**Schedule** **3 (****Charges)**

1. **Definitions**
   1. Not Used
2. **How Charges are calculated**
   1. The Charges:
      1. shall be calculated in accordance with the terms of this Schedule;
      2. cannot be increased except as specifically permitted by this Schedule and in particular shall only be subject to Indexation where specifically stated in the Award Form;
   2. Any variation to the Charges payable under a Contract must be agreed between the Supplier and the Buyer and implemented using the procedure set out in this Schedule.
3. **The pricing mechanisms**

The pricing mechanisms and prices set out in Annex 1 shall be available for use in calculation of Charges in this Contract.

1. **Are costs and expenses included in the Charges**
   1. Except as expressly set out in Paragraph 5 below, or otherwise stated in the Award Form, the Charges shall include all costs and expenses relating to the provision of Deliverables. No further amounts shall be payable in respect of matters such as:
   2. costs incurred prior to the commencement of this Contract.
2. **When the Supplier can ask to change the Charges**
   1. The Charges will be fixed for the first **three** years following the Start Date (the date of expiry of such period is a "**Review Date**"). After this Charges can only be adjusted on each following yearly anniversary (the date of each such anniversary is also a "**Review Date**").
   2. The Supplier shall give the Buyer at least three (3) Months' notice in writing prior to a Review Date where it wants to request an increase. If the Supplier does not give notice in time then it will only be able to request an increase prior to the next Review Date.
   3. Any notice requesting an increase shall include:
      1. a list of the Charges to be reviewed;
      2. for each of the Charges under review, written evidence of the justification for the requested increase including:
         1. a breakdown of the profit and cost components that comprise the relevant part of the Charges;
         2. details of the movement in the different identified cost components of the relevant Charge;
         3. reasons for the movement in the different identified cost components of the relevant Charge;
         4. evidence that the Supplier has attempted to mitigate against the increase in the relevant cost components; and
         5. evidence that the Supplier’s profit component of the relevant Charge is no greater than that applying to Charges using the same pricing mechanism as at the Effective Date.
   4. The Buyer shall consider each request for a price increase. The Buyer may grant Approval to an increase at its sole discretion.
   5. Where the Buyer approves an increase then it will be implemented from the first (1st) Working Day following the relevant Review Date or such later date as the Buyer may determine at its sole discretion and Annex 1 shall be updated accordingly.
3. **Events that allow the Supplier to change the Charges**
   1. The Charges can be varied (and Annex 1 will be updated accordingly) due to:
      1. a Specific Change in Law in accordance with Clauses 28.6 to 28.8;
      2. a request from the Supplier, which it can make at any time, to decrease the Charges;
      3. indexation, where Annex 1 states that a particular Charge or any component is “subject to Indexation” in which event Paragraph 7 below shall apply;
4. **When the Charges are linked to inflation**
   1. Where the Charges are stated to be "subject to Indexation" they shall be adjusted in line with changes in the K5EU - AWE: Professional, Scientific & Tech Activities Index: Non Seasonally Adjusted Regular Pay Including Arrears published by the Office of National Statistics or other reputable source (the “**Index**”) pursuant to Paragraph 7.4. All other costs, expenses, fees and charges shall not 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.
   2. The following costs, expenses, fees or charges included in the Charges shall not be subject to adjustment under this Paragraph 7 and shall not be included in the relevant amount or sum for the purposes of Paragraph 7.1:
      1. Any costs charged by the Supplier to the Buyer in respect of Supplier Assets or Buyer Assets (including capital costs and installation, maintenance and support costs) which are incurred by the Supplier prior to the relevant adjustment date but which remain to be recovered through the Charges.
   3. Charges shall not be indexed during the first **three** years following the Start Date (the “**Non-Indexation Period**”).
   4. Where Annex 1 states a Charge is subject to Indexation then it will be indexed on the date which is one year after the end of the Non-Indexation Period to reflect the percentage change in the Index during the one year period immediately following the end of the Non-Indexation Period. Subsequent adjustments shall take place on each following yearly anniversary to reflect the percentage change in the Index since the previous change.
   5. Where the Index:
      1. used to carry out an indexation calculation is updated (for example due to it being provisional) then the indexation calculation shall also be updated unless the Buyer and the Supplier agree otherwise; or
      2. is no longer published, the Buyer and the Supplier shall agree an appropriate replacement index which shall cover to the maximum extent possible the same economic activities as the original index.
5. When you will be reimbursed for travel and subsistence
   1. Expenses shall only be recoverable where:
      1. the Time and Materials pricing mechanism is used; and
      2. the Award Form states that recovery is permitted; and
      3. they are Reimbursable Expenses and are supported by Supporting Documentation.
   2. The Buyer shall provide a copy of their current expenses policy to the Supplier upon request.

**Annex** **1: Rates and Prices**

**Table 1: Time and Materials**

The Supplier (and its Subcontractor) shall not be entitled to include any uplift for risks or contingencies within its day rates.

The rates below shall be subject to variation by way of Indexation as per clause 7 and will vary the prices listed for the deliverables in Annex 2: Price Schedule.

|  |  |
| --- | --- |
| **Role** | **Hourly Rate (£)** |
| Programme Director (King's) | XXXXXX redacted under FOIA section No 43 |
| Academic Lead (King's) | XXXXXX redacted under FOIA section No 43 |
| Personal Tutor (ChangeSchool) | XXXXXX redacted under FOIA section No 43 |
| Coach (King's) | XXXXXX redacted under FOIA section No 43 |
| Programme Administrator | XXXXXX redacted under FOIA section No 43 |

**Table 2: DVSA Travel and Subsistence Policy rates**

**UK travel rates First 10,000 miles Over 10,000 miles per tax year per tax year**

Cars and vans 45p 25p

Motor cycles 24p 24p

Bicycles 20p 20p

Passenger rate 5p 5p

Public Transport rate 25p 25p

**Day subsistence**

Breakfast indicative level (irregular start before 6.00 am)

up to £7.00

One meal indicative level (Five hour rate)

up to £7.00

Two meal indicative level (Ten hour rate)

up to £14.00

**Night subsistence**

Hotel indicative level London

up to £150 per night

Hotel indicative level elsewhere

up to £100 per night

Overnight stay evening meal indicative level

up to £20.00