security Measures"	means as described in paragraph 4.2 of the Call Off Schedule 14;
"Security Policy"	means the Customer's security policy, referred to in the Call Off Order Form, in force as at the Call Off Commencement Date (a copy of which has been supplied to the Supplier), as updated from time to time and notified to the Supplier;
"Security Policy Framework"	the current HMG Security Policy Framework that can be found at https://www.gov.uk/government/publications/security-policy-framework ;
"Service Credit Cap"	has the meaning given to it in the Call Off Order Form;
"Service Credits"	means any service credits specified in Annex 1 to Part A of Call Off Schedule 6 (Service Levels, Service Credits and Performance Monitoring) being payable by the Supplier to the Customer in respect of any failure by the Supplier to meet one or more Service Levels;
"Service Failure"	means an unplanned failure and interruption to the provision of the Goods and/or Services, reduction in the quality of the provision of the Goods and/or Services or event which could affect the provision of the Goods and/or Services in the future;
"Service Level Failure"	means a failure to meet the Service Level Performance Measure in respect of a Service Level Performance Criterion;
"Service Level Performance Criteria"	has the meaning given to it in paragraph 4.2 of Part A of Call Off Schedule 6 (Service Levels, Service Credits and Performance Monitoring);
"Service Level Performance Measure"	shall be as set out against the relevant Service Level Performance Criterion in Annex 1 of Part A of Call Off Schedule 6 (Service Levels, Service Credits and Performance Monitoring);

"Service Level Threshold"	shall be as set out against the relevant Service Level Performance Criterion in Annex 1 of Part A of Call Off Schedule 6 (Service Levels, Service Credits and Performance Monitoring);
"Service Levels"	means any service levels applicable to the provision of the Goods and/or Services under this Call Off Contract specified in Annex 1 to Part A of Call Off Schedule 6 (Service Levels, Service Credits and Performance Monitoring);
"Service Period"	has the meaning given to in paragraph 5.1 of Call Off Schedule 6 (Service Levels, Service Credits and Performance Monitoring);
"Service Transfer"	means any transfer of the Goods and/or Services (or any part of the Goods and/or Services), for whatever reason, from the Supplier or any Sub-Contractor to a Replacement Supplier or a Replacement Sub-Contractor;
"Service Transfer Date"	means the date of a Service Transfer;
"Services"	means the services to be provided by the Supplier to the Customer as referred to in Annex 1 of Call Off Schedule 2 (Goods and Services);
"Sites"	means any premises (including the Customer Premises, the Supplier's premises or third party premises) from, to or at which: a) the Goods and/or Services are (or are to be) provided; or b) the Supplier manages, organises or otherwise directs the provision or the use of the Goods and/or Services;
"Special Categories of Personal Data"	shall have the meaning given in Data Protection Legislation;
"Specific Change in Law"	means a Change in Law that relates specifically to the business of the Customer and which would not affect a Comparable Supply;
"Staffing Information"	has the meaning give to it in Call Off Schedule 10 (Staff Transfer);
"Standards"	means any: a) standards published by BSI British Standards, the National Standards Body of the United Kingdom, the International Organisation for Standardisation or other reputable or equivalent bodies (and their successor bodies) that a skilled and experienced operator in the same type of industry or business sector as the Supplier would reasonably and ordinarily be expected to comply with;

b) standards detailed in the specification in Framework Schedule 2 (Goods and/or Services and Key Performance Indicators), and Schedule 7 (Security);

c) standards detailed by the Customer in the Call Off Order Form or agreed between the Parties from time to time;

d) relevant Government codes of practice and guidance applicable from time to time.

"Statement of Requirements" means a statement issued by the Customer detailing its requirements in respect of Goods and/or Services issued in accordance with the Call Off Procedure;

"Sub-Contract" means any contract or agreement (or proposed contract or agreement) pursuant to which a third party:

a) provides the Goods and/or Services (or any part of them);

b) provides facilities or services necessary for the provision of the Goods and/or Services (or any part of them); and/or

c) is responsible for the management, direction or control of the provision of the Goods and/or Services (or any part of them);

"Sub-Contractor" means any person other than the Supplier, who is a party to a Sub-Contract and the servants or agents of that person;

"Sub-processor" means any third party appointed to process Personal Data and Special Categories Personal Data on behalf of the Supplier under this Contract;

"Supplier" means the person, firm or company with whom the Customer enters into this Call Off Contract as identified in the Call Off Order Form;

"Supplier Assets" means all assets and rights used by the Supplier to provide the Goods and/or Services in accordance with this Call Off Contract but excluding the Customer Assets;

"Supplier Background IPR" means

a) Intellectual Property Rights owned by the Supplier before the Call Off Commencement Date, for example those subsisting in the Supplier's standard development tools, program components or standard code used in computer programming or in physical or electronic media containing the Supplier's Know-How or generic business methodologies; and/or

b) Intellectual Property Rights created by the Supplier independently of this Call Off Contract,

"Supplier Equipment"	means the Supplier's hardware, computer and telecoms devices, equipment, plant, materials and such other items supplied and used by the Supplier (but not hired, leased or loaned from the Customer) in the performance of its obligations under this Call Off Contract;
"Supplier Non-Performance"	has the meaning given to it in Clause 39.1 (Supplier Relief Due to Customer Cause);
"Supplier Personnel"	means all directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any Sub-Contractor engaged in the performance of the Supplier's obligations under this Call Off Contract;
"Supplier Profit"	means, in relation to a period or a Milestone (as the context requires), the difference between the total Call Off Charges (in nominal cash flow terms but excluding any Deductions) and total Costs (in nominal cash flow terms) for the relevant period or in relation to the relevant Milestone;
"Supplier Profit Margin"	means, in relation to a period or a Milestone (as the context requires), the Supplier Profit for the relevant period or in relation to the relevant Milestone divided by the total Call Off Contract Charges over the same period or in relation to the relevant Milestone and expressed as a percentage;
"Supplier Representative"	means the representative appointed by the Supplier named in the Call Off Order Form;
"Supplier's Confidential Information"	means a) any information, however it is conveyed, that relates to the business, affairs, developments, IPR of the Supplier (including the Supplier Background IPR) trade secrets, Know-How, and/or personnel of the Supplier; b) any other information clearly designated as being confidential (whether or not it is marked as "confidential") or which ought reasonably to be considered to be confidential and which comes (or has come) to the Supplier's attention or into the Supplier's possession in connection with this Call Off Contract; c) information derived from any of the above.
"Supplier's Imitation of Liability"	Has the meaning given in Clause 36.2.2 of the Call Off terms;
"Template Call Off Order Form"	means the template Call Off Order Form in Annex 1 of Framework Schedule 4 (Template Call Off Order Form and Template Call Off Terms);

"Template Call Off Terms"	means the template terms and conditions in Annex 2 of Framework Schedule 4 (Template Call Off Order Form and Template Call Off Terms);
"Tender"	means the tender submitted by the Supplier to the Authority, a copy of which is annexed or referred to in Framework Schedule 21;
"Termination Assistance Notice"	has the meaning given to it in paragraph 6.1 of this Call Off Schedule 9;
"Termination Assistance Period"	means in relation to a Termination Assistance Notice, the period specified in the Termination Assistance Notice for which the Supplier is required to provide the Termination Assistance as such period may be extended pursuant to paragraph 6.2 of this Call Off Schedule 9;
"Termination Notice"	means a written notice of termination given by one Party to the other, notifying the Party receiving the notice of the intention of the Party giving the notice to terminate this Call Off Contract on a specified date and setting out the grounds for termination;
"Termination Services"	means as described by the Customer in Call Off Schedule 9 (Exit Management);
"Test Issue"	means any variance or non-conformity of the Goods and/or Services or Deliverables from their requirements as set out in the Call Off Contract;
"Test Plan"	means a plan: a) for the Testing of the Deliverables; and b) setting out other agreed criteria related to the achievement of Milestones, as described further in paragraph 4 of Call of Schedule 5 (Testing);
"Test Strategy"	means a strategy for the conduct of Testing as described further in paragraph 3 of Call Off Schedule 5 (Testing);
"Tests and Testing"	means any tests required to be carried out pursuant to this Call Off Contract as set out in the Test Plan or elsewhere in this Call Off Contract and "Tested" shall be construed accordingly;
"Tolerance Trigger"	means where the existing Banded Rates (floor or ceiling) are exceeded by 15%;
"Third Party IPR"	means Intellectual Property Rights owned by a third party which is or will be used by the Supplier for the purpose of providing the Goods and/or Services;

“Transferring Customer Employees”	those employees of the Customer to whom the Employment Regulations will apply on the Relevant Transfer Date;
“Transferring Former Supplier Employees”	in relation to a Former Supplier, those employees of the Former Supplier to whom the Employment Regulations will apply on the Relevant Transfer Date;
"Transferring Supplier Employees"	means those employees of the Supplier and/or the Supplier’s Sub-Contractors to whom the Employment Regulations will apply on the Service Transfer Date.
"Transparency Reports"	means the information relating to the Services and performance of this Call Off Contract which the Supplier is required to provide to the Customer in accordance with the reporting requirements in Schedule 13;
“TUPE”	means the Transfer of Undertakings (Protection of Employment) Regulations;
"Undelivered Goods"	has the meaning given to it in Clause 9.4.1 (Goods);
"Undelivered Goods and/or Services"	has the meaning given to it in Clause 8.4.1 (Goods and/or Services);
“Undisputed Sums Limit”	has the meaning given to it Clause 42.1.1 (Termination of Customer Cause for Failure to Pay) (which in aggregate exceeds an amount equal to three month’s average Call Off Contract Charges);
"Undisputed Sums Time Period"	has the meaning given to it Clause 42.1.1 (Termination of Customer Cause for Failure to Pay);
"Valid Invoice"	means an invoice issued by the Supplier to the Customer that complies with the invoicing procedure in paragraph 7 (Invoicing Procedure) of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing);
"Variation"	has the meaning given to it in Clause 22.1 (Variation Procedure);
"Variation Form"	means the form set out in Call Off Schedule 12 (Variation Form);
"Variation Procedure"	means the procedure set out in Clause 22.1 (Variation Procedure);
"VAT"	means value added tax in accordance with the provisions of the Value Added Tax Act 1994;
"Warranty Period"	means, in relation to any Goods, the warranty period specified in the Call Off Order Form;
“Welsh Language Scheme”	has the meaning as given to it in Call Off Schedule 17;
“Worker”	means any one of the Supplier Personnel which the Customer, in its reasonable opinion, considers is an individual to which Procurement Policy Note 08/15 (Tax Arrangements of Public

	Appointees) https://www.gov.uk/government/publications/procurement-policy-note-0815-tax-arrangements-of-appointees applies in respect of the Goods and/or Services.
"Working Day"	means any day other than a Saturday or Sunday or public holiday in England and Wales unless specified otherwise by Parties in this Call Off Contract.

CALL OFF SCHEDULE 2: GOODS AND/OR SERVICES

1. INTRODUCTION

1.1 This Call Off Schedule 2 specifies the:

1.1.1 Services to be provided under this Call Off Contract, in Annex 1; and

1.1.2 Goods to be provided under this Call Off Contract, in Annex 2 (not used for this Call Off Contract)

ANNEX 1: THE SERVICES

1. **The Services**

are those described within Recital C: Statement of Requirements as Issued by the Customer on the date specified at paragraph 10.1 of the Call Off Order Form and included in this Annex 1.

Statement of Requirements 27.do {redacted}

App 6 Package A v.4.docx

App 7 Package A.docx {Redacted}

2. Call Off Commencement Date: 1st August 2018, subject to the commencement date being the date the first service commences.

3. **Expiry Date**:

3.1. End date of Call Off Initial Period: **31st July 2021, subject to the Call Off commencement date at 2 above.**

3.2. End date of Call Off Extension Period: **31st July 2022, *subject to the Call Off commencement date at 2 above and any such customer requirement to extend the Call Off Contract***

4. Minimum written notice to Supplier in respect of extension: Three (3) months

ANNEX 2: THE GOODS

CALL OFF SCHEDULE 3: CALL OFF CONTRACT CHARGES, PAYMENT AND INVOICING

1. DEFINITIONS

1.1 The following terms used in this Call Off Schedule 3 shall have the following meaning:

"Banded Rate"	means the rate at which charges can be levied based on the volume applicable for that invoice.
"Indexation"	means the adjustment of an amount or sum in accordance with paragraph 11 of this Call Off Schedule 3;
"Indexation Adjustment Date"	has the meaning given to it in paragraph 11.1.1(a) of this Call Off Schedule 3;
"Price per Activity Minute"	means the charge for one minute's activity/effort which can be attributed to the delivery of the described services
"Reimbursable Expenses"	means the reasonable out of pocket travel and subsistence (for example, hotel and food) expenses, properly and necessarily incurred in the performance of the Services, calculated at the rates and in accordance with the Customer's expenses policy current from time to time, but not including: a) travel expenses incurred as a result of Supplier Personnel travelling to and from their usual place of work, or to and from the premises at which the Services are principally to be performed, unless the Customer otherwise agrees in advance in writing; and b) subsistence expenses incurred by Supplier Personnel whilst performing the Services at their usual place of work, or to and from the premises at which the Services are principally to be performed; c) for the avoidance of doubt, Reimbursable Expenses are not permitted under this Call Off
"Review Adjustment Date"	has the meaning given to it in paragraph 10.1.2 of this Call Off Schedule 3;
"CPI"	means the **Consumer Prices Index** as published by the Office of National Statistics (http://www.statistics.gov.uk/instantfigures.asp); and
"Supporting Documentation"	means sufficient information in writing to enable the Customer to reasonably assess whether the Call Off Contract Charges, Reimbursable Expenses and other sums due from the Customer under this Call Off Contract detailed in the information are properly payable.

2. GENERAL PROVISIONS

2.1 This Call Off Schedule 3 details:

2.1.1 the Call Off Contract Charges for the Goods and/or the Services under this Call Off Contract; and

2.1.2 the payment terms/profile for the Call Off Contract Charges;

2.1.3 the invoicing procedure; and

2.1.4 the procedure applicable to any adjustments of the Call Off Contract Charges.

3. CALL OFF CONTRACT CHARGES

3.1 The Call Off Contract Charges which are applicable to this Call Off Contract are set out in Annex 1 of this Call Off Schedule 3.

3.2 The Supplier acknowledges and agrees that:

3.2.1 in accordance with paragraph 2 (General Provisions) of Framework Schedule 3 (Framework Prices and Charging Structure), the Call Off Contract Charges can in no event exceed the Framework Prices set out in Annex 3 to Framework Schedule 3 (Framework Prices and Charging Structure); and

3.2.2 subject to paragraph 8 of this Call Off Schedule 3 (Adjustment of Call Off Contract Charges), the Call Off Contract Charges cannot be increased during the Call Off Contract Period.

4. COSTS AND EXPENSES

4.1 Except as expressly set out in paragraph 5 of this Call Off Schedule 3(Reimbursable Expenses),] the Call Off Contract Charges include all costs and expenses relating to the Goods and/or Services and/or the Supplier's performance of its obligations under this Call Off Contract and no further amounts shall be payable by the Customer to the Supplier in respect of such performance, including in respect of matters such as:

4.1.1 any incidental expenses that the Supplier incurs, including travel, subsistence and lodging, document or report reproduction, shipping, desktop or office equipment costs required by the Supplier Personnel, network or data interchange costs or other telecommunications charges; or

4.1.2 any amount for any services provided or costs incurred by the Supplier prior to the Call Off Commencement Date.

5. REIMBURSEABLE EXPENSES

5.1 Reimbursable Expenses are not permitted under this Call Off Order Form

6. PAYMENT TERMS/PAYMENT PROFILE

6.1 The payment terms/profile which are applicable to this Call Off Contract are set out in Annex 2 of this Call Off Schedule 3.

7. INVOICING PROCEDURE

7.1 The Customer shall pay all sums properly due and payable to the Supplier in cleared funds within thirty (30) days of receipt of a Valid Invoice, submitted to the address specified by the Customer in paragraph 7.6 of this Call Off Schedule 3 and in accordance with the provisions of this Call Off Contract.

7.2 The Supplier shall ensure that each invoice (whether submitted electronically through a purchase-to-pay (P2P) automated system (or similar) or in a paper form, as the Customer may specify (but, in respect of paper form, subject to paragraph 7.3 below)):

7.2.1 contains:

(a) all appropriate references, including the unique order reference number set out in the Call Off Order Form; and

(b) a detailed breakdown of the Delivered Goods and/or Services, including the Milestone(s) (if any) and Deliverable(s) within this Call Off Contract to which the Delivered Goods and/or Services relate, against the applicable due and payable Call Off Contract Charges; and

7.2.2 shows separately:

(a) any Service Credits due to the Customer; and

(b) the VAT added to the due and payable Call Off Contract Charges in accordance with Clause 23.2.1 of this Call Off Contract (VAT) and the tax point date relating to the rate of VAT shown; and

7.2.3 is exclusive of any Management Charge (and the Supplier shall not attempt to increase the Call Off Contract Charges or otherwise recover from the Customer as a surcharge the Management Charge levied on it by the Authority); and

7.2.4 it is supported by any other documentation reasonably required by the Customer to substantiate that the invoice is a Valid Invoice.

7.3 If the Customer is a Central Government Body, the Customer's right to request paper form invoicing shall be subject to procurement policy note 11/15 (available at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/437471/PPN_e-invoicing.pdf)), which sets out the policy in respect of unstructured electronic invoices submitted by the Supplier to the Customer (as may be amended from time to time).

7.4 The Supplier shall accept the Government Procurement Card as a means of payment for the Goods and/or Services where such card is agreed with the Customer to be a suitable means of payment. The Supplier shall be solely liable to pay any merchant fee levied for using the Government Procurement Card and shall not be entitled to recover this charge from the Customer.

7.5 All payments due by one Party to the other shall be made within thirty (30) days of receipt of a Valid Invoice unless otherwise specified in this Call Off Contract, in cleared funds, to such bank or building society account as the recipient Party may from time to time direct.

7.6 The Supplier shall submit invoices directly to the Customer's billing address set out in the Call Off Order Form at 7.6.2 below;

7.6.1 The Customer shall issue a purchase order to the Supplier prior to commencement of the Service.

7.6.2 All invoices payable in compliance with the requirements of Schedule 3 must include the appropriate purchase order number shall be sent to the following address;

{Redacted}

7.6.3 The following information is required independently from the Supplier before a claim is submitted for payment by the Customer.

a) Fully itemised invoices supported by relevant Management Information (MI)

and shall be sent to the following person;

{Redacted}

7.6.4 An electronic copy of the invoice must also be sent via email to {Redacted}

All unstructured e-invoices sent via email will also need to adhere to the following guidelines to ensure processing of your invoice;

All files/invoices must be in pdf format;
One pdf per invoice – All supporting documentation must be included within this pdf;
Do not attach additional/separate supporting documentation as a separate file;
Multiple invoices can be attached to one email but each invoice must be in a separate pdf (and no additional supporting files)

8. ADJUSTMENT OF CALL OFF CONTRACT CHARGES

8.1 The Call Off Contract Charges shall only be varied:

8.1.1 due to a Specific Change in Law in relation to which the Parties agree that a change is required to all or part of the Call Off Contract Charges in accordance with Clause 22.2 of this Call Off Contract (Legislative Change);

8.1.2 in accordance with Clause 23.1.4 of this Call Off Contract (Call Off Contract Charges and Payment) where all or part of the Call Off Contract Charges are reduced as a result of a reduction in the Framework Prices;

8.1.3 where all or part of the Call Off Contract Charges are reduced as a result of a review of the Call Off Contract Charges in accordance with Clause 18 of this Call Off Contract (Continuous Improvement);

8.1.4 where all or part of the Call Off Contract Charges are reduced as a result of a review of Call Off Contract Charges in accordance with Clause 25 of this Call Off Contract (Benchmarking);

8.1.5 where all or part of the Call Off Contract Charges are reviewed and reduced in accordance with paragraph 9 of this Call Off Schedule 3;

8.1.6 where a review and increase of Call Off Contract Charges is requested by the Supplier and Approved, in accordance with the provisions of paragraph 10 of this Call Off Schedule 3; or

8.1.7 where Call Off Contract Charges or any component amounts or sums thereof are expressed in this Call Off Schedule 3 as "subject to increase by way of Indexation", in accordance with the provisions in paragraph 11 of this Call Off Schedule 3.

8.1.8 In the Suppliers financial bid the proposed financial charging recovers amortised liabilities within the first two years, subject to volume. The initial Banded Rate will be based on Column F (Cells F79 – F81) of the financial bid. Once the amortised liabilities have been recovered, subject to volume, the banded rate reverts to Column I (Cells I79-I81), subject to no other changes that impacts the Banded Rate.

8.1.9 Where the existing Banded Rates (floor or ceiling) are exceeded by 15% the Banded Rate will be reviewed at the time 15% tolerance is exceed i.e. as part of the monthly review. The initial Banded Rates have been determined as part of the tender information. The intention is not to review the Banded Rates for short term peaks or troughs even if these would amend the Banded Rate or would do if such a rate had been applied, but where sustained volumes changes are assessed e.g. business volume forecast changes, service scope changes then the Customer and Supplier (both acting reasonably at all times) will determine and agree a new applicable Banded Rate so as to ensure tha the Supplier is no better or no worse off. There is a possibility that in consideration of any volume changes the same Banded Rate may apply even though the banded volume changes. This will be considered by the Customer and Supplier taking into account all available information e.g. volume, AHT, complexity, projected Supplier costs and margins. If the Customer and Supplier are unable to agree changes to the applicable Banded Rates within 15 days of such review then either party may pursue resolution pursuant to schedule 11 , or options therein.

	Band A Floor	Band C Ceiling

Existing Banded Rate	1,300,000	1,400,001
15% Tolerance Trigger	1,105,000	1,610,001

8.1.10 The application of Banded Rate changes shall be adjusted automatically in suppliers invoicing where the volume for that months charges are applied at the Banded Rate. The Banded Rate applied for the whole volume for the month will be at whatever Banded Rate is applicable for the total volume

8.1.11 Where the customer dictates that a review in the reduction of charges should be considered taking all relevant factors into account and that paragraph 9 of this Call Off Schedule 3 would delay any such reduction.

8.1.12 On the basis that costs, services and volume may change during the lifetime of the contract, or agreed extension, where the change creates particular issues the Supplier and Customer will review in good faith how this impacts the Supplier's service and financial model and in respect of any financial hardship this may cause the supplier, notwithstanding all other available options to the Supplier to mitigate the issue.

8.1.13 Where the Variation procedure is used in accordance with clause 22.1 of this Call Off order amends the charges due to the adoption of an additional service line this may require some adjustment to the requirements and charging under the contract. This is not intended to change the overall nature of the contract; Any agreed charging will consider Price Per Activity Minute (PpAM) under consideration of the contract charging methodology (Banded Rate) or as a separate charging mechanism based on the requirements and agreed supplier rate.

8.1.14 Call Volume (PpAM) to be paid on the higher of actual volume or 95% of forecast volume in the first twelve (12) months of the contract (this being when Services commence) and the higher of actual volume or 90% of forecast volume for each subsequent year, applies to each service line individually. If the optional twelve (12) month extension is applied the charging rate shall be reviewed with an intention to reduce the rate of forecast volume x applicable percentage in operation at that time;

8.2 Subject to paragraphs 8.1.1 to 8.1.5 and 8.1.8 to 8.1.14 of this Call Off Schedule 3, the Call Off Contract Charges will remain fixed for the number of Contract Years specified in the Call Off Order Form; this being a period of three (3) years from the Call Off Commencement Date.

9. SUPPLIER PERIODIC ASSESSMENT OF CALL OFF CONTRACT CHARGES

9.1 Every six (6) Months during the Call Off Contract Period, the Supplier shall assess the level of the Call Off Contract Charges to consider whether it is able to reduce them.

9.2 Such assessments by the Supplier under paragraph 9 of this Call Off Schedule 3 shall be carried out every six (6) months in each Contract Year (or in the event that such dates do not, in any Contract Year, fall on a Working Day, on the next Working Day following such dates). To the extent that the Supplier is able to decrease all or part of the Call Off Contract Charges it shall promptly notify the Customer in writing and such reduction shall be implemented in accordance with paragraph 12.1.5 of this Call Off Schedule 3 below.

10. SUPPLIER REQUEST FOR INCREASE OF THE CALL OFF CONTRACT CHARGES

10.1 If the Customer has so specified in the Call Off Order Form, the Supplier may request an increase in all or part of the Call Off Contract Charges in accordance with the remaining provisions of this paragraph 10 subject always to:

10.1.1 paragraph 3.2 of this Call Off Schedule 3;

10.1.2 the Supplier's request being submitted in writing at least three (3) Months before the effective date for the proposed increase in the relevant Call Off Contract Charges ("**Review Adjustment Date**") which shall be subject to paragraph 10.2 of this Call Off Schedule 3; and

10.1.3 the Approval of the Customer which shall be granted in the Customer's sole discretion.

10.2 The earliest Review Adjustment Date will be the first (1st) Working Day following the anniversary of the Call Off Commencement Date after the expiry of the period specified in paragraph 8.2 of this Schedule 3 during which the Contract Charges shall remain fixed (and no review under this paragraph 10 is permitted). Thereafter any subsequent increase to any of the Call Off Contract Charges in accordance with this paragraph 10 of this Call Off Schedule 3 shall not occur before the anniversary of the previous Review Adjustment Date during the Call Off Contract Period.

10.3 To make a request for an increase of some or all of the Call Off Contract Charges in accordance with this paragraph 10, the Supplier shall provide the Customer with:

10.3.1 a list of the Call Off Contract Charges it wishes to review;

10.3.2 for each of the Call Off Contract Charges under review, written evidence of the justification for the requested increase including:

(a) a breakdown of the profit and cost components that comprise the relevant Call Off Contract Charge;

(b) details of the movement in the different identified cost components of the relevant Call Off Contract Charge;

(c) reasons for the movement in the different identified cost components of the relevant Call Off Contract Charge;

(d) evidence that the Supplier has attempted to mitigate against the increase in the relevant cost components; and

(e) evidence that the Supplier's profit component of the relevant Call Off Contract Charge is no greater than that applying to Call Off Contract Charges using the same pricing mechanism as at the Call Off Commencement Date.

11. INDEXATION

11.1 Where the Call Off Contract Charges or any component amounts or sums thereof are expressed in this Call Off Schedule 3 as "subject to increase by way of Indexation" the following provisions shall apply:

11.1.1 the relevant adjustment shall:

(a) be applied on the effective date of the increase in the relevant Call Off Contract Charges by way of Indexation **("Indexation Adjustment Date**") which shall be subject to paragraph 11.1.2 of this Call Off Schedule 3;

(b) be determined by multiplying the relevant amount or sum by the percentage increase or changes in the Consumer Price Index published for the twelve (12) Months ended on the 31st of January immediately preceding the relevant Indexation Adjustment Date;

(c) where the published CPI figure at the relevant Indexation Adjustment Date is stated to be a provisional figure or is subsequently amended, that figure shall apply as ultimately confirmed or amended unless the Customer and the Supplier shall agree otherwise;

(d) if the CPI is no longer published, the Customer and the Supplier shall agree a fair and reasonable adjustment to that index or, if appropriate, shall agree a revised formula that in either event will have substantially the same effect as that specified in this Call Off Schedule 3.

11.1.2 The earliest Indexation Adjustment Date will be the (1st) Working Day following the expiry of the period specified in paragraph 8.2 of this Call Off Schedule 3 during which the Contract Charges shall remain fixed (and no review under this paragraph 11 is permitted). Thereafter any subsequent increase by way of Indexation shall not occur before the anniversary of the previous Indexation Adjustment Date during the Call Off Contract Period;

11.1.3 Except as set out in this paragraph 11 of this Call Off Schedule 3, neither the Call Off Contract Charges nor any other costs, expenses, fees or charges shall be adjusted to take account of any inflation, change to exchange rate, change to interest rate or any other factor or element which might otherwise increase the cost to the Supplier or Sub-Contractors of the performance of their obligations under this Call Off Contract.

12. IMPLEMENTATION OF ADJUSTED CALL OFF CONTRACT CHARGES

12.1 Variations in accordance with the provisions of this Call Off Schedule 3 to all or part the Call Off Contract Charges (as the case may be) shall be made by the Customer to take effect:

12.1.1 in accordance with Clause 22.2 of this Call Off Contract (Legislative Change) where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.1 of this Call Off Schedule 3;

12.1.2 in accordance with Clause 23.1.4 of this Call Off Contract (Call Off Contract Charges and Payment) where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.2 of this Call Off Schedule 3;

12.1.3 in accordance with Clause 18 of this Call Off Contract (Continuous Improvement) where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.3 of this Call Off Schedule 3;

12.1.4 in accordance with Clause 25 of this Call Off Contract (Benchmarking) where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.4 of this Call Off Schedule 3;

12.1.5 on the dates specified in the Call Off Order Form where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.5 of this Call Off Schedule 3;

12.1.6 on the Review Adjustment Date where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.6 of this Call Off Schedule 3;

12.1.7 on the Indexation Adjustment Date where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.7 of this Call Off Schedule 3;

12.1.8 where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.8 of this Call Off Schedule 3.

12.1.9 where an adjustment of the Banded Rate is required as the floor/ceiling tolerance of 15% has been exceeded the Banded Rate will be amended by way of variation. Where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.9 of this Call Off Schedule3.

12.1.10 for the avoidance of doubt no variation is required to adjust the Banded Rate where the monthly volume falls within the Banded Rate table, where an adjustment to the Call Off Charges is made in accordance with paragraph 8.1.10 of this Call Off Schedule 3.

12.1.11 on the date agreed where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.11 of this Call Off Schedule 3.

12.1.12 where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.12 of this Call Off Schedule 3.

12.1.13 where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.13 of this Call Off Schedule 3.

12.1.14 Subject to Schedule 3 annex 1 Overarching Principles clause 1.1 and 1.2 – Tupe, Exit Management and Decommissioning liabilities will be paid as they are incurred, after validation of an invoice submitted by the Supplier to the Customer has been carried out. These liabilities will be paid at the lower of the actual value of costs incurred and the capped maximum for each cost type as set out in the supplier's pricing model, as part of the bid submitted.

12.1.15 Where an adjustment to the Call Off Contract Charges is made in accordance with paragraph 8.1.14 of this Call Off Schedule 3.

12.1.16 Parties shall amend the Call Off Contract Charges shown in Annex 1 to this Call Off Schedule 3 to reflect such variations as agreed under Call Off Schedule 3.

1. Overarching principles

1.1 The Suppliers financial model as part of the bid submitted recovers set up, implementation, live running and resource liabilities under the principles of the Price per Activity Minute (PpAM) and Banded Rate recovery methodology, notwithstanding any future changes to the cost recovery methodology

1.2 TUPE, Exit Management and Decommissioning liabilities will be paid as they are incurred, after validation of an invoice submitted by the Supplier to the Customer has been carried out. These liabilities will be paid at the lower of the actual value of costs incurred and the capped maximum for each cost type as set out in the Supplier's pricing model, as part of the bid submitted

1.3 For the avoidance of doubt Call Off Schedule 3 paragraph 11, Indexation is not applicable

4. Banded Rates:

2.1 The following calculation of billable minutes will be determined on a monthly basis and to which a Banded Rate for payment purposes will apply. .

Total volume of PpAM combined across all service lines	x	Applicable banded rate from Table 1 below	=	Billable amount for invoicing

Table 1

PpAM for Volume Bands 1 to 3	**PpAM (£)**
Unit price for up to 1,300,000 monthly Activity minutes (£) (band 1)	{Redacted}
Unit price for monthly Activity minutes of 1,300,001 up to 1,400,000 (£) (band 2)	{Redacted}
Unit price for monthly Activity minutes 1,400,001 and over (£) (band 3)	{Redacted}

Example: 1

Service line within the package	No of calls - Actual or Forecast (minus	AHT (in seconds)	minutes

	10% if actuals are lower)			
Service line 1	50,000	850	708,333	
Service line 2	70,000	355	414,166	
Service line 3	110,000	315	577500	
		Total minutes In month	1,699999	x PpAM at band X = £XXXXXX to be invoiced

3 AHT REVIEW

3.1 The AHT on each service line will be reviewed at the end of each quarter based on the figures from the preceding 3 months of the quarter (e.g. Oct, Nov, Dec). The first quarterly review will be dependent on transition plans, timelines and availability of MI, the first quarterly review should take place no later than the MI available from January 2019, February 2019, March 2019 based on full service transition at 31 Dec 2018 or earlier if requested by the Customer. AHT MI will be used to define a quarter average per service line that will be used as the basis for determining the AHT per service line for the preceding quarter. The customer in discussions with the Supplier may impose new AHTs if the customer and Supplier cannot reach an agreement.

3.2 Subject to the following provisions, the average AHT per service line shall become the new AHT per service line for the preceding quarter. The AHT calculations will be based on data gathered by the Supplier from the Telephony MI for the inbound telephony channels, and for JSAOL the DWP JSAOL Call logger plus those elements of the related work undertaken for the Customer which are not captured by the aforementioned systems. In determining the AHT the parties shall take into account all tasks undertaken by the Supplier in the provision of the Services to the Customer.

3.3 In determining the new AHT the parties shall give due consideration to any non-standard matters which adversely impact the AHT, e.g. press coverage, attrition or poor performance and where appropriate the Customer will agree to remove affected periods from the review of AHT. If the Customer is aware of prospective changes that will make the new AHT unrealistic for the preceding quarter then the AHTs from the preceding 3 months will remain effective for the preceding quarter. The Customer will require the Supplier to impact any substantial changes to business processes that will potentially impact AHT, and monitor carefully those changes so both sides understand the impact of the change before reviewing the AHT.

3.4 Where the Supplier demonstrates to the Customer that the reduced AHT is linked to the Supplier's internal process efficiencies and innovation then the AHT movement will be negotiated with a maximum retention cap of 50% in favour of the Supplier, effective for the preceding quarter only, rather than an automatic reduction to the lower AHT For example - if the movement in AHT is a 100 seconds reduction but it was due to the Supplier's innovation then

the Customer shall only be entitled to an AHT reduction of 50 seconds for the preceding quarter.

4 CONTRACT PROFIT

4.1 DWP will monitor the percentage of a supplier's profits against profit levels provided during the bidding stage. Should a supplier's annual percentage profit exceed a Profit Share Tolerance of 2% then in good faith the Supplier and Customer will review the application of a Gain Share.

4.2 Suppliers must provide visibility of their accounts in a Financial Performance Statement in relation to this contract as a minimum annually. If a supplier projects increased profit above the tolerance then they should advise the Customer and both parties will review in good faith.

4.3 The Supplier shall prepare the Financial Performance Statement (see example at Appendix 1) which shall be used for the purposes of the assessing the level of Profit attained in the delivery of the contract. Each Financial Performance Statement shall: be supplied in an accessible excel or .CSV format as an electronic copy within forty five (45) Working Days of the anniversary of the start of the contract e.g. Contract commences 1st August 2018, statement required within 45 days of 31st July 2019;

4.3.1 be prepared annually throughout the contract term including any agreed extension.

4.3.2 be prepared in such a way that it shows individual contract years and a cumulative period on period view during the term of the contract;

4.3.3 be prepared in accordance with the Supplier's corporate management reporting standards and procedures including apportionment methodologies (e.g. for Corporate Overheads), the key features of which will be provided to the Customer as part of the Financial Performance Statement and profit declaration;

4.3.4 include a written commentary setting out any significant matters which have or will have an impact on the Supplier's Financial Performance Statement;

4.3.5 be certified as correct and prepared in line with the Suppliers standard accounting standards by the company's Finance Director and CEO

4.3.6 following receipt by the Customer of the Financial Performance Statement declaring the level of profit, the Supplier shall at its own expense provide to the Customer any such reasonable additional information as it may request, notwithstanding Customer rights under clause 21 of this Call Off; Records, Audit Access and Open book

4.3.7 within twenty five (25) Working Days of receipt of the Financial Performance Statement declaring the level of profit and all additional information required pursuant to paragraph 4.3.6, the Customer shall notify the Supplier whether it agrees with or disputes the Financial Performance Statement and Profit declaration; and

4.3.8 in the event of a Dispute in respect of the Financial Performance Statement and Profit declaration pursuant to paragraph 4.1, 4.2 and this clause 4.3 the matter shall be referred to an Expert for determination in accordance with the Dispute Resolution Procedure.

4.3.9 In reviewing the level of profit declared by the supplier the customer shall set an initial Target Operating Profit plus 2%.If the level of annual profit exceeds the level of annual profit specified in the suppliers original bid by

2%, this additional monies will be subject to the Profit Level Gain Share -See following example;

	Contract year 1	Contract year 2	Contract year 3	Optional; Contract year 4
Profit as per Suppliers Financial Model	4.5%	5%	4.5%	4%
Profit Share tolerance	2%	2%	2%	2%
Profit Share Threshold	6.5%	7%	6.5%	6%
Annual Profit declared	5.5%	8.5%	8.3%	5%
Gain Share	Nil	1.5%	1.8%	Nil

4.3.10 the Supplier and Customer representatives shall review in good faith an acceptable level of Profit level Gain Share. A starting point for an acceptable Profit level Gain Share will be a 50:50 share. The final decision on the level of Profit level Gain Share will be at the customer's sole discretion. See example Appendix 2, below.

4.3.11 if following agreement or determination of the Profit level Gain Share Calculation there is a Customer Gain Share Amount, then the Customer's entitlement to such amount shall be paid by way of a deduction from the next invoice levied on the Customer by the Supplier and in the event that there is no further invoice due from the Supplier, within thirty (30) Working Days of a demand by the Customer.

ANNEX 2: PAYMENT TERMS/PROFILE

1.1 The Customer shall pay all sums by direct credit transfer into a suitable bank account or by other electronic payment methods as appropriate.

1.2 Where the Supplier submits an invoice to the Customer in accordance with Schedule 3, the Customer will consider and verify that invoice in a timely fashion.

1.3 The Customer shall pay the Contract Price due to the Supplier under such an invoice no later than a period of thirty (30) days from the date on which the Customer has determined that the invoice is valid and undisputed.

1.4 Where the Customer fails to comply with clause 1.2 of this Annex and there is an undue delay in considering and verifying the invoice, the invoice shall be regarded as valid and undisputed for the purposes of Clause 1.3 after a reasonable time has passed.

1.5 The Supplier shall ensure that each invoice contains a valid reference number. All appropriate references and a detailed breakdown of the Services supplied and any other documentation reasonably required by the Customer to substantiate the invoice should be supplied in accordance with Schedule 3

1.6 Where the Supplier enters into a sub-contract for the purpose of performing its obligations under the Contract, the Supplier shall include in that sub-contract:

(a) provisions having the same effect as Clauses 1.2 – 1.4 of this Annex of the Contract; and

(b) a provision requiring the counterparty to that sub-contract to include in any sub-contract which it awards provisions having the same effect as Clauses of this Annex

(c) and for the purposes of this Clause 1.6, “sub-contract” means a contract between two or more suppliers, at any stage of remoteness from the Customer in a sub-contracting chain, made wholly or substantially for the purpose of performing (or contributing to the performance of) the whole or any part of the Contract.

1.7 The Supplier shall add VAT to the Contract Price at the prevailing rate as applicable and the Customer shall pay the VAT to the Supplier following an eligible claim for payment being notified by the Supplier in line with the provisions of Schedule 3.

1.8 The Supplier shall indemnify the Customer on a continuing basis against any liability, including any interest, penalties or costs incurred which is levied, demanded or assessed on the Customer at any time in respect of the Supplier’s failure to account for or to pay any VAT relating to payments made to the Supplier under the Contract. Any amounts due under this clause 1.8 shall be paid by the Supplier to the Customer not less than five (5) Working Days before the date upon which the tax or other liability is payable by the Customer.

1.9 The Supplier shall not suspend the supply of the Services unless the Supplier is entitled to terminate the Contract under clause 42.1 (Termination on Customer Cause for Failure to Pay) for failure to pay undisputed sums of money. Interest shall be payable by the Customer on the late payment of any undisputed sums of money properly claimed in accordance with the Late Payment of Commercial Debts (Interest) Act 1998 (amended 2013).

1.10 Where payment by the Customer of all or any part of any payment submitted or other claim for payment by the Supplier is disputed, this dispute shall be resolved in accordance with the disputed claims procedure as set out in Schedule 3.

1.11 Without prejudice to Clause 1.8, for the avoidance of doubt, it shall at all times remain the sole responsibility of the Supplier to:

(a) assess the VAT rate(s) and tax liability arising out of or in connection with the Contract; and

(b) account for or pay any VAT (and any other tax liability) relating to payments made to the Supplier under the Contract to HM Revenue & Customs ("HMRC").

1.12 The Customer shall not be liable to the Supplier in any way whatsoever for any error or failure made by the Supplier (or the Customer) in relation to VAT, including without limit:

(a) where the Supplier is subject to a VAT ruling(s) by HMRC (or such other relevant Customer) in connection with the Contract;

(b) where the Supplier has assumed that it can recover input VAT and (for whatever reason) this assumption is subsequently held by HMRC (or such other relevant authority) to be incorrect or invalid; and/or

(c) where the Supplier's treatment of VAT in respect of any claim for payment made under the Contract is subsequently held by HMRC (or such other relevant authority) for whatever reason to be incorrect or invalid;

(d) where the Supplier has specified a rate of VAT, or a VAT classification, to the Customer (including, but not limited to, Out of Scope, Exempt, 0%, Standard Rate and Reduced Rate) but the Supplier subsequently regards such a rate, or such a classification, as being a mistake on its part. Further, in this scenario 2.12 (d), the Supplier shall be obliged to repay any overpayment by the Customer on demand.

1.13 Where the Supplier does not include VAT on an invoice, the Customer will not be liable to pay any VAT for that invoice either when it falls due, or at any later date.

1.14 The Supplier acknowledges that the Customer has advised the Supplier that the Supplier should seek specialist VAT advice in relation to the Contract and, in the event of any uncertainty following specialist advice, the Supplier should seek clarification of the Contract's VAT status with HMRC.

2 RECOVERY OF SUMS DUE

2.1 Wherever under the Contract any sum of money is recoverable from or payable by the Supplier (including any sum which the Supplier is liable to pay to the Customer in respect of any breach of the Contract), the Customer may unilaterally deduct that sum from any sum then due, or which at any later time may become due to the Supplier under the Contract or under any other agreement or contract with the Customer.

2.2 Any overpayment by either Party, whether of the Contract Price or of VAT or otherwise, shall be a sum of money recoverable by the Party who made the overpayment from the Party in receipt of the overpayment.

2.3 The Supplier shall make all payments due to the Customer without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise unless the Supplier has a valid court order requiring an amount equal to such deduction to be paid by the Customer to the Supplier.

2.4 All payments due shall be made within a reasonable time unless otherwise specified in the Contract, in cleared funds, to such bank or building society account as the recipient Party may from time to time direct.

3 PRICE ADJUSTMENT ON EXTENSION OF THE INITIAL CONTRACT PERIOD

3.1 The Contract Price shall apply for the Initial Contract Period. In the event that the Customer agrees to extend the Initial Contract Period pursuant to clause recital B Duration of Call Off Contract, paragraph 5.2 (Call Off contract period), the Customer may, where applicable, in the six (6) Month period prior to the expiry of the Initial Contract Period, enter into good faith negotiations with the Supplier (for a period of not more than thirty (30) Working Days) to agree to a variation in the Contract Price. For the avoidance of doubt both Parties accept and acknowledge that any Variation to the Contract Price shall not have the effect of altering the economic balance of the Contract during the period of extension in favour of the Supplier in a manner not provided for in the terms of the Contract.

3.2 If the Parties are unable to agree a variation in the Contract Price (applicable to the period of extension) in accordance with clause C4.1, the Contract shall terminate at the end of the Initial Contract Period.

3.3 If a variation in the Contract Price is agreed between the Customer and the Supplier, the revised Contract Price will take effect from the first day of any period of extension and shall apply during such period of extension.

3.4 Any increase in the Contract Price pursuant to clause C4.1 shall not exceed the percentage change in the Office of National Statistics' Consumer Prices Index (CPI) (or another such index specified in the Prices & Rates Schedule) between the Commencement Date and the date six (6) Months before the end of the Initial Contract Period.

APPENDIX 1
FINANCIAL PERFORMANCE STATEMENT

The following table sets out the template to be used for the Financial Performance Statement. The Supplier should complete each section adding the main cost categories under each section heading. Extra rows can be added at required. All values are for example purpose only and not representative of actual performance.

GBPK	Period Ending 31/7/19	Period Ending 31/7/20	Period Ending 31/7/21	Additional Period Ending 31/7/22	Total
Revenue					
Staff Costs					
sub total					
Accommodation costs					
sub total					
Other Operating costs					
sub total					
Risk premium					

Total costs					
Profit					
Total £ (Excluding VAT)					
Profit %					
Target Operating profit %					

APPENDIX 2

Profit Level Gain Share Calculation

The following sets out an example of the Profit Level Gain Share Calculation. All values are for illustrative purposes only.

Example

Annual Profit percentage as per Suppliers Financial Model = 5%

Annual Profit Share percentage tolerance = 2%

Annual Profit Share percentage Threshold = 7%

Annual Profit percentage declared = 8.5%

Annual Gross revenue (Actual) = £5,000,000

Profit Level Gain Share Calculation =

(Annual revenue (Actual) x Actual Annual Profit percentage – (minus)

(Annual Gross revenue (Actual) x Annual Profit Share percentage tolerance (2%)

= (£5,000,000 x 8.5%) – (£5,000,000 x 7%)

= £425,000 – £350,000

= £75,000

Annual Profit level Gain Share amount @ 50:50 share for supplier and customer = £37,500

CALL OFF SCHEDULE 4: IMPLEMENTATION PLAN

1. INTRODUCTION

1.1 This Call Off Schedule 4 specifies the Implementation Plan in accordance with which the Supplier shall provide the Goods and/or Services.

2. IMPLEMENTATION PLAN

2.1 The draft Implementation Plan is set out at Schedule 2 Annex 1.

2.2 The Milestones will be agreed as part of the implementation and planning process between the Customer and the Supplier. They will be agreed and locked down at each iteration of the plan. The milestones will be detailed as outlined Table 1. Part 2 Call-Off terms 6.1 refers.

2.3 The Customer proposes that Delay Payments, as aligned to relevant Milestones and yet to be agreed between the Customer and Supplier as part of the Implementation Plan, shall apply as follows:

2.3.1 for each day of delay a daily sum of £500 shall be incurred as a liability of the Supplier until such time that the relevant key Milestone is Achieved. For the avoidance of doubt Milestone payments are not used in the Call Off order.

2.3.2 Amounts incurred by the Supplier by way of Delay Payments shall be set off against sums due to the Supplier in accordance with the provisions of clause 23.3.1.

Table 1

Milestone	Deliverables	Duration	Milestone Date	Customer Responsibilities	Delay Payments
1 2 3 4 5					
The Milestones will be Achieved in accordance with Call Off Schedule 5 (Testing). ***For the purposes of Clause 6.4.1(b)(ii) the number of days shall be 14 days ('the Delay Period Limit').***					

CALL OFF SCHEDULE 5: TESTING

1. INTRODUCTION

1.1 This Call Off Schedule 5 (Testing) sets out the approach to Testing and the different Testing activities to be undertaken, including the preparation and agreement of the Test Strategy and Test Plans.

2. TESTING OVERVIEW

2.1 All Tests conducted by the Supplier shall be conducted in accordance with the Test Strategy and the Test Plans.

2.2 Any Disputes between the Supplier and the Customer regarding this Testing shall be referred to the Dispute Resolution Procedure.

3. TEST STRATEGY

3.1 The Supplier shall develop the final Test Strategy as soon as practicable but in any case no later than sixty (60) Working Days (or such other period as the Parties may agree) after the Call Off Commencement Date.

3.2 The final Test Strategy shall include:

3.2.1 an overview of how Testing will be conducted in relation to the Implementation Plan;

3.2.2 the process to be used to capture and record Test results and the categorisation of Test Issues;

3.2.3 the procedure to be followed should a Deliverable fail a Test or where the Testing of a Deliverable produces unexpected results, including a procedure for the resolution of Test Issues;

3.2.4 the procedure to be followed to sign off each Test; and

3.2.5 the process for the production and maintenance of reports relating to Tests.

4. TEST PLANS

4.1 The Supplier shall develop Test Plans for the Approval of the Customer as soon as practicable but in any case no later than sixty (60) Working Days (or such other period as the Parties may agree in the Test Strategy or otherwise) prior to the start date for the relevant Testing as specified in the Implementation Plan.

4.2 Each Test Plan shall include as a minimum:

4.2.1 the relevant Test definition and the purpose of the Test, the Milestone to which it relates, the requirements being Tested;

4.2.2 a detailed procedure for the Tests to be carried out, including:

(a) the timetable for the Tests including start and end dates;

(b) the Testing mechanism;

(c) dates and methods by which the Customer can inspect Test results;

(d) the mechanism for ensuring the quality, completeness and relevance of the Tests;

(e) the process with which the Customer will review Test Issues and progress on a timely basis; and

(f) the re-Test procedure, the timetable and the resources which would be required for re-Testing.

4.3 The Customer shall not unreasonably withhold or delay its Approval of the Test Plans and the Supplier shall implement any reasonable requirements of the Customer in the Test Plans.

5. TESTING

5.1 When the Supplier has completed a Milestone it shall submit any Deliverables relating to that Milestone for Testing.

5.2 Each party shall bear its own costs in respect of the Testing. However, if a Milestone is not Achieved the Customer shall be entitled to recover from the Supplier, any reasonable additional costs it may incur as a direct result of further review or re-Testing of a Milestone.

5.3 If the Supplier successfully completes the requisite Tests, the Customer shall issue a Satisfaction Certificate as soon as reasonably practical following such successful completion. Notwithstanding the issuing of any Satisfaction Certificate, the Supplier shall remain solely responsible for ensuring that the Goods and/or Services are implemented in accordance with this Call Off Contract.

6. TEST ISSUES

6.1 Where a Test Issue is identified by the Supplier, the Parties shall agree how such Test Issue shall be dealt with and any failure to agree by the Parties shall be resolved in accordance with the Dispute Resolution Procedure.

7. TEST QUALITY AUDIT

7.1 Without prejudice to its rights pursuant to Clause 21 (Records, Audit Access and Open Book Data), the Customer or an agent or contractor appointed by the Customer may perform on-going quality audits in respect of any part of the Testing.

7.2 If the Customer has any concerns following an audit in accordance with paragraph 7.1 above the Customer will discuss such concerns with the Supplier, giving the Supplier the opportunity to provide feedback in relation to specific activities, and subsequently prepare a written report for the Supplier detailing the same to which the Supplier shall, within a reasonable timeframe, respond in writing.

7.3 In the event of an inadequate response to the written report from the Supplier, the Customer (acting reasonably) may withhold a Satisfaction Certificate until the issues in the report have been addressed to the reasonable satisfaction of the Customer.

8. OUTCOME OF TESTING

8.1 The Customer will issue a Satisfaction Certificate when it is satisfied that a Milestone has been Achieved.

8.2 If any Milestones (or any relevant part thereof) do not pass the Test in respect thereof then:

8.2.1 the Supplier shall rectify the cause of the failure and re-submit the Deliverables (or the relevant part) to Testing, provided that the Parties agree that there is sufficient time for that action prior to the relevant Milestone Date; or

8.2.2 the Parties shall treat the failure as a Supplier Default.

ANNEX 1: SATISFACTION CERTIFICATE

To: [insert name of Supplier]

FROM: [insert name of Customer]

[insert Date: dd/mm/yyyy]

Dear Sirs,

SATISFACTION CERTIFICATE

[Deliverable(s)/Milestone(s)]: *[Insert relevant description of the agreed Deliverables/Milestones]*

We refer to the agreement (**"Call Off Contract"**) [insert Call Off Contract reference number] relating to the provision of the [insert description of the Goods and/or Services] between the [*insert Customer name*] (**"Customer"**) and [*insert Supplier name*] (**"Supplier"**) dated [*insert Call Off Commencement Date dd/mm/yyyy*].

The definitions for any capitalised terms in this certificate are as set out in the Call Off Contract.

We confirm that all the [Deliverables/Milestones] relating to [ ] *[insert relevant description of agreed Deliverables/Milestones and/or reference numbers(s) from the Implementation Plan]* have been completed.

Yours faithfully

[insert Name]

[insert Position]

acting on behalf of [insert name of Customer]

CALL OFF SCHEDULE 6: SERVICE LEVELS, SERVICE CREDITS AND PERFORMANCE MONITORING

1. SCOPE

1.1 This Call Off Schedule 6 (Service Levels, Service Credits and Performance Monitoring) sets out the Service Levels which the Supplier is required to achieve when providing the Goods and/or Services, the mechanism by which Service Level Failures and Critical Service Level Failures will be managed and the method by which the Supplier's performance in the provision by it of the Goods and/or Services will be monitored.

1.2 This Call Off Schedule 6 comprises:

1.2.1 Part A: Service Levels and Service Credits;

1.2.2 Annex 1 to Part A - Service Levels and Service Credits Table; and

1.2.3 Part B: Performance Monitoring.

PART A: SERVICE LEVELS AND SERVICE CREDITS

2. GENERAL PROVISIONS

2.1 The Supplier shall provide a proactive Call Off Contract manager to ensure that all Service Levels in this Call Off Contract and Key Performance Indicators in the Framework Agreement are achieved to the highest standard throughout, respectively, the Call Off Contract Period and the Framework Period.

2.2 The Supplier shall provide a managed service through the provision of a dedicated Call Off Contract manager where required on matters relating to:

2.2.1 Supply performance;

2.2.2 Quality of Services;

2.2.3 Customer support;

2.2.4 Complaints handling; and

2.2.5 Accurate and timely invoices.

2.3 The Supplier accepts and acknowledges that failure to meet the Service Level Performance Measures set out in the table in Annex 1 to this Part A of this Call Off Schedule 6 will result in Service Credits being issued to Customers.

3. PRINCIPAL POINTS

3.1 The objectives of the Service Levels and Service Credits are to:

3.1.1 ensure that the Goods and/or Services are of a consistently high quality and meet the requirements of the Customer;

3.1.2 provide a mechanism whereby the Customer can attain meaningful recognition of inconvenience and/or loss resulting from the Supplier's failure to deliver the level of service for which it has contracted to deliver; and

3.1.3 incentivise the Supplier to comply with and to expeditiously remedy any failure to comply with the Service Levels.

4. SERVICE LEVELS

4.1 Annex 1 to this Part A of this Call Off Schedule 6 sets out the Service Levels the performance of which the Parties have agreed to measure.

4.2 The Supplier shall monitor its performance of this Call Off Contract by reference to the relevant performance criteria for achieving the Service Levels shown in Annex 1 to this Part A of this Call Off Schedule 6 (the "**Service Level Performance Criteria**") and shall send the Customer a Performance Monitoring Report detailing the level of service which was achieved in accordance with the provisions of Part B (Performance Monitoring) of this Call Off Schedule 6.

4.3 The Supplier shall, at all times, provide the Goods and/or Services in such a manner that the Service Levels Performance Measures are achieved.

4.4 If the level of performance of the Supplier of any element of the provision by it of the Goods and/or Services during the Call Off Contract Period:

4.4.1 is likely to or fails to meet any Service Level Performance Measure or

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

4.4.3 the Supplier shall immediately notify the Customer in writing and the Customer, in its absolute discretion and without prejudice to any other of its rights howsoever arising including under Clause 13 of this Call Off Contract (Service Levels and Service Credits), may:

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

(b) if the action taken under paragraph (a) above has not already prevented or remedied the Service Level Failure or Critical Service Level Failure, the Customer shall be entitled to instruct the Supplier to comply with the Rectification Plan Process; or

(c) if a Service Level Failure has occurred, deduct from the Call Off Contract Charges the applicable Service Level Credits payable by the Supplier to the Customer in accordance with the calculation formula set out in Annex 1 of this Part A of this Call Off Schedule 6; or

(d) if a Critical Service Level Failure has occurred, exercise its right to Compensation for Critical Service Level Failure in accordance with Clause 14 of this Call Off Contract (Critical Service Level Failure) (including subject, for the avoidance of doubt, the proviso in Clause 14.2.2 of this Call Off Contract in relation to Material Breach).

4.5 Approval and implementation by the Customer of any Rectification Plan shall not relieve the Supplier of any continuing responsibility to achieve the Service Levels, or remedy any failure to do so, and no estoppels or waiver shall arise from any such Approval and/or implementation by the Customer.

4.6 **Period for providing Rectification Plan**

4.6.1 The period of ten (10) Working Days in Clause 38.2.1(a) shall be amended to two (2)

4.7 **Customer Periodic reviews of Service Levels (Clause 13.7.1 of the Call Off terms):** For the purpose of clause 13.7.1 the total number of Service Level Performance Criteria for which the weighting is to be changed should not exceed eight (8).

5. SERVICE CREDITS

5.1 Annex 1 to this Part A of this Call Off Schedule 6 sets out the formula used to calculate a Service Credit payable to the Customer as a result of a Service Level Failure in a given service period which, for the purpose of this Call Off Schedule 6, shall be a recurrent period of **[**one Month**]** during the Call Off Contract Period (the "**Service Period**").

5.2 Annex 1 to this Part A of this Call Off Schedule 6 includes details of each Service Credit available to each Service Level Performance Criterion if the applicable Service Level Performance Measure is not met by the Supplier.

5.3 The Customer shall use the Performance Monitoring Reports supplied by the Supplier under Part B (Performance Monitoring) of this Call Off Schedule 6 to verify the calculation and accuracy of the Service Credits, if any, applicable to each relevant Service Period.

5.4 Service Credits are a reduction of the amounts payable in respect of the Goods and/or Services and do not include VAT. The Supplier shall set-off the value of any Service Credits against the appropriate invoice in accordance with calculation formula in Annex 1 of Part A of this Call Off Schedule 6.

6. NATURE OF SERVICE CREDITS

6.1 The Supplier confirms that it has modelled the Service Credits and has taken them into account in setting the level of the Call Off Contract Charges. Both Parties agree that the Service Credits are a reasonable method of price adjustment to reflect poor performance.

7. SERVICE CREDIT CAP

7.1 For the purpose of the definition of Service Credit Cap in Call Off Schedule 1 (Definitions), the applicable percentage of the Estimated Year 1 Call Off Contract Charges and subsequent contract years Call Off Contract Charges shall be 20%.

8. CRITICAL SERVICE LEVEL FAILURE

8.1 In relation to the Percentage Calls Answered (PCA) Service Level Performance Criteria a Critical Service Level Failure shall occur when the PCA performance is assessed at below 80% (PCA), across one or more service lines, for a consecutive period of twelve (12) weeks or three (3) separate instances occur of four (4) weeks or longer in a twelve (12) month rolling period.

ANNEX 1 TO PART A: SERVICE LEVELS AND SERVICE CREDITS TABLE

Service Levels by individual service line unless stated otherwise				Service Credit (SC) by individual service line unless stated otherwise for each Service Period
Service Level Performance Criterion	Key Indicator	Service Level Performance Measure	Service Level Threshold	
Weekly PCA	Weekly % of calls answered that are offered to the queue	At least 90%	90%	**PCA** 85-89.9% achieved = 3% weekly revenue 80-84.9% achieved = 4% weekly revenue <80% achieved = 6% weekly revenue **Rolling Weeks** (more than 1 occurrence in any 4 week rolling period) PCA 85-89.9% achieved = 6% weekly revenue 80-84.9% achieved = 8% weekly revenue <80% achieved = 12% weekly revenue
JSAOL Weekly SLA	% of cases processed within 24 hours of receipt	At least 90%	90%	**PCA** 85-89.9% achieved = 3% weekly revenue 80-84.9% achieved = 4% weekly revenue <80% achieved = 6% weekly revenue **Rolling Weeks** (more than 1 occurrence in any 4 week rolling period)

				PCA 85-89.9% achieved = 6% weekly revenue 80-84.9% achieved = 8% weekly revenue <80% achieved = 12% weekly revenue
Daily PCA	Daily % of calls answered that are offered to the queue	At least 90%	90%	**PCA** 85-89.9% achieved = 10% daily revenue for SL 80-84.9% achieved = 15% daily revenue for SL <80% achieved = 20% daily revenue for SL
Void Day Definition: On a day when the daily PCA target is not achieved, that day will be declared void and excluded from performance, where the calls offered on that day exceed the forecast by more than the agreed tolerance and daily PCA is achieved for a minimum of forecast calls plus 10%. Where a day is void then daily PCA performance is disregarded for that day and that day does not count towards the weekly PCA target. Where there are 2 or more void days in a week, only the daily PCA target will apply for the remaining days of the week. The weekly PCA target will not apply for that week.				
Quality	**JSANC** Monthly quality target achievement and required number of checks to be completed per Agent, per month	Quality Target 90% 2 calls to be completed per Agent per month	90%	2% service credit applied of the relevant month's total invoice for all of the service lines within the contract. **Rolling SC**(more than 1 occurrence in any 4 week rolling period) 5% service credit applied of the relevant months total invoice for all of the service lines within the contract
Quality	**Remaining Service Lines** Monthly quality target achievement and required number of checks to be completed per Agent, per month	Quality Target 90% 4 calls to be completed per Agent per month	90%	2% service credit applied of the relevant month's total invoice for all of the service lines within the contract. **Rolling SC**(more than 1 occurrence in any 4 week rolling period) 5% service credit applied of the relevant months total invoice for all of the service lines within the contract

MI	Accurate intraday, daily and weekly MI reports delivered to timescale	Timescale missed and/or inaccurate reports delivered	100%	0.5% Service credit of the relevant week's total invoice applied. **<u>Rolling SC</u>**(more than 1 occurrence in any 4 week rolling period) 3% service credit of the relevant weeks total invoice for the service line in question
Complaints	Volume of complaints of calls received or cases handled per month	Volume not to exceed 0.01% of all calls received or cases handled	0.01%	0.5% of the relevant months total invoice **<u>Rolling SC</u>** more than 1 occurrence in any 4 week rolling period) 3% of the relevant months total invoice
Data Transfer Incidents	The Supplier will comply with the Customer's Data Transfer standards. All data transfers shall be undertaken using the secure Government network, email via Microsoft Outlook or DWP accredited systems. Any single failure will result in a security breach.	There should be no data transfer incidents	100%	1% of the relevant months total invoice **<u>Rolling SC</u>** more than 1 occurrence in any 4 week rolling period) 5% of the relevant months total invoice.
Security Audit failure	Significant non-compliance is defined as breaches in security procedures including system test checks, user records procedures, smart card security procedures, bogus caller procedures, incident reporting, physical security processes, and data security (physical and electronic). Significant or wide reaching call recording failures will also constitute an audit failure and security breach.	Significant failure on 1 or more elements of the security audit	100%	0.5% of the relevant months total invoice **<u>Rolling SC</u>** more than 1 occurrence in any 4 week rolling period) 5% of the relevant months total invoice

Acceptable Use Policy	The Supplier will provide the Contract Management Team with a monthly Incident report; this will detail all breaches of security, and will be used to assess this aspect of the Supplier performance, and any additional learning and development support. Incidents will include those recorded by the Supplier and those recorded by the Customer. required	No more than 2% recorded incidents versus headcount	2% recorded incidents versus headcount	1% of the relevant months total invoice **Rolling SC** more than 1 occurrence in any 4 week rolling period) 5% of the relevant months total invoice
Telephony Infrastructure	Availability of Supplier Telephony infrastructure	Telephony Infrastructure available for 99.96% within DWP operational hours	99.96%	2% of the relevant months total invoice **Rolling SC** more than 1 occurrence in any 4 week rolling period) 5% of the relevant months total invoice

The Service Credits shall be calculated on the basis of the following formula by individual service line:

Example:

Formula: x% (Service Level Performance Measure) - x% (actual Service Level performance)	=	x% of the Call Off Contract Charges payable to the Customer as Service Credits to be deducted from the next Valid Invoice payable by the Customer

PART B: PERFORMANCE MONITORING

1. PRINCIPAL POINTS

1.1 Part B to this Call Off Schedule 6 provides the methodology for monitoring the provision of the Goods and/or Services:

1.1.1 to ensure that the Supplier is complying with the Service Levels; and

1.1.2 for identifying any failures to achieve Service Levels in the performance of the Supplier and/or provision of the Goods and/or Services ("**Performance Monitoring System**").

1.2 Within twenty (20) Working Days of the Call Off Commencement Date the Supplier shall provide the Customer with details of how the process in respect of the monitoring and reporting of Service Levels will operate between the Parties and the Parties will endeavour to agree such process as soon as reasonably possible.

2. REPORTING OF SERVICE FAILURES

2.1 The Supplier shall report all failures to achieve Service Levels and any Critical Service Level Failure to the Customer in accordance with the processes agreed in paragraph 1.2 of Part B of this Call Off Schedule 6 above.

3. PERFORMANCE MONITORING AND PERFORMANCE REVIEW

3.1 The Supplier shall provide the Customer with performance monitoring reports ("**Performance Monitoring Reports**") in accordance with the process and timescales agreed pursuant to paragraph 1.2 of Part B of this Call Off Schedule 6 above which shall contain, as a minimum, the following information in respect of the relevant Service Period just ended:

3.1.1 for each Service Level, the actual performance achieved over the Service Level for the relevant Service Period;

3.1.2 a summary of all failures to achieve Service Levels that occurred during that Service Period;

3.1.3 any Critical Service Level Failures and details in relation thereto;

3.1.4 for any repeat failures, actions taken to resolve the underlying cause and prevent recurrence;

3.1.5 the Service Credits to be applied in respect of the relevant period indicating the failures and Service Levels to which the Service Credits relate; and

3.1.6 such other details as the Customer may reasonably require from time to time.

3.2 The Parties shall attend meetings to discuss Performance Monitoring Reports ("**Performance Review Meetings**") on a monthly basis (unless otherwise agreed). The Performance Review Meetings will be the forum for the review by the Supplier and the Customer of the Performance Monitoring Reports. The Performance Review Meetings shall (unless otherwise agreed):

3.2.1 take place within one (1) week of the Performance Monitoring Reports being issued by the Supplier;

3.2.2 take place at such location and time (within normal business hours) as the Customer shall reasonably require unless otherwise agreed in advance;

3.2.3 be attended by the Supplier's Representative and the Customer's Representative; and

3.2.4 be fully minuted by the Supplier. The prepared minutes will be circulated by the Supplier to all attendees at the relevant meeting and also to the Customer's Representative and any other recipients agreed at the relevant meeting. The minutes of the preceding month's Performance Review Meeting will be agreed and signed by both the Supplier's Representative and the Customer's Representative at each meeting.

3.3 The Customer shall be entitled to raise any additional questions and/or request any further information regarding any failure to achieve Service Levels.

3.4 The Supplier shall provide to the Customer such supporting documentation as the Customer may reasonably require in order to verify the level of the performance by the Supplier and the calculations of the amount of Service Credits for any specified Service Period.

4. SATISFACTION SURVEYS

4.1 In order to assess the level of performance of the Supplier, the Customer may undertake satisfaction surveys in respect of the Supplier's provision of the Goods and/or Services.

4.2 The Customer shall be entitled to notify the Supplier of any aspects of their performance of the provision of the Goods and/or Services which the responses to the Satisfaction Surveys reasonably suggest are not in accordance with this Call Off Contract.

4.3 All other suggestions for improvements to the provision of Goods and/or Services shall be dealt with as part of the continuous improvement programme pursuant to Clause 18 of this Call Off Contract (Continuous Improvement).

CALL OFF SCHEDULE 7: SECURITY

1. DEFINITIONS

1.1 In this Call Off Schedule 7, the following definitions shall apply:

"Breach of Security"	means the occurrence of: a) any unauthorised access to or use of the Goods and/or Goods and/or Services, the Sites and/or any Information and Communication Technology ("ICT"), information or data (including the Confidential Information and the Customer Data) used by the Customer and/or the Supplier in connection with this Call Off Contract; and/or b) the loss and/or unauthorised disclosure of any information or data (including the Confidential Information and the Customer Data), including any copies of such information or data, used by the Customer and/or the Supplier in connection with this Call Off Contract, in either case as more particularly set out in the security requirements in the Security Policy;
"ISMS"	the information security management system and process developed by the Supplier in accordance with paragraph 3 (ISMS) as updated from time to time in accordance with this Schedule 7; and
"Security Tests"	tests to validate the ISMS and security of all relevant processes, systems, incident response plans, patches to vulnerabilities and mitigations to Breaches of Security.

2. INTRODUCTION

2.1 The Parties acknowledge that the purpose of the ISMS and Security Management Plan are to ensure a good organisational approach to security under which the specific requirements of this Call Off Contract will be met.

2.2 The Parties shall each appoint a security representative to be responsible for Security. The initial security representatives of the Parties are:

2.2.1 {Redacted} - security representative of the Customer

2.2.2 {Redacted} - security representative of the Supplier

2.3 If the persons named in paragraphs 2.2.1 and 2.2.2 are included as Key Personnel, Clause 26 (Key Personnel) shall apply in relation to such persons.

2.4 The Customer shall clearly articulate its high level security requirements so that the Supplier can ensure that the ISMS, security related activities and any mitigations are driven by these fundamental needs.

2.5 Both Parties shall provide a reasonable level of access to any members of their personnel for the purposes of designing, implementing and managing security.

2.6 The Supplier shall use as a minimum Good Industry Practice in the day to day operation of any system holding, transferring or processing Customer Data and any system that could directly or indirectly have an impact on that information, and shall ensure that Customer Data remains under the effective control of the Supplier at all times.

2.7 The Supplier shall ensure the up-to-date maintenance of a security policy relating to the operation of its own organisation and systems and on request shall supply this document as soon as practicable to the Customer.

2.8 The Customer and the Supplier acknowledge that information security risks are shared between the Parties and that a compromise of either the Supplier or the Customer's security provisions represents an unacceptable risk to the Customer requiring immediate communication and co-operation between the Parties.

3. ISMS

3.1 The Supplier shall develop and submit to the Customer for the Customer's Approval, within twenty (20) working days after the Call Off Commencement Date or such other date as agreed between the Parties, an information security management system for the purposes of this Call Off Contract, which shall comply with the requirements of paragraphs 3.3 to 3.5 of this Call Off Schedule 7 (Security).

3.2 The Supplier acknowledges that the Customer places great emphasis on the reliability of the performance of the Goods and/or Services, confidentiality, integrity and availability of information and consequently on the security provided by the ISMS and that the Supplier shall be responsible for the effective performance of the ISMS.

3.3 The ISMS shall:

3.3.1 unless otherwise specified by the Customer in writing, be developed to protect all aspects of the Goods and/or Services and all processes associated with the provision of the Goods and/or Services, including the Customer Premises, the Sites, any ICT, information and data (including the Customer's Confidential Information and the Customer Data) to the extent used by the Customer or the Supplier in connection with this Call Off Contract;

3.3.2 meet the relevant standards in ISO/IEC 27001 and ISO/IEC27002 in accordance with Paragraph 7;and

3.3.3 at all times provide a level of security which:

(a) is in accordance with the Law and this Call Off Contract;

(b) as a minimum demonstrates Good Industry Practice;

(c) complies with the Security Policy;

(d) complies with at least the minimum set of security measures and standards as determined by the Security Policy Framework (Tiers 1-4) https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/255910/HMG_Security_Policy_Framework_V11.0.pdf ;

(e) takes account of guidance issued by the Centre for Protection of National Infrastructure on Risk Management

http://www.cpni.gov.uk/Documents/Publications/2005/2005003-Risk_management.pdf

(f) complies with HMG Information Assurance Maturity Model and Assurance Framework http://www.cesg.gov.uk/publications/Documents/iamm-assessment-framework.pdf

(g) meets any specific security threats of immediate relevance to the Goods and/or Services and/or Customer Data; and

(h) complies with the Customer's ICT policies:

3.3.4 document the security incident management processes and incident response plans;

3.3.5 document the vulnerability management policy including processes for identification of system vulnerabilities and assessment of the potential impact on the Goods and/or Services of any new threat, vulnerability or exploitation technique of which the Supplier becomes aware; and

3.3.6 be certified by (or by a person with the direct delegated authority of) a Supplier's main board representative, being the "Chief Security Officer", "Chief Information Officer", "Chief Technical Officer" or "Chief Financial Officer" (or equivalent as agreed in writing by the Customer in advance of issue of the relevant Security Management Plan).

3.4 Subject to Clause 34 of this Call Off Contract (Security and Protection of Information) the references to Standards, guidance and policies contained or set out in paragraph 3.3 of this Call Off Schedule 7 shall be deemed to be references to such items as developed and updated and to any successor to or replacement for such standards, guidance and policies, as notified to the Supplier from time to time.

3.5 In the event that the Supplier becomes aware of any inconsistency in the provisions of the standards, guidance and policies set out in paragraph 3.3 of this Call Off Schedule 7, the Supplier shall immediately notify the Customer Representative of such inconsistency and the Customer Representative shall, as soon as practicable, notify the Supplier as to which provision the Supplier shall comply with.

3.6 If the ISMS submitted to the Customer pursuant to paragraph 3.1 of this Call Off Schedule 7 is Approved by the Customer, it shall be adopted by the Supplier immediately and thereafter operated and maintained in accordance with this Call Off Schedule 7. If the ISMS is not Approved by the Customer, the Supplier shall amend it within ten (10) Working Days of a notice of non-approval from the Customer and re-submit it to the Customer for Approval. The Parties shall use all reasonable endeavours to ensure that the Approval process takes as little time as possible and in any event no longer than fifteen (15) Working Days (or such other period as the Parties may agree in writing) from the date of the first submission of the ISMS to the Customer. If the Customer does not Approve the ISMS following its resubmission, the matter shall be resolved in accordance with the Dispute Resolution Procedure. No Approval to be given by the Customer pursuant to this paragraph 3 of this Call Off Schedule 7 may be unreasonably withheld or delayed. However any failure to approve the ISMS on the grounds that it does not comply with any of the requirements set out in paragraphs 3.3 to 3.5 of this Call Off Schedule 7 shall be deemed to be reasonable.

3.7 Approval by the Customer of the ISMS pursuant to paragraph 3.6 of this Call Off Schedule 7 or of any change to the ISMS shall not relieve the Supplier of its obligations under this Call Off Schedule 7.

4. SECURITY MANAGEMENT PLAN

4.1 Within twenty (20) Working Days after the Call Off Commencement Date, the Supplier shall prepare and submit to the Customer for Approval in accordance with paragraph 4 of this Call Off Schedule 7 a fully developed, complete and up-to-date Security Management Plan which shall comply with the requirements of paragraph 4.2 of this Call Off Schedule 7.

4.2 The Security Management Plan shall:

4.2.1 be based on the initial Security Management Plan set out in Annex 2 (Security Management Plan);

4.2.2 comply with the Security Policy;

4.2.3 identify the necessary delegated organisational roles defined for those responsible for ensuring this Call Off Schedule 7 is complied with by the Supplier;

4.2.4 detail the process for managing any security risks from Sub-Contractors and third parties authorised by the Customer with access to the Goods and/or Services, processes associated with the delivery of the Goods and/or Services, the Customer Premises, the Sites and any ICT, Information and data (including the Customer's Confidential Information and the Customer Data) and any system that could directly or indirectly have an impact on that information, data and/or the Goods and/or Services;

4.2.5 unless otherwise specified by the Customer in writing, be developed to protect all aspects of the Goods and/or Services and all processes associated with the delivery of the Goods and/or Services, including the Customer Premises, the Sites and any ICT, Information and data (including the Customer's Confidential Information and the Customer Data) to the extent used by the Customer or the Supplier in connection with this Call Off Contract or in connection with any system that could directly or indirectly have an impact on that Information, data and/or the Goods and/or Services;

4.2.6 set out the security measures to be implemented and maintained by the Supplier in relation to all aspects of the Goods and/or Services and all processes associated with the delivery of the Goods and/or Services and at all times comply with and specify security measures and procedures which are sufficient to ensure that the Goods and/or Services comply with the provisions of this Call Off Schedule 7 (including the requirements set out in paragraph 3.3 of this Call Off Schedule 7);

4.2.7 set out the plans for transitioning all security arrangements and responsibilities from those in place at the Call Off Commencement Date to those incorporated in the ISMS within the timeframe agreed between the Parties.

4.2.8 be structured in accordance with ISO/IEC27001 and ISO/IEC27002, cross-referencing if necessary to other Schedules which cover specific areas included within those standards; and

4.2.9 be written in plain English in language which is readily comprehensible to the staff of the Supplier and the Customer engaged in the Goods and/or Services and shall reference only documents which are in the possession of the Parties or whose location is otherwise specified in this Call Off Schedule 7 .

4.3 If the Security Management Plan submitted to the Customer pursuant to paragraph 3.1 of this Call Off Schedule 7 is Approved by the Customer, it shall be adopted by the Supplier immediately and thereafter operated and maintained in accordance with this Call Off Schedule 7. If the Security Management Plan is not approved by the Customer, the Supplier shall amend it within ten (10) Working Days of a notice of non-approval from the Customer and re-submit it to the Customer for Approval. The Parties shall use all reasonable endeavours to ensure that the Approval process takes as little time as possible and in any event no longer than fifteen (15) Working Days (or such other period as the Parties may agree in writing) from the date of the first submission to the Customer of the Security Management Plan. If the Customer does not Approve the Security Management Plan following its resubmission, the matter shall be resolved in accordance with the Dispute Resolution Procedure. No Approval to be given by the Customer pursuant to this paragraph may be unreasonably withheld or delayed. However any failure to approve the Security Management Plan on the grounds that it does not comply with the requirements set out in paragraph 4.2 of this Call Off Schedule 7 shall be deemed to be reasonable.

4.4 Approval by the Customer of the Security Management Plan pursuant to paragraph 4.3 of this Call Off Schedule 7 or of any change or amendment to the Security Management Plan shall not relieve the Supplier of its obligations under this Call Off Schedule 7.

5. AMENDMENT AND REVISION OF THE ISMS AND SECURITY MANAGEMENT PLAN

5.1 The ISMS and Security Management Plan shall be fully reviewed and updated by the Supplier and at least annually to reflect:

5.1.1 emerging changes in Good Industry Practice;

5.1.2 any change or proposed change to Goods and/or Services and/or associated processes;

5.1.3 any changes to the Security Policy;

5.1.4 any new perceived or changed security threats; and

5.1.5 any reasonable change in requirement requested by the Customer.

5.2 The Supplier shall provide the Customer with the results of such reviews as soon as reasonably practicable after their completion and amend the ISMS and Security Management Plan at no additional cost to the Customer. The results of the review shall include, without limitation:

5.2.1 suggested improvements to the effectiveness of the ISMS;

5.2.2 updates to the risk assessments;

5.2.3 proposed modifications to respond to events that may impact on the ISMS including the security incident management process, incident response plans and general procedures and controls that affect information security; and

5.2.4 suggested improvements in measuring the effectiveness of controls.

5.3 Subject to paragraph 5.4 of this Call Off Schedule 7, any change which the Supplier proposes to make to the ISMS or Security Management Plan (as a result of a review carried out pursuant to paragraph 5.1 of this Call Off Schedule 7, a Customer request, a change to Annex 1 (Security) or otherwise) shall be subject to the Variation Procedure and shall not be implemented until Approved in writing by the Customer.

5.4 The Customer may, where it is reasonable to do so, Approve and require changes or amendments to the ISMS or Security Management Plan to be implemented on timescales faster than set out in the Variation Procedure but, without prejudice to their effectiveness, all such changes and amendments shall thereafter be subject to the Variation Procedure for the purposes of formalising and documenting the relevant change or amendment for the purposes of this Call Off Contract.

6. SECURITY TESTING

6.1 The Supplier shall conduct Security Tests from time to time (and at least annually across the scope of the ISMS) and additionally after any change or amendment to the ISMS (including security incident management processes and incident response plans) or the Security Management Plan. Security Tests shall be designed and implemented by the Supplier so as to minimise the impact on the delivery of the Goods and/or Services and the date, timing, content and conduct of such Security Tests shall be agreed in advance with the Customer. Subject to compliance by the Supplier with the foregoing requirements, if any Security Tests adversely affect the Supplier's ability to deliver the Goods and/or Services so as to meet the Service Level Performance Measures, the Supplier shall be granted relief against any resultant under-performance for the period of the Security Tests.

6.2 The Customer shall be entitled to send a representative to witness the conduct of the Security Tests. The Supplier shall provide the Customer with the results of such Security Tests (in a form approved by the Customer in advance) as soon as practicable after completion of each Security Test.

6.3 Without prejudice to any other right of audit or access granted to the Customer pursuant to this Call Off Contract, the Customer and/or its authorised representatives shall be entitled, at any time upon giving reasonable notice to the Supplier, to carry out such tests (including penetration tests) as it may deem necessary in relation to the ISMS and the Supplier's compliance with the ISMS and the Security Management Plan. The Customer may notify the Supplier of the results of such tests after completion of each such test. If any such Customer's test adversely affects the Supplier's ability to deliver the Goods and/or Services so as to meet the Target Performance Levels, the Supplier shall be granted relief against any resultant under-performance for the period of the Customer's test.

6.4 Where any Security Test carried out pursuant to paragraphs 6.2 or 6.3 of this Call Off Schedule 7 reveals any actual or potential Breach of Security or weaknesses (including un-patched vulnerabilities, poor configuration and/or incorrect system management), the Supplier shall promptly notify the Customer of any changes to the ISMS and to the

Security Management Plan (and the implementation thereof) which the Supplier proposes to make in order to correct such failure or weakness. Subject to the Customer's prior written Approval, the Supplier shall implement such changes to the ISMS and the Security Management Plan and repeat the relevant Security Tests in accordance with the timetable agreed with the Customer or, otherwise, as soon as reasonably possible. For the avoidance of doubt, where the change to the ISMS or Security Management Plan is to address a non-compliance with the Security Policy or security requirements (as set out in Annex 1 (Security) to this Call Off Schedule 7) or the requirements of this Call Off Schedule 7, the change to the ISMS or Security Management Plan shall be at no cost to the Customer.

6.5 If any repeat Security Test carried out pursuant to paragraph 6.4 of this Call Off Schedule 7 reveals an actual or potential Breach of Security exploiting the same root cause failure, such circumstance shall constitute a material Default of this Call Off Contract.

7. ISMS COMPLIANCE

7.1 The Customer shall be entitled to carry out such security audits as it may reasonably deem necessary in order to ensure that the ISMS maintains compliance with the principles and practices of ISO 27001 and/or the Security Policy.

7.2 If, on the basis of evidence provided by such security audits, it is the Customer's reasonable opinion that compliance with the principles and practices of ISO/IEC 27001 and/or the Security Policy are not being achieved by the Supplier, then the Customer shall notify the Supplier of the same and give the Supplier a reasonable time (having regard to the extent and criticality of any non-compliance and any other relevant circumstances) to implement and remedy. If the Supplier does not become compliant within the required time then the Customer shall have the right to obtain an independent audit against these standards in whole or in part.

7.3 If, as a result of any such independent audit as described in paragraph 7.2 of this Call Off Schedule 7 the Supplier is found to be non-compliant with the principles and practices of ISO/IEC 27001 and/or the Security Policy then the Supplier shall, at its own expense, undertake those actions required in order to achieve the necessary compliance and shall reimburse in full the costs incurred by the Customer in obtaining such audit.

8. BREACH OF SECURITY

8.1 Either Party shall notify the other in accordance with the agreed security incident management process as defined by the ISMS upon becoming aware of any breach of security or any potential or attempted Breach of Security.

8.2 Without prejudice to the security incident management process, upon becoming aware of any of the circumstances referred to in paragraph 8.1 of this Call Off Schedule 7, the Supplier shall:

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

(a) minimise the extent of actual or potential harm caused by any Breach of Security;

(b) remedy such Breach of Security or any potential or attempted Breach of Security in order to protect the integrity of the Customer Property and/or Customer Assets and/or ISMS to the extent that this within the Supplier's control;

(c) apply a tested mitigation against any such Breach of Security or attempted Breach of Security and provided that reasonable testing has been undertaken by the Supplier, if the mitigation adversely affects the Supplier's ability to provide the Goods and/or Services so as to meet the relevant Service Level Performance Measures, the Supplier shall be granted relief against any resultant under-performance for such period as the Customer, acting reasonably, may specify by written notice to the Supplier;

(d) prevent a further Breach of Security or any potential or attempted Breach of Security in the future exploiting the same root cause failure;

(e) supply any requested data to the Customer (or the Computer Emergency Response Team for UK Government ("GovCertUK")) on the Customer's request within two (2) Working Days and without charge (where such requests are reasonably related to a possible incident or compromise); and

(f) as soon as reasonably practicable provide to the Customer full details (using the reporting mechanism defined by the ISMS) of the Breach of Security or the potential or attempted Breach of Security, including a root cause analysis where required by the Customer.

8.3 In the event that any action is taken in response to a Breach of Security or potential or attempted Breach of Security that demonstrates non-compliance of the ISMS with the Security Policy or the requirements of this Call Off Schedule 7, then any required change to the ISMS shall be at no cost to the Customer.

ANNEX 1: SECURITY POLICY

- The Security Policy consists of:
- DWP Security Policies and Standards
- Information Security Policy
- Acceptable Use Policy
- Physical Security Policy
- Baseline Personnel Security Standard for DWP contractors
- Data Security training and awareness slide pack for DWP Suppliers
- Data protection and security Information Bulletin

Available at https://www.gov.uk/government/publications/data-protection-and-security-of-information-supplying-to-dwp

ANNEX 2: Security Management Plan

ORGANISATION SECURITY PLAN

Potential or existing Organisations must provide the information requested below which will form the basis of the Contract Security Plan. This plan is not exhaustive and where relevant confirmation of additional measures should be obtained or specified.

The Security Plan will set out the proportionate security measures to be implemented and maintained by the Organisation in relation to the Services. All processes associated with the delivery of the Services shall at all times comply with and include security measures and procedures which are sufficient to ensure that the Services comply with the provisions of this schedule. Where relevant this will include international standards such as ISO/IEC27002; ISO/IEC27001; Cyber Essentials or comparable measures.

The Organisation shall comply at all times with Data Protection Legislation and shall not perform its obligations under this Agreement in such a way as to cause the Customer to breach any of its applicable obligations under Data Protection Legislation.

The Plan shall contain the specific technical and organisational measures the Organisation will operate to protect “Customer Data”, which in this context means data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media (including voice), and which are supplied to the Organisation by or on behalf of the Customer; or which the Organisation is required to generate, process, store or transmit pursuant to this Agreement; or any Personal Data for which the Customer is the Data Controller.

Also included here must be any specific Organisational measures to ensure physical environment or personnel security relevant to the Contract whether performed on the DWP estate or Organisations environments.

If any statements in the plan do not fully accord with the terms and conditions of the contract, the terms and conditions of the contract will be the contracted position.

<u>Cyber Essentials</u>

Government has taken steps to further reduce the levels of cyber security risk in its supply chain. In consultation with industry Government has developed the Cyber Essentials Scheme (referred to throughout this document as Cyber Essentials). Cyber Essentials is for all organisations, of all sizes, and in all sectors. DWP has included reference to Cyber Essentials within invitation to tender and contract documents (including this security plan document).

Cyber Essentials defines a set of controls which, when properly implemented, will provide organisations with basic protection from the most prevalent forms of threat coming from the internet. Government believes that implementing these measures can significantly reduce an organisation's vulnerability. However, it does not remove all cyber security risk; for example, it is not designed to address more advanced, targeted attacks and hence organisations facing these threats will need to implement additional measures as part of their security strategy.

Further information can be found at: https://www.gov.uk/government/publications/cyber-essentials-scheme-overview

Organisations must indicate within this security plan at section 3 'Accreditation' if they have achieved certification to Cyber Essentials, to what level and provide a copy of the certificate.

This security plan template includes detail on cyber controls (indicated with the following quoted within the relevant sections of this plan: 'This is a Cyber Essentials control'). If your organisation has achieved Cyber Essentials, DWP will consider this as assurance against the relevant Cyber controls.

Useful information:

By implementing Cyber Essentials, organisations are mitigating against the following common types of cyber attack:

1. Phishing: malware infection through users clicking on malicious e-mail attachments or website links.

2. Hacking: exploitation of known vulnerabilities in Internet connected servers and devices using widely available tools and techniques.

Of the basic but successful cyber attacks against UK businesses and citizens of which Government has detailed knowledge, the large majority would have been mitigated by full implementation of the controls under the following, selected categories:

1. Boundary firewalls and internet gateways
2. Secure configuration
3. Access control
4. Malware protection
5. Patch management

Governance		
Question	**Guidance**	**Supplier Response**
Please provide full contact details of your appointed Senior responsible named officer, associated personnel and resources who will act as a first point of contact and conduct on-going management of security incidents including identification, managing and agreed reporting procedures for actual or suspected security breaches.	If at any time you suspect or have reason to believe that Customer Data has or may become corrupted, lost or sufficiently degraded in any way for any reason, you must notify the Customer immediately and inform the Customer of the remedial action you will take	
Please confirm if your appointed responsible named officer also has the responsibility for risk management within your organisation. If not please supply full contact details of the person responsible for risk management		
Provide details of the name, contract function and details of any proposed subcontractors you will use	It will be your responsibility to monitor compliance of any Sub-Contractors and provide assurance to DWP with regard to the security of Customer Data. This should set out your organisations overall approach to protecting data assets	
If you have a contract reference number please supply.		
Please provide you overarching policy covering information security/data protection policy.		
Are your policies reviewed at regular intervals and if so how often?		
In order to assure all security holding and sharing of data we require a clear "warranty" from the Supplier (in accordance with the contract terms) that all data provided, stored and accessed at any proposed subcontractor (including Data Centre's) will be treated with rigour as required by the contract		

Please outline how you will monitor and gain assurance that subcontractors are compliant with the security requirements in accordance with the contract terms		

Personnel Security		
Question	**Guidance**	**Supplier Response**
How many of your personnel access, handle & process Customer Data?		
How many of your subcontractor personnel access, handle & process Customer Data?		
BPSS		
Please state what measures are in place to manage the BPSS requirement - including how the 4 mandatory checks are conducted, or will be implemented, within your organisation.	You shall comply with Baseline Personnel Security Standard/ Government Staff Vetting Procedures in respect of all persons who are employed or engaged by him in provision of the contract. This should be achieved before the Supplier's personnel access or handle Customer Data. This is not a security check as such but a package of pre-employment checks covering: • Identity • employment history (at least 3 years minimum) • nationality/immigration status • criminal records Designed to provide a level of assurance. A guidance document 'HMG Baseline Security Standard – A Guide for DWP Suppliers' is available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/251271/guide-for-dwp-contractors-bpss.pdf	

Confidentiality		
Please confirm how this is provided and managed and/or your agreement to implementing this requirement.		
Do you require your staff and subcontractors to confirm confidentiality as part of their conditions of employment?		
Provide agreement here that, where at the written request of the Customer, the Supplier shall obtain individual confidentiality statements from supplier's personnel including subcontractors.		
Legal and Contractual Obligations		
Describe the specific measures you will operate and how you will implement them - please attach the relevant policies Describe organisational and individual responsibilities for information security and explain how they are clearly defined. How are all staff aware of the security breach policy and potential sanctions available for inappropriate behaviour? Is a process in place to ensure your organisation is kept up to date with relevant current and emerging best practice?	You must comply with all the relevant statutory regulatory and contractual requirements for the delivery of the contract including the Data Protection Act, Freedom of Information Act etc. and / or You are aware of the Data Protection Act when processing generating data as it should only be used for the purpose that it was gathered for. You are aware that you are the data processors on behalf of DWP. All of the Supplier's personnel must understand their obligations when handling Customer Data, being aware of their legal and contractual responsibilities including at the start and termination of employment including Data Protection Act,	

	Computer Misuse Act, Freedom of Information Act etc.	

Access Controls		
Please describe your processes on termination of employment including how you manage retrieval of data and revoking access to data.		
Describe the specific access control measures you will operate and how you will implement them in relation to hard copy data – also attach the relevant policies This should include how you manage Privileged users (i.e. a user who has an elevated level of access to a network, computer system or application and is authorised to perform functions that standard users are not.	You must ensure: User Access Controls and Procedures are in place to monitor access to Customer Data limiting access to those directly involved in the provision of the Services and who need to know the information i.e. accessing only the minimum amount of data to fulfil their role. Logging and monitoring tools and techniques must be used to monitor and manage Privileged Users behaviour and actions. The activities of a Privileged User must leave a log or audit records that are outside the read, write and/or delete capability of their role. Privileged user accounts and their usage must be audited, monitored and reviewed. Accounts that are dormant or accounts that cannot be associated with a business process and owner must be disabled.	
This is a Cyber Essentials control Describe the specific access control measures you will operate and how you will	You must ensure:	

implement them in relation to use of systems – also attach the relevant policies. You should demonstrate your understanding of: **ple of least privilege** Privileged Users must only be provided with the absolute minimum access rights, permissions to systems, services, information and resources that they need to fulfil their business role.	User Access Controls and Procedures are in place to monitor access to Customer Data, including: • limiting access to those directly involved in the provision of the Services and • who need to know the information i.e. accessing only the minimum amount of data and • the levels of access to applications, computers and networks to fulfil their role. • Each Privileged User must be uniquely identifiable • Special access privileges should be documented and given to a limited number of individuals. • All Privileged Users must be managed using identity and access management policies • Administrative accounts should only be used to perform legitimate administrative activities, and should not be granted access to email or the internet. • There must be a formal authorisation process to grant, assign and approve the allocation of a Privileged User role. • Privileged access is only used and granted when it is needed	

	(i.e. when the privileged operation needs to occur) and revoked when it is no longer required. • Privileged User access rights must be monitored and reviewed and revalidated on a monthly basis to confirm that the levels of access are still required for the role. All systems and services handling Customer Data must have a secure log in procedure with a clearly defined set of password rules to include: • Secure distribution of passwords. • Enforcement of strong passwords or two factor authentication. • Enforcement of automatic policy change. • Guidance on staff for the use of passwords. • Privileged user/Administrative accounts configured to require a password change on a regular basis. • Privileged Users must be subject to strong multi – factor authentication or a minimum password policy must be applied. Where a physical security token is used as part of the logon process there must be clearly defined and documented procedures for the use of that token.	

	The mechanisms provided for enabling, disabling, modifying or deleting user registration details must only be accessible to authorised individuals. System administrators must not logon with full supervisor privileges unless it is essential to do so.	
Staff Training and Awareness		
State what training is in place for employees prior to accessing Customer Data, how training is carried out as well as on an on-going basis , and also describe how understanding is ensured Please cover if there are different levels of training depending on the job function within the organisation. All Privileged Users must have security and awareness training in relation to the role in addition to the standard security and awareness training.	You shall have in place Information Security training and awareness for employees who are accessing Customer Data, Please provide details as to how often refresher training take place. For further information and guidance see the following link to the Customer Data Protection and Information Security web page: https://www.gov.uk/government/organisations/department-for-work-pensions/about/procurement#data-protection-and-information-security	

3. Communication Management		
Question	**Guidance**	**Supplier Response**
How do you transfer Customer data to and from your subcontractors?		
Use of Office Systems		
Describe the specific measures you will operate and how you will implement them - please attach the relevant policies How do staff confirm understanding of the use of office systems? Tell us how you ensure users understand their responsibility for the appropriate use of office systems. Understanding this will help users to protect themselves and equipment, information and reputation.	You shall have policies and guidelines in place with regard to the use of office systems such as electronic media, telephone, fax, video conferencing, e-mail and hard copy post. This could include policies such as Electronic Media Policy/Acceptable use policy, Handling Official Information Policy. Policies and guideline should highlight to staff, for example the following: Never undertake illegal activity, or any activity that would be harmful to your organisation or DWP's reputation or jeopardise staff and/or citizen data. Understand that both business and personal use will be monitored as appropriate. Be aware that they can use whistleblowing and raising a concern if it is believed that someone is misusing information or electronic equipment. Undertake education and awareness on security in order to understand, recognise, and report threats, risks and incidents.	

	Only access citizen data where there is a valid business need that is appropriate to your job role. Not cause the unauthorised disclosure of citizen or staff or other sensitive information. Not provide information in response to callers or e-mails whose identity they cannot verify. Be careful not to be overheard or overlooked in public areas when conducting DWP business. Not attempt to access, amend, damage, delete or disseminate another person's files, emails, communications or data without the appropriate Customer. Ensure activities do not damage the reputation of your organisation or DWP, its employees and citizens including accessing, storing, transmitting or distributing links to material that: • Could embarrass or compromise in any way; • Is obtained in violation of copyright or used in breach of a licence agreement; • Can be reasonably considered as harassment of, or insulting to, others;	

	• Is offensive, indecent or obscene including abusive images and literature.	
Social Media		
Describe the specific measures you will operate and how you will implement them - please attach the relevant policies Is your organisation proposing to use any form of social media in the delivery of this service? If yes, please provide detail? Please confirm that you will not use any form of social media, without prior Approval/consent by DWP.		
Handling/transfer/Retention/storage/archiving and destruction		
Describe the specific measures you will operate and how you will implement them - please attach the relevant policies	You shall have procedures and policies in place to provide secure handling/transfer/retention/storage/archiving and destruction of Customer Data, including any back up data. You shall have procedures in place for the destruction or sanitisation for re-use of redundant media including hard disks, CD or any other storage used to process personal data.	
Please include information regarding any voice/call recording that may be involved in the proposed service delivery.		
Describe how your organisation classifies data. Also describe how assets are managed. Where your organisation is required to hold bulk Customer data assets, you must have a full understanding of what and where those assets are held on your systems.	You shall have policies in place for handling, storing, copying or transferring assets; such as asset registers etc. Information asset management should be in place within your organisation including understanding of the following throughout this contract, including:	

	• Confirmation of what DWP data assets you hold • Name of Dataset/database • Approximate Size • Location	

Accreditation		
If you have any level of Accreditation/Assurance in place such as ISO 27001/2 or Cyber Essentials please provide details		
Data Protection		
Is your organisation registered with the Information Commissioner Office, as a Data Controller, and thus comply with all requirements of the Data Protection Act 1998? - If applicable, please provide your data registration number.		
System Security		
This is a Cyber Essentials control Boundary firewalls and internet gateways: Describe the specific measures you will operate and how you will implement them - https://www.gov.uk/government/publications/data-protection-and-security-of-information-supplying-to-dwp Please provide a solution overview and a high level architecture diagram that shows the systems you will use and the links between them. And/or A Data Journey map/diagram that establishes the number and type of personal data exchanges occurring during the delivery of the contract.	Information, applications and computers within the organisation's internal networks should be protected against unauthorised access and disclosure from the internet, using boundary firewalls, internet gateways or equivalent network devices. One or more firewalls (or equivalent network device) should be installed on the boundary of the organisation's internal network(s). As a minimum: 1. The default administrative password for any firewall (or equivalent network device) should be changed to an alternative, strong password. • 2. Each rule that allows network traffic to pass through the firewall (e.g. each service on a computer that is accessible through the boundary firewall) should be subject to	

	Approval by an authorised individual and documented (including an explanation of business need). 3. Unapproved services, or services that are typically vulnerable to attack (such as Server Message Block (SMB), NetBIOS, tftp, RPC, rlogin, rsh or rexec), should be disabled (blocked) at the boundary firewall by default. 4. Firewall rules that are no longer required (e.g. because a service is no longer required) should be removed or disabled in a timely manner. 5. The administrative interface used to manage boundary firewall configuration should not be accessible from the internet. The use of utility programs that might be capable of overriding system and application controls shall be restricted and tightly controlled.	
This is a Cyber Essentials control Secure configuration: Describe the specific measures you will operate and how you will implement them - https://www.gov.uk/government/publications/data-protection-and-security-of-information-supplying-to-dwp	Computers and network devices should be configured to reduce the level of inherent vulnerabilities and provide only the services required to fulfil their role. Computers and network devices cannot be considered secure upon default installation. A standard, 'out-of-	

	the-box' configuration can often include an administrative account with a predetermined, publicly known default password, one or more unnecessary user accounts enabled (sometimes with special access privileges) and pre-installed but unnecessary applications (or services). Default installations of computers and network devices can provide cyber attackers with a variety of opportunities to gain unauthorised access to an organisation's sensitive information, often with ease. By applying some simple security controls when installing computers and network devices (a technique typically referred to as system hardening), inherent weaknesses can be minimised, providing increased protection against commodity cyber-attacks. Access to program source code shall be restricted also. Computers and network devices (including wireless access points) should be securely configured. As a minimum: 1. Unnecessary user accounts (e.g. Guest accounts and unnecessary administrative accounts) should be removed or disabled.	

	2. Any default password for a user account should be changed to an alternative, strong password. 3. Unnecessary software (including application, system utilities and network services) should be removed or disabled. 4. The auto-run feature should be disabled (to prevent software programs running automatically when removable storage media is connected to a computer or when network folders are accessed). 5. A personal firewall (or equivalent) should be enabled on desktop PCs and laptops, and configured to disable (block) unapproved connections by default.	
This is a Cyber Essentials control Malware protection: Describe the specific measures you will operate and how you will implement them - https://www.gov.uk/government/publications/data-protection-and-security-of-information-supplying-to-dwp	Systems and services handling Customer Data must be protected against malware infection (such as computer viruses, worms and spyware) through the use of malware protection software. The need to ensure systems are protected from malicious and mobile code and prevent infection of that system or service is key.	

	The organisation should implement robust malware protection on exposed computers. As a minimum: 1. Malware protection software should be installed on all computers that are connected to or capable of connecting to the internet. 2. Malware protection software (including program code and malware signature files) should be kept up-to-date (e.g. at least daily, either by configuring it to update automatically or through the use of centrally managed deployment). 3. Malware protection software should be configured to scan files automatically upon access (including when downloading and opening files, accessing files on removable storage media or a network folder) and scan web pages when being accessed (via a web browser). 4. Malware protection software should be configured to perform regular scans of all files (e.g. daily). 5. Malware protection software should prevent connections to malicious websites on the internet (e.g. by using website blacklisting).	

This is a Cyber Essentials control Patching: Describe the specific measures you will operate and how you will implement them - https://www.gov.uk/government/publications/data-protection-and-security-of-information-supplying-to-dwp	Systems and services handling Customer Data must be protected against malware infection (such as computer viruses, worms and spyware) through the use of malware protection software. This should specifically include timely patching in accordance with the manufacturer's recommendations. Software running on computers and network devices should be kept up-to-date and have the latest security patches installed. Any computer and network device that runs software can contain weaknesses or flaws, typically referred to as technical vulnerabilities. Vulnerabilities are common in many types of popular software, are frequently being discovered (e.g. daily), and once known can quickly be deliberately misused (exploited) by malicious individuals or groups to attack an organisation's computers and networks. Vendors of software will typically try to provide fixes for identified vulnerabilities as soon as possible, in the form of software updates known as patches, and release them to their customers (sometimes using a formal release schedule such as weekly). To	

	help avoid becoming a victim of cyber attacks that exploit software vulnerabilities, an organisation needs to manage patches and the update of software effectively. Software should be kept up-to-date. As a minimum: 1. Software running on computers and network devices that are connected to or capable of connecting to the internet should be licensed and supported (by the software vendor or supplier of the software) to ensure security patches for known vulnerabilities are made available. 2. Updates to software (including operating system software and firmware) running on computers and network devices that are connected to or capable of connecting to the internet should be installed in a timely manner (e.g. within 30 days of release or automatically when they become available from vendors). 3. Out-of-date software (i.e. software that is no longer supported) should be removed from computer and network devices that are connected to or capable of connecting to the internet.	

	4. All security patches for software running on computers and network devices that are connected to or capable of connecting to the internet should be installed in a timely manner (e.g. within 14 days of release or automatically when they become available from vendors).	
Do you ensure that hardware handling Customer Data is maintained in accordance with the manufacturer's specifications?		
Business Continuity		
Please confirm that the measures outlined in your Business Continuity or Contingency / Disaster Recovery plan, comply with the security requirements in accordance with the contract terms - If not, please provide detail? To include how the organisation: • Plans information security continuity • Implements information security continuity • Verifies, reviews and evaluates information security continuity Business continuity and disaster recovery plans must have clearly defined processes and procedures for allocation and management of Privileged Users.	All Business Continuity or Contingency / Disaster Recovery plans to manage the effects of unforeseen events such as human error, network failure, computer virus or natural disaster must comply with the DWP security requirements in accordance with the contract terms	

Portable Media and Cryptography		
Question	**Guidance**	**Supplier Response**

Do you intend to use any form of portable media in the delivery of this contract? If yes, please provide detail.		
Handling Customer Data when using portable media		
Describe the specific measures you will operate and how you will implement them - https://www.gov.uk/government/publications/data-protection-and-security-of-information-supplying-to-dwp Please describe the policies and process for managing the use of laptops, tablets, smartphones etc., encrypted storage devices, including backup tapes (DWP needs to be assured that all laptops or any removable devices or media will be protected by encryption which is certified and configured to at least FIPS 140-2 standard) and other removable media when handling Customer Data	These policies and procedures should control, protect and secure the use of and management of portable media. You should confirm: • Equipment is stored in a secure area. • Physical assets which handle Customer Data must have a nominated owner, be identifiable and traceable and have their details recorded sufficiently to allow them to be tracked and traced. • A level of protection must be given to the Customer Data if it is to be removed from the Supplier's premises. • Information stored on portable media is kept to an absolute minimum, and meets the business' needs.	
Remote working i.e. Outreach, home working and home PC use		
Describe the specific measures you will operate, when not in a secure office environment, within your organisation, and how you will implement them (you must attach the policies for your organisation as part of this security plan)	This should include, for example, policies and controls in place to manage the risks of working in a non-secure environment.	
Will remote working take place during the delivery of this contract? If yes, please provide further detail.		
Cryptography		

Describe your organisations policy on the use of cryptographic controls for protection of information.		
Describe your organisations policy on the use, protection and lifetime of cryptographic keys and how it is implemented through their whole lifecycle.		

Premises Security		
Question	**Guidance**	**Supplier Response**
How many sites will be used in the delivery of the contract?		
If multiple sites are involved in the delivery of the contract then please describe your premises set up. e.g. whether it involves being sole occupier of buildings owned by your organisation or within a multiple occupancy site that your organisation does not own, or another configuration.		

Building Security		
Describe the specific measures you will operate for your premises to ensure that Customer Data is protected from unauthorised access, theft or damage – https://www.gov.uk/government/publications/data-protection-and-security-of-information-supplying-to-dwp	These should cover: • Controls and procedures in place to secure the perimeter of site building or office • Controls and procedures in place to allow only authorised personnel to enter site, building or office • Controls and procedures in place to allow only authorised personnel into secure areas • Controls to ensure visitors are accompanied at all times in areas where Customer Data is accessed • Controls to ensure Customer Data is safeguarded from unauthorised access, theft or damage	

Data "Off shoring"		
Question	**Guidance**	**Supplier Response**
DPA and storage of Data		
Please confirm if your organisation is considering offshoring in relation to the proposed solution to this contract and that DWP Approval will be sought and gained before off shoring processes or storage of Customer Data. You can find more information by following the attached link. DWP Offshoring Policy	Customer Data must not be processed outside the UK without the prior written consent of DWP and must at all times comply with the Data Protection Legislation. • • The DWP Offshoring Policy controls apply when a contractor or sub-contractor wishes to: • Host DWP systems, services or official information outside the UK; • Allow staff based outside the UK to have access to DWP systems, services or official information; • Bring foreign nationals ("Landed Resources") to the UK to provide services including, but not limited to, applications development and support, testing and other similar activities. • Develop system applications outside the UK. • Send diagnostic data to an organisation outside the UK as a result of break/fix activity.	

Audit, Testing and Monitoring

Question	Guidance	Supplier Response
Security Tests		
Describe the specific measures you will operate and how you will implement them. https://www.gov.uk/government/publications/data-protection-and-security-of-information-supplying-to-dwp Include results of penetration testing in this section and what backups are carried out.	You shall conduct tests on the processes and countermeasures contained within the security plan. This should include penetration tests; conducted at least annually. All networks hosting Customer Data, including back-ups, must be protected to prevent unauthorised external access.	
Audit Trail		

Describe the specific measures you will operate and how you will implement them – https://www.gov.uk/government/publications/data-protection-and-security-of-information-supplying-to-dwp
 	
Logging and monitoring tools and techniques must be used to monitor and manage Privileged Users behaviour and actions.
 	
The activities of a Privileged User must leave a log or audit records that are outside the read, write and/or delete capability of their role.
 	
Privileged user accounts and their usage must be monitored and reviewed. Accounts that are dormant or accounts that cannot be associated with a business process and owner must be disabled.
	All actions performed by suppliers must be traceable to users who process Customer Data. Users should be aware that their actions are recorded and ALL incidents will be investigated and actions taken.
	
	You shall have an audit trail which can be interrogated by authorised individuals and will identify who has:
	• Performed an action, which means,
	  ○ Browsing information.
	  ○ Creating information.
	  ○ Updating information.
	  ○ Deleting information.
	• What they did.
	• When they did it
	• Where they did it from	

Test environments		

Describe the specific measures you will operate and how you will implement them – https://www.gov.uk/government/publications/data-protection-and-security-of-information-supplying-to-dwp	The environment for any system or service handling Customer Data, including pilots, must be separate from test and development environments. Controls must be in place to ensure that test or development systems and data are not improperly migrated to the live environment	
Please confirm that you will not use any Customer Data for testing purposes, without prior consent.		

Risk Management		
Question	**Guidance**	**Supplier Response**
Is a corporate approach to risk management in place which enables the escalation of project risks to programme and/or organisational level risk registers?		
Are risk registers, owned, mitigated and reviewed on an on-going basis?		

Incident Management		
Question	**Guidance**	**Supplier Response**
Describe the specific measures you will operate within your organisation, and how you will implement them – https://www.gov.uk/government/publications/data-protection-and-security-of-information-supplying-to-dwp	You shall have in place: • Processes and policies to ensure action is instigated when suspected incidents of misuse or breaches of security occur and a disciplinary process in place. • Processes for detecting unauthorised accesses (or attempted accesses), which must be treated as a security incident.	
Please confirm that you will notify DWP immediately should any incident occur which could compromise Customer Data		

Other policies or procedures		
Question	**Guidance**	**Supplier Response**
Please detail any other relevant policies or procedures you have in place.		

CALL OFF SCHEDULE 8: BUSINESS CONTINUITY AND DISASTER RECOVERY

1. DEFINITIONS

1.1 In this Call Off Schedule 8, the following definitions shall apply:

"Business Continuity Plan"	has the meaning given to it in paragraph 2.2.1(b) of this Call Off Schedule 8;
"Disaster Period"	For the purpose of the definition of "Disaster" in Call Off Schedule 1 (Definitions) the "Disaster Period" shall be one (1) hour
"Disaster Recovery Plan"	has the meaning given to it in 2.2.1(c) of this Call Off Schedule 8;
"Disaster Recovery System"	means the system embodied in the processes and procedures for restoring the provision of Goods and/or Services following the occurrence of a disaster;
"Review Report"	has the meaning given to it in paragraph 6.2 of this Call Off Schedule 8;
"Supplier's Proposals"	has the meaning given to it in paragraph 6.2.3 of this Call Off Schedule 8;

2. BCDR PLAN

2.1 Within thirty days (30) Working Days prior to the service Commencement Date the Supplier shall prepare and deliver to the Customer for the Customer's written Approval a plan, which shall detail the processes and arrangements that the Supplier shall follow to:

2.1.1 ensure continuity of the business processes and operations supported by the Services following any failure or disruption of any element of the Goods and/or Services; and

2.1.2 the recovery of the Goods and/or Services in the event of a Disaster.

2.2 The BCDR Plan shall:

2.2.1 be divided into three parts:

(a) Part A which shall set out general principles applicable to the BCDR Plan;

(b) Part B which shall relate to business continuity (the **"Business Continuity Plan"**); and

(c) Part C which shall relate to disaster recovery (the **"Disaster Recovery Plan"**); and

2.2.2 unless otherwise required by the Customer in writing, be based upon and be consistent with the provisions of paragraphs 3, 4 and 5.

2.3 Following receipt of the draft BCDR Plan from the Supplier, the Customer shall:

2.3.1 review and comment on the draft BCDR Plan as soon as reasonably practicable; and

2.3.2 notify the Supplier in writing that it approves or rejects the draft BCDR Plan no later than twenty (20) Working Days after the date on which the draft BCDR Plan is first delivered to the Customer.

2.4 If the Customer rejects the draft BCDR Plan:

2.4.1 the Customer shall inform the Supplier in writing of its reasons for its rejection; and

2.4.2 the Supplier shall then revise the draft BCDR Plan (taking reasonable account of the Customer's comments) and shall re-submit a revised draft BCDR Plan to the Customer for the Customer's Approval within twenty (20) Working Days of the date of the Customer's notice of rejection. The provisions of paragraphs 2.3 and 2.4 of this Call Off Schedule 8 shall apply again to any resubmitted draft BCDR Plan, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

3. PART A OF THE BCDR PLAN AND GENERAL PRINCIPLES AND REQUIREMENTS

3.1 Part A of the BCDR Plan shall:

3.1.1 set out how the business continuity and disaster recovery elements of the BCDR Plan link to each other;

3.1.2 provide details of how the invocation of any element of the BCDR Plan may impact upon the operation of the provision of the Goods and/or Services and any goods and/or services provided to the Customer by a Related Supplier;

3.1.3 contain an obligation upon the Supplier to liaise with the Customer and (at the Customer's request) any Related Suppliers with respect to issues concerning business continuity and disaster recovery where applicable;

3.1.4 detail how the BCDR Plan links and interoperates with any overarching and/or connected disaster recovery or business continuity plan of the Customer and any of its other Related Supplier in each case as notified to the Supplier by the Customer from time to time;

3.1.5 contain a communication strategy including details of an incident and problem management service and advice and help desk facility which can be accessed via multi-channels (including but without limitation a web-site (with FAQs), e-mail, phone and fax) for both portable and desk top configurations, where required by the Customer;

3.1.6 contain a risk analysis, including:

(a) failure or disruption scenarios and assessments and estimates of frequency of occurrence;

(b) identification of any single points of failure within the provision of Goods and/or Services and processes for managing the risks arising therefrom;

(c) identification of risks arising from the interaction of the provision of Goods and/or Services and with the goods and/or services provided by a Related Supplier; and

(d) a business impact analysis (detailing the impact on business processes and operations) of different anticipated failures or disruptions;

3.1.7 provide for documentation of processes, including business processes, and procedures;

3.1.8 set out key contact details (including roles and responsibilities) for the Supplier (and any Sub-Contractors) and for the Customer;

3.1.9 identify the procedures for reverting to "normal service";

3.1.10 set out method(s) of recovering or updating data collected (or which ought to have been collected) during a failure or disruption to ensure that there is no more than the accepted amount of data loss and to preserve data integrity;

3.1.11 identify the responsibilities (if any) that the Customer has agreed it will assume in the event of the invocation of the BCDR Plan; and

3.1.12 provide for the provision of technical advice and assistance to key contacts at the Customer as notified by the Customer from time to time to inform decisions in support of the Customer's business continuity plans.

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

3.2.1 the Goods and/or Services are provided in accordance with this Call Off Contract at all times during and after the invocation of the BCDR Plan;

3.2.2 the adverse impact of any Disaster, service failure, or disruption on the operations of the Customer is minimal as far as reasonably possible;

3.2.3 it complies with the relevant provisions of [ISO/IEC 27002] and all other industry standards from time to time in force; and

3.2.4 there is a process for the management of disaster recovery testing detailed in the BCDR Plan.

3.3 The BCDR Plan shall be upgradeable and sufficiently flexible to support any changes to the Goods and/or Services or to the business processes facilitated by and the business operations supported by the provision of Goods and/or Services.

3.4 The Supplier shall not be entitled to any relief from its obligations under the Service Levels or to any increase in the Charges to the extent that a Disaster occurs as a consequence of any breach by the Supplier of this Call Off Contract.

4. BUSINESS CONTINUITY PLAN - PRINCIPLES AND CONTENTS

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

4.1.1 the alternative processes (including business processes), options and responsibilities that may be adopted in the event of a failure in or disruption to the provision of Goods and/or Services; and

4.1.2 the steps to be taken by the Supplier upon resumption of the provision of Goods and/or Services in order to address any prevailing effect of the

failure or disruption including a root cause analysis of the failure or disruption.

4.2 The Business Continuity Plan shall:

4.2.1 address the various possible levels of failures of or disruptions to the provision of Goods and/or Services;

4.2.2 set out the goods and/or services to be provided and the steps to be taken to remedy the different levels of failures of and disruption to the Goods and/or Services (such goods and/or services and steps, the "**Business Continuity Goods and/or Services**");

4.2.3 specify any applicable Service Levels with respect to the provision of the Business Continuity Services and details of any agreed relaxation to the Service Levels in respect of the provision of other Goods and/or Services during any period of invocation of the Business Continuity Plan; and

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

5. DISASTER RECOVERY PLAN - PRINCIPLES AND CONTENTS

5.1 The Disaster Recovery Plan shall be designed so as to ensure that upon the occurrence of a Disaster the Supplier ensures continuity of the business operations of the Customer supported by the Services following any Disaster or during any period of service failure or disruption with, as far as reasonably possible, minimal adverse impact.

5.2 The Disaster Recovery Plan shall be invoked only upon the occurrence of a Disaster.

5.3 The Disaster Recovery Plan shall include the following:

5.3.1 the technical design and build specification of the Disaster Recovery System;

5.3.2 details of the procedures and processes to be put in place by the Supplier in relation to the Disaster Recovery System and the provision of the Disaster Recovery Services and any testing of the same including but not limited to the following:

(a) data centre and disaster recovery site audits;

(b) backup methodology and details of the Supplier's approach to data back-up and data verification;

(c) identification of all potential disaster scenarios;

(d) risk analysis;

(e) documentation of processes and procedures;

(f) hardware configuration details;

(g) network planning including details of all relevant data networks and communication links;

(h) invocation rules;

(i) Service recovery procedures; and

(j) steps to be taken upon resumption of the provision of Goods and/or Services to address any prevailing effect of the failure or disruption of the provision of Goods and/or Services;]

5.3.3 any applicable Service Levels with respect to the provision of the Disaster Recovery Services and details of any agreed relaxation to the Service Levels in respect of the provision of other Goods and/or Services during any period of invocation of the Disaster Recovery Plan;

5.3.4 details of how the Supplier shall ensure compliance with security standards ensuring that compliance is maintained for any period during which the Disaster Recovery Plan is invoked;

5.3.5 access controls to any disaster recovery sites used by the Supplier in relation to its obligations pursuant to this Schedule 8; and

5.3.6 testing and management arrangements.

6. REVIEW AND AMENDMENT OF THE BCDR PLAN

6.1 The Supplier shall review the BCDR Plan (and the risk analysis on which it is based):

6.1.1 on a regular basis and as a minimum once every six (6) months;

6.1.2 within three calendar months of the BCDR Plan (or any part) having been invoked pursuant to paragraph 7; and

6.1.3 where the Customer requests any additional reviews (over and above those provided for in paragraphs 6.1.1and 6.1.2 of this Call Off Schedule 8) by notifying the Supplier to such effect in writing, whereupon the Supplier shall conduct such reviews in accordance with the Customer's written requirements. Prior to starting its review, the Supplier shall provide an accurate written estimate of the total costs payable by the Customer for the Customer's Approval. The costs of both Parties of any such additional reviews shall be met by the Customer except that the Supplier shall not be entitled to charge the Customer for any costs that it may incur above any estimate without the Customer's prior written Approval.

6.2 Each review of the BCDR Plan pursuant to paragraph 6.1 of this Call off Schedule 8 shall be a review of the procedures and methodologies set out in the BCDR Plan and shall assess their suitability having regard to any change to the Goods and/or Services or any underlying business processes and operations facilitated by or supported by the Services which have taken place since the later of the original Approval of the BCDR Plan or the last review of the BCDR Plan and shall also have regard to any occurrence of any event since that date (or the likelihood of any such event taking place in the foreseeable future) which may increase the likelihood of the need to invoke the BCDR Plan. The review shall be completed by the Supplier within the period required by the BCDR Plan or, if no such period is required, within such period as the Customer shall reasonably require. The Supplier shall, within twenty (20) Working Days of the conclusion of each such review of the BCDR Plan, provide to the Customer a report (a **"Review Report"**) setting out:

6.2.1 the findings of the review;

6.2.2 any changes in the risk profile associated with the provision of Goods and/or Services; and

6.2.3 the Supplier's proposals (the **"Supplier's Proposals"**) for addressing any changes in the risk profile and its proposals for amendments to the BCDR Plan following the review detailing the impact (if any and to the extent that the Supplier can reasonably be expected to be aware of the same)

that the implementation of such proposals may have on any goods, services or systems provided by a third party.

6.3 Following receipt of the Review Report and the Supplier's Proposals, the Customer shall:

6.3.1 review and comment on the Review Report and the Supplier's Proposals as soon as reasonably practicable; and

6.3.2 notify the Supplier in writing that it approves or rejects the Review Report and the Supplier's Proposals no later than twenty (20) Working Days after the date on which they are first delivered to the Customer.

6.4 If the Customer rejects the Review Report and/or the Supplier's Proposals:

6.4.1 the Customer shall inform the Supplier in writing of its reasons for its rejection; and

6.4.2 the Supplier shall then revise the Review Report and/or the Supplier's Proposals as the case may be (taking reasonable account of the Customer's comments and carrying out any necessary actions in connection with the revision) and shall re-submit a revised Review Report and/or revised Supplier's Proposals to the Customer for the Customer's Approval within twenty (20) Working Days of the date of the Customer's notice of rejection. The provisions of paragraphs 6.3 and 6.4 of this Call Off Schedule 8 shall apply again to any resubmitted Review Report and Supplier's Proposals, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

6.5 The Supplier shall as soon as is reasonably practicable after receiving the Customer's Approval of the Supplier's Proposals (having regard to the significance of any risks highlighted in the Review Report) effect any change in its practices or procedures necessary so as to give effect to the Supplier's Proposals. Any such change shall be at the Supplier's expense unless it can be reasonably shown that the changes are required because of a material change to the risk profile of the Goods and/or Services.

7. TESTING OF THE BCDR PLAN

7.1 The Supplier shall test the BCDR Plan on a regular basis (and in any event not less than once in every Contract Year). Subject to paragraph 7.2 of this Call Off Schedule 8, the Customer may require the Supplier to conduct additional tests of some or all aspects of the BCDR Plan at any time where the Customer considers it necessary, including where there has been any change to the Goods and/or Services or any underlying business processes, or on the occurrence of any event which may increase the likelihood of the need to implement the BCDR Plan.

7.2 If the Customer requires an additional test of the BCDR Plan, it shall give the Supplier written notice and the Supplier shall conduct the test in accordance with the Customer's requirements and the relevant provisions of the BCDR Plan. The Supplier's costs of the additional test shall be borne by the Customer unless the BCDR Plan fails the additional test in which case the Supplier's costs of that failed test shall be borne by the Supplier.

7.3 The Supplier shall undertake and manage testing of the BCDR Plan in full consultation with the Customer and shall liaise with the Customer in respect of the planning, performance, and review, of each test, and shall comply with the reasonable requirements of the Customer in this regard. Each test shall be carried out under the supervision of the Customer or its nominee.

7.4 The Supplier shall ensure that any use by it or any Sub-Contractor of “live” data in such testing is first approved with the Customer. Copies of live test data used in any such testing shall be (if so required by the Customer) destroyed or returned to the Customer on completion of the test.

7.5 The Supplier shall, within twenty (20) Working Days of the conclusion of each test, provide to the Customer a report setting out:

7.5.1 the outcome of the test;

7.5.2 any failures in the BCDR Plan (including the BCDR Plan's procedures) revealed by the test; and

7.5.3 the Supplier's proposals for remedying any such failures.

7.6 Following each test, the Supplier shall take all measures requested by the Customer, (including requests for the re-testing of the BCDR Plan) to remedy any failures in the BCDR Plan and such remedial activity and re-testing shall be completed by the Supplier, at no additional cost to the Customer, by the date reasonably required by the Customer and set out in such notice.

7.7 For the avoidance of doubt, the carrying out of a test of the BCDR Plan (including a test of the BCDR Plan’s procedures) shall not relieve the Supplier of any of its obligations under this Call Off Contract.

7.8 The Supplier shall also perform a test of the BCDR Plan in the event of any major reconfiguration of the Goods and/or Services or as otherwise reasonably requested by the Customer.

8. INVOCATION OF THE BCDR PLAN

8.1 In the event of a complete loss of service or in the event of a Disaster, the Supplier shall immediately invoke the BCDR Plan (and shall inform the Customer promptly of such invocation). In all other instances the Supplier shall invoke or test the BCDR Plan only with the prior consent of the Customer.

CALL OFF SCHEDULE 9: EXIT MANAGEMENT

1. DEFINITIONS

1.1 In this Call Off Schedule 9, the following definitions shall apply:

"Exclusive Assets"	means those Supplier Assets used by the Supplier or a Key Sub-Contractor which are used exclusively in the provision of the Goods and/or Services;
"Exit Information"	has the meaning given to it in paragraph 4.1 of this Call Off Schedule 9;
"Exit Manager"	means the person appointed by each Party pursuant to paragraph 3.4 of this Call Off Schedule 9 for managing the Parties' respective obligations under this Call Off Schedule 9;
"Net Book Value"	means the net book value of the relevant Supplier Asset(s) calculated in accordance with the depreciation policy of the Supplier set out in the letter in the agreed form from the Supplier to the Costumer of even date with this Call Off Contract;
"Non-Exclusive Assets"	means those Supplier Assets (if any) which are used by the Supplier or a Key Sub-Contractor in connection with the Goods and/or Services but which are also used by the Supplier or Key Sub-Contractor for other purposes;
"Registers"	means the register and configuration database referred to in paragraphs 3.1.1 and 3.1.2 of this Call Off Schedule 9;
"Termination Assistance"	means the activities to be performed by the Supplier pursuant to the Exit Plan, and any other assistance required by the Customer pursuant to the Termination Assistance Notice;
"Termination Assistance Notice"	has the meaning given to it in paragraph 6.1 of this Call Off Schedule 9;
"Termination Assistance Period"	means in relation to a Termination Assistance Notice, the period specified in the Termination Assistance Notice for which the Supplier is required to provide the Termination Assistance as such period may be extended pursuant to paragraph 6.2 of this Call Off Schedule 9;
"Transferable Assets"	means those of the Exclusive Assets which are capable of legal transfer to the Customer;
"Transferable Contracts"	means the Sub-Contracts, licences for Supplier Background IPR, Project Specific IPR, licences for Third Party IPR or other agreements which are necessary to enable the Customer or any Replacement Supplier to provide the Goods

	and/or Services or the Replacement Goods and/or Replacement Services, including in relation to licences all relevant Documentation;
"Transferring Assets"	has the meaning given to it in paragraph 9.2.1 of this Call Off Schedule 9;
"Transferring Contracts"	has the meaning given to it in paragraph 9.2.3 of this Call Off Schedule 9.

2. INTRODUCTION

2.1 This Call Off Schedule 9 describes provisions that should be included in the Exit Plan, the duties and responsibilities of the Supplier to the Customer leading up to and covering the Call Off Expiry Date and the transfer of service provision to the Customer and/or a Replacement Supplier.

2.2 The objectives of the exit planning and service transfer arrangements are to ensure a smooth transition of the availability of the Goods and/or Services from the Supplier to the Customer and/or a Replacement Supplier at the Call Off Expiry Date.

3. OBLIGATIONS DURING THE CALL OFF CONTRACT PERIOD TO FACILITATE EXIT

3.1 During the Call Off Contract Period, the Supplier shall:

3.1.1 create and maintain a Register of all:

(a) Supplier Assets, detailing their:

(i) make, model and asset number;

(ii) ownership and status as either Exclusive Assets or Non-Exclusive Assets;

(iii) Net Book Value;

(iv) condition and physical location; and

(v) use (including technical specifications); and

(b) Sub-Contracts and other relevant agreements (including relevant software licences, maintenance and support agreements and equipment rental and lease agreements) required for the performance of the Goods and/or Services;

3.1.2 create and maintain a configuration database detailing the technical infrastructure and operating procedures through which the Supplier provides the Goods and/or Services, which shall contain sufficient detail to permit the Customer and/or Replacement Supplier to understand how the Supplier provides the Goods and/or Services and to enable the smooth transition of the Goods and/or Services with the minimum of disruption;

3.1.3 agree the format of the Registers with the Customer as part of the process of agreeing the Exit Plan; and

3.1.4 at all times keep the Registers up to date, in particular in the event that Assets, Sub-Contracts or other relevant agreements are added to or removed from the Goods and/or Services.

3.2 The Supplier shall:

3.2.1 procure that all Exclusive Assets listed in the Registers are clearly marked to identify that they are exclusively used for the provision of the Goods and/or Goods and/or Services under this Call Off Contract; and

3.2.2 (unless otherwise agreed by the Customer in writing) procure that all licences for Third Party IPR and all Sub-Contracts shall be assignable and/or capable of novation at the request of the Customer to the Customer (and/or its nominee) and/or any Replacement Supplier upon the Supplier ceasing to provide the Goods and/or Services (or part of them) without restriction (including any need to obtain any consent or Approval) or payment by the Customer.

3.3 Where the Supplier is unable to procure that any Sub-Contract or other agreement referred to in paragraph 3.2.2 of this Call Off Schedule 9 which the Supplier proposes to enter into after the Call Off Commencement Date is assignable and/or capable of novation to the Customer (and/or its nominee) and/or any Replacement Supplier without restriction or payment, the Supplier shall promptly notify the Customer of this and the Parties shall (acting reasonably and without undue delay) discuss the appropriate action to be taken which, where the Customer so directs, may include the Supplier seeking an alternative Sub-Contractor or Supplier of goods and/or services to which the relevant agreement relates.

3.4 Each Party shall appoint a person for the purposes of managing the Parties' respective obligations under this Call Off Schedule 9 and provide written notification of such appointment to the other Party within three (3) months of the Call Off Commencement Date. The Supplier's Exit Manager shall be responsible for ensuring that the Supplier and its employees, agents and Sub-Contractors comply with this Call Off Schedule 9. The Supplier shall ensure that its Exit Manager has the requisite authority to arrange and procure any resources of the Supplier as are reasonably necessary to enable the Supplier to comply with the requirements set out in this Call Off Schedule 9. The Parties' Exit Managers will liaise with one another in relation to all issues relevant to the termination of this Call Off Contract and all matters connected with this Call Off Schedule 9 and each Party's compliance with it.

4. OBLIGATIONS TO ASSIST ON RE-TENDERING OF GOODS AND/OR SERVICES

4.1 On reasonable notice at any point during the Call Off Contract Period, the Supplier shall provide to the Customer and/or its potential Replacement Suppliers (subject to the potential Replacement Suppliers entering into reasonable written confidentiality undertakings), the following material and information in order to facilitate the preparation by the Customer of any invitation to tender and/or to facilitate any potential Replacement Suppliers undertaking due diligence:

4.1.1 details of the Service(s);

4.1.2 a copy of the Registers, updated by the Supplier up to the date of delivery of such Registers;

4.1.3 an inventory of Customer Data in the Supplier's possession or control;

4.1.4 details of any key terms of any third party contracts and licences, particularly as regards charges, termination, assignment and novation;

4.1.5 a list of on-going and/or threatened disputes in relation to the provision of the Goods and/or Services;

4.1.6 all information relating to Transferring Supplier Employees or those who may be Transferring Supplier Employees' required to be provided by the Supplier under this Call Off Contract such information to include the Staffing Information as defined in Schedule 10 (Staff Transfer); and

4.1.7 such other material and information as the Customer shall reasonably require,

(Together, the "**Exit Information**").

4.2 The Supplier acknowledges that the Customer may disclose the Supplier's Confidential Information to an actual or prospective Replacement Supplier or any third party whom the Customer is considering engaging to the extent that such disclosure is necessary in connection with such engagement (except that the Customer may not under this paragraph 4.2 of this Call Off Schedule 9 disclose any Supplier's Confidential Information which is information relating to the Supplier's or its Sub-Contractors' prices or costs).

4.3 The Supplier shall:

4.3.1 notify the Customer within five (5) Working Days of any material change to the Exit Information which may adversely impact upon the provision of any Goods and/or Services and shall consult with the Customer regarding such proposed material changes; and

4.3.2 provide complete updates of the Exit Information on an as-requested basis as soon as reasonably practicable and in any event within ten (10) Working Days of a request in writing from the Customer.

4.4 The Supplier may charge the Customer for its reasonable additional costs to the extent the Customer requests more than four (4) updates in any six (6) month period.

4.5 The Exit Information shall be accurate and complete in all material respects and the level of detail to be provided by the Supplier shall be such as would be reasonably necessary to enable a third party to:

4.5.1 prepare an informed offer for those Goods and/or Services; and

4.5.2 not be disadvantaged in any subsequent procurement process compared to the Supplier (if the Supplier is invited to participate).

5. EXIT PLAN

5.1 The Supplier shall, within three (3) months after the Call Off Commencement Date, deliver to the Customer an Exit Plan which:

5.1.1 sets out the Supplier's proposed methodology for achieving an orderly transition of the Goods and/or Services from the Supplier to the Customer and/or its Replacement Supplier on the expiry or termination of this Call Off Contract;

5.1.2 complies with the requirements set out in paragraph 5.3 of this Call Off Schedule 9;

5.1.3 is otherwise reasonably satisfactory to the Customer.

5.2 The Parties shall use reasonable endeavours to agree the contents of the Exit Plan. If the Parties are unable to agree the contents of the Exit Plan within twenty (20) Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.

5.3 Unless otherwise specified by the Customer or Approved, the Exit Plan shall set out, as a minimum:

5.3.1 how the Exit Information is obtained;

5.3.2 the management structure to be employed during both transfer and cessation of the Goods and/or Services;

5.3.3 the management structure to be employed during the Termination Assistance Period;

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

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

5.3.6 details of contracts (if any) which will be available for transfer to the Customer and/or the Replacement Supplier upon the Call Off Expiry Date together with any reasonable costs required to effect such transfer (and the Supplier agrees that all assets and contracts used by the Supplier in connection with the provision of the Goods and/or Services will be available for such transfer);

5.3.7 proposals for the training of key members of the Replacement Supplier's personnel in connection with the continuation of the provision of the Goods and/or Services following the Call Off Expiry Date charged at rates agreed between the Parties at that time;

5.3.8 proposals for providing the Customer or a Replacement Supplier copies of all documentation:

(a) used in the provision of the Goods and/or Services and necessarily required for the continued use thereof, in which the Intellectual Property Rights are owned by the Supplier; and

(b) relating to the use and operation of the Goods and/or Services;

5.3.9 proposals for the assignment or novation of the provision of all services, leases, maintenance agreements and support agreements utilised by the Supplier in connection with the performance of the supply of the Goods and/or Services;

5.3.10 proposals for the identification and return of all Customer Property in the possession of and/or control of the Supplier or any third party (including any Sub-Contractor);

5.3.11 proposals for the disposal of any redundant Goods and/or Services and materials;

5.3.12 procedures to:

(a) deal with requests made by the Customer and/or a Replacement Supplier for Staffing Information pursuant to Call Off Schedule 10 (Staff Transfer);

(b) determine which Supplier Personnel are or are likely to become Transferring Supplier Employees; and

(c) identify or develop any measures for the purpose of the Employment Regulations envisaged in respect of Transferring Supplier Employees;

5.3.13 how each of the issues set out in this Call Off Schedule 9 will be addressed to facilitate the transition of the Goods and/or Services from the Supplier to the Replacement Supplier and/or the Customer with the aim of ensuring that there is no disruption to or degradation of the Goods and/or Services during the Termination Assistance Period; and

5.3.14 proposals for the supply of any other information or assistance reasonably required by the Customer or a Replacement Supplier in order to effect an orderly handover of the provision of the Goods and/or Services.

6. TERMINATION ASSISTANCE

6.1 The Customer shall be entitled to require the provision of Termination Assistance at any time during the Call Off Contract Period by giving written notice to the Supplier (a **"Termination Assistance Notice"**) at least four (4) months prior to the Call Off Expiry Date or as soon as reasonably practicable (but in any event, not later than one (1) month) following the service by either Party of a Termination Notice. The Termination Assistance Notice shall specify:

6.1.1 the date from which Termination Assistance is required;

6.1.2 the nature of the Termination Assistance required; and

6.1.3 the period during which it is anticipated that Termination Assistance will be required, which shall continue no longer than twelve (12) months after the date that the Supplier ceases to provide the Goods and/or Services.

6.2 The Customer shall have an option to extend the Termination Assistance Period beyond the period specified in the Termination Assistance Notice provided that such extension shall not extend for more than six (6) months after the date the Supplier ceases to provide the Goods and/or Services or, if applicable, beyond the end of the Termination Assistance Period and provided that it shall notify the Supplier to such effect no later than twenty (20) Working Days prior to the date on which the provision of Termination Assistance is otherwise due to expire. The Customer shall have the right to terminate its requirement for Termination Assistance by serving not less than (20) Working Days' written notice upon the Supplier to such effect.

7. TERMINATION ASSISTANCE PERIOD

7.1 Throughout the Termination Assistance Period, or such shorter period as the Customer may require, the Supplier shall:

7.1.1 continue to provide the Goods and/or Services (as applicable) and, if required by the Customer pursuant to paragraph 6.1 of this Call Off Schedule 9, provide the Termination Assistance;

7.1.2 in addition to providing the Goods and/or Services and the Termination Assistance, provide to the Customer any reasonable assistance requested by the Customer to allow the Goods and/or Services to continue without interruption following the termination or expiry of this Call Off Contract and to facilitate the orderly transfer of responsibility for and conduct of the Goods and/or Services to the Customer and/or its Replacement Supplier;

7.1.3 use all reasonable endeavours to reallocate resources to provide such assistance as is referred to in paragraph 7.1.2 of this Call Off Schedule 9 without additional costs to the Customer;

7.1.4 provide the Goods and/or Services and the Termination Assistance at no detriment to the Service Level Performance Measures, save to the extent that the Parties agree otherwise in accordance with paragraph 7.3; and

7.1.5 at the Customer's request and on reasonable notice, deliver up-to-date Registers to the Customer.

7.2 Without prejudice to the Supplier's obligations under paragraph 7.1.3 of this Call Off Schedule 9, if it is not possible for the Supplier to reallocate resources to provide such assistance as is referred to in paragraph 7.1.2 of this Call Off Schedule 9 without additional costs to the Customer, any additional costs incurred by the Supplier in providing such reasonable assistance which is not already in the scope of the Termination Assistance or the Exit Plan shall be subject to the Variation Procedure.

7.3 If the Supplier demonstrates to the Customer's reasonable satisfaction that transition of the Goods and/or Services and provision of the Termination Assist during the Termination Assistance Period will have a material, unavoidable adverse effect on the Supplier's ability to meet one or more particular Service Level Performance Measure(s), the Parties shall vary the relevant Service Level Performance Measure(s) and/or the applicable Service Credits to take account of such adverse effect.

8. TERMINATION OBLIGATIONS

8.1 The Supplier shall comply with all of its obligations contained in the Exit Plan.

8.2 Upon termination or expiry (as the case may be) or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Goods and/or Services and the Termination Assistance and its compliance with the other provisions of this Call Off Schedule 9), the Supplier shall:

8.2.1 cease to use the Customer Data;

8.2.2 provide the Customer and/or the Replacement Supplier with a complete and uncorrupted version of the Customer Data in electronic form (or such other format as reasonably required by the Customer);

8.2.3 erase from any computers, storage devices and storage media that are to be retained by the Supplier after the end of the Termination Assistance Period all Customer Data and promptly certify to the Customer that it has completed such deletion;

8.2.4 return to the Customer such of the following as is in the Supplier's possession or control:

(a) all materials created by the Supplier under this Call Off Contract in which the IPRs are owned by the Customer;

(b) any equipment which belongs to the Customer;

(c) any items that have been on-charged to the Customer, such as consumables; and

(d) all Customer Property issued to the Supplier under Clause 31 of this Call Off Contract (Customer Property). Such Customer Property shall be handed back to the Customer in good working order (allowance shall be made only for reasonable wear and tear);

(e) any sums prepaid by the Customer in respect of Goods and/or Services not Delivered by the Call Off Expiry Date;

8.2.5 vacate any Customer Premises;

8.2.6 remove the Supplier Equipment together with any other materials used by the Supplier to supply the Goods and/or Services and shall leave the Sites in a clean, safe and tidy condition. The Supplier is solely responsible for making good any damage to the Sites or any objects contained thereon, other than fair wear and tear, which is caused by the Supplier and/or any Supplier Personnel;

8.2.7 provide access during normal working hours to the Customer and/or the Replacement Supplier for up to twelve (12) months after expiry or termination to:

(a) such information relating to the Goods and/or Services as remains in the possession or control of the Supplier; and

(b) such members of the Supplier Personnel as have been involved in the design, development and provision of the Goods and/or Services and who are still employed by the Supplier, provided that the Customer and/or the Replacement Supplier shall pay the reasonable costs of the Supplier actually incurred in responding to requests for access under this paragraph.

8.3 Upon termination or expiry (as the case may be) or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Goods and/or Services and the Termination Assistance and its compliance with the other provisions of this Call Off Schedule 9), each Party shall return to the other Party (or if requested, destroy or delete) all Confidential Information of the other Party and shall certify that it does not retain the other Party's Confidential Information save to the extent (and for the limited period) that such information needs to be retained by the Party in question for the purposes of providing or receiving any Goods and/or Services or termination services or for statutory compliance purposes.

8.4 Except where this Call Off Contract provides otherwise, all licences, leases and authorisations granted by the Customer to the Supplier in relation to the Goods and/or Services shall be terminated with effect from the end of the Termination Assistance Period.

9. ASSETS AND SUB-CONTRACTS

9.1 Following notice of termination of this Call Off Contract and during the Termination Assistance Period, the Supplier shall not, without the Customer's prior written consent:

9.1.1 terminate, enter into or vary any Sub-Contract;

9.1.2 (subject to normal maintenance requirements) make material modifications to, or dispose of, any existing Supplier Assets or acquire any new Supplier Assets; or

9.1.3 terminate, enter into or vary any licence for software in connection with the provision of Goods and/or Services.

9.2 Within twenty (20) Working Days of receipt of the up-to-date Registers provided by the Supplier pursuant to paragraph 7.1.5 of this Call Off Schedule 9, the Customer shall provide written notice to the Supplier setting out:

9.2.1 which, if any, of the Transferable Assets the Customer requires to be transferred to the Customer and/or the Replacement Supplier ("**Transferring Assets**");

9.2.2 which, if any, of:

(a) the Exclusive Assets that are not Transferable Assets; and

(b) the Non-Exclusive Assets,

the Customer and/or the Replacement Supplier requires the continued use of; and

9.2.3 which, if any, of Transferable Contracts the Customer requires to be assigned or novated to the Customer and/or the Replacement Supplier (the **"Transferring Contracts"**),

in order for the Customer and/or its Replacement Supplier to provide the Goods and/or Services from the expiry of the Termination Assistance Period. Where requested by the Customer and/or its Replacement Supplier, the Supplier shall provide all reasonable assistance to the Customer and/or its Replacement Supplier to enable it to determine which Transferable Assets and Transferable Contracts the Customer and/or its Replacement Supplier requires to provide the Goods and/or Services or the Replacement Goods and/or Replacement Services.

9.3 With effect from the expiry of the Termination Assistance Period, the Supplier shall sell the Transferring Assets to the Customer and/or its nominated Replacement Supplier for a consideration equal to their Net Book Value, except where the cost of the Transferring Asset has been partially or fully paid for through the Call Off Contract Charges at the Call Off expiry Date, in which case the Customer shall pay the Supplier the Net Book Value of the Transferring Asset less the amount already paid through the Call Off Contract Charges.

9.4 Risk in the Transferring Assets shall pass to the Customer or the Replacement Supplier (as appropriate) at the end of the Termination Assistance Period and title to the Transferring Assets shall pass to the Customer or the Replacement Supplier (as appropriate) on payment for the same.

9.5 Where the Supplier is notified in accordance with paragraph 9.2.2 of this Call Off Schedule 9 that the Customer and/or the Replacement Supplier requires continued use of any Exclusive Assets that are not Transferable Assets or any Non-Exclusive Assets, the Supplier shall as soon as reasonably practicable:

9.5.1 procure a non-exclusive, perpetual, royalty-free licence (or licence on such other terms that have been agreed by the Customer) for

the Customer and/or the Replacement Supplier to use such assets (with a right of sub-licence or assignment on the same terms); or failing which

9.5.2 procure a suitable alternative to such assets and the Customer or the Replacement Supplier shall bear the reasonable proven costs of procuring the same.

9.6 The Supplier shall as soon as reasonably practicable assign or procure the novation to the Customer and/or the Replacement Supplier of the Transferring Contracts. The Supplier shall execute such documents and provide such other assistance as the Customer reasonably requires to effect this novation or assignment.

9.7 The Customer shall:

9.7.1 accept assignments from the Supplier or join with the Supplier in procuring a novation of each Transferring Contract; and

9.7.2 once a Transferring Contract is novated or assigned to the Customer and/or the Replacement Supplier, carry out, perform and discharge all the obligations and liabilities created by or arising under that Transferring Contract and exercise its rights arising under that Transferring Contract, or as applicable, procure that the Replacement Supplier does the same.

9.8 The Supplier shall hold any Transferring Contracts on trust for the Customer until such time as the transfer of the relevant Transferring Contract to the Customer and/or the Replacement Supplier has been effected.

9.9 The Supplier shall indemnify the Customer (and/or the Replacement Supplier, as applicable) against each loss, liability and cost arising out of any claims made by a counterparty to a Transferring Contract which is assigned or novated to the Customer (and/or Replacement Supplier) pursuant to paragraph 9.6 of this Call Off Schedule 9 in relation to any matters arising prior to the date of assignment or novation of such Transferring Contract.

10. SUPPLIER PERSONNEL

10.1 The Customer and Supplier agree and acknowledge that in the event of the Supplier ceasing to provide the Goods and/or Services or part of them for any reason, Call Off Schedule 10 (Staff Transfer) shall apply.

10.2 The Supplier shall not and shall procure that any relevant Sub-Contractor shall not take any step (expressly or implicitly and directly or indirectly by itself or through any other person) without the prior written consent of the Customer to dissuade or discourage any employees engaged in the provision of the Goods and/or Services from transferring their employment to the Customer and/or the Replacement Supplier and/or Replacement Sub-Contractor.

10.3 During the Termination Assistance Period, the Supplier shall and shall procure that any relevant Sub-Contractor shall:

10.3.1 give the Customer and/or the Replacement Supplier and/or Replacement Sub-Contractor reasonable access to the Supplier's personnel and/or their consultation representatives to present the case for transferring their employment to the Customer and/or the Replacement Supplier and/or to discuss or consult on any measures envisaged by the Customer, Replacement Supplier

and/or Replacement Sub-Contractor in respect of persons expected to be Transferring Supplier Employees;

10.3.2 co-operate with the Customer and the Replacement Supplier to ensure an effective consultation process and smooth transfer in respect of Transferring Supplier Employees in line with good employee relations and the effective continuity of the Services.

10.4 The Supplier shall immediately notify the Customer or, at the direction of the Customer, the Replacement Supplier of any period of notice given by the Supplier or received from any person referred to in the Staffing Information, regardless of when such notice takes effect.

10.5 The Supplier shall not for a period of twelve (12) months from the date of transfer re-employ or re-engage or entice any employees, suppliers or Sub-Contractors whose employment or engagement is transferred to the Customer and/or the Replacement Supplier except that this paragraph 10.5 shall not apply where an offer is made pursuant to an express right to make such offer under Call Off Schedule 10.1 (Staff Transfer) in respect of a Transferring Supplier Employee not identified in the Supplier's Final Supplier Personnel List.

11. CHARGES

11.1 Except as otherwise expressly specified in this Call Off Contract, the Supplier shall not make any charges for the services provided by the Supplier pursuant to, and the Customer shall not be obliged to pay for costs incurred by the Supplier in relation to its compliance with, this Call Off Schedule 9 including the preparation and implementation of the Exit Plan, the Termination Assistance and any activities mutually agreed between the Parties to carry on after the expiry of the Termination Assistance Period.

12. APPORTIONMENTS

12.1 All outgoings and expenses (including any remuneration due) and all rents, royalties and other periodical payments receivable in respect of the Transferring Assets and Transferring Contracts shall be apportioned between the Customer and the Supplier and/or the Replacement Supplier and the Supplier (as applicable) as follows:

12.1.1 the amounts shall be annualised and divided by 365 to reach a daily rate;

12.1.2 the Customer shall be responsible for (or shall procure that the Replacement Supplier shall be responsible for) or entitled to (as the case may be) that part of the value of the invoice pro rata to the number of complete days following the transfer, multiplied by the daily rate; and

12.1.3 the Supplier shall be responsible for or entitled to (as the case may be) the rest of the invoice.

12.2 Each Party shall pay (and/or the Customer shall procure that the Replacement Supplier shall pay) any monies due under paragraph 12.1 of this Call Off Schedule 9 as soon as reasonably practicable.

13. EXIT MANAGEMENT:

Call Off Schedule 9 (Exit Management) shall be amended by adding the following clauses:

13.1 The Termination Services to be provided by the Supplier shall be specified by the Customer in the Termination Assistance Notice and may include (but are not limited to) the following services:

13.2 notifying the Sub-contractors of procedures to be followed during the Termination Assistance Period and providing management to ensure these procedures are followed;

13.3 providing assistance and expertise as necessary to examine all operational and business processes (including all supporting documentation) in place and re-writing and implementing processes and procedures such that they are appropriate for use by the Customer and/or Replacement Supplier after the end of the Termination Assistance Period;

13.4 delivering to the Customer the existing systems support profiles, monitoring or system logs, problem tracking/resolution documentation and status reports all relating to the 12 month period immediately prior to the commencement of the Termination Services);

13.5 providing details of work volumes and staffing requirements over the 12 month period immediately prior to the commencement of the Termination Services;

13.6 with respect to work in progress as at the end of the Termination Assistance Period, documenting the current status (including plans, risks, issues and current progress) and stabilising such work in progress for continuity during transition;

13.7 providing the Customer with any problem logs which have not previously been provided, including any unresolved incidents and known errors which are likely to remain unresolved at the end of the Termination Assistance Period;

13.8 providing assistance and expertise as necessary to examine all governance and reports in place for the provision of the Services providing assistance and expertise as necessary to examine all relevant roles and responsibilities in place for the provision of the Services and re-writing and implementing these such that they are appropriate for the continuation of the Services after the Termination Assistance Period;

13.9 making available to the Customer and/or the Replacement Supplier expertise to analyse training requirements and provide all necessary training for the use of tools by such staff as are nominated by the Customer (acting reasonably) at the time of termination or expiry. A documented plan is to be separately provided for this activity and agreed with the Customer at the time of termination or expiry;

13.10 analysing and providing information about capacity and performance requirements, processor requirements and bandwidth requirements, and known planned requirements for capacity growth across these areas;

13.11 analysing and providing information on data analysis which aids the customer in improving the service;

13.12 generating a computer listing of the Source Code of all items of Specially Written Software held in escrow in a form and on media reasonably requested by the Customer;

13.13 assisting in the execution of a parallel operation until the effective date of expiry or termination of this Call Off Contract;

13.14 answering all reasonable questions from the Customer and/or its potential Replacement Supplier/s regarding the Services; the provision of access to the Customer and/or the Replacement Supplier/s during the Termination Assistance Period and for a period not

exceeding six months afterwards for the purpose of the smooth transfer of the Services to the Customer and/or the Replacement Supplier:

13.15 to information and documentation relating to the transferring Services that is in the possession or control of the Supplier or its Sub-Contractors (and the Supplier agrees and shall procure that its Sub-contractors do not destroy or dispose of that information within this period) including the right to take reasonable copies of that material;

13.16 following reasonable notice and during the Supplier's normal business hours, access to members of the Supplier Personnel who have been involved in the provision or management of the Services and who are still employed or engaged by the Supplier or it's Sub-Contractors;

14 Disputes Relating to Termination Services

14.1 Where there is any dispute between the parties regarding the manner in which the Termination Services are to be performed; such dispute shall be resolved in accordance with the Dispute Resolution Procedure.

15. KNOWLEDGE TRANSFER AND WORK SHADOWING

During the Termination Assistance Period, the Supplier will:

15.1 transfer all training material and provide appropriate training to those Customer and/or Replacement Supplier staff responsible for internal training in connection with the provision of the Services;

15.2 provide for transfer to the Customer and/or the Replacement Supplier of all knowledge reasonably required for the provision of the Services which may, as appropriate, include information, records and documents; and

15.3 provide the Supplier and/or Replacement Supplier with access to such members of the Supplier or its Sub-contractors' personnel in accordance with 15.4 below.

15.4 to facilitate the transfer of knowledge from the Supplier to the Customer and/or its Replacement Supplier, the Supplier shall provide a detailed explanation of the procedures and operations used to provide the Services, the change management process and other standards and procedures to the operations personnel of the Customer and/or the Replacement Supplier.

15.5 the information which the Supplier shall provide to the Customer and/or its Replacement Supplier pursuant to paragraph 5.1 above will include copies of up-to-date procedures and operations manuals;

15.6 during the Termination Assistance Period the Supplier shall grant any agent or personnel (including employees, consultants and contractors) of the potential Replacement Supplier and/or the Customer access, during business hours and upon reasonable prior written notice, to any Sites for the purpose of effecting a prompt knowledge transfer provided that any such agent or personnel (including employees, consultants and contractors) having access to any Sites under this paragraph shall:

15.7.1 sign a confidentiality undertaking in favour of the Supplier (in such form as the Supplier shall reasonably require);

15.7.2 comply with the Supplier's reasonable health and safety policies and site rules communicated to them; and

15.7.3 interfere with or disrupt the provision of the Services by the Supplier.

15.8 Subject to paragraph the above, during the Termination Assistance Period the Supplier shall allow the Customer personnel and/or the potential Replacement Supplier's personnel to shadow the Supplier Personnel to:

15.8.1 observe the performance of the relevant live Services and prepare for their transition;

15.8.2 facilitate knowledge and skills transfer; and

15.8.3 enable the Customer and/or the potential Replacement Suppliers to participate in decisions that affect the Services and/or the Replacement Services, provided such shadowing does not cause disruption to the Supplier's day to day activities.

15.9 the Supplier shall make available such numbers of suitably experienced and skilled personnel (including Key Personnel) to the Customer and/or the Replacement Supplier during the execution of the parallel operation referred to in paragraph 13.13 (above) as is necessary to achieve the relevant knowledge and skills transfer.

15.10 following appointment of any Replacement Supplier, the Customer shall be entitled to bring the Replacement Supplier to any meetings relating to the Services, provided that the Supplier may request that the Replacement Supplier be excluded from discussions relating to commercial issues which are sensitive to the Supplier's business and which are not relevant to the provision of the Replacement Services (including discussion of any proprietary processes or information considered confidential by the Supplier).

CALL OFF SCHEDULE 10: STAFF TRANSFER

14. DEFINITIONS

In this Call Off Schedule 10, the following definitions shall apply:

"Admission Agreement"	An admission agreement in the form available on the Civil Service Pensions website immediately prior to the Relevant Transfer Date to be entered into by the Supplier where it agrees to participate in the Schemes in respect of the Services;
"Eligible Employee"	any Fair Deal Employee who at the relevant time is an eligible employee as defined in the Admission Agreement;
"Fair Deal Employees"	those Transferring Customer Employees who are on the Relevant Transfer Date entitled to the protection of New Fair Deal (and, in the event that Part B of this Call Off Schedule 10 applies, any Transferring Former Supplier Employees who originally transferred pursuant to a Relevant Transfer under the Employment Regulations (or the predecessor legislation to the Employment Regulations), from employment with a public sector employer and who were once eligible to participate in the Schemes and who at the Relevant Transfer Date become entitled to the protection of New Fair Deal);
"Former Supplier"	a supplier supplying services to the Customer before the Relevant Transfer Date that are the same as or substantially similar to the Services (or any part of the Services) and shall include any sub-contractor of such supplier (or any sub-contractor of any such sub-contractor);
"New Fair Deal"	the revised Fair Deal position set out in the HM Treasury guidance: *"Fair Deal for staff pensions: staff transfer from central government"* issued in October 2013 including any amendments to that document immediately prior to the Relevant Transfer Date;
"Notified Sub-Contractor"	a Sub-Contractor identified in the Annex to this Call Off Schedule 10 to whom Transferring Customer Employees and/or Transferring Former Supplier Employees will transfer on a Relevant Transfer Date;
"Replacement Sub-Contractor"	a sub-contractor of the Replacement Supplier to whom Transferring Supplier Employees will transfer on a Service Transfer Date (or any sub-contractor of any such sub-contractor);
"Relevant Transfer"	a transfer of employment to which the Employment Regulations applies;
"Relevant Transfer Date"	in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place;

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

"Service Transfer" any transfer of the Services (or any part of the Services), for whatever reason, from the Supplier or any Sub-Contractor to a Replacement Supplier or a Replacement Sub-Contractor;

"Service Transfer Date" the date of a Service Transfer or, if more than one, the date of the relevant Service Transfer as the context requires;

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

(a) their ages, dates of commencement of employment or engagement, gender and place of work;

(b) details of whether they are employed, self-employed contractors or consultants, agency workers or otherwise;

(c) the identity of the employer or relevant contracting party;

(d) their relevant contractual notice periods and any other terms relating to termination of employment, including redundancy procedures, and redundancy payments;

(e) their wages, salaries, bonuses and profit sharing arrangements as applicable;

(f) details of other employment-related benefits, including (without limitation) medical insurance, life assurance, pension or other retirement benefit schemes, share option schemes and company car schedules applicable to them;

(g) any outstanding or potential contractual, statutory or other liabilities in respect of such individuals (including in respect of personal injury claims);

(h) details of any such individuals on long term sickness absence, parental leave, maternity leave or other authorised long term absence;

(i) copies of all relevant documents and materials relating to such information, including copies of relevant contracts of employment (or relevant standard contracts if applied generally in respect of such employees); and

(j) any other "employee liability information" as such term is defined in regulation 11 of the Employment Regulations;

"Supplier's Final Supplier Personnel List"	a list provided by the Supplier of all Supplier Personnel who will transfer under the Employment Regulations on the Service Transfer Date;
"Supplier's Provisional Supplier Personnel List"	a list prepared and updated by the Supplier of all Supplier Personnel who are at the date of the list wholly or mainly engaged in or assigned to the provision of the Services or any relevant part of the Services which it is envisaged as at the date of such list will no longer be provided by the Supplier;
"Transferring Customer Employees"	those employees of the Customer to whom the Employment Regulations will apply on the Relevant Transfer Date;
"Transferring Former Supplier Employees"	in relation to a Former Supplier, those employees of the Former Supplier to whom the Employment Regulations will apply on the Relevant Transfer Date; and
"Transferring Supplier Employees"	those employees of the Supplier and/or the Supplier's Sub-Contractors to whom the Employment Regulations will apply on the Service Transfer Date.

15. INTERPRETATION

Where a provision in this Call Off Schedule 10 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 Customer, Former Supplier, Replacement Supplier or Replacement Sub-Contractor, as the case may be.

PART A

TRANSFERRING CUSTOMER EMPLOYEES AT COMMENCEMENT OF SERVICES

1. RELEVANT TRANSFERS

1.1 The Customer and the Supplier agree that:

1.1.1 the commencement of the provision of the Services or of each relevant part of the Services will be a Relevant Transfer in relation to the Transferring Customer Employees; and

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

1.2 The Customer shall comply with all its obligations under the Employment Regulations and shall perform and discharge all its obligations in respect of the Transferring Customer Employees in respect of the period arising up to (but not including)the Relevant Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions which in any case are attributable in whole or in part to the period up to (but not including) the Relevant Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between: (i) the Customer; and (ii) the Supplier and/or any Notified Sub-Contractor (as appropriate).

2. CUSTOMER INDEMNITIES

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

2.1.1 any act or omission by the Customer in respect of any Transferring Customer Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Customer Employee occurring before the Relevant Transfer Date;

2.1.2 the breach or non-observance by the Customer before the Relevant Transfer Date of:

(a) any collective agreement applicable to the Transferring Customer Employees; and/or

(b) any custom or practice in respect of any Transferring Customer Employees which the Customer is contractually bound to honour;

2.1.3 any claim by any trade union or other body or person representing the Transferring Customer Employees arising from or connected with any failure by the Customer to comply with any legal obligation to such trade union, body or person arising before the Relevant Transfer Date;

2.1.4 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:

(a) in relation to any Transferring Customer Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising before the Relevant Transfer Date; and

(b) in relation to any employee who is not a Transferring Customer 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 Customer to the Supplier and/or any Notified Sub-Contractor as appropriate, to the extent that the proceeding, claim or demand by the HMRC or other statutory authority relates to financial obligations arising before the Relevant Transfer Date.

2.1.5 a failure of the Customer 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 Customer Employees arising before the Relevant Transfer Date;

2.1.6 any claim made by or in respect of any person employed or formerly employed by the Customer other than a Transferring Customer Employee for whom it is alleged the Supplier and/or any Notified Sub-Contractor as appropriate may be liable by virtue of the Employment Regulations and/or the Acquired Rights Directive; and

2.1.7 any claim made by or in respect of a Transferring Customer Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Customer Employee relating to any act or omission of the Customer 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 Supplier or any Sub-Contractor to comply with regulation 13(4) of the Employment Regulations.

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

2.2.1 arising out of the resignation of any Transferring Customer Employee before the Relevant Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Supplier and/or any Sub-Contractor to occur in the period from (and including) the Relevant Transfer Date; or

2.2.2 arising from the failure by the Supplier or any Sub-Contractor to comply with its obligations under the Employment Regulations.

2.3 If any person who is not identified by the Customer as a Transferring Customer Employee claims, or it is determined in relation to any person who is not identified by the Customer as a Transferring Customer Employee, that his/her contract of employment has been

transferred from the Customer to the Supplier and/or any Notified Sub-Contractor pursuant to the Employment Regulations or the Acquired Rights Directive then:

2.3.1 the Supplier shall, or shall procure that the Notified Sub-Contractor shall, within 5 Working Days of becoming aware of that fact, give notice in writing to the Customer; and

2.3.2 the Customer 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 Customer considers appropriate to deal with the matter provided always that such steps are in compliance with Law.

2.4 If an offer referred to in Paragraph 2.3.2 is accepted, or if the situation has otherwise been resolved by the Customer, the Supplier shall, or shall procure that the Notified Sub-Contractor shall, immediately release the person from his/her employment or alleged employment.

2.5 If by the end of the 15 Working Day period specified in Paragraph 2.3.2:

2.5.1 no such offer of employment has been made;

2.5.2 such offer has been made but not accepted; or

2.5.3 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.

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

2.7 The indemnity in Paragraph 2.6:

2.7.1 shall not apply to:

(a) any claim for:

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

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

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

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

2.7.2 shall apply only where the notification referred to in Paragraph 2.3.1 is made by the Supplier and/or any Notified Sub-

Contractor (as appropriate) to the Customer within 6 months of the Call Off Commencement Date.

2.8 If any such person as is referred to in Paragraph 2.3 is neither re-employed by the Customer nor dismissed by the Supplier and/or any Notified Sub-Contractor within the time scales set out in Paragraph 2.5 such person shall be treated as having transferred to the 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 applicable Law.

3. SUPPLIER INDEMNITIES AND OBLIGATIONS

3.1 Subject to Paragraph 3.2 the Supplier shall indemnify the Customer against any Employee Liabilities arising from or as a result of:

3.1.1 any act or omission by the Supplier or any Sub-Contractor in respect of any Transferring Customer Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Customer Employee whether occurring before, on or after the Relevant Transfer Date;

3.1.2 the breach or non-observance by the Supplier or any Sub-Contractor on or after the Relevant Transfer Date of:

(a) any collective agreement applicable to the Transferring Customer Employees; and/or

(b) any custom or practice in respect of any Transferring Customer Employees which the Supplier or any Sub-Contractor is contractually bound to honour;

3.1.3 any claim by any trade union or other body or person representing any Transferring Customer Employees arising from or connected with any failure by the Supplier or any Sub-Contractor to comply with any legal obligation to such trade union, body or person arising on or after the Relevant Transfer Date;

3.1.4 any proposal by the Supplier or a Sub-contractor made before the Relevant Transfer Date to make changes to the terms and conditions of employment or working conditions of any Transferring Customer Employees to their material detriment on or after their transfer to the Supplier or the relevant Sub-Contractor (as the case may be) on the Relevant Transfer Date, or to change the terms and conditions of employment or working conditions of any person who would have been a Transferring Customer 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;

3.1.5 any statement communicated to or action undertaken by the Supplier or any Sub-Contractor to, or in respect of, any Transferring Customer Employee before the Relevant Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Customer in writing;

3.1.6 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:

(a) in relation to any Transferring Customer Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on or after the Relevant Transfer Date; and

(b) in relation to any employee who is not a Transferring Customer 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 Customer to the Supplier or a Sub-Contractor, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on or after the Relevant Transfer Date;

3.1.7 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 Customer Employees in respect of the period from (and including) the Relevant Transfer Date;

3.1.8 any claim made by or in respect of a Transferring Customer Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Customer Employee relating to any act or omission of the Supplier or any Sub-Contractor in relation to their obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the Customer's failure to comply with its obligations under regulation 13 of the Employment Regulations; and

3.1.9 a failure by the Supplier or any Sub-Contractor to comply with its obligations under Paragraph 2.8 above.

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

3.3 The Supplier shall comply, and shall procure that each Sub-Contractor shall comply, with all its obligations under the Employment Regulations (including its obligation to inform and consult in accordance with regulation 13 of the Employment Regulations) and shall perform and discharge, and shall procure that each Sub-Contractor shall perform and discharge, all its obligations in respect of the Transferring Customer Employees, from (and including) the Relevant Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions and any other sums due under the Admission Agreement which in any case are attributable in whole or in part to the period from and including the Relevant Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between the Customer and the Supplier.

4. INFORMATION

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

5. PRINCIPLES OF GOOD EMPLOYMENT PRACTICE

5.1 The Parties agree that the Principles of Good Employment Practice issued by the Cabinet Office in December 2010 apply to the treatment by the 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.

5.2 The Supplier shall, and shall procure that each Sub-Contractor shall, comply with any requirement notified to it by the Customer relating to pensions in respect of any Transferring Customer Employee as set down in:

5.2.1 the Cabinet Office Statement of Practice on Staff Transfers in the Public Sector of January 2000, revised 2007;

5.2.2 HM Treasury's guidance “Staff Transfers from Central Government: A Fair Deal for Staff Pensions of 1999;

5.2.3 HM Treasury's guidance “Fair deal for staff pensions: procurement of Bulk Transfer Agreements and Related Issues” of June 2004; and/or

5.2.4 the New Fair Deal.

5.3 Any changes embodied in any statement of practice, paper or other guidance that replaces any of the documentation referred to in Paragraphs 5.1 or 5.2 shall be agreed in accordance with the Variation Procedure.

6. PENSIONS

The Supplier shall, and/or shall procure that each of its Sub-Contractors shall, comply with the pensions provisions in the following Annex.

ANNEX TO PART A: PENSIONS

1. PARTICIPATION

1.1 The Supplier undertakes to enter into the Admission Agreement.

1.2 The Supplier and the Customer:

1.2.1 undertake to do all such things and execute any documents (including the Admission Agreement) as may be required to enable the Supplier to participate in the Schemes in respect of the Fair Deal Employees;

1.2.2 agree that the arrangements under paragraph 1.1 of this Annex include the body responsible for the Schemes notifying the Customer if the Supplier breaches any obligations it has under the Admission Agreement;

1.2.3 agree, notwithstanding Paragraph 1.2.2 of this Annex, the Supplier shall notify the Customer in the event that it breaches any obligations it has under the Admission Agreement and when it intends to remedy such breaches; and

1.2.4 agree that the Customer may terminate this Call Off Contract in the event that the Supplier breaches the Admission Agreement:

(a) and that breach is not capable of being remedied; or

(b) where such breach is capable of being remedied, the Supplier fails to remedy such breach within a reasonable time and in any event within 28 days of a notice from the Customer giving particulars of the breach and requiring the Supplier to remedy it.

1.3 The Supplier shall bear its own costs and all costs that the Customer reasonably incurs in connection with the negotiation, preparation and execution of documents to facilitate the Supplier participating in the Schemes including without limitation current civil service pensions administrator on-boarding costs.

2. FUTURE SERVICE BENEFITS

2.1 The Supplier shall procure that the Fair Deal Employees, shall be either admitted into, or offered continued membership of, the relevant section of the Schemes that they currently contribute to, or were eligible to join immediately prior to the Relevant Transfer Date and the Supplier shall procure that the Fair Deal Employees continue to accrue benefits in accordance with the provisions governing the relevant section of Schemes for service from (and including) the Relevant Transfer Date.

2.2 The Supplier undertakes that should it cease to participate in the Schemes for whatever reason at a time when it has Eligible Employees, that it will, at no extra cost to the Customer, provide to any Fair Deal Employee who immediately prior to such cessation remained an Eligible Employee with access to an occupational pension scheme certified by the Government Actuary's Department or any actuary nominated by the Customer in accordance with relevant guidance produced by the Government Actuary's Department as providing benefits which are broadly comparable to those provided by the Schemes on the date the Eligible Employees ceased to participate in the Schemes.

2.3 The Parties acknowledge that the Civil Service Compensation Scheme and the Civil Service Injury Benefit Scheme (established pursuant to section 1 of the Superannuation Act 1972) are not covered by the protection of New Fair Deal.

3. FUNDING

3.1 The Supplier undertakes to pay to the Schemes all such amounts as are due under the Admission Agreement and shall deduct and pay to the Schemes such employee contributions as are required by the Schemes.

3.2 The Supplier shall indemnify and keep indemnified the Customer on demand against any claim by, payment to, or loss incurred by, the Schemes in respect of the failure to account to the Schemes for payments received and the non-payment or the late payment of any sum payable by the Supplier to or in respect of the Schemes.

4. PROVISION OF INFORMATION

The Supplier and the Customer respectively undertake to each other:

4.1 to provide all information which the other Party may reasonably request concerning matters referred to in this Annex and set out in the Admission Agreement, and to supply the information as expeditiously as possible; and

4.2 not to issue any announcements to the Fair Deal Employees prior to the Relevant Transfer Date concerning the matters stated in this Annex without the consent in writing of the other Party (not to be unreasonably withheld or delayed).

5. INDEMNITY

The Supplier undertakes to the Customer to indemnify and keep indemnified the Customer on demand from and against all and any Losses whatsoever arising out of or in connection with any liability towards the Fair Deal Employees arising in respect of service on or after the Relevant Transfer Date which relate to the payment of benefits under and/or participation in an occupational pension scheme (within the meaning provided for in section 1 of the Pension Schemes Act 1993) or the Schemes.

6. EMPLOYER OBLIGATION

The Supplier shall comply with the requirements of Part 1 of the Pensions Act 2008, section 258 of the Pensions Act 2004 and the Transfer of Employment (Pension Protection) Regulations 2005 for all transferring staff.

7. SUBSEQUENT TRANSFERS

The Supplier shall:

7.1 not adversely affect pension rights accrued by any Fair Deal Employee in the period ending on the Service Transfer Date;

7.2 provide all such co-operation and assistance as the Schemes and the Replacement Supplier and/or the Customer may reasonably require to enable the Replacement Supplier to participate in the Schemes 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; and

7.3 for the applicable period either:

7.3.1 after notice (for whatever reason) is given, in accordance with the other provisions of this Call Off Contract, to terminate the Agreement or any part of the Services; or

7.3.2 after the date which is two (2) years prior to the date of expiry of this Call Off Contract,

ensure that no change is made to pension, retirement and death benefits provided for or in respect of any person who will transfer to the Replacement Supplier or the Customer, 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 Approval of the Customer (such Approval not to be unreasonably withheld). Save that this sub-paragraph shall not apply to any change made as a consequence of participation in an Admission Agreement.

8. BULK TRANSFER

8.1 Where the Supplier has set up a broadly comparable pension scheme in accordance with the provisions of paragraph 2.2 above of this Annex, the Supplier agrees to:

8.1.1 fully fund any such broadly comparable pension scheme in accordance with the funding requirements set by that broadly comparable pension scheme's actuary or by the Government Actuary's Department;

8.1.2 instruct any such broadly comparable pension scheme's actuary to, and to provide all such co-operation and assistance in respect of any such broadly comparable pension scheme as the Replacement Supplier and/or the Customer may reasonably require, to enable the Replacement Supplier to participate in the Schemes in respect of any Fair Deal Employee that remain eligible for New Fair Deal protection following a Service Transfer;

8.1.3 allow, in respect of any Fair Deal Employee that remains eligible for New Fair Deal protection, following a Service Transfer, the bulk transfer of past service from any such broadly comparable pension scheme into the Schemes on a day for day service basis and to give effect to any transfer of accrued rights required as part of participation under New Fair Deal, for the avoidance of doubt should the amount offered by the broadly comparable pension scheme be less than the amount required by the Schemes to fund day for day service ("the Shortfall"), the Supplier agrees to pay the Shortfall to the Schemes; and

8.1.4 indemnify the Customer on demand for any failure to pay the Shortfall as required under Paragraph 8.1.3 above.

PART B

TRANSFERRING FORMER SUPPLIER EMPLOYEES AT COMMENCEMENT OF SERVICES

1. RELEVANT TRANSFERS

1.1 The Customer and the Supplier agree that:

1.1.1 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

1.1.2 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 Subject to Paragraph 6, the Customer shall procure that each Former Supplier shall comply with all its obligations under the Employment Regulations and shall perform and discharge all its obligations in respect of all the Transferring Former Supplier Employees in respect of the period up to (but not including) the Relevant Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions which in any case are attributable in whole or in part in respect of the period up to (but not including) the Relevant Transfer Date) and the Supplier shall make, and the Customer shall procure that each Former Supplier makes, any necessary apportionments in respect of any periodic payments.

2. FORMER SUPPLIER INDEMNITIES

2.1 Subject to Paragraphs 2.2 and 6, the Customer shall procure that each Former Supplier shall indemnify the Supplier and any Notified Sub-Contractor against any Employee Liabilities arising from or as a result of:

2.1.1 any act or omission by the Former Supplier in respect of any Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee arising before the Relevant Transfer Date;

2.1.2 the breach or non-observance by the Former Supplier arising before the Relevant Transfer Date of:

(a) any collective agreement applicable to the Transferring Former Supplier Employees; and/or

(b) any custom or practice in respect of any Transferring Former Supplier Employees which the Former Supplier is contractually bound to honour;

2.1.3 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:

(a) in relation to any Transferring Former Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising before the Relevant Transfer Date; and

(b) in relation to any employee who is not a Transferring Former Supplier Employee and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Former Supplier to the Supplier and/or any Notified Sub-Contractor as appropriate, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations in respect of the period to (but excluding) the Relevant Transfer Date;

2.1.4 a failure of the Former Supplier to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Former Supplier Employees in respect of the period to (but excluding) the Relevant Transfer Date;

2.1.5 any claim made by or in respect of any person employed or formerly employed by the Former Supplier other than a Transferring Former Supplier Employee for whom it is alleged the Supplier and/or any Notified Sub-Contractor as appropriate may be liable by virtue of this Call Off Contract and/or the Employment Regulations and/or the Acquired Rights Directive; and

2.1.6 any claim made by or in respect of a Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee relating to any act or omission of the Former Supplier in relation to its obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the failure by the Supplier or any Sub-Contractor to comply with regulation 13(4) of the Employment Regulations.

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

2.2.1 arising out of the resignation of any Transferring Former Supplier Employee before the Relevant Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Supplier or any Sub-Contractor to occur in the period from (and including) the Relevant Transfer Date; or

2.2.2 arising from the failure by the Supplier and/or any Sub-Contractor to comply with its obligations under the Employment Regulations.

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

2.3.1 the Supplier shall, or shall procure that the Notified Sub-Contractor shall, within 5 Working Days of becoming aware of that fact, give notice in writing to the Customer and, where required by the Customer, to the Former Supplier; and

2.3.2 the Former Supplier may offer (or may procure that a third party may offer) employment to such person within 15 Working Days of the notification by the Supplier and/or the Notified Sub-Contractor or take such other reasonable steps as the Former Supplier considers appropriate to deal with the matter provided always that such steps are in compliance with applicable Law.

2.4 If an offer referred to in Paragraph 2.3.2 is accepted, or if the situation has otherwise been resolved by the Former Supplier and/or the Customer, the Supplier shall, or shall procure that the Notified Sub-Contractor shall, immediately release the person from his/her employment or alleged employment.

2.5 If by the end of the 15 Working Day period specified in Paragraph 2.3.2:

2.5.1 no such offer of employment has been made;

2.5.2 such offer has been made but not accepted; or

2.5.3 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.

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

2.7 The indemnity in Paragraph 2.6:

2.7.1 shall not apply to:

(a) any claim for:

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

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

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

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

2.7.2 shall apply only where the notification referred to in Paragraph 2.3.1 is made by the Supplier and/or any Notified Sub-Contractor (as appropriate) to the Customer and, if applicable, the Former Supplier, within 6 months of the Call Off Commencement Date.

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

3. SUPPLIER INDEMNITIES AND OBLIGATIONS

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

3.1.1 any act or omission by the Supplier or any Sub-Contractor in respect of any Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee whether occurring before, on or after the Relevant Transfer Date;

3.1.2 the breach or non-observance by the Supplier or any Sub-Contractor on or after the Relevant Transfer Date of:

(a) any collective agreement applicable to the Transferring Former Supplier Employee; and/or

(b) any custom or practice in respect of any Transferring Former Supplier Employees which the Supplier or any Sub-Contractor is contractually bound to honour;

3.1.3 any claim by any trade union or other body or person representing any Transferring Former Supplier Employees arising from or connected with any failure by the Supplier or a Sub-Contractor to comply with any legal obligation to such trade union, body or person arising on or after the Relevant Transfer Date;

3.1.4 any proposal by the Supplier or a Sub-Contractor prior to the Relevant Transfer Date to make changes to the terms and conditions of employment or working conditions of any Transferring Former Supplier Employees to their material detriment on or after their transfer to the Supplier or a Sub-Contractor (as the case may be) on the Relevant Transfer Date, or to change the terms and conditions of employment or working conditions of any person who would have been a Transferring Former Supplier Employee but for their resignation (or decision to

treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Relevant Transfer Date as a result of or for a reason connected to such proposed changes;

3.1.5 any statement communicated to or action undertaken by the Supplier or a Sub-Contractor to, or in respect of, any Transferring Former Supplier Employee before the Relevant Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Customer and/or the Former Supplier in writing;

3.1.6 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:

(a) in relation to any Transferring Former Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on or after the Relevant Transfer Date; and

(b) in relation to any employee who is not a Transferring Former Supplier Employee, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Former Supplier to the Supplier or a Sub-Contractor, to the extent that the proceeding, claim or demand by the HMRC or other statutory authority relates to financial obligations arising on or after the Relevant Transfer Date;

3.1.7 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 Former Supplier Employees in respect of the period from (and including) the Relevant Transfer Date;

3.1.8 any claim made by or in respect of a Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee relating to any act or omission of the Supplier or any Sub-Contractor in relation to obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the Former Supplier's failure to comply with its obligations under regulation 13 of the Employment Regulations; and

3.1.9 a failure by the Supplier or any Sub-Contractor to comply with its obligations under Paragraph 2.8 above.

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

3.3 The Supplier shall comply, and shall procure that each Sub-Contractor shall comply, with all its obligations under the Employment Regulations (including without limitation its obligation to inform and consult in accordance with regulation 13 of the Employment

Regulations) and shall perform and discharge, and shall procure that each Sub-Contractor shall perform and discharge, all its obligations in respect of all the Transferring Former Supplier Employees, on and from the Relevant Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions and any other sums due under the Admission Agreement which in any case are attributable in whole or in part to the period from (and including) the Relevant Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between the Supplier and the Former Supplier.

4. INFORMATION

The Supplier shall, and shall procure that each Sub-Contractor shall, promptly provide to the Customer and/or at the Customer's direction, the Former Supplier, in writing such information as is necessary to enable the Customer and/or the Former Supplier to carry out their respective duties under regulation 13 of the Employment Regulations. Subject to Paragraph 6, the Customer shall procure that the Former Supplier shall promptly provide to the Supplier and each Notified Sub-Contractor in writing such information as is necessary to enable the Supplier and each Notified Sub-Contractor to carry out their respective duties under regulation 13 of the Employment Regulations.

5. PRINCIPLES OF GOOD EMPLOYMENT PRACTICE

5.1 The Supplier shall, and shall procure that each Sub-Contractor shall, comply with any requirement notified to it by the Customer relating to pensions in respect of any Transferring Former Supplier Employee as set down in:

5.1.1 the Cabinet Office Statement of Practice on Staff Transfers in the Public Sector of January 2000, revised 2007;

5.1.2 HM Treasury's guidance "Staff Transfers from Central Government: A Fair Deal for Staff Pensions of 1999;

5.1.3 HM Treasury's guidance: "Fair deal for staff pensions: procurement of Bulk Transfer Agreements and Related Issues" of June 2004; and/or

5.1.4 the New Fair Deal.

5.2 Any changes embodied in any statement of practice, paper or other guidance that replaces any of the documentation referred to in Paragraph 5.1 shall be agreed in accordance with the Variation Procedure.

6. PROCUREMENT OBLIGATIONS

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

7. PENSIONS

The Supplier shall, and shall procure that each Sub-Contractor shall, comply with the pension's provisions in the following Annex.

ANNEX TO PART B: PENSIONS

8. PARTICIPATION

8.1 The Supplier undertakes to enter into the Admission Agreement.

8.2 The Supplier and the Customer:

8.2.1 undertake to do all such things and execute any documents (including the Admission Agreement) as may be required to enable the Supplier to participate in the Schemes in respect of the Fair Deal Employees;

8.2.2 agree that the arrangements under paragraph 1.1 of this Annex include the body responsible for the Schemes notifying the Customer if the Supplier breaches any obligations it has under the Admission Agreement;

8.2.3 agree, notwithstanding Paragraph 1.2.2 of this Annex, the Supplier shall notify the Customer in the event that it breaches any obligations it has under the Admission Agreement and when it intends to remedy such breaches; and

8.2.4 agree that the Customer may terminate this Call Off Contract for material default in the event that the Supplier breaches the Admission Agreement:

(a) and that breach is not capable of being remedied; or

(b) where such breach is capable of being remedied, the Supplier fails to remedy such breach within a reasonable time and in any event within 28 days of a notice from the Customer giving particulars of the breach and requiring the Supplier to remedy it.

8.3 The Supplier shall bear its own costs and all costs that the Customer reasonably incurs in connection with the negotiation, preparation and execution of documents to facilitate the Supplier participating in the Schemes including without limitation current civil service pensions administrator on-boarding costs.

9. FUTURE SERVICE BENEFITS

9.1 If the Supplier is rejoining the Schemes for the first time, the Supplier shall procure that the Fair Deal Employees shall be either admitted to or offered continued membership of the relevant section of the Schemes that they became eligible to join on the Relevant Transfer Date and shall continue to accrue or accrue benefits in accordance with the provisions governing the relevant section of the Schemes for service from (and including) the Relevant Transfer Date.

9.2 If staff have already been readmitted to the Schemes, the Supplier shall procure that the Fair Deal Employees, shall be either admitted into, or offered continued membership of, the relevant section of the Schemes that they currently contribute to, or were eligible to join immediately prior to the Relevant Transfer Date and the Supplier shall procure that the Fair Deal Employees continue to accrue benefits in accordance with the provisions governing the relevant section of the Schemes for service from (and including) the Relevant Transfer Date.

9.3 The Supplier undertakes that should it cease to participate in the Schemes for whatever reason at a time when it has Eligible Employees, that it will, at no extra cost to the

Customer, provide to any Fair Deal Employee who immediately prior to such cessation remained an Eligible Employee with access to an occupational pension scheme certified by the Government Actuary's Department or any actuary nominated by the Customer in accordance with relevant guidance produced by the Government Actuary's Department as providing benefits which are broadly comparable to those provided by the Schemes on the date the Eligible Employees ceased to participate in the Schemes.

9.4 The Parties acknowledge that the Civil Service Compensation Scheme and the Civil Service Injury Benefit Scheme (established pursuant to section 1 of the Superannuation Act 1972) are not covered by the protection of New Fair Deal.

10. FUNDING

10.1 The Supplier undertakes to pay to the Schemes all such amounts as are due under the Admission Agreement and shall deduct and pay to the Schemes such employee contributions as are required by the Schemes.

10.2 The Supplier shall indemnify and keep indemnified the Customer on demand against any claim by, payment to, or loss incurred by the Schemes in respect of the failure to account to the Schemes for payments received and the non-payment or the late payment of any sum payable by the Supplier to or in respect of the Schemes.

11. PROVISION OF INFORMATION

The Supplier and the Customer respectively undertake to each other:

11.1 to provide all information which the other Party may reasonably request concerning matters (i) referred to in this Annex and (ii) set out in the Admission Agreement, and to supply the information as expeditiously as possible; and

11.2 not to issue any announcements to the Fair Deal Employees prior to the Relevant Transfer Date concerning the matters stated in this Annex without the consent in writing of the other Party (not to be unreasonably withheld or delayed).

12. INDEMNITY

The Supplier undertakes to the Customer to indemnify and keep indemnified the Customer on demand from and against all and any Losses whatsoever arising out of or in connection with any liability towards the Fair Deal Employees arising in respect of service on or after the Relevant Transfer Date which relate to the payment of benefits under and/or participation in an occupational pension scheme (within the meaning provided for in section 1 of the Pension Schemes Act 1993) or the Schemes.

13. EMPLOYER OBLIGATION

The Supplier shall comply with the requirements of the Pensions Act 2008, section 258 of the Pensions Act 2004 and the Transfer of Employment (Pension Protection) Regulations 2005 for all transferring staff.

14. SUBSEQUENT TRANSFERS

The Supplier shall:

14.1 not adversely affect pension rights accrued by any Fair Deal Employee in the period ending on the Service Transfer Date;

14.2 provide all such co-operation and assistance as the Schemes and the Replacement Supplier and/or the Customer may reasonably require to enable the Replacement Supplier to participate in the Schemes in respect of any Eligible Employee and to give effect to any transfer of accrued rights required as part of participation under the New Fair Deal; and

14.3 for the applicable period either

14.3.1 after notice (for whatever reason) is given, in accordance with the other provisions of this Call Off Contract, to terminate the Agreement or any part of the Services; or

14.3.2 after the date which is two (2) years prior to the date of expiry of this Call Off Contract,

ensure that no change is made to pension, retirement and death benefits provided for or in respect of any person who will transfer to the Replacement Supplier or the Customer, 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 Approval of the Customer (such Approval not to be unreasonably withheld). Save that this sub-paragraph shall not apply to any change made as a consequence of participation in an Admission Agreement.

15. BULK TRANSFER

8.1 Where the Supplier has set up a broadly comparable pension scheme in accordance with the provisions of paragraph 2.2 above of this Annex, the Supplier agrees to:

8.1.1 fully fund any such broadly comparable pension scheme in accordance with the funding requirements set by that broadly comparable pension scheme's actuary or by the Government Actuary's Department;

8.1.2 instruct any such broadly comparable pension scheme's actuary to, and to provide all such co-operation and assistance in respect of any such broadly comparable pension scheme as the Replacement Supplier and/or the Customer may reasonably require, to enable the Replacement Supplier to participate in the Schemes in respect of any Fair Deal Employee that remain eligible for New Fair Deal protection following a Service Transfer;

8.1.3 allow, in respect of any Fair Deal Employee that remains eligible for New Fair Deal protection, following a Service Transfer, the bulk transfer of past service from any such broadly comparable pension scheme into the Schemes on a day for day service basis and to give effect to any transfer of accrued rights required as part of participation under New Fair Deal, for the avoidance of doubt should the amount offered by the broadly comparable pension scheme be less than the amount required by the Schemes to fund day for day service ("the Shortfall"), the Supplier agrees to pay the Shortfall to the Schemes; and

8.1.4 indemnify the Customer on demand for any failure to pay the Shortfall as required under Paragraph 8.1.3 above.

PART C

NO TRANSFER OF EMPLOYEES AT COMMENCEMENT OF SERVICES

1. PROCEDURE IN THE EVENT OF TRANSFER

1.1 The Customer and the Supplier agree that the commencement of the provision of the Services or of any part of the Services will not be a Relevant Transfer in relation to any employees of the Customer and/or any Former Supplier.

1.2 If any employee of the Customer and/or a Former Supplier claims, or it is determined in relation to any employee of the Customer and/or a Former Supplier, that his/her contract of employment has been transferred from the Customer and/or the Former Supplier to the Supplier and/or any Sub-Contractor pursuant to the Employment Regulations or the Acquired Rights Directive then:

1.2.1 the Supplier shall, and shall procure that the relevant Sub-Contractor shall, within five (5) Working Days of becoming aware of that fact, give notice in writing to the Customer and, where required by the Customer, give notice to the Former Supplier; and

1.2.2 the Customer and/or the Former Supplier may offer (or may procure that a third party may offer) employment to such person within fifteen (15) Working Days of the notification by the Supplier or the Sub-Contractor (as appropriate) or take such other reasonable steps as the Customer or Former Supplier (as the case may be) considers appropriate to deal with the matter provided always that such steps are in compliance with applicable Law.

1.3 If an offer referred to in Paragraph 1.2.2 is accepted (or if the situation has otherwise been resolved by the Customer and/or the Former Supplier), the Supplier shall, or shall procure that the Sub-Contractor shall, immediately release the person from his/her employment or alleged employment.

1.4 If by the end of the fifteen (15) Working Day period specified in Paragraph 1.2.2:

1.4.1 no such offer of employment has been made;

1.4.2 such offer has been made but not accepted; or

1.4.3 the situation has not otherwise been resolved,

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

2. INDEMNITIES

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

2.1.1 indemnify the Supplier and/or the relevant Sub-Contractor against all Employee Liabilities arising out of the termination of the employment of any employees of the Customer referred to in Paragraph 1.2 made pursuant to the provisions of Paragraph 1.4 provided that the Supplier takes, or shall procure that the Notified

Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities; and

2.1.2 subject to paragraph 3, procure that the Former Supplier indemnifies the Supplier and/or any Notified Sub-Contractor against all Employee Liabilities arising out of termination of the employment of the employees of the Former Supplier referred to in Paragraph 1.2 made pursuant to the provisions of Paragraph 1.4 provided that the Supplier takes, or shall procure that the relevant Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities.

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

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

2.4 The indemnities in Paragraph 2.1:

2.4.1 shall not apply to:

(a) any claim for:

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

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

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

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

2.4.2 shall apply only where the notification referred to in Paragraph 1.2.1 is made by the Supplier and/or any Sub-Contractor to the Customer and, if applicable, Former Supplier within 6 months of the Call Off Commencement Date.

3. PROCUREMENT OBLIGATIONS

Where in this Part C the Customer accepts an obligation to procure that a Former Supplier does or does not do something, such obligation shall be limited so that it extends only to the extent that the Customer's contract with the Former Supplier contains a contractual right in that regard which

the Customer may enforce, or otherwise so that it requires only that the Customer must use reasonable endeavours to procure that the Former Supplier does or does not act accordingly.

PART D

EMPLOYMENT EXIT PROVISIONS

1. PRE-SERVICE TRANSFER OBLIGATIONS

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

1.1.1 receipt of a notification from the Customer of a Service Transfer or intended Service Transfer;

1.1.2 receipt of the giving of notice of early termination or any Partial Termination of this Call Off Contract;

1.1.3 the date which is twelve (12) months before the end of the Term; and

1.1.4 receipt of a written request of the Customer at any time (provided that the Customer shall only be entitled to make one such request in any six (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 Customer.

1.2 At least thirty (30) Working Days prior to the Service Transfer Date, the Supplier shall provide to the Customer or at the direction of the Customer to any Replacement Supplier and/or any Replacement Sub-Contractor:

1.2.1 the Supplier's Final Supplier Personnel List, which shall identify which of the Supplier Personnel are Transferring Supplier Employees; and

1.2.2 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 Customer 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 Customer, 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, 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 Customer (not to be unreasonably withheld or delayed):

1.5.1 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;

1.5.2 make, promise, propose, permit or implement any material changes to the terms and conditions of employment of the Supplier Personnel (including any payments connected with the termination of employment);

1.5.3 increase the proportion of working time spent on the Services (or the relevant part of the Services) by any of the Supplier Personnel save for fulfilling assignments and projects previously scheduled and agreed;

1.5.4 introduce any new contractual or customary practice concerning the making of any lump sum payment on the termination of employment of any employees listed on the Supplier's Provisional Supplier Personnel List;

1.5.5 increase or reduce the total number of employees so engaged, or deploy any other person to perform the Services (or the relevant part of the Services); or

1.5.6 terminate or give notice to terminate the employment or contracts of any persons on the Supplier's Provisional Supplier Personnel List save by due disciplinary process,

and shall promptly notify, and procure that each Sub-Contractor shall promptly notify, the Customer or, at the direction of the Customer, 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 Customer any information the Customer may reasonably require relating to the manner in which Services are organised, which shall include:

1.6.1 the numbers of employees engaged in providing the Services;

1.6.2 the percentage of time spent by each employee engaged in providing the Services;

1.6.3 the extent to which each employee qualifies for membership of any of the Schemes or any broadly comparable scheme set up pursuant to the provisions of paragraph 2.2 of the Annex (Pensions) to Part A of this Call Off Schedule 10 or paragraph 2.3 of the Annex (Pensions) to Part B of this Call Off Schedule 10 (as appropriate); and

1.6.4 a description of the nature of the work undertaken by each employee by location.

1.7 The Supplier shall provide, and shall procure that each Sub-Contractor shall provide, all reasonable cooperation and assistance to the Customer, 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 five (5) Working Days following the Service Transfer Date, the Supplier shall provide, and shall procure that each Sub-Contractor shall provide, to the Customer or, at the direction of the Customer, 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:

1.7.1 the most recent month's copy pay slip data;

1.7.2 details of cumulative pay for tax and pension purposes;

1.7.3 details of cumulative tax paid;

1.7.4 tax code;

1.7.5 details of any voluntary deductions from pay; and

1.7.6 bank/building society account details for payroll purposes.

2. EMPLOYMENT REGULATIONS EXIT PROVISIONS

2.1 The Customer and the Supplier acknowledge that subsequent to the commencement of the provision of the Services, the identity of the Supplier of the Services (or any part of the Services) may change (whether as a result of termination or Partial Termination of this Call Off Contract 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 Customer 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 disapplied through operation of regulation 10(2) of the Employment Regulations) will have effect on and from the Service Transfer Date as if originally made between the Replacement Supplier and/or a Replacement Sub-Contractor (as the case may be) and each such Transferring 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 (but not 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 and all such sums due as a result of any Fair Deal Employees' participation in the Schemes which in any case are attributable in whole or in part to the period ending on (and including) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between: (i) the 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, where a Relevant Transfer occurs the Supplier shall indemnify the Customer and/or the Replacement Supplier and/or any Replacement Sub-Contractor against any Employee Liabilities arising from or as a result of:

2.3.1 any act or omission of the Supplier or any Sub-Contractor in respect of any Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee whether occurring before, on or after the Service Transfer Date;

2.3.2 the breach or non-observance by the Supplier or any Sub-Contractor occurring on or before the Service Transfer Date of:

(a) any collective agreement applicable to the Transferring Supplier Employees; and/or

(b) any other custom or practice with a trade union or staff association in respect of any Transferring Supplier Employees which the Supplier or any Sub-Contractor is contractually bound to honour;

2.3.3 any claim by any trade union or other body or person representing any Transferring Supplier Employees arising from or connected with any failure by the Supplier or a Sub-Contractor to comply with any legal obligation to such trade union, body or person arising on or before the Service Transfer Date;

2.3.4 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:

(a) in relation to any Transferring Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on and before the Service Transfer Date; and

(b) in relation to any employee who is not identified in the Supplier's Final Supplier Personnel List, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Supplier to the Customer 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;

2.3.5 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);

2.3.6 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 identified in the Supplier's Final Supplier Personnel List for whom it is alleged the Customer and/or the Replacement Supplier and/or any Replacement Sub-Contractor may be liable by virtue of this Call Off Contract and/or the Employment Regulations and/or the Acquired Rights Directive; and

2.3.7 any claim made by or in respect of a Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee relating to any act or omission of the Supplier or any 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 Customer 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:

2.4.1 arising out of the resignation of any Transferring Supplier Employee before the Service Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Replacement Supplier and/or any Replacement Sub-Contractor to occur in the period on or after the Service Transfer Date; or

2.4.2 arising from the Replacement Supplier's failure, and/or Replacement Sub-Contractor's failure, to comply with its obligations under the Employment Regulations.

2.5 If any person who is not identified in the Supplier's Final Supplier Personnel List claims, or it is determined in relation to any person who is not identified in the Supplier's Final Supplier Personnel List 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:

2.5.1 the Customer shall procure that the Replacement Supplier shall, or any Replacement Sub-Contractor shall, within five (5) Working Days of becoming aware of that fact, give notice in writing to the Supplier; and

2.5.2 the Supplier may offer (or may procure that a Sub-Contractor may offer) employment to such person within fifteen (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 Customer 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 fifteen (15) Working Day period specified in Paragraph 2.5.2 has elapsed:

2.7.1 no such offer of employment has been made;

2.7.2 such offer has been made but not accepted; or

2.7.3 the situation has not otherwise been resolved

the Replacement Supplier and/or Replacement Sub-Contractor, as appropriate may within five (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 of employment pursuant to the

provisions of Paragraph 2.7 provided that the Replacement Supplier takes, or shall procure that the Replacement Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities.

2.9 The indemnity in Paragraph 2.8:

2.9.1 shall not apply to:

(a) any claim for:

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

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

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

(b) 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

2.9.2 shall apply only where the notification referred to in Paragraph 2.5.1 is made by the Replacement Supplier and/or Replacement Sub-Contractor to the Supplier within six (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.

2.11 The Supplier shall comply, and shall procure that each Sub-Contractor shall comply, with all its obligations under the Employment Regulations and shall perform and discharge, and shall procure that each Sub-Contractor shall perform and discharge, all its obligations in respect of any person identified in the Supplier's Final Supplier Personnel List before and on the Service Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions and such sums due as a result of any Fair Deal Employees' participation in the Schemes and any requirement to set up a broadly comparable pension scheme which in any case are attributable in whole or in part in respect of the period up to (and including) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between:

2.11.1 the Supplier and/or any Sub-Contractor; and

2.11.2 the Replacement Supplier and/or the Replacement Sub-Contractor.

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

2.13 Subject to Paragraph 2.14, where a Relevant Transfer occurs the Customer 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 arising from or as a result of:

2.13.1 any act or omission of the Replacement Supplier and/or Replacement Sub-Contractor in respect of any Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List or any appropriate employee representative (as defined in the Employment Regulations) of any such Transferring Supplier Employee;

2.13.2 the breach or non-observance by the Replacement Supplier and/or Replacement Sub-Contractor on or after the Service Transfer Date of:

(a) any collective agreement applicable to the Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List; and/or

(b) any custom or practice in respect of any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List which the Replacement Supplier and/or Replacement Sub-Contractor is contractually bound to honour;

2.13.3 any claim by any trade union or other body or person representing any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List arising from or connected with any failure by the Replacement Supplier and/or Replacement Sub-Contractor to comply with any legal obligation to such trade union, body or person arising on or after the Service Transfer Date;

2.13.4 any proposal by the Replacement Supplier and/or Replacement Sub-Contractor to change the terms and conditions of employment or working conditions of any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List on or after their transfer to the Replacement Supplier or Replacement Sub-Contractor (as the case may be) on the Service Transfer Date, or to change the terms and conditions of employment or working conditions of any person identified in the Supplier's Final Supplier Personnel List who would have been a Transferring Supplier Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Service Transfer Date as a result of or for a reason connected to such proposed changes;

2.13.5 any statement communicated to or action undertaken by the Replacement Supplier or Replacement Sub-Contractor to, or in respect of, any Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List on or before the Service Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Supplier in writing;

2.13.6 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:

(a) in relation to any Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising after the Service Transfer Date; and

(b) in relation to any employee who is not a Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Supplier or 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;

2.13.7 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 identified in the Supplier's Final Supplier Personnel List in respect of the period from (and including) the Service Transfer Date; and

2.13.8 any claim made by or in respect of a Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List or any appropriate employee representative (as defined in the Employment Regulations) of any such Transferring Supplier Employee relating to any act or omission of the Replacement Supplier or Replacement Sub-Contractor in relation to obligations under regulation 13 of the Employment Regulations.

2.14 The indemnities in Paragraph 2.13 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Supplier and/or any Sub-Contractor (as applicable) whether occurring or having its origin before, on or after the Service Transfer Date, including any Employee Liabilities arising from the failure by the Supplier and/or any Sub-Contractor (as applicable) to comply with its obligations under the Employment Regulations.

ANNEX TO SCHEDULE 10: LIST OF NOTIFIED SUB-CONTRACTORS

CALL OFF SCHEDULE 11: DISPUTE RESOLUTION PROCEDURE

1. DEFINITIONS

1.1 In this Call Off Schedule 11, the following definitions shall apply:

"CEDR"	the Centre for Effective Dispute Resolution of International Dispute Resolution Centre, 70 Fleet Street, London, EC4Y 1EU;
"Counter Notice"	has the meaning given to it in paragraph 6.2 of this Call Off Schedule 11;
"Exception"	a deviation of project tolerances in accordance with PRINCE2 methodology in respect of this Call Off Contract or in the supply of the Goods and/or Services;
"Expert"	the person appointed by the Parties in accordance with paragraph 5.2 of this Call Off Schedule 11;
"Extraordinary Meeting"	a meeting, attended in person or over a conference call, held by the Parties in an attempt to resolve the Dispute in good faith in accordance with paragraphs 2.5 and 2.6 of this Call Off Schedule 11;
"Mediator"	the independent third party appointed in accordance with paragraph 4.2 of this Call Off Schedule 11; and
"Senior Officers"	are senior officials of the Customer and Supplier that have been instructed by the Customer Representative and Supplier Representative respectively to resolve the Dispute by commercial negotiation.

2. INTRODUCTION

2.1 The Parties shall seek to resolve a Dispute:

2.1.1 first in good faith (as prescribed in paragraphs 2.4 to 2.8 of this Call Off Schedule 11);

2.1.2 where the Dispute has not been resolved by good faith, the Parties shall attempt to resolve the Dispute by commercial negotiation (as prescribed in paragraph 3 of this Call Off Schedule 11);

2.1.3 where the Dispute has not been resolved in good faith and commercial negotiation has been unsuccessful in resolving the Dispute, then either Party may serve a Dispute Notice and shall attempt to resolve the Dispute through mediation (as prescribed in paragraph 4 of this Call Off Schedule 11); and

2.1.4 if mediation is not agreed by the Parties, the Parties may proceed to arbitration (as prescribed in paragraph 6 of this Call Off Schedule

11) or litigation (in accordance with Clause 57 of this Call Off Contract (Governing Law and Jurisdiction)).

2.2 Specific issues may be referred to Expert Determination (as prescribed in paragraph 5 of this Call Off Schedule 11) where specified under the provisions of this Call Off Contract and may also be referred to Expert Determination where otherwise appropriate as specified in paragraph 5 of this Call Off Schedule 11.

2.3 Save in relation to paragraph 4.5, the Parties shall bear their own legal costs in resolving Disputes under this Call Off Schedule 11.

Good faith discussions

2.4 Pursuant to paragraph 2.1.1 of this Call Off Schedule 11, if any Dispute arises the Customer Representative and the Supplier Representative shall attempt first to resolve the Dispute in good faith, which may include (without limitation) either Party holding an Extraordinary Meeting.

2.5 Either Party may hold an Extraordinary Meeting by serving written notice. The written notice must give the receiving party at least five (5) Working Days notice of when the Extraordinary Meeting is to take place.

2.6 The Customer Representative and Supplier Representative shall attend the Extraordinary Meeting. The key personnel of the Parties may also attend the Extraordinary Meeting.

2.7 The representatives of the Parties attending the Extraordinary Meeting shall use their best endeavours to resolve the Dispute.

2.8 If the Dispute is not resolved at the Extraordinary Meeting then the Parties may attempt to hold additional Extraordinary Meetings in an attempt to resolve the Dispute. If the Extraordinary Meetings are unsuccessful in resolving the Dispute or the Dispute has not been resolved through good faith discussions thirty (30) Working Days from when they first started, the Parties shall attempt to resolve the Dispute by commercial negotiation.

3. COMMERCIAL NEGOTIATIONS

3.1 Where the Parties have been unable to resolve the Dispute in good faith under paragraphs 2.4 to 2.8 of this Call Off Schedule 11, pursuant to paragraph 2.1.2 the Customer and the Supplier shall use reasonable endeavours to resolve the Dispute by discussion between Senior Officers.

3.2 Senior Officers shall resolve the Dispute as soon as possible and in any event thirty (30) Working Days from the date Parties agree good faith discussions were deemed unsuccessful.

3.3 If Senior Officers:

3.3.1 are of the reasonable opinion that the resolution of a Dispute by commercial negotiation, or the continuance of commercial negotiations, will not result in an appropriate solution; or

3.3.2 fail to resolve the Dispute in the timelines under paragraph 3.2 of this Call Off Schedule 11,

commercial negotiations shall be deemed unsuccessful and either Party may serve a Dispute Notice in accordance with paragraphs 3.4 and 3.5 of this Call Off Schedule 11.

Dispute Notice

3.4 The Dispute Notice shall set out:

3.4.1 the material particulars of the Dispute;

3.4.2 the reasons why the Party serving the Dispute Notice believes that the Dispute has arisen; and

3.4.3 if the Party serving the Dispute Notice believes that the Dispute should be dealt with under the Expedited Dispute Timetable as set out in paragraph 7 of this Call Off Schedule 11, the reason why.

3.5 Unless agreed otherwise in writing, the Parties shall continue to comply with their respective obligations under this Call Off Contract regardless of the nature of the Dispute and notwithstanding the referral of the Dispute to the Dispute Resolution Procedure.

4. MEDIATION

4.1 Pursuant to paragraph 2.1.3 of this Call Off Schedule 11, if a Dispute Notice is served, the Parties shall attempt to resolve the Dispute by way of mediation. The Parties may follow the CEDR's Model Mediation Procedure which is current at the time the Dispute Notice is served (or such other version as the Parties may agree) or a mediation procedure that is agreed between the Parties.

4.2 If the Parties are unable to agree on the joint appointment of a Mediator within thirty (30) Working Days from service of the Dispute Notice then either Party may apply to CEDR to nominate the Mediator.

4.3 If neither Party applies to CEDR to nominate the Mediator or an application to CEDR is unsuccessful under paragraph 4.2 of this Call Off Schedule 11, either Party may proceed to:

4.3.1 hold further discussions between Senior Officers; or

4.3.2 an Expert determination, as prescribed in paragraph 5 of this Call Off Schedule 11; or

4.3.3 arbitration, as prescribed in paragraph 6 of this Call Off Schedule 11; or

4.3.4 litigation in accordance with Clause 57 of this Call Off Contract (Governing Law and Jurisdiction).

4.4 If the Parties are unable to reach a settlement in the negotiations at the mediation, and only if the Parties so request and the Mediator agrees, the Mediator shall produce for the Parties a non-binding recommendation on terms of settlement. This shall not attempt to anticipate what a court might order but shall set out what the Mediator suggests are appropriate settlement terms in all of the circumstances.

4.5 Any settlement reached in the mediation shall not be legally binding until it has been reduced to writing and signed by, or on behalf of, the Parties (in accordance with the Variation Procedure where appropriate). The Mediator shall assist the Parties in recording the outcome of the mediation.

4.6 The costs of any mediation procedure used to resolve the Dispute under this paragraph 4 of this Call Off Schedule 11 shall be shared equally between the Parties.

5. EXPERT DETERMINATION

5.1 If a Dispute relates to any aspect of the technology underlying the provision of the Goods and/or Services or otherwise relates to a technical matter of an accounting or financing nature (as the Parties may agree), either Party may request (such request shall not be unreasonably withheld or delayed by the Parties) by written notice to the other that the Dispute is referred to an Expert for determination.

5.2 The Expert shall be appointed by agreement in writing between the Parties, but in the event of a failure to agree within ten (10) Working Days, or if the person appointed is unable or unwilling to act, the Expert shall be appointed on the instructions of the relevant professional body.

5.3 The Expert shall act on the following basis:

5.3.1 he/she shall act as an expert and not as an arbitrator and shall act fairly and impartially;

5.3.2 the Expert's determination shall (in the absence of a material failure to follow the agreed procedures) be final and binding on the Parties;

5.3.3 the Expert shall decide the procedure to be followed in the determination and shall be requested to make his/her determination within thirty (30) Working Days of his appointment or as soon as reasonably practicable thereafter and the Parties shall assist and provide the documentation that the Expert requires for the purpose of the determination;

5.3.4 any amount payable by one Party to another as a result of the Expert's determination shall be due and payable within twenty (20) Working Days of the Expert's determination being notified to the Parties;

5.3.5 the process shall be conducted in private and shall be confidential; and

5.3.6 the Expert shall determine how and by whom the costs of the determination, including his/her fees and expenses, are to be paid.

6. ARBITRATION

6.1 Either of the Parties may, at any time before court proceedings are commenced and after the Parties have attempted to resolve the Dispute in good faith, by commercial negotiation , mediation and Expert determination (if applicable), refer the Dispute to arbitration in accordance with the provisions of paragraph 6.4 of this Call Off Schedule 11.

6.2 Before the Supplier commences court proceedings or arbitration, it shall serve written notice on the Customer of its intentions and the Customer shall have fifteen (15) Working Days following receipt of such notice to serve a reply (a "**Counter Notice**") on the Supplier requiring the Dispute to be referred to and resolved by arbitration in accordance with paragraph 6.4 of this Call Off Schedule 11 or be subject to the jurisdiction of the courts in accordance with Clause 57 of this Call Off Contract (Governing Law and Jurisdiction). The Supplier shall not commence any court proceedings or arbitration until the expiry of such fifteen (15) Working Day period.

6.3 If:

6.3.1 the Counter Notice requires the Dispute to be referred to arbitration, the provisions of paragraph 6.4 of this Call Off Schedule 11 shall apply;

6.3.2 the Counter Notice requires the Dispute to be subject to the exclusive jurisdiction of the courts in accordance with Clause 61 of this Call Off Contract (Governing Law and Jurisdiction), the Dispute shall be so referred to the courts and the Supplier shall not commence arbitration proceedings;

6.3.3 the Customer does not serve a Counter Notice within the fifteen (15) Working Days period referred to in paragraph 6.2 of this Call Off Schedule 11, the Supplier may either commence arbitration proceedings in accordance with paragraph 6.4 of this Call Off Schedule 11 or commence court proceedings in the courts in accordance with Clause 57 of this Call Off Contract (Governing Law and Jurisdiction) which shall (in those circumstances) have exclusive jurisdiction.

6.4 In the event that any arbitration proceedings are commenced pursuant to paragraphs 6.1 to 6.3 of this Call Off Schedule 11, the Parties hereby confirm that:

6.4.1 all disputes, issues or claims arising out of or in connection with this Call Off Contract (including as to its existence, validity or performance) shall be referred to and finally resolved by arbitration under the Rules of the London Court of International Arbitration ("**LCIA**") (subject to paragraphs 6.4.5 and 6.4.6 of this Call Off Schedule 11);

6.4.2 the arbitration shall be administered by the LCIA;

6.4.3 the LCIA procedural rules in force at the date that the Dispute was referred to arbitration shall be applied and are deemed to be incorporated by reference into this Call Off Contract and the decision of the arbitrator shall be binding on the Parties in the absence of any material failure to comply with such rules;

6.4.4 if the Parties fail to agree the appointment of the arbitrator within ten (10) days from the date on which arbitration proceedings are commenced or if the person appointed is unable or unwilling to act, the arbitrator shall be appointed by the LCIA;

6.4.5 the arbitration proceedings shall take place in London and in the English language; and

6.4.6 the seat of the arbitration shall be London.

7. EXPEDITED DISPUTE TIMETABLE

7.1 In exceptional circumstances where the use of the times in this Call Off Schedule 11 would be considered unreasonable by the Parties, including (by way of example) where one Party would be materially disadvantaged by a delay in resolving the Dispute, the Parties may agree to use the Expedited Dispute Timetable. If the Parties are unable to reach agreement on whether to use of the Expedited Dispute Timetable within five (5) Working Days of the

issue of the Dispute Notice, the use of the Expedited Dispute Timetable shall be at the sole discretion of the Customer.

7.2 If the use of the Expedited Dispute Timetable is determined in accordance with paragraph 7.1 of this Call Off Schedule 11 or is otherwise specified under the provisions of this Call Off Contract, then the following periods of time shall apply in lieu of the time periods specified in the applicable paragraphs of this Call Off Schedule 11:

7.2.1 in paragraph 2.8, fourteen (14) Working Days;

7.2.2 in paragraph 3.2, ten (10) Working Days;

7.2.3 in paragraph 4.2, ten (10) Working Days;

7.2.4 in paragraph 5.2, five (5) Working Days; and

7.2.5 in paragraph 6.2, ten (10) Working Days.

7.3 If at any point it becomes clear that an applicable deadline under paragraph 7.2 of this Call Off Schedule 11 cannot be met or has passed, the Parties may (but shall be under no obligation to) agree in writing to extend the relevant deadline.

7.4 If, pursuant to paragraph 7.2 of this Call Off Schedule 11, the Parties fail to agree within two (2) Working Days after the relevant deadline has passed, the Customer may set a revised deadline provided that it is no less than five (5) Working Days before the end of the period of time specified in the applicable paragraphs under paragraph 7.2 (or no less than two (2) Working Days in the case of Paragraph 5.2 of this Call Off Schedule 11).

7.5 Any agreed extension under paragraph 7.2 of this Call Off Schedule 11 shall have the effect of delaying the start of the subsequent stages by the period agreed in the extension. If the Customer fails to set such a revised deadline then the use of the Expedited Dispute Timetable shall cease and the normal time periods shall apply from that point onwards.

8. URGENT RELIEF

8.1 Either Party may at any time take proceedings or seek remedies before any court or tribunal of competent jurisdiction:

8.1.1 for interim or interlocutory remedies in relation to this Call Off Contract or infringement by the other Party of that Party's Intellectual Property Rights; or

8.1.2 where compliance with paragraph (2.1) of this Call Off Schedule 11 and/or referring the Dispute to mediation may leave insufficient time for that Party to commence proceedings before the expiry of the limitation period; or

8.1.3 if the Parties fail to resolve the Dispute following good faith discussions and commercial negotiations and mediation (where applicable) is unsuccessful within 60 working days or such period as may be agreed by the Parties then any Dispute between the Parties may be referred to the Courts.

CALL OFF SCHEDULE 12: VARIATION FORM

No of Call Off Order Form being varied:

……

Variation Form No:

……

BETWEEN:

[insert name of Customer**]** ("**the Customer"**)

and

[insert name of Supplier**]** (**"the Supplier"**)

1. This Call Off Contract is varied as follows:

   [Refer to Clause 22.1and insert details of the Variation]

2. Words and expressions in this Variation shall have the meanings given to them in this Call Off Contract.

3. This Call Off Contract, including any previous Variations, shall remain effective and unaltered except as amended by this Variation.

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

Signature .....

Date .....

Name (in Capitals) .....

Address .....

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

Signature .....

Date .....

Name (in Capitals) .....

Address .....

CALL OFF SCHEDULE 13: TRANSPARENCY REPORTS

1.1 Within three (3) months from the Call Off Commencement Date or the date so specified by the Customer in the Call Off Order Form the Supplier shall provide to the Customer for Approval (the Customer's decision to approve or not shall not be unreasonably withheld or delayed) draft Transparency Reports consistent with the content and format requirements in Annex 1 below.

1.2 If the Customer rejects any proposed Transparency Report, the Supplier shall submit a revised version of the relevant report for further Approval by the Customer within five (5) days of receipt of any notice of rejection, taking account of any recommendations for revision and improvement to the report provided by the Customer. If the Parties fail to agree on a draft Transparency Report the Customer shall determine what should be included.

1.3 The Supplier shall provide accurate and up-to-date versions of each Transparency Report to the Customer at the frequency referred to in Annex 1 of this Call Off Schedule 13 below.

1.4 Any disagreement in connection with the preparation and/or approval of Transparency Reports, other than under paragraph 1.2 above in relation to the contents of a Transparency Report, shall be treated as a Dispute.

1.5 The requirements in this Call Off Schedule 13 are in addition to any other reporting requirements in this Call Off Contract.

ANNEX 1: LIST OF TRANSPARENCY REPORTS

TITLE	CONTENT	FORMAT	FREQUENCY
SME spend report	% spend with SME sub contractors within the contract supply chain.	% of spend with SME sub contractors as a % of the contract revenue.	Annually beginning 6 months after contract Commencement Date.

CALL OFF SCHEDULE 14: ALTERNATIVE AND/OR ADDITIONAL CLAUSES

1. INTRODUCTION

1.1 This Call Off Schedule 14 specifies the range of Alternative Clauses and Additional Clauses that may be requested in the Call Off Order Form and, if requested in the Call Off Order Form, shall apply to this Call Off Contract.

2. CLAUSES SELECTED

2.1 The Customer may, in the Call Off Order Form, request the following Alternative Clauses:

2.1.1 Financial Limits (see paragraph 4.1 of this Call Off Schedule 14).

2.2 The Customer may, in the Call Off Order Form, request the following Additional Clauses should apply:

2.2.1 Security Measures (see paragraph 4.2 of this Call Off Schedule 14);

2.2.2 Obligations to Advertise Supply Chain Opportunities (see paragraph 7 of this Call Off Schedule 14)

2.2.3 Department for Work and Pensions ("DWP") Additional or Alternative Clauses (see paragraph 8 of this Call Off Schedule 14)

3. IMPLEMENTATION

3.1 The appropriate changes have been made in this Call Off Contract to implement the Alternative and/or Additional Clauses specified in paragraph 2.1 of this Call Off Schedule 14 and the Additional Clauses specified in paragraphs 2.2 and 2.2.1 of this Call Off Schedule 14 shall be deemed to be incorporated into this Call Off Contract.

4. ALTERNATIVE CLAUSES

4.1 FINANCIAL LIMITS

In Clause 36.2.1(b)(i) remove the monetary amount and the percentage stated therein and replace respectively with:

five million pounds, £5,000,000

In Clause 36.2.1(b)(ii) remove the monetary amount and the percentage stated therein and replace respectively with:

five million pounds, £5,000,000

In Clause 36.2.1(b)(iii) remove the monetary amount and the percentage stated therein and replace respectively with:

five million pounds, £5,000,000

ADDITIONAL CLAUSES: GENERAL

4.2 SECURITY MEASURES

4.2.1 The following definitions to be added to Call Off Schedule 1 (Definitions) to the Call Off Order Form and the Call Off Terms:

"**Document**" includes specifications, plans, drawings, photographs and books;

"**Secret Matter**" means any matter connected with or arising out of the performance of this Call Off Contract which has been, or may hereafter be, by a notice in writing given by the Customer to the Supplier be designated 'top secret', 'secret', or 'confidential';

"**Servant**" where the Supplier is a body corporate shall include a director of that body and any person occupying in relation to that body the position of director by whatever name called.

4.3 SECURITY MEASURES

4.3.1 The Supplier shall not, either before or after the completion or termination of this Call Off Contract, do or permit to be done anything which it knows or ought reasonably to know may result in information about a secret matter being:

(a) without the prior consent in writing of the Customer, disclosed to or acquired by a person who is an alien or who is a British subject by virtue only of a certificate of naturalisation in which his name was included;

(b) disclosed to or acquired by a person as respects whom the Customer has given to the Supplier a notice in writing which has not been cancelled stating that the Customer requires that secret matters shall not be disclosed to that person;

(c) without the prior consent in writing of the Customer, disclosed to or acquired by any person who is not a servant of the Supplier; or

(d) disclosed to or acquired by a person who is an employee of the Supplier except in a case where it is necessary for the proper performance of this Call Off Contract that such person shall have the information.

4.3.2 Without prejudice to the provisions of Clause 4.3.2, the Supplier shall, both before and after the completion or termination of this Call Off Contract, take all reasonable steps to ensure:

(a) no such person as is mentioned in Clauses 4.3.2 (a), (b) or (c) hereof shall have access to any item or document under the control of the Supplier containing information about a secret matter except with the prior consent in writing of the Customer;

(b) that no visitor to any premises in which there is any item to be supplied under this Call Off Contract or where Goods and/or Services are being supplied shall see or discuss with the Supplier or any person employed by him any secret matter unless the visitor is authorised in writing by the Customer so to do;

(c) that no photograph of any item to be supplied under this Call Off Contract or any portions of the Goods and/or Services shall be taken except insofar as may be necessary for the proper performance of this Call Off Contract or with the prior consent in writing of the Customer, and that no such photograph shall, without such consent, be published or otherwise circulated;

4.3.3 that all information about any secret matter and every document model or other item which contains or may reveal any such information is at all times strictly safeguarded, and that, except insofar as may be necessary for the proper performance of this Call Off Contract or with the prior consent in writing of the Customer, no copies of or extracts from any such document, model or item shall be made or used and no designation of description which may reveal information about the nature or contents of any such document, model or item shall be placed thereon; and

(a) that if the Customer gives notice in writing to the Supplier at any time requiring the delivery to the Customer of any such document, model or item as is mentioned in Clause 4.3.2(c), that document, model or item (including all copies of or extracts therefrom) shall forthwith be delivered to the Customer who shall be deemed to be the owner thereof and accordingly entitled to retain the same.

4.3.4 The decision of the Customer on the question whether the Supplier has taken or is taking all reasonable steps as required by the foregoing provisions of Clause 4.3 shall be final and conclusive.

4.3.5 If and when directed by the Customer, the Supplier shall furnish full particulars of all people who are at any time concerned with any secret matter.

4.3.6 If and when directed by the Customer, the Supplier shall secure that any person employed by it who is specified in the direction, or is one of a class of people who may be so specified, shall sign a statement that he understands that the Official Secrets Act, 1911 to 1989 and, where applicable, the Atomic Energy Act 1946, apply to the person signing the statement both during the carrying out and after expiry or termination of a Call Off Contract.

4.3.7 If, at any time either before or after the expiry or termination of this Call Off Contract, it comes to the notice of the Supplier that any person acting without lawful authority is seeking or has sought to obtain information concerning this Call Off Contract or anything done or to be done in pursuance thereof, the matter shall be forthwith reported by the Supplier to the Customer and the report shall, in each case, be accompanied by a statement of the facts, including, if possible, the name, address and occupation of that person, and the Supplier shall be responsible for making all such arrangements as it may consider appropriate to ensure that if any such occurrence comes to the knowledge of any person employed by it, that person shall forthwith report the matter to the Supplier with a statement of the facts as aforesaid.

4.3.8 The Supplier shall place every person employed by it, other than a Sub-Contractor, who in its opinion has or will have such knowledge

of any secret matter as to appreciate its significance, under a duty to the Supplier to observe the same obligations in relation to that matter as are imposed on the Supplier by Clauses 4.3.1 and 4.3.1(d) and shall, if directed by the Customer, place every person who is specified in the direction or is one of a class of people so specified, under the like duty in relation to any secret matter which may be specified in the direction, and shall at all times use its best endeavours to ensure that every person upon whom obligations are imposed by virtue of Clause 4.3 observes the said obligations, and the Supplier shall give such instructions and information to every such person as may be necessary for that purpose, and shall, immediately upon becoming aware of any act or omission which is or would be a breach of the said obligations, report the facts to the Supplier with all necessary particulars.

4.3.9 The Supplier shall, if directed by the Customer, include in the Sub-Contract provisions in such terms as the Customer may consider appropriate for placing the Sub-Contractor under obligations in relation to secrecy and security corresponding to those placed on the Supplier by Clause 4.3, but with such variations (if any) as the Customer may consider necessary. Further the Supplier shall:

(a) give such notices, directions, requirements and decisions to its Sub-Contractors as may be necessary to bring the provisions relating to secrecy and security which are included in Sub-Contracts under Clause 4.3 into operation in such cases and to such extent as the Customer may direct;

(b) if there comes to its notice any breach by the Sub-Contractor of the obligations of secrecy and security included in their Sub-Contracts in pursuance of Clause 4.3, notify such breach forthwith to the Customer; and

(c) if and when so required by the Customer, exercise its power to determine the Sub-Contract under the provision in that Sub-Contract which corresponds to Clause 4.3.11.

4.3.10 The Supplier shall give the Customer such information and particulars as the Customer may from time to time require for the purposes of satisfying the Customer that the obligations imposed by or under the foregoing provisions of Clause 4.3 have been and are being observed and as to what the Supplier has done or is doing or proposes to do to secure the observance of those obligations and to prevent any breach thereof, and the Supplier shall secure that a representative of the Customer duly authorised in writing shall be entitled at reasonable times to enter and inspect any premises in which anything is being done or is to be done under this Call Off Contract or in which there is or will be any item to be supplied under this Call Off Contract, and also to inspect any document or item in any such premises or which is being made or used for the purposes of this Call Off Contract and that any such representative shall be given all such information as he may require on the occasion of, or arising out of, any such inspection.

4.3.11 Nothing in Clause 4.3 shall prevent any person from giving any information or doing anything on any occasion when it is, by virtue

of any enactment, the duty of that person to give that information or do that thing.

4.3.12 If the Customer shall consider that any of the following events has occurred:

(a) that the Supplier has committed a breach of, or failed to comply with any of, the foregoing provisions of Clause 4.3; or

(b) that the Supplier has committed a breach of any obligations in relation to secrecy or security imposed upon it by any other contract with the Customer, or with any department or person acting on behalf of the Crown; or

(c) that by reason of an act or omission on the part of the Supplier, or of a person employed by the Supplier, which does not constitute such a breach or failure as is mentioned in 4.3.12 (b), information about a secret matter has been or is likely to be acquired by a person who, in the opinion of the Customer, ought not to have such information;

and shall also decide that the interests of the State require the termination of this Call Off Contract, the Customer may by notice in writing terminate this Call Off Contract forthwith.

4.3.13 A decision of the Customer to terminate this Call Off Contract in accordance with the provisions of Clause 4.3.11 shall be final and conclusive and it shall not be necessary for any notice of such termination to specify or refer in any way to the event or considerations upon which the Customer's decision is based.

4.3.14 Supplier's notice

(a) The Supplier may within five (5) Working Days of the termination of this Call Off Contract in accordance with the provisions of Clause 4.3.11, give the Customer notice in writing requesting the Customer to state whether the event upon which the Customer's decision to terminate was based is an event mentioned in Clauses 4.3.12, 4.3.12(a) or 4.3.12(b) and to give particulars of that event; and

(b) the Customer shall within ten (10) Working Days of the receipt of such a request give notice in writing to the Supplier containing such a statement and particulars as are required by the request.

4.3.15 Matters pursuant to termination

4.3.15.1 The termination of this Call Off Contract pursuant to Clause 4.3.11 shall be without prejudice to any rights of either party which shall have accrued before the date of such termination;

4.3.15.2 The Supplier shall be entitled to be paid for any work or thing done under this Call Off Contract and accepted but not paid for by the Customer at the date of such termination either at the price which would have been payable under this Call Off Contract if this Call Off

Contract had not been terminated, or at a reasonable price;

4.3.15.3 The Customer may take over any work or thing done or made under this Call Off Contract (whether completed or not) and not accepted at the date of such termination which the Customer may by notice in writing to the Supplier given within thirty (30) Working Days from the time when the provisions of Clause 4.3 shall have effect, elect to take over, and the Supplier shall be entitled to be paid for any work or thing so taken over a price which, having regard to the stage which that work or thing has reached and its condition at the time it is taken over, is reasonable. The Supplier shall in accordance with directions given by the Customer, deliver any work or thing taken over under this Clause, and take all such other steps as may be reasonably necessary to enable the Customer to have the full benefit of any work or thing taken over under this Clause; and

4.3.15.4 Save as aforesaid, the Supplier shall not be entitled to any payment from the Customer after the termination of this Call Off Contract

4.3.16 If, after notice of termination of this Call Off Contract pursuant to the provisions of 4.3.11:

(a) the Customer shall not within ten (10) Working Days of the receipt of a request from the Supplier, furnish such a statement and particulars as are detailed in Clause 4.3.14; or

(b) the Customer shall state in the statement and particulars detailed in Clause 4.3.14. that the event upon which the Customer's decision to terminate this Call Off Contract was based is an event mentioned in Clause 4.3.15,

the respective rights and obligations of the Supplier and the Customer shall be terminated in accordance with the following provisions:

(c) the Customer shall take over from the Supplier at a fair and reasonable price all unused and undamaged materials, bought-out parts and components and articles in course of manufacture in the possession of the Supplier upon the termination of this Call Off Contract under the provisions of Clause 4.3 and properly provided by or supplied to the Supplier for the performance of this Call Off Contract, except such materials, bought-out parts and components and articles in course of manufacture as the Supplier shall, with the concurrence of the Customer, elect to retain;

(d) the Supplier shall prepare and deliver to the Customer within an agreed period or in default of agreement within such period as the Customer may specify, a list of all such unused and undamaged materials, bought-out parts and components and articles in course

of manufacture liable to be taken over by or previously belonging to the Customer and shall deliver such materials and items in accordance with the directions of the Customer who shall pay to the Supplier fair and reasonable handling and delivery charges incurred in complying with such directions;

(e) the Customer shall indemnify the Supplier against any commitments, liabilities or expenditure which are reasonably and properly chargeable by the Supplier in connection with this Call Off Contract to the extent to which the said commitments, liabilities or expenditure would otherwise represent an unavoidable loss by the Supplier by reason of the termination of this Call Off Contract;

(f) if hardship to the Supplier should arise from the operation of Clause 4.2.18 it shall be open to the Supplier to refer the circumstances to the Customer who, on being satisfied that such hardship exists shall make such allowance, if any, as in its opinion is reasonable and the decision of the Customer on any matter arising out of this Clause 4.2.18 shall be final and conclusive; and

(g) subject to the operation of Clauses 4.3 termination of this Call Off Contract shall be without prejudice to any rights of either party that may have accrued before the date of such termination.

5. NHS ADDITIONAL CLAUSES –NOT USED

6. MOD ADDITIONAL CLAUSES – NOT USED

7. OBLIGATION TO ADVERTISE SUPPLY CHAIN OPPORTUNITIES

The following new Clause 7.1 shall apply:

7.1 **Obligation to Advertise Supply Chain Opportunities**

7.1.1 The Supplier shall ensure that all Sub-Contracts, which the Supplier intends to procure following date of this Call Off Contract, and which the Supplier has not, before the date of this Call Off Contract, already awarded to a particular Sub-Contractor, are:

(a) advertised; and

(b) awarded following a fair, transparent and competitive process proportionate to the nature and value of the Sub-Contract.

7.1.2 Any Sub-Contract awarded by the Supplier pursuant to Clause 7.1 must contain suitable provisions to impose, as between the parties of the Sub-Contract:

(a) requirements to the same effect as those in Clause 7.1.1; and

(b) a requirement for the Sub-Contractor to include in any Sub-Contract which it in turn awards, suitable provisions to impose, as between the parties to that Sub-Contract, requirements to the same effect as those required by this Clause 7.1.2.

8. OBLIGATION WITH RESPECT TO OFFSHORING DWP DATA

8.1 The following new clause 8.1 shall apply:

8.1.1 In accordance with the DWP Offshoring Policy and while not in any way limiting any other provision of this Contract, the Supplier and any of its Sub-contractors, shall not offshore Customer Data (as described in the DWP Offshoring Policy) outside the United Kingdom without the prior written consent of the Customer, and where the Customer gives consent, the Supplier shall comply with any reasonable instructions notified to it by the Customer in relation to the Customer Data in question.

8.1.2 Whereupon the Supplier wishes to offshore Customer Data, the Supplier shall provide a request to the Customer in the form detailed in Annex F Below.

8.1.3 Any breach by the Supplier of clause 8.1 shall be a material breach for the purposes of clause 41.2 (Termination on Default) and shall entitle the Customer (at its absolute discretion) to exercise its rights under the corresponding provisions of clause 41.2 (Termination on Default).

8.2 The following new Call Off Annex F shall apply:

ANNEX F : DWP Offshore Proposal Questionnaire

The following information is required when notifying the Department of an intention to Offshore. This information will allow the Department to determine the process that is required to approve the Offshoring Proposal. Approval must be granted prior to the commencement of any offshore activity (including Landed Resources).

1. Description of Business to be Offshored

Guidance: Please provide a summary description of the work that is to be Offshored in business terms.

1.1. TIMESCALES AND RELEASES

Guidance: For development and testing activities, or other work of a limited lifecycle, please estimate the timeframe for the offshore work, and the relevant releases/phases for the systems involved.

1.2. NUMBER OF STAFF

Guidance: Please provide the estimated number of offshore staff who will be involved in this work, and describe their different roles.

2. DWP Information, Systems or Services

Guidance: Please provide details of the DWP Information, Systems or Services including expected quantities. Include the accreditation or assurance status of each system or service if known.

2.1. SOLUTION DETAILS

Guidance: Please describe the method of working that is proposed. This should be provided principally in terms of the DWP Information, Systems or Services involved, and how they are handled, stored, viewed, protected, etc.

The aspect of DWP Information, Systems or Services storage should consider permanent storage (such as a designated long-term repository), temporary storage (such as working on a checked out file before checking it back in), and transient storage (such as short term residence in communication devices).

2.2. NETWORK

Guidance: Please provide details of the network at the offshore locations, and of any network connectivity used to transfer DWP Information, Systems or Services to and/or from the offshore locations. Where possible, please provide diagrams that show where these are stored and transferred in terms of these networks.

*2.3. **PROCESSES AND SYSTEMS USED ACROSS SITES***

Guidance: Please describe how the procedures and systems used by offshore staff interact with those onshore.

3. Offshore Locations

*3.1. **ADDRESSES***

Guidance: Please provide the full address of the offshore locations. Where home-working is proposed, please provide the estimated number of home workers, and also describe the process for managing home- workers. Note that the actual addresses of home-workers need not, and should not, be provided.

*3.2. **OTHER WORK AT THE SITES***

Guidance: Please provide a description of any other DWP work, and any non-DWP work, that is conducted at the sites. If this information cannot be provided, then please describe how the DWP can be assured that any other work at the sites will not compromise their security.

*3.3. **STAFF CLEARANCE***

Guidance: Please provide details of the security clearance and employment checks for staff at the offshore locations. This should consider all staff at the site and not just those directly involved in the proposed work.

4. Legal Assessment

Guidance: Please identify any known local conditions that may impact the security of the Department's Information, Systems or Services or the enforcement of security requirements. Also detail whether there are any legal constraints, which need to be considered such as:

- Computer Misuse
- Use of encryption
- Confidentiality statements
- If personal information (staff or customer) is to be stored or accessed in the offshore location, then the Supplier must also provide details of arrangements made to ensure that comparable protection is provided as required by the Data protection Act 1998 (e.g. Safe harbour agreements)"

5. Governance

Guidance: Please identify the person within the Supplier organisation with responsibility for the Offshoring. This person may be required to provide additional detail to support the Offshoring request, and may be contacted directly by the Departmental Security Team.

Role	
Name	
Responsibility	
Organisation	
Contact Details **Address** **Tel no** **E-mail**	

CALL OFF SCHEDULE 15: CALL OFF TENDER

Quality Tender Documents

Final Price Schedule

Post Tender Clarification

CALL OFF SCHEDULE 16: LIFE CHANCES

1. DEFINITIONS

1.1 The following terms used in this Call Off Schedule 16 shall have the following meaning:

"Supplier" means the person, firm or company stated in the preamble to this Call Off Contract;

2. GENERAL

2.1 The Supplier acknowledges that the Crown is committed to assisting people to move from welfare to employment and driving forward improvements in economic, social and environmental well-being.

2.2 The Supplier (a) acknowledges that the Customer has a responsibility to support and promote wider social sustainability objectives for the benefit of society; and (b) agrees to cooperate with the Customer to improve life chances for those most disadvantaged and furthest from the labour market.

2.3 The Supplier acknowledges that the Customer is supporting the Crown's Life chances and social value agendas by aiming to promote opportunities for groups of persons ("DWP Priority Groups") which the Customer regards as meriting priority assistance including but not limited to Apprentices, Disabled People, Young People, Older Workers, Ex-Offenders and Black and Minority Ethnic People.

3. DIVERSITY AND EQUALITY DELIVERY PLAN

3.1 In addition to complying with its obligations set out in clause 7.1 of this Call Off Contract and this Schedule 16, the Customer requires the Supplier to provide such information as the Customer may request on (a) the action(s) the Supplier is taking in the course of supplying the Services to comply with its obligations set out in clause 46.2 of this Call Off Contract and in this Schedule 16 and (b) the effect such action(s) have on the Staff used in the performance of its obligations under the Contract.

3.2 As part of the information to be provided by the Supplier under paragraph 2.1 of this Schedule, the Customer requires the Supplier to provide to the Customer a diversity and equality delivery plan ("Diversity and Equality Delivery Plan") six (6) Months after the Commencement Date, and annually thereafter. The Diversity and Equality Delivery Plan must be specific to the Contract and include details of all Staff including but not limited to all Sub-contractors involved in the performance of the Suppliers obligations under the Contract.

(a) details of the action(s) the Supplier is taking to support the Crown's social value agenda including but not limited to the action(s) the Supplier is taking to meet its obligations under paragraph 2.3 of this Schedule .

3.3 The Supplier shall, and shall ensure that its Sub-contractors, take the following action(s) in respect of DWP Priority Groups:

Delete as applicable

a) Apprentices

- Ensure that (5) % of the Staff used in the performance of the Supplier's obligations under the Contract are Apprentices.

- Make available to potential members of Staff used in the performance of the Supplier's obligations information about the National Apprenticeship Service.

b) Disabled People

- Take steps to become a Disability Confident Employer.

- Make appropriate use of Access to Work to support recruit and retain disabled workers.

- When recruiting Staff to be used in the performance of the Supplier's obligations under the Contract, offer Disabled People interviews under a guaranteed interview scheme for vacancies for Staff where the Disabled People meet the minimum criteria for such vacancies.

- Offer Work Trials to Disabled People to support filling vacancies for Staff.

- Provide Employment Experience to Disabled People as members of Staff used in the performance of the Supplier's obligations under the Contract to develop their skills and experience and increase their employability.

c) Young People – Under 25

- Offer Work Trials to Young People to support filling vacancies for Staff.

- Provide Employment Experience to Young People as members of Staff used in the performance of the Supplier's obligations under the Contract to develop their skills and experience and increase their employability.

d) Older Workers – Over 50

- Offer Work Trials to Older Workers to support filling vacancies for Staff.

- Provide Employment Experience to Older People as members of Staff used in the performance of the Supplier's obligations under the Contract to develop their skills and experience and increase their employability.

e) Ex-Offenders

- Offer Work Trials to Ex-Offenders to support filling vacancies for Staff.

- Provide Employment Experience to Ex-Offenders as members of Staff used in the performance of the Supplier's obligations under the Contract to develop their skills and experience and increase their employability.

f) Black and Minority Ethnic People

- Offer Work Trials to Black and Minority Ethnic people to support filling vacancies for Staff.

- Provide Employment Experience to Black and Minority Ethnic people as members of Staff used in the performance of the Supplier's obligations under the Contract to develop their skills and experience and increase their employability.

g) Employee Vacancies

- Advertise all vacancies for Staff via Universal Jobmatch in addition to any other recruitment agencies with whom the Supplier advertises such vacancies and any other actions the Supplier takes to recruit Staff.

3.4 The Diversity and Equality Delivery Plan must also include:

a) an overview of Supplier and any Sub-contractor's policies and procedures for preventing unlawful discrimination and promoting equality of opportunity in respect of:

(i) age;

(ii) disability;

(iii) gender reassignment;

(iv) marriage and civil partnership;

(v) pregnancy and maternity;

(vi) race;

(vii) religion or belief;

(viii) sex; and

(ix) sexual orientation.

b) an overview of Supplier and any Sub-contractor's policies and procedures covering:

(x) harassment

(xi) bullying

(xii) victimisation

(xiii) Staff training and development

c) details of the way in which the above policies and procedures are, or will be (and by when), communicated to Staff;

d) details of what general diversity and equality related training has been, or will be delivered (and by when), to Staff;

e) details of what structure and resources are currently directed towards active promotion of diversity and equality within the Staff used in the performance of the Supplier's obligations under this Contract, or if not currently in place, what will be put in place and by when;

3.5 The Customer will consider and must agree the contents of Diversity and Equality Delivery Plan. Any issues will be raised with the Supplier by the contract manager acting on behalf of the Customer. If an issue relates to a Sub-contractor, the Supplier must raise and resolve the issue with the Sub-contractor.

Life Chances Workforce Monitoring Template

3.6 The Supplier shall provide the Life Chances Workforce Monitoring template (contained in Appendix 1 to this Schedule 16), duly completed in full by the Supplier in respect of all Staff (including but not limited to all Sub-contractors used in the performance of the Supplier's obligations under the Contract), six (6) Months after the Commencement Date and annually thereafter.

3.7 The Supplier shall complete the Life Chances Workforce Monitoring template inline with the 'Life Chances through Procurement Guidance for DWP Suppliers' and the contract definitions.

3.8 The Supplier will compare figures in all categories listed in the Appendix 1 - Workforce Monitoring template and provide (where possible) comparisons against any official national/regional statistics that are publicly available in accordance with the "Life Chances through Procurement for DWP Suppliers" provided by the Customer to the Supplier.

https://www.gov.uk/government/publications/life-chances-through-procurement-guidance-for-dwp-contractors

3.9 The "Life Chances through Procurement for DWP Suppliers" provides links to a number of data collection sources, this is not an exhaustive list and other sources are available. The Authority recognises that there may be regional variations in terms of population demographics and some data categories and coverage may not be complete or fully aligned, however, the Supplier agrees to provide high level analysis and identification of trends as and when requested by the Authority.

3.10 The Supplier shall provide and shall ensure that its Sub-contractors provide such evidence as the Authority may require of action(s) undertaken or planned by the Supplier and/or any Sub-contractor to improve the numbers in the Social Value Workforce Monitoring template (contained in Appendix 1 to this Schedule 16) to the satisfaction of the Authority.

3.11 Diversity and Equality, the Crown's social value agenda and DWP Priority Groups will be discussed jointly by the Authority and the Supplier as an on-going item at Contract review meetings. Such meetings will discuss the information provided by the Supplier in accordance with paragraph 2.2 of this Schedule 16.

CALL OFF SCHEDULE 16: LIFE CHANCES APPENDIX 1 – LIFE CHANCES WORKFORCE MONITORING

Important – the figures the Supplier provides must relate specifically to the staff used in the performance of the Supplier's obligations under the contract only, which for the avoidance of doubt includes any Sub-contractor.

Date of Return Month: Year	
Name of Contract:	
Contract Number:	
Name of Supplier:	
Commencement Date:	
Total Number of Staff, which for the avoidance of doubt includes any Sub-contractors	

1 – Number of new Staff posts created in the performance of the Supplier's obligations under the Contract

New Staff Posts	**Number of new Staff posts created in period**	
	1-34 hr per week posts	**35 hr + per week posts**
Baseline return (at 6 months for months 0-6)		
1st annual return (at 18 months for months 7-18)		
2nd annual return (at 30 months for months 19 - 30)		
3rd annual return (at 42 months for months 31-42)		

2 – Number of Apprentices in Staff used in the performance of the Supplier's obligations under the Contract

DWP Priority Group - **Apprentices**	**Number of Apprentices in Staff which have been employed for 26 weeks or longer in period**	**% of Apprentices in Staff at the end of the period**	**Number of Apprentices who began apprenticeships as part of the Staff during the period**
Baseline return (at 6 months for months 0-6)			
1st annual return (at 18 months for months 7-18)			
2nd annual return (at 30 months for months 19 - 30)			
3rd annual return (at 42 months for months 31-42)			

3 – Number of Disabled People in Staff used in the performance of the Supplier's obligations under the Contract

DWP Priority Group - **Disabled People**	**Number of Disabled People in Staff which have been employed for 26 weeks or longer in period**	**% of Disabled People in Staff at end of period**	**Number of Disabled People who began employment as part of the Staff during the period**
Baseline return (at 6 months for months 0-6)			
1st annual return (at 18 months for months 7-18)			
2nd annual return (at 30 months for months 19 - 30)			

3rd annual return (at 42 months for months 31-42)			

4 – Number of Disabled People, who had been interviewed by the Supplier under the Guaranteed Interview Scheme (GIS) for Staff posts used in the performance of the Supplier's obligations under the Contract,

DWP Priority Group – Disabled People in the Staff who had been interviewed by the Supplier under the GIS	**Number of Disabled People who have been interviewed for Staff posts by the Supplier under the GIS during the period**
Baseline return (at 6 months for months 0-6)	
1st annual return (at 18 months for months 7-18)	
2nd annual return (at 30 months for months 19 - 30)	
3rd annual return (at 42 months for months 31-42)	

5 – Number of Young People in Staff used in the performance of the Supplier's obligations under the Contract

DWP Priority Group - **Young People**	**Number of Young People in Staff which have been employed for 26 weeks or longer in period**	**% Young People in Staff at end of period**	**Number of Young People who began employment as part of the Staff during the period**
Baseline return (at 6 months for months 0-6)			
1st annual return (at 18 months for months 7-18)			

2nd annual return (at 30 months for months 19 - 30)			
3rd annual return (at 42 months for months 31-42)			

6 – Number of Older Workers in Staff used in the performance of the Supplier's obligations under the Contract

DWP Priority Group - **Older Workers**	**Number of Older Workers in Staff which have been employed for 26 weeks or longer in period**	**% Older Workers in Staff at end of period**	**Number of Older Workers who began employment as part of the Staff during the period**
Baseline return (at 6 months for months 0-6)			
1st annual return (at 18 months for months 7-18)			
2nd annual return (at 30 months for months 19 - 30)			
3rd annual return (at 42 months for months 31-42)			

7 – Number of Ex-Offenders in Staff used in the performance of the Supplier's obligations under the Contract.

DWP Priority Group - **Ex-Offenders**	**Number of ex-offenders in Staff which have been employed for 26 weeks or longer in period**	**% ex-offenders in Staff at end of period**	**Number of ex-offenders who began employment as part of the Staff during the period**

Baseline return (at 6 months for months 0-6)			
1st annual return (at 18 months for months 7-18)			
2nd annual return (at 30 months for months 19 - 30)			
3rd annual return (at 42 months for months 31-42)			

8 – Number of Black or Minority Ethnic (BME) in Staff used in the performance of the Supplier's obligations under the Contract.

DWP Priority Group - **Black or Minority Ethnic (BME)**	**Number BME in Staff which have been employed for 26 weeks or longer in period**	**% BME in Staff at end of period**	**Number of BME who began employment as part of the Staff during the period**
Baseline return (at 6 months for months 0-6)			
1st annual return (at 18 months for months 7-18)			
2nd annual return (at 30 months for months 19 - 30)			
3rd annual return (at 42 months for months 31-42)			

9 – Number of Employment Experience placements conducted in the performance of the Supplier's obligations under the Contract

Employment Experience placements	Number of Employment Experience placements conducted during the period
Baseline return (at 6 months for months 0-6)	
1st annual return (at 18 months for months 7-18)	
2nd annual return (at 30 months for months 19 - 30)	
3rd annual return (at 42 months for months 31-42)	

10 – Number of Work Trials conducted as part of the recruitment of Staff used in the performance of the Supplier's obligations under the Contract.

Work Trials	Number of Work Trials conducted during the period
Baseline return (at 6 months for months 0-6)	
1st annual return (at 18 months for months 7-18)	
2nd annual return (at 30 months for months 19 - 30)	
3rd annual return (at 42 months for months 31-42)	

11 – Number of vacancies for Staff advertised via Universal Jobmatch

Staff vacancies advertised via Universal Jobmatch	Number of vacancies for Staff advertised via Universal Jobmatch during the period	% of all vacancies for Staff advertised via Universal Jobmatch during the period.
Baseline return (at 6 months for months 0-6)		
1st annual return (at 18 months for months 7-18)		
2nd annual return (at 30 months for months 19 - 30)		

3rd annual return (at 42 months for months 31-42)		

CALL OFF SCHEDULE 17: WELSH LANGUAGE SCHEME

This Schedule sets out the Supplier's obligations which are applicable to the provision of the Services in Wales.

1. GENERAL

1.1 The Supplier acknowledges that in relation to the operation of its Services which are delivered in Wales, the Authority must at all times be seen to be actively promoting the equality of the English and Welsh languages, in accordance with the Welsh Language Act 1993.

1.2 In the performance of the Contract, the Supplier shall ensure that it cooperates with the Authority in satisfying this duty, by fully complying with the requirements of this Schedule.

2. THE DWP WELSH LANGUAGE SCHEME

2.1 The DWP Welsh Language Scheme can be found at:

https://www.gov.uk/government/organisations/department-for-work-pensions/about/welsh-language-scheme

2.2 The Supplier shall, in the delivery of the Services, ensure that it complies with the Department for Work and Pensions Welsh Language Scheme and such instructions as the Customer may issue from time to time in respect of promoting the equality of the English and Welsh languages.

3. DELIVERY OF SERVICES THROUGH THE MEDIUM OF WELSH

3.1 The Supplier undertakes that those who have dealings with them are able to do so in English or Welsh, whichever is their preference.

3.2 The Supplier will ensure that:

a) those who want, or are required, to correspond with the Supplier will be able to do so in English or Welsh;

b) those who are known to prefer corresponding through the medium of Welsh will have correspondence initiated in Welsh;

c) any correspondence received in Welsh will be answered in Welsh within the same timescales and standards as those written in English;

d) staff who are in Wales will greet any telephone callers in English and Welsh until the caller's preferred language can be ascertained;

e) any help lines set up to deliver the service must offer a Welsh or English option and sufficient Welsh language speakers must be available to deal with callers through the medium of Welsh, if they select the Welsh option;

f) any answer phones in the Supplier's offices in Wales will have a pre-recorded bilingual message;

g) all people who participate in the Services are able to contribute through the medium of English or Welsh;

h) all material published and printed for use in Wales shall be available in English and Welsh, and available for use within the same timescales. The standard of bilingual or Welsh material shall be of equal quality to those produced solely in English;

i) all forms and explanatory material be available in both English and Welsh and available for use within the same timescales; and

j) any complaints or grievance procedure should be provided in both English and Welsh.

k) any websites, including any interactive pages, set up to support the delivery of the service must be available in both Welsh and English;

l) where DWP has notified the Supplier or the participant has identified that Welsh is their preferred language this should be recorded, ensuring all future dealings with that participant will be in Welsh.

CALL OFF SCHEDULE 18: SCHEDULES OF PROCESSING, PERSONAL DATA AND DATA SUBJECTS

Annex A JSA NC v.1.docx

Annex A JSA OL v.1.docx

Annex A PCC v.1.docx

Annex A PCE v.1.docx

Annex A SPE v.1.docx

Annex A WFH v.1.docx