



Department  
for Work &  
Pensions

**[REDACTED]**

**CONTRACT**

**For**

**The Provision of Door Entry and Intruder Detection Services**

**between**

**The Secretary of State for Work and Pensions  
acting as part of the Crown**

**and**

**G4S Secure Solutions (UK) Limited**

**CONTRACT REFERENCE NUMBER: ecm\_9815**

## CONTENTS PAGE

<b>A. GENERAL PROVISIONS</b>	<b>8</b>
A1 Definitions and Interpretation	8
A2 Contract Period	24
A3 Contractor's Status	25
A4 Authority's Obligations	25
A5 Notices and Representatives	25
A6 Mistakes in Information	26
A7 Conflicts of Interest	26
A8 Prevention of Fraud	27
A9 Exclusion of Sub-contractors	28
<b>B. SUPPLY OF SERVICES</b>	<b>29</b>
B1 The Services	29
B2 Contractor Equipment and Aegis Equipment	30
B3 Manner of Carrying Out the Services	31
B4 Contractor's Staff	32
B5 Licence to Occupy Sites	33
B6 Property	33
B7 Offers of Employment	33
B8 Transfer of Employees on Commencement	34
B9 Employee Provisions on Expiry or Termination	34
<b>C. PAYMENT AND CONTRACT PRICE</b>	<b>35</b>
C1 Contract Price	35
C2 Payment and VAT	35
C3 Recovery of Sums Due	37
C4 Disputed Invoices	37
C5 Final Invoice	38
C6 Third Party Revenue	38

<b>D.</b>	<b>STATUTORY OBLIGATIONS AND REGULATIONS</b>	<b>38</b>
D1	Prevention of Bribery and Corruption	38
D2	Equality and Diversity	39
D3	The Contracts (Rights of Third Parties) Act 1999	40
D4	Environmental Requirements	40
D5	Health and Safety	41
<b>E.</b>	<b>PROTECTION OF INFORMATION</b>	<b>41</b>
E1	Authority Data	41
E2	Protection of Personal Data	43
E3	Official Secrets Acts 1911 to 1989, Section 182 of the Finance Act 1989	44
E4	Confidential Information	44
E5	Freedom of Information	46
E6	Publicity, Media and Official Enquiries	47
E7	Security	47
E8	Intellectual Property Rights	48
E9	Audit and the National Audit Office	50
E10	Exceptional Audits	51
E11	Audit Costs	52
E12	Malicious Software	52
E13	Financial Reports	52
<b>F.</b>	<b>CONTROL OF THE CONTRACT</b>	<b>52</b>
F1	Transfer and Sub-contracting	52
F2	Waiver	53
F3	Contract Change	53
F4	Severability	54
F5	Remedies in the Event of Inadequate Performance	54
F6	Remedies Cumulative	55
F7	Monitoring of Contract Performance	55
F8	Financial Assurance	55

F10	Entire Agreement	55
F11	Counterparts	56
<b>G.</b>	<b>LIABILITIES</b>	<b>57</b>
G1	Liability and Indemnities	57
G2	Insurance	59
G3	Warranties and Representations	59
<b>H.</b>	<b>DEFAULT, DISRUPTION AND TERMINATION</b>	<b>60</b>
H1	Termination on Insolvency and Change of Control	60
H2	Termination on Default	61
H3	Termination for Convenience or Force Majeure	62
H4	Termination on Phase Out of PSTN Lines	62
H5	Consequences of Expiry or Termination	63
H6	Disruption	64
H7	Recovery upon Termination	65
<b>I.</b>	<b>DISPUTES AND LAW</b>	<b>65</b>
I 1	Governing Law and Jurisdiction	65
I 2	Dispute Resolution	65
<b>J.</b>	<b>FORCE MAJEURE</b>	<b>67</b>
<b>K.</b>	<b>REDUNDANCY COSTS</b>	<b>68</b>
	<b>SCHEDULE 1 – SERVICES SPECIFICATION</b>	<b>70</b>
<b>2</b>	<b>CONTRACTOR SYSTEM</b>	ERROR! BOOKMARK NOT DEFINED.
2.1	Generally	Error! Bookmark not defined.
2.2	Aegis Equipment	Error! Bookmark not defined.
2.3	AIC-Access and Information Centre	Error! Bookmark not defined.
2.4	Remote Sites	Error! Bookmark not defined.
2.5	DRC—Disaster Recovery Centre	Error! Bookmark not defined.
<b>3</b>	<b>SITES IN SCOPE</b>	ERROR! BOOKMARK NOT DEFINED.

<b>3.1 Agreement with other Government Departments</b>	Error! Bookmark not defined.
<b>4 PHASED REDUCTION OF PROPERTIES</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>4.1 Managing contract exit of PSTN lines</b>	Error! Bookmark not defined.
<b>4.2 Redundant Aegis Equipment for spares</b>	Error! Bookmark not defined.
<b>4.3 Reducing Aegis support team</b>	Error! Bookmark not defined.
<b>4.4 Supporting de-commissioning of Sites</b>	Error! Bookmark not defined.
<b>5.1 Audio Visual System Management:</b>	Error! Bookmark not defined.
<b>5.2 Intruder Detection System (IDS) management:</b>	Error! Bookmark not defined.
<b>5.3 Card/Access Administration:</b>	Error! Bookmark not defined.
<b>5.4 Management of PSTN lines</b>	Error! Bookmark not defined.
<b>6 MAINTENANCE</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>6.1 Planned</b>	Error! Bookmark not defined.
<b>6.2 Reactive Response and Repairs</b>	Error! Bookmark not defined.
<b>6.3 Spares</b>	Error! Bookmark not defined.
<b>7 SERVICE LEVELS</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>8 DISASTER RECOVERY CENTRE (DRC)</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>9 STAFF REDUNDANCY AND RELATED SEVERANCE COSTS</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>10 INDEXATION</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>11 OBLIGATION TO WORK WITH SUPPLY CHAIN INTEGRATOR, FM CONTRACTOR AND SECURITY CONTRACTOR</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>SCHEDULE 2 – PERFORMANCE MONITORING</b>	<b>71</b>
<b>1 Reviewing Contract Performance</b>	<b>71</b>
<b>2 Access</b>	<b>71</b>
<b>3 Contractor Information (MI) Requirements</b>	<b>72</b>
<b>APPENDIX A – KPIS AND SERVICE LEVELS</b>	<b>73</b>

<b>SCHEDULE 3 – PRICES AND RATES</b>	<b>74</b>
<b>SCHEDULE 4 – COMMERCIALLY SENSITIVE INFORMATION</b>	<b>75</b>
<b>SCHEDULE 5 – NOT USED</b>	<b>76</b>
<b>SCHEDULE 6 – WHOLESALE FAILURE</b>	<b>77</b>
<b>WHOLESALE FAILURE – RISK SCHEDULE</b>	<b>ERROR! BOOKMARK NOT DEFINED.</b>
<b>SCHEDULE 7 – DATA PROTECTION</b>	<b>78</b>
<b>SCHEDULE 7 - APPENDIX A - TECHNICAL AND ORGANISATIONAL MEASURES TO ENSURE COMPLIANCE WITH DATA PROTECTION LEGISLATION</b>	<b>83</b>
<b>SCHEDULE 7 - APPENDIX B - DETAILS OF CONTRACTOR PROCESSING ACTIVITIES</b>	<b>84</b>
<b>SCHEDULE 7 - APPENDIX C - SECURITY MEASURES</b>	<b>85</b>
<b>SCHEDULE 8 – CHANGE CONTROL PROCEDURE</b>	<b>86</b>
1 General Principles of Change Control Procedure	86
2 Costs	86
3 Operational Change Procedure	86
4 Contract Change Procedure	87
5 Impact Assessment	87
6 Authority's Right of Approval	88
7 Contractor's Right of Rejection	89
8 Failure to Comply	89
9 Contract Management	89
<b>SCHEDULE 8 – APPENDIX 1 - CHANGE REQUEST FORM</b>	<b>90</b>
<b>SCHEDULE 8 – APPENDIX 2 - IMPACT ASSESSMENT</b>	<b>91</b>
<b>SCHEDULE 8 – APPENDIX 3 - CHANGE AUTHORISATION NOTE</b>	<b>92</b>
<b>SCHEDULE 9 – SECURITY REQUIREMENTS</b>	<b>93</b>

<b>1. DEFINITIONS</b>	<b>93</b>
<b>2. PRINCIPLES OF SECURITY</b>	<b>95</b>
<b>3. ISO/IEC 27001 COMPLIANCE AND AUDIT</b>	<b>95</b>
<b>4. CYBER ESSENTIALS SCHEME</b>	<b>96</b>
<b>5. RISK MANAGEMENT</b>	<b>96</b>
<b>6. SECURITY AUDIT AND ASSURANCE</b>	<b>97</b>
<b>7. PCI DSS COMPLIANCE AND CERTIFICATION</b>	<b>97</b>
<b>8. SECURITY POLICIES AND STANDARDS</b>	<b>98</b>
<b>ANNEX A – AUTHORITY SECURITY POLICIES AND STANDARDS</b>	<b>99</b>
<b>ANNEX B – SECURITY STANDARDS</b>	<b>100</b>
<b>SCHEDULE 10 – FINANCIAL REPORTS</b>	<b>101</b>

This Contract is made on the \_\_\_\_\_ day of \_\_\_\_\_ 2021  
Between:

- (1) **The Secretary of State for Work and Pensions** (acting as part of the Crown) of Caxton House, Tothill Street, London, SW1H 9NA (the “**Authority**”); and
  - (2) **G4S Secure Solutions (UK) Limited** incorporated and registered in England and Wales with company number 01046019 whose registered office is at 2nd Floor, Chancery House, St. Nicholas Way, Sutton, Surrey, England, SM1 1JB (the “**Contractor**”),
- each a “**Party**” and together known as the “**Parties**”.

**Background:**

- (A) The Authority contracted with Telereal Trillium (**TT**) under a PFI Prime Contract for estate management and maintenance services (“**Prime Services**”). The Prime Services included the provision of security services across the Authority’s estate (“**Prime Security Services**”). TT sub-contracted the Prime Security Services to the Contractor (“**Subcontracted Security Services**”).
- (B) As part of the Subcontracted Security Services, the Contractor provided door entry and intruder detection system services for the Authority’s estate using its proprietary “Aegis” system (“**Preceding Services**”).
- (C) The Authority replaced the Prime Services with new estate management and maintenance services. As part of the new estate management and maintenance services, the Authority has procured a new security supplier (being as at the date of this Contract the Contractor) to provide a comprehensive set of security services for the Authority’s estate (“**Security Services**”).
- (D) During the process of transition from the Prime Security Services to the Security Services, it will be necessary for the Contractor to provide services similar to the Preceding Services directly to the Authority until such services have been replaced by a suitable door entry and intruder detection system as part of the Security Services.
- (E) In light of the above, the Authority received from the Contractor the Services (as defined below) under a contract dated 6 October 2017 which is to expire (following amendment and extension) on 31 July 2021.
- (F) The Authority requires the Services to continue following 31 July 2021 because the “Aegis system” has not yet been replaced by a door entry and intruder detection system as part of the Security Services. Consequently the Authority wishes to receive and the Contractor hereby agrees to provide such Services (as defined below) in accordance with the terms and conditions of this Contract.

**A. GENERAL PROVISIONS**

**A1 Definitions and Interpretation**

A1.1 In this Contract the following provisions shall have the meanings given to them below:

“ <b>Accounting Year</b> ”	means the 12 Month period from 1 April to 31 March;
“ <b>Administration</b> ”	means a rescue mechanism under the Insolvency Act 1986 where a company may be rescued or reorganised or its assets realised under the protection of a statutory moratorium. The company is put into Administration and an Administrator is appointed;
“ <b>Aegis</b> ”	means Automated Electronic Guarding Initiatives;



<b>“Aegis Data”</b>	means data (including any Authority Data) that is stored by the Contractor in relation to the Services;
<b>“Aegis Equipment”</b>	means all plant, equipment, materials, machinery, apparatus, computers and systems comprised in the Contractor System as further defined in the Specification and which as at the Effective Date is located at the Sites and owned by the Authority and which, for the avoidance of doubt, excludes the Contractor Equipment;
<b>“Aegis System”</b>	means the Contractor System;
<b>“Affected Party”</b>	the Party seeking to claim relief in respect of a Force Majeure Event;
<b>“Affiliate”</b>	means in relation to any company, any holding company or subsidiary of that company or any subsidiary of such holding company, and “holding company” and “subsidiary” shall have the meaning given to them in section 1159 of the Companies Act 2006;
<b>“AIC” or “Access Information Centre” and</b>	means the Access and Information Centre, being the controlled and separated area within offices that are occupied by the Contractor and situated at Tewkesbury that control the Services that are provided to the Authority;
<b>“Approval”</b>	means the prior written consent of the Authority this includes email;
<b>“ARC”</b>	means the alarm receiving centre operated by the Contractor and located in Belfast, that monitors some of the IDS that are installed at the Sites;
<b>“Audio Visual System”</b>	has the meaning given in paragraph 5.1 of Schedule 1;
<b>“Authority Assets”</b>	mean any Authority Devices and Authority Data;
<b>“Authority Data”</b>	means: <ul style="list-style-type: none"> <li>(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: <ul style="list-style-type: none"> <li>i) supplied to the Contractor by or on behalf of the Authority; or</li> <li>ii) which the Contractor is required to generate, process, store or transmit pursuant to this Contract;</li> </ul> </li> </ul>
<b>“Authority Devices”</b>	means any asset that provides an ICT function and is used by the Authority to conduct its business and operations.

<b>“Authority Software”</b>	means software which is owned by or licensed to the Authority, including software which is, or will be used by the Contractor for the purpose of providing the Services including any updates thereof but excluding the Contractor Software;
<b>“Authority Supply Chain Members”</b>	the Supply Chain Integrator, the FM Contractor, the LLM Contractor, the LSS Contractor, the Project Contractor and the Security Contractor notified to the Contractor from time to time and/or of which the Contractor should have been aware and references to Authority Supply Chain Members shall be construed accordingly;
<b>“Authority Supply Chain Contract”</b>	a contract between the Authority and the relevant Authority Supply Chain Member and references to <b>Authority Supply Chain Contracts</b> shall be construed accordingly;
<b>“Authority System”</b>	the Authority’s computing environment (consisting of hardware, software and/or telecommunications networks or equipment) used by the Authority or the Contractor in connection with this Contract which is owned by the Authority or licensed to it by a third party and which interfaces with the Contractor System or which is necessary for the Authority to receive the Services;
<b>“Authority’s Security Requirements”</b>	the Authority’s security requirements set out in the Contract which include the requirements set out in Schedule 9 to the Contract.
<b>“Bespoke Intellectual Property Rights”</b>	has the meaning given to it in clause E8.4(b);
<b>“Breach of Security”</b>	means the occurrence of unauthorised access to or use of the Sites, the Services, the Contractor System or any ICT or data (including the Authority’s Data and/or any Personal Data) used by the Authority or the Contractor in connection with this Contract;
<b>“Bribery Act 2010”</b>	means the Bribery Act 2010 and any subordinate legislation made under that Act from time to time together with any guidance or codes of practice issued by the relevant government department concerning the legislation;
<b>“Business Continuity Plan”</b>	means any plan prepared as directed in clause H6.6, as may be amended from time to time;
<b>“CAFM”</b>	means computer aided facilities management;
<b>“Central Government Body”</b>	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;

	<ul style="list-style-type: none"> <li>(b) Non-Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal);</li> <li>(c) Non-Ministerial Department; or</li> <li>(d) Executive Agency;</li> </ul>
<b>“Change Communication”</b>	any Operational Change Request, Operational Change Confirmation, Change Request, Impact Assessment, Change Authorisation Note or other communication sent or required to be sent pursuant to the Change Control Procedure;
<b>“Change Control Procedure”</b>	means the procedure for changing this Contract, as set out in Schedule 8 (Change Control Procedure);
<b>“Change Request”</b>	means a written request for a Contract Change which shall be substantially in the form of Appendix 1 of Schedule 8 (Change Control Procedure);
<b>“Commercially Sensitive Information”</b>	<p>means the Information:</p> <ul style="list-style-type: none"> <li>(a) listed in the Commercially Sensitive Information Schedule;</li> <li>(b) notified to the Authority in writing (prior to the commencement of this Contract) which has been clearly marked as Commercially Sensitive Information which is provided by the Contractor to the Authority in confidence; or</li> <li>(c) which constitutes a trade secret;</li> </ul>
<b>“Commercially Sensitive Information Schedule”</b>	means Schedule 4;
<b>“Confidential Information”</b>	<p>means:</p> <ul style="list-style-type: none"> <li>(a) any information which has been designated as confidential by either Party in writing or that ought reasonably to be considered as confidential (however it is conveyed or on whatever media it is stored) including information that relates to the business, affairs, developments, trade secrets, know-how, personnel and suppliers of the Contractor, including Intellectual Property Rights, together with all information derived from the above, and 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</li> <li>(b) the Commercially Sensitive Information and does not include any information: <ul style="list-style-type: none"> <li>i) which was public knowledge at the time of disclosure (otherwise than</li> </ul> </li> </ul>

	by breach of clause E4 (Confidential Information));
	<ul style="list-style-type: none"> <li>ii) which was in the possession of the receiving Party, without restriction as to its disclosure, before receiving it from the disclosing Party;</li> <li>iii) which is received from a third party (who lawfully acquired it) without restriction as to its disclosure; or</li> <li>iv) is independently developed without access to the Confidential Information;</li> </ul>
<b>“Consequential Supply Chain Breach”</b>	has the meaning given in clause A12.2;
<b>“Contract”</b>	means the written agreement between the Authority and the Contractor consisting of these clauses and any attached Schedules;
<b>“Contract Change”</b>	means any change, amendment, variation, restatement or supplement to this Contract other than an Operational Change or as specified in clause A10.4;
<b>“Contract Period”</b>	<p>means the period from the Effective Date to:</p> <ul style="list-style-type: none"> <li>(a) the Expiry Date; or</li> <li>(b) such earlier date of termination or partial termination of the Contract in accordance with the Law or the provisions of the Contract;</li> </ul>
<b>“Contract Price”</b>	means the price (exclusive of any applicable VAT), payable to the Contractor by the Authority under the Contract, as set out in the Prices and Rates Schedule, for the full and proper performance by the Contractor of its obligations under the Contract;
<b>“Contract Year”</b>	each period of 12 Months from the Effective Date, provided that the final Contract Year shall end on the termination or expiry of this Contract in accordance with its terms;
<b>“Contractor Equipment”</b>	means the Contractor's equipment, plant, materials and such other items supplied and used by the Contractor in the performance of its obligations under the Contract, including equipment, plant, materials and other items that are located at the AIC, the DRC and the ARC, but, for the avoidance of doubt, excluding the Aegis Equipment;
<b>“Contractor Software”</b>	means any computer software and/or communication software owned or licensed to the Contractor and any updates or developments thereof, including, but not limited to, any:

		<p>(a) software which is or will be used by the Contractor for the purposes of providing the Services; and</p> <p>(b) computer software and/or communication software relating to, or for use in connection with, the Aegis Equipment,</p> <p>and (in each case) which is not Authority Software;</p>
<b>“Contractor System”</b>		the information and communications technology system used by the Contractor in implementing and performing the Services including the Contractor Software, the Contractor Equipment, the Aegis Equipment, configuration and management utilities, calibration and testing tools and related cabling (but excluding the Authority System, the network and communication cabling and the ISDN/PSTN lines) and as further described in paragraph 2 of the Specification;
<b>“Contractor Environment”</b>	<b>Systems</b>	means any ICT systems provided by the Contractor (and any Sub-contractor) which are or may be used for the provision of the Services;
<b>“Control Room”</b>		means the AIC, being the controlled and separated area within offices that are occupied by the Contractor and situated at Tewkesbury that control the Services that are provided to the Authority;
<b>“Critical Performance Failure”</b>		a failure by the Contractor to perform the Services in accordance with the KPIs specified in Paragraph 3 of Appendix A to Schedule 2;
<b>“Crown”</b>		means the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Government and the Welsh Government), including, but not limited to, government ministers, government departments, government and particular bodies, and government agencies. In this Contract, the Authority is acting as part of the Crown;
<b>“Data Controller”</b>		has the meaning given in the Data Protection Legislation;
<b>“Data Processor”</b>		has the meaning given in the Data Protection Legislation;
<b>“Data Protection Legislation”</b>		means (i) the UK GDPR; (ii) the Data Protection Act 2018, the Regulation of Investigatory Powers Act 2000, the Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000 (SI 2000/2699), the Privacy and Electronic Communications (EC Directive) Regulations 2003; and (iii) all applicable laws relating to the processing of Personal Data;

<b>“Data Subject”</b>	has the meaning given in the Data Protection Legislation;
<b>“Data Subject Access Request”</b>	a request made by a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation to access his or her Personal Data;
<b>“Default”</b>	means any breach of the obligations of the relevant Party (including but not limited to fundamental breach or breach of a fundamental term) or any other default, act, omission, negligence or statement of the relevant Party or the Staff in connection with or in relation to the subject-matter of the Contract and in respect of which such Party is liable to the other;
<b>“Disaster Recovery Centre” and “DRC”</b>	have the meaning given in paragraphs 2.5 and 8 of the Specification;
<b>“DWP Offshoring Policy”</b>	means the Authority’s policy and procedures in relation to hosting or accessing the Authority System or official information outside of the UK including Landed Resources as advised to the Contractor by the Authority from time to time;
<b>“Effective Date”</b>	means 1 August 2021;
<b>“End User”</b>	means any person authorised by the Authority to use the Services;
<b>“Environmental Information Regulations”</b>	means the Environmental Information Regulations 2004 and any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such regulations;
<b>“Expiry Date”</b>	means 10 December 2022 or such later date as may be determined under clause A2.2;
<b>“FM Contractor”</b>	the third party that the Authority has appointed to provide the FM Services;
<b>“FM Services”</b>	the facilities management services provided by the FM Contractor;
<b>“FOIA”</b>	means the Freedom of Information Act 2000 and any subordinate legislation made under this 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;
<b>“Force Majeure Event”</b>	any event outside the reasonable control of either Party affecting its performance of its obligations under this Contract arising from acts, events, omissions, happenings or non-happenings beyond its reasonable control and which are not attributable to any wilful act, neglect or failure to take reasonable preventative action by that Party, including acts of God, riots, civil commotion, war or armed conflict, acts of terrorism, acts of government, local government or regulatory bodies, fire, flood, storm or earthquake, or disaster but excluding any industrial dispute relating

	to the Contractor or the Contractor's Staff or any other failure in the Contractor's or a Sub-contractor's supply chain, unless such failure is itself caused by or attributable to a Force Majeure Event;
<b>"Force Majeure Notice"</b>	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;
<b>"Fraud"</b>	means any offence under Law or common law creating offences in respect of fraudulent acts, fraudulent acts in relation to the Contract, defrauding or attempting to defraud or conspiring to defraud the Crown;
<b>"GDPR"</b>	means the General Data Protection Regulation (EU) 2016/679 of the European Parliament and of the Council on the protection of natural persons with regard to the processing of Personal Data and on the free movement of such data;
<b>"Good Industry Practice"</b>	means standards, practices, methods and procedures conforming to the Law and 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 in a similar type of undertaking under the same or similar circumstances;
<b>"ICT"</b>	means information and communications technology;
<b>"ICT Environment"</b>	means the Authority System and the Contractor System;
<b>"IDS"</b>	means an intruder detection system, as described in paragraph 2.1 of Schedule 1;
<b>"Impact Assessment"</b>	means an assessment of a Change Request in accordance with Paragraph 5 of Schedule 8 (Change Control Procedure);
<b>"Information"</b>	has the meaning given under section 84 of the FOIA;
<b>"Intellectual Property Rights"</b>	means patents, inventions, trade marks, service marks, logos, design rights (whether registerable or otherwise), applications for any of the foregoing, copyright, database rights, domain names, trade or business names, moral rights, goodwill and other similar rights or obligations whether registerable or not in any country (including but not limited to the United Kingdom) and the right to sue for passing off;
<b>"ISDN"</b>	means an integrated services digital network;
<b>"KPI"</b>	means a key performance indicator to which the Services are to be provided as set out in Schedule 2;
<b>"Landed Resources"</b>	means when the Contractor or its Sub-contractor causes foreign nationals to be brought to the United Kingdom to provide the Services;

<b>“Law”</b>	means any applicable legislation, Act of Parliament, subordinate legislation, exercise of the royal prerogative, regulatory policy, guidance or industry code, judgment of a relevant court of law, or directives or requirements or any Regulatory Body with which the Contractor is bound to comply;
<b>“Liquidation”</b>	means the appointment of a Liquidator who collects in and distributes the company’s assets and dissolves the company. The company can also be put into provisional Liquidation before a final winding up order is granted;
<b>“LLM Contractor”</b>	the third party that the Authority has appointed to provide the LLM Services;
<b>“LLM Services”</b>	the letting and lease management services provided by the LLM Contractor;
<b>“Loss”</b>	means direct losses, liabilities, claims, damages, costs, charges, outgoings and expenses (including legal expenses) of every description, provided in each case that such losses are reasonable, direct, proper and mitigated;
<b>“LSS Contractor”</b>	the third party that the Authority has appointed to provide the LSS Services;
<b>“LSS Services”</b>	the life systems services provided by the LSS Contractor;
<b>“Malicious Software”</b>	means any software program or code intended to destroy, interfere with, corrupt, or cause undesired effects on program files, data or other information, executable code or application software macros, whether or not its operation is immediate or delayed, and whether the malicious software is introduced wilfully, negligently or without knowledge of its existence;
<b>“Material Default”</b>	<p>means a Default (including an anticipatory breach or this Contract) that:</p> <ul style="list-style-type: none"> <li>(a) is serious in the widest sense of having a serious effect on the benefit which the terminating party would otherwise derive from a substantial portion of the Contract; or</li> <li>(b) is specified as such in this Contract;</li> </ul>
<b>“Measurement Period”</b>	in relation to the Minimum Performance Levels, the period over which the Contractor’s performance is measured;
<b>“Minimum Performance Levels”</b>	means in relation to the Contractor the minimum performance levels to which the Services must be provided as set out in paragraph 2 of Appendix A of Schedule 2;
<b>“Month”</b>	means a calendar month;



<b>“Monthly Contract Price”</b>	means the Contract Price for a specified Month in respect of the Services provided in that Month;
<b>“Normal Working Hours”</b>	means: <ul style="list-style-type: none"> <li>(a) 0900 to 1700 hours Monday to Friday excluding bank and public holidays in England, Scotland and Wales; and</li> <li>(b) 0800 to 1700 hours Monday to Thursday and 0800 to 1400 hours Friday excluding bank and public holidays in Northern Ireland;</li> </ul>
<b>“Notifiable Default”</b>	has the meaning given in clause F12.1;
<b>“Open Book Data”</b>	<p>complete and accurate financial and non-financial information which is sufficient to enable the Authority to verify the Contract Price already paid or payable and forecast to be paid during the remainder of the Contract Period, including, to the extent that it is practicably possible (due to the nature of certain elements of the Services it provides being shared across its customer base) for the Contractor to extract and provide such information from data that relates to multiple customers of the Contractor (as further explained and illustrated in Schedule 3 (Prices and Rates), paragraph 3), details and all assumptions relating to:</p> <ul style="list-style-type: none"> <li>(a) the Contractor’s costs broken down against each Service and/or deliverable, including actual capital expenditure (including capital replacement costs) and the unit cost and total actual costs of all hardware and software;</li> <li>(b) operating expenditure relating to the provision of the Services including an analysis showing: <ul style="list-style-type: none"> <li>(i) the unit costs and quantity of consumables and bought-in services;</li> <li>(ii) manpower resources broken down into the number and grade/role of all Contractor’s Staff (free of any contingency) together with a list of agreed rates against each manpower grade;</li> <li>(iii) a list of costs underpinning those rates for each manpower grade, being the agreed rate less the Contractor’s Profit Margin; and</li> <li>(iv) any expenses the Contractor is entitled to be reimbursed under the Contract;</li> </ul> </li> <li>(c) overheads;</li> </ul>

- (d) all interest, expenses and any other third party financing costs incurred in relation to the provision of the Services;
- (e) the Contractor's profit achieved over the 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 Contractor;
- (g) an explanation of the type and value of risk and contingencies associated with the provision of the Services, including the amount of money attributed to each risk and/or contingency; and
- (h) the actual costs profile for each Contract Period.

**“Operational Change”**

means any change in the Contractor's operational procedures which in all respects, when implemented:

- (a) will not affect the Contract Price and will not result in any other costs to the Authority;
- (b) may change the way in which the Services are delivered but will not adversely affect the output of the Services or increase the risks in performing or receiving the Services; and
- (c) will not adversely affect the interfaces or interoperability of the Services with any of the Authority System;

**“Operational Change Confirmation”**

means a written response to an Operational Change Request in which the Party that receives the Operational Change Request confirms its agreement to it. The confirmation may be sent by electronic mail or letter;

**“Operational Change Request”**

means a written request for an Operational Change which may be sent by electronic mail or by letter;

**“Performance Failure”**

a failure by the Contractor to meet any of the Minimum Performance Levels;

**“Performance Monitoring Schedule”**

means Schedule 2;

**“Performance Reports”**

the performance reports created by the Contractor in accordance with paragraph 3 of the Performance Monitoring Schedule (Schedule 2);

**“Permitted Purpose”**

means the processing of Personal Data for the purpose of providing the Services, as further detailed in Annex B of Schedule 7;

<b>“Persistent Breach”</b>	means a Default which has occurred on three or more separate occasions with a continuous period of three (3) months;
<b>“Personal Data”</b>	personal data (as defined in the Data Protection Legislation): <ul style="list-style-type: none"> <li>(a) which is Processed by the Contractor or any Sub-contractor on behalf of the Authority or a Central Government Body; or</li> <li>(b) for which one or both of the Parties is Data Controller,</li> </ul> pursuant to or in connection with this Contract;
<b>“Personal Data Breach”</b>	a breach of security leading to the accidental or unlawful destruction, loss, alteration, damage, unauthorised disclosure of, or access to, Personal Data;
<b>“Preceding Services”</b>	has the meaning given to it in Recital B;
<b>“Prices &amp; Rates Schedule”</b>	means the Schedule 3;
<b>“Process”</b>	has the meaning given to it under the Data Protection Legislation and <b>“Processed”</b> and <b>“Processing”</b> shall be construed accordingly;
<b>“Project Contractor”</b>	the third party contractors that the Authority appoints to provide the Project Services;
<b>“Project Services”</b>	the project services provided by the Project Contractor;
<b>“Property”</b>	means the property, other than real property, issued or made available to the Contractor by the Authority in connection with the Contract;
<b>“PSTN”</b>	means the public switched telephone network;
<b>“Quality Standards”</b>	means the quality standards published by BSI British Standards, the National Standards Body of the United Kingdom, the International Organisation for Standardisation or other reputable or equivalent body, (and their successor bodies) that a skilled and experienced operator in the same type of industry or business sector as the Contractor would reasonably and ordinarily be expected to comply with, and as may be further detailed in the Specification;
<b>“Reactive Response”</b>	on receipt of a Work Order that relates, or appears to relate, to a failure in the Contractor System, the Contractor undertaking one or more of the following (as is appropriate in the circumstances): <ul style="list-style-type: none"> <li>(a) the Contractor responding remotely through the Contractor System to diagnose or resolve the failure;</li> </ul>

- (b) one of the Contractor's Staff attending the relevant Site to diagnose or resolve the failure;
- (c) the Contractor sending a Security Contractor Notification requesting the Supply Chain Integrator to arrange for the Security Contractor to attend the relevant Site, including in the case of a failure of the intruder alarm system to set automatically, where such failure is caused by the presence of persons in the relevant Site, or by an open window at the relevant Site, or by some other circumstance that is outside the control of the Contractor and not attributable to a defect in the Contractor System; and/or
- (d) the Contractor sending a Security Contractor Notification requesting the Supply Chain Integrator to arrange for the company that maintains the intruder alarm system to send an engineer to the relevant Site to repair and set the intruder alarm;

**"Receiving Party"**

means the Party which receives a proposed Contract Change;

**"Rectification Plan"**

a plan to address the impact of, and prevent the reoccurrence of, a Notifiable Default;

**"Rectification Plan Failure"**

- (a) the Contractor failing to submit or resubmit a draft Rectification Plan to the Authority within the timescales specified in clauses F12.4 (Submission of the draft Rectification Plan) or F12.7 (Agreement of the Rectification Plan);
- (b) the Authority, acting reasonably, rejecting a revised draft of the Rectification Plan submitted by the Contractor pursuant to clause F12.7 (Agreement of the Rectification Plan);
- (c) the Contractor failing to comply with the agreed actions (and associated timescales) under the Rectification Plan;
- (d) the Contractor failing to rectify a Material Default (capable of remedy) within the later of:
  - (i) 30 Working Days of notification made pursuant to clause F12.2 (Notification); and
  - (ii) where the Parties have agreed a Rectification Plan in respect of that Material Default and the Contractor can demonstrate that it is implementing the Rectification Plan in good faith, the date specified in the Rectification Plan by which the Contractor must rectify the Material Default;

	<p>(e) a Service Failure re-occurring in respect of the same Minimum Performance Level for the same (or substantially the same) root cause in any of the 3 Measurement Periods subsequent to the Measurement Period in which the initial Service Failure occurred; and/or</p> <p>(f) following the successful implementation of a Rectification Plan, the same Notifiable Default recurring within a period of 6 Months for the same (or substantially the same) root cause as that of the original Notifiable Default;</p>
<b>“Rectification Plan Process”</b>	means the process set out at clause F12;
<b>“Redundancy Costs”</b>	means moneys paid or payable to the Contractor by the Authority, by way of reimbursement of redundancy and related severance costs reasonably and properly incurred by the Contractor in respect of employees of the Contractor who are wholly or mainly assigned to work in the provision of the Services, up to the value of the Redundancy Costs Cap;
<b>“Redundancy Costs Cap”</b>	<b>[REDACTED]</b>
<b>“Regulatory Bodies”</b>	means those government departments and regulatory, statutory and other entities, committees, ombudsmen and bodies which, whether under statute, rules, regulations, codes of practice or otherwise, are entitled to regulate, investigate, or influence the matters dealt with in the Contract or any other affairs of the Authority and “Regulatory Body” shall be construed accordingly;
<b>“Relevant Employees”</b>	means the employees of the Contractor who are wholly or mainly assigned to work in the provision of the Services and who are/will be the subject of a Relevant Transfer by virtue of the application of the TUPE Regulations;
<b>“Relevant Transfer”</b>	means a transfer of employment to which the TUPE Regulations apply;
<b>“Replacement Contractor”</b>	means any third party contractor appointed by the Authority to supply any services which are substantially similar to any of the Services and which the Authority receives in substitution for any of the Services: <p>(a) during the Contract Period as part of the transition of the Services in accordance with the Specification;</p> <p>(b) following the expiry of the Contract; or</p> <p>(c) following termination or partial termination of the Contract;</p>
<b>“Representative”</b>	the representative of the relevant Party as specified in clause A5.5;

<b>“Request for Information”</b>	shall have the meaning set out in FOIA or the Environmental Information Regulations as relevant (where the meaning set out for the term “request” shall apply);
<b>“Schedule”</b>	means a Schedule attached to, and forming part of, the Contract;
<b>“Security Contract”</b>	the contract dated 11 December 2017 between the Authority and the Contractor for the provision of the Security Services;
<b>“Security Contractor”</b>	the third party that the Authority has appointed to provide the Security Services;
<b>“Security Contractor Notification”</b>	a notification sent by the Contractor to the Supply Chain Integrator to dispatch the Security Contractor to the relevant Site, as more particularly described in paragraph 11 of Schedule 1;
<b>“Security Services”</b>	has the meaning given in recital (C);
<b>“Services”</b>	means the services to be supplied by the Contractor as specified in the Specification;
<b>“Service Credit Cap”</b>	the relevant service credit cap specified in Appendix A of Schedule 2;
<b>“Service Credits”</b>	credits payable by the Contractor due to the occurrence of a Service Failure or Critical Performance Failure (as applicable), calculated in accordance with Appendix A of Schedule 2;
<b>“Service Failure”</b>	means a failure by the Contractor to deliver any part of the Services, in accordance with: <ul style="list-style-type: none"> <li>(a) any of the Minimum Performance Levels; and/or</li> <li>(b) the Service Levels;</li> </ul>
<b>“Service Levels”</b>	means the service levels to which the Services are to be provided, as set out in the Specification and in paragraph 1 of Schedule 2;
<b>“Service Matrix Master Specification”</b>	means the list of Sites (including reference numbers and addresses) and the Services provided at each of those Sites as maintained and regularly updated by the Contractor in agreement with the Authority
<b>“Sites”</b>	means the locations where the Services are to be received by the Authority, which as at the Effective Date shall be those locations set out in the Service Matrix Master Specification and which may be varied from time to time by the Parties, and <b>“Site”</b> means any one of them;
<b>“Specification”</b>	means the description of the Services to be supplied under the Contract as referred to in Schedule 1;
<b>“Staff”</b>	mean all persons employed by the Contractor to perform its obligations under the Contract together

	with the Contractor's servants, agents, suppliers and Sub-contractors used in the performance of its obligations under the Contract;
<b>"Staff Vetting Procedures"</b>	means the Authority's procedures for the vetting of personnel as advised to the Contractor by the Authority;
<b>"Sub-contract"</b>	means a contract between two or more suppliers, at any stage of remoteness from the Authority 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 this Contract, including any contract between the Contractor and its Sub-contractors;
<b>"Sub-contractor"</b>	means any third party appointed by the Contractor which through its employees or agents directly delivers the Services;
<b>"Supply Chain Integrator"</b>	the third party that the Authority has appointed to provide the Supply Chain Integrator Services;
<b>"Supply Chain Integrator Services"</b>	the management and coordination services provided by the Supply Chain Integrator in respect of the Authority Supply Chain Members;
<b>"Third Party Software"</b>	means software which is proprietary to any third party (other than an Affiliate of the Contractor) which is or will be used by the Contractor for the purposes of providing the Services;
<b>"TUPE Regulations"</b>	means the Transfer of Undertakings (Protection of Employment) Regulations 2006, as amended;
<b>"UK GDPR"</b>	means the GDPR as it forms part of the law of England and Wales by virtue of section 3 of the European Union (Withdrawal) Act 2018;
<b>"Variation"</b>	has the meaning given to it in clause F3.1 (Variation);
<b>"VAT"</b>	means value added tax in accordance with the provisions of the <b>Value Added Tax Act 1994</b> ;
<b>"Wholesale Failure"</b>	means any failure of the Contractor System (in whole or in part) which the Contractor is unable to repair in accordance with the Specification as a result of the necessary equipment being obsolete and/or no longer supported by or available from the manufacturer and which requires the Contractor to propose and implement an alternative solution to restore functionality to the Contractor System including those failures set out in Appendix A to Schedule 6;
<b>"Work Order"</b>	means an instruction to the Contractor in writing that is issued by the Supply Chain Integrator and relates to a Site; and
<b>"Working Day"</b>	means any day other than a Saturday, Sunday, or public holiday when banks in the part of the United

Kingdom where the relevant Site is situated are open for business.

A1.2 The interpretation and construction of this Contract shall be subject to the following provisions:

- a) Words importing the singular meaning include where the context so admits the plural meaning and vice versa;
- b) Reference to a clause or paragraph is a reference to the whole of that clause or paragraph unless stated otherwise;
- c) Reference to any legislation, statute, law, order, regulation or other similar instrument shall be construed as a reference to the legislation, statute, law, order, regulation or instrument as subsequently amended or re-enacted;
- d) Reference to any person shall include natural persons and partnerships, firms and other incorporated bodies and all other legal persons of whatever kind and however constituted and their successors and permitted assigns or transferees;
- e) The words "include", "includes" and "including" are to be construed as if they were immediately followed by the words "without limitation";
- f) Headings are included in this Contract for ease of reference only and shall not affect the interpretation or construction of the Contract.
- g) The Schedules form part of this Contract and shall have effect as if set out in full in the body of this Contract (subject to clause F10.3). Any reference to this Contract includes the Schedules.
- h) A reference to a **company** shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- i) Unless the context requires otherwise, a reference to one gender shall include a reference to the other genders.
- j) References to clauses, Schedules and Appendices are to the clauses, Schedules and Appendices of this Contract and references to paragraphs are to paragraphs of the relevant Schedule or Appendix.
- k) A reference to this Contract or to any other agreement or document is a reference to this contract or such other agreement or document, in each case as varied and/or extended from time to time.

## **A2 Contract Period**

A2.1 This Contract shall commence on the Effective Date and shall expire automatically on the Expiry Date, unless it is extended or terminated at an earlier date by operation of Law or in accordance with the provisions of this Contract.

A2.2 The Expiry Date may be extended:

- a) for a period of 12 Months to 10 December 2023; and
- b) for a further period of 12 Months to 10 December 2024,

subject to and conditional upon: (i) the Authority giving the Contractor not less than two Months' written notice, of a request to extend, prior to the first day of the relevant period; and (ii) the Contractor agreeing in writing to such an extension of the Expiry Date, such agreement not to be unreasonably withheld, conditioned or delayed. The Contractor shall give written notice of its confirmation in writing as to whether or not it agrees to a



requested extension within the period of one Month starting on the date of the Authority's written request to extend. In the event that the confirmation is not given prior to expiry of that time period the Contractor will be deemed to have agreed to the requested extension. Any such agreed (or deemed agreed) extensions shall be on the same terms as this Contract.

**A3 Contractor's Status**

At all times during the Contract Period the Contractor shall be an independent contractor and nothing in this Contract shall create a contract of employment, a relationship of agency or partnership or a joint venture between the Parties and accordingly neither Party shall be authorised to act in the name of, or on behalf of, or otherwise bind the other Party save as expressly permitted by the terms of this Contract.

**A4 Authority's Obligations**

Save as otherwise expressly provided, the obligations of the Authority under this Contract are obligations of the Authority in its capacity as a contracting counterparty and nothing in this Contract shall operate as an obligation upon, or in any other way constrain the Authority in any other capacity, nor shall the exercise by the Authority of its duties and powers in any other capacity lead to any liability, under this Contract (howsoever arising), on the part of the Authority to the Contractor.

**A5 Notices and Representatives**

A5.1 Except as otherwise expressly provided within this Contract, no notice or other communication from one Party to the other shall have any validity under this Contract unless made in writing by or on behalf of the Party concerned.

A5.2 Any notice or other communication which is to be given by either Party to the other shall be given by electronic mail (confirmed in either case by letter), by letter (sent by hand, post, registered post or by the recorded delivery service). Provided the relevant communication is not returned as undelivered, the notice or communication shall be deemed to have been given two (2) Working Days after the day on which the letter was posted, or four (4) hours, in the case of electronic mail or sooner where the other Party acknowledges receipt of such letters, or item of electronic mail. Such letters shall be addressed to the other Party in the manner referred to in clause A5.3.

A5.3 For the purposes of clause A5.2, the address of each Party shall be:

- a) For the Authority:  
Address: Department for Work & Pensions  
Caxton House  
London  
SW1H 9NA  
For the attention of: [REDACTED]  
Telephone: [REDACTED]  
E-mail: [REDACTED]
- b) For the Contractor:  
Address: G4S Secure Solutions (UK) Limited  
2nd Floor Chancery House  
St. Nicholas Way  
Sutton  
Surrey  
SM1 1JB  
For the attention of: [REDACTED]  
Tel: [REDACTED]  
Email: [REDACTED]

With a copy to:

Address: Challenge House,  
International Drive,  
Tewkesbury,  
Gloucestershire  
GL20 8UQ

For the attention of: [REDACTED]  
Tel: [REDACTED]  
Email: [REDACTED]

A5.4 Either Party may change its address for service by serving a notice in accordance with this clause.

A5.5 The Parties' representatives as at the Effective Date shall be:

Authority (General)	Authority (Direct Contact)	Contractor
The Supply Chain Integrator (Sodexo).  Name: [REDACTED]  Contact Details: Sodexo 3200 Century Way, Thorpe Park, Leeds, UK LS15 8ZS	Name:[REDACTED]  Contact Details: Department for Work & Pensions Caxton House London SW1H 9NA	Name:[REDACTED]  Contact Details:  UK Operations Director, G4S Fire & Security Systems UK & Ireland  Challenge House, International Drive, Tewkesbury, Gloucestershire GL20 8UQ

**A6 Mistakes in Information**

The Contractor shall be responsible for the accuracy of all drawings, documentation and information supplied to the Authority by the Contractor in connection with the supply of the Services and shall pay the Authority any extra costs occasioned by the Authority by any discrepancies, errors or omissions therein except where such discrepancies, errors or omissions originate from documentation supplied by the Authority.

**A7 Conflicts of Interest**

A7.1 The Contractor shall carry out (and shall procure that the Contractor's Staff shall carry out) the Services in the Authority's best interests.

A7.2 The Contractor shall take appropriate steps to ensure that neither the Contractor nor any of its Staff is placed in a position where, in the reasonable opinion of the Authority, there is or may be an actual conflict, or a potential conflict, between the financial or personal interests of the Contractor and the duties owed to the Authority under the provisions of this Contract. The Contractor will disclose to the Authority full particulars of any such conflict of interest which may arise.

A7.3 The Authority reserves the right to terminate this Contract immediately by notice in writing and/or to take such other steps it deems necessary where, in the reasonable opinion of the Authority, there is or may be an actual conflict, or a potential conflict, between the financial or personal interests of the Contractor and the duties owed to the Authority under the provisions of this Contract. The actions of the Authority pursuant to this clause

shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to the Authority.

- A7.4 This clause A7 shall apply during the continuance of this Contract and for a period of two (2) years after its termination.

**A8 Prevention of Fraud**

- A8.1 The Authority places the utmost importance on the need to prevent Fraud and irregularity in the delivery of this Contract. The Contractor shall and shall ensure that its Sub-contractors shall:

- a) have an established system that enables the Contractor's (and any of its Sub-contractor's) personnel 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 Contractor'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; and
- 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.

- A8.2 The Contractor 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 Contractor's directors, employees or Sub-contractors. The Contractor 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.

- A8.3 If the Contractor, its Staff or its Sub-contractors commits any Fraud in relation to this Contract or any other contract with the Crown or any Central Government Body (including the Authority), the Authority may:

- a) terminate the Contract and recover from the Contractor 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 Contractor any other loss sustained by the Authority in consequence of any Default of this clause.

- A8.4 Any act of Fraud committed by the Contractor or its Sub-contractors (whether under this Contract or any other contract with any other Central Government Body or the Crown) shall entitle the Authority to terminate this Contract, and any other contract the Authority has with the Contractor, by serving written notice on the Contractor.

- A8.5 If the Authority finds that the Contractor 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 Contractor, with immediate effect.

## **A9 Exclusion of Sub-contractors**

A9.1 Where the Authority considers there are grounds for the exclusion of a Sub-contractor under Regulation 57 of the Public Contracts Regulations 2015, then if the Authority finds there are:

- a) compulsory grounds for exclusion, the Contractor shall replace or shall not appoint the Sub-contractor; or
- b) non-compulsory grounds for exclusion, the Authority may require the Contractor to replace or not to appoint the Sub-contractor and the Contractor shall comply with such a requirement.

A9.2 The Contractor shall include in every Sub-contract a:

- a) right for the Contractor to terminate that Sub-contract if the relevant Sub-contractor fails to comply in the performance of its contract with legal obligations in the fields of environmental, social or labour law; and
- b) requirement that the Sub-contractor includes a provision having the same effect as A9.2(a) above in any Sub-contract which it awards.

## **A10 Cooperation with the Supply Chain integrator**

A10.1 The Contractor acknowledges that the Authority has appointed the Supply Chain Integrator to manage this Contract (and the Authority Supply Chain Contracts) on behalf of the Authority.

A10.2 Unless otherwise specified by the Authority, any right or remedy that the Authority has under this Contract may be exercised and enforced by the Supply Chain Integrator on behalf of the Authority and the Contractor will liaise and cooperate with, and accept instructions from, the Supply Chain Integrator as if it was the Authority. For the avoidance of doubt, unless specifically set out in this Contract, the Contractor shall not have any direct liability under this Contract to the Supply Chain Integrator.

A10.3 The Authority may, at any time, make direct contact with, and/or provide direct instructions to, the Contractor and the Contractor shall liaise directly with the Authority and comply with any such instructions (insofar as they are obliged to in accordance with this Contract).

A10.4 The Authority has recently undertaken a review of its “Estates Target Operating Model” (“**ETOM**”) and the Authority may choose to change the way in which the Supply Chain Integrator Services are delivered, in connection with expiry or termination of the Authority Supply Chain Contract for the Supply Chain Integrator Services (“**Integrator Agreement**”) (whether before or after such expiry or termination). Such changes may include disaggregation of the Supply Chain Integrator Services as performed at the Effective Date and such Supply Chain Integrator Services being performed by several entities. The Authority may from time to time direct in writing that any reference in this Contract to the Supply Chain Integrator shall refer to any of such entities and that any or all of such entities shall constitute an Authority Supply Chain Member for the purposes of this Contract. This Contract shall be deemed to be amended accordingly. Any such change shall be deemed not to constitute a Contract Change for the purposes of this Contract.

## **A11 Conflicting Instructions**

A11.1 Where the Contractor receives any instruction from the:

- a) Supply Chain Integrator that conflicts with any instruction received by the Contractor directly from the Authority; or
- b) Authority that conflicts with any instruction received by the Contractor from the Supply Chain Integrator,

the Contractor shall immediately notify the Authority and the Supply Chain Integrator to seek clarification in relation to which instruction it should comply with. The Authority shall confirm which instruction (or any other instruction as may be relevant) the Contractor should comply with and the Contractor shall do so in accordance with its obligations under this Contract.

#### **A12 Cooperation with the Authority Supply Chain Members**

A12.1 The Contractor acknowledges that it is a key requirement of the Authority under this Contract and each Authority Supply Chain Contract that the Authority Supply Chain Members work together (as and when required) in order to ensure that each of them is able to provide their respective services to the Authority in accordance with their respective Authority Supply Chain Contract(s). As such the Contractor agrees that it will comply with all instructions of the Authority in relation to cooperation with other Authority Supply Chain Members.

A12.2 The Contractor shall not, and shall ensure that its Staff and its Sub-contractors do not (due any Default or breach of duty), cause any Authority Supply Chain Member to breach its obligations to the Authority under the relevant Authority Supply Chain Contract (a **"Consequential Supply Chain Breach"**). The Contractor shall indemnify and keep indemnified the Authority for all expenses (including professional fees), costs, damages and losses incurred by it arising out of or in connection with any Consequential Supply Chain Breach.

A12.3 For the avoidance of doubt and without prejudice to the generality of the obligations set out in clause A12.1, the Contractor shall cooperate with the Security Contractor (which shall be the Replacement Contractor) in accordance with the relevant provisions set out in the Specification.

#### **B. SUPPLY OF SERVICES**

##### **B1 The Services**

B1.1 In consideration of the payment of the Contract Price, the Contractor shall supply the Services from the Effective Date in accordance with:

- (a) the Authority's requirements as set out in the Specification and the provisions of the Contract;
- (b) the Service Levels; and
- (c) Good Industry Practice,

and the Authority may inspect and examine the manner in which the Contractor supplies the Services at the Sites during normal business hours on reasonable notice.

B1.2 Subject to paragraph 1.2 of Annex A of Schedule 2, if the Authority informs the Contractor in writing that the Authority reasonably believes that any part of the Services does not meet the requirements of the Contract or differ in any way from those requirements, and this is other than as a result of a Default by the Authority, the Contractor shall at its own expense and so far as, and to the extent that, it is reasonably possible, re-schedule and carry out the Services in accordance with the requirements of the Contract within such reasonable time as may be specified by the Authority.

B1.3 Timely supply of the Services shall be of the essence of the Contract, including in relation to commencing the supply of the Services within the time agreed or on a specified date.

B1.4 Subject to the Contractor and all of the Contractor's Staff taking all reasonable skill and care when providing the Services, the Contractor shall not be liable for any cost of

redcoration or reinstatement of the Site required due to the provision of the Services, including as a result of the removal, repair or replacement of parts.

**B1.5 The Contractor shall:**

- (a) observe, and ensure that the Contractor's Staff observe any health and safety rules and regulations and any other security requirements that apply at any of the Sites and are provided by the Authority to the Contractor upon arrival at the Site. The Authority reserves the right to refuse the Staff access to the Site, provided that access is not unreasonably withheld. Access to the Sites shall only be given to the extent necessary for the performance of the Services; and
- (b) notify the Authority as soon as it becomes aware of any health and safety hazards or concerns that arise in relation to the Services.

**B1.6 The Authority shall:**

- (a) permit the Contractor and the Contractor's Staff access to the Authority Systems at the Sites upon reasonable notice and, unless otherwise agreed between the Parties in advance, during Normal Working Hours;
- (b) permit the Contractor to provide and use (at the cost of the Authority) any scaffolding and/or any other specialist plant or equipment necessary to enable safe installation and/or provision of Services where in the Contractor's reasonable opinion the Contractor's normal steps or ladders are insufficient. Such arrangements shall be agreed by the parties prior to any use of such equipment and shall be treated as an additional cost payable by the Authority that is not included in the Contract Price.
- (c) ensure that the Sites and their contents are safe and without risk to the Contractor and its Staff; and
- (d) take all reasonable precautions to protect the health and safety of the Contractor and its Staff while on the Sites.

**B2 Contractor Equipment and Aegis Equipment**

**B2.1** The Contractor shall provide all the Contractor Equipment necessary for the supply of the Services. Once any Contractor Equipment is installed at the Sites or is transferred to the Authority as part of the Services (for example, the issuing of access cards), such Contractor Equipment shall become Aegis Equipment to which the Authority shall have all legal and beneficial title.

**B2.2** The Contractor shall not deliver any Contractor Equipment nor begin any work on the Authority's Sites without obtaining prior Approval.

**B2.3** All Contractor Equipment brought onto the Sites shall be at the Contractor's own risk and the Authority shall have no liability for any loss of or damage to any Contractor Equipment unless the Contractor is able to demonstrate that such loss or damage was caused or contributed to by the Authority's Default. The Contractor shall provide for the haulage or carriage to the Sites and the removal of Contractor Equipment when no longer required and at its sole cost. Unless otherwise agreed, Contractor Equipment brought onto the Sites will remain the property of the Contractor.

- B2.4 The Contractor shall maintain all items of Contractor System (including, for the avoidance of doubt, the Contractor Equipment and the Aegis Equipment and whether in the Sites or otherwise) in a safe, serviceable and clean condition and in accordance with the Specification.
- B2.5 The Contractor shall, at the Authority's written request, at its own expense and as soon as reasonably practicable:
- a) remove from the Sites, any Contractor Equipment and/or Aegis Equipment which, in the reasonable opinion of the Authority, is hazardous, noxious or not in accordance with the Contract; and
  - b) replace such item with a suitable substitute item of Contractor Equipment or Aegis Equipment (as relevant) to the extent that is consistent with the obligations of the Contractor that are described in the Specification.
- B2.6 Subject to clause B2.7, following completion of the relevant Services at any of the Sites, the Contractor shall remove the Contractor Equipment together with any other materials used by the Contractor to supply the Services and shall leave the Authority's Sites in a clean, safe and tidy condition.
- B2.7 Notwithstanding clause B2.6, the removal of the Aegis Equipment and any other relevant parts of the Contractor System from the Sites shall be undertaken in accordance with the Specification. Subject to the Contractor and all of the Contractor's Staff taking all reasonable skill and care when removing the Aegis Equipment, the Contractor shall not be responsible for redecoration, repairing doors or making good any damage to the Sites or any objects contained thereon which is caused by the Contractor or any Staff when removing the Aegis Equipment.
- B2.8 The Contractor shall ensure, so far as is reasonably possible, that sufficient stocks of consumables and supplies and spare parts are held or otherwise available in accordance with paragraph 1.2 of Appendix A of Schedule 2.
- B3 Manner of Carrying Out the Services**
- B3.1 The Contractor shall at all times comply with the Quality Standards, and where applicable shall maintain accreditation with the relevant Quality Standards authorisation body. To the extent that the standard of Services has not been specified in the Contract, the Contractor shall agree the relevant standard of the Services with the Authority prior to the supply of the Services and in any event, the Contractor shall perform its obligations under the Contract in accordance with the Law and Good Industry Practice.
- B3.2 While not in any way limiting any other provision of this Contract, in delivering the Services, the Contractor and any of its Sub-contractors, shall comply with the DWP Offshoring Policy. The DWP Offshoring Policy shall apply to Landed Resources.
- B3.3 The Contractor shall ensure that all Staff supplying the Services shall do so with all due skill, care and diligence and shall possess such qualifications, skills and experience as are necessary for the proper supply of the Services.
- B3.4 The Authority will conduct a review of the performance of this contract at least annually during the Contract Period. During this review, a performance report will be agreed.
- B3.5 Where there is a Service Failure or a Critical Performance Failure, the Contractor shall pay the Authority the Service Credits set out in Appendix A of Schedule 2 and shall comply with the Rectification Plan Process.
- B3.6 The Parties agree that any such Service Credits have been calculated as, and is, a commercially reasonable and proportionate reduction of the Contract Price payable by the Authority in respect of the relevant Services to reflect the reduced value of the Services actually received by the Authority.

- B3.7 Where the Authority exercises its rights, or requires the Contractor to act, in accordance with the Rectification Plan Process, save where there is no failure or Default by the Contractor, the Contractor shall indemnify and keep indemnified the Authority for all expenses (including professional fees), costs, damages and losses incurred by it thereunder.
- B3.8 The Contractor shall continue to perform all of its obligations under this Contract and shall not suspend the supply of the Services, notwithstanding:
- a) any withholding of the Contract Price by the Authority;
  - b) the existence of an unresolved dispute; and/or
  - c) any failure by the Authority to pay any sums due to the Contractor in accordance with this Contract (unless the Contractor is entitled to terminate this Contract in accordance with clause H2.5 for failure to pay undisputed sums due).
- B3.9 To the extent that is reasonably possible, the Contractor shall ensure that the Contractor System and Contractor Software is updated and/or upgraded as soon as possible to the extent that this is necessary in order to remedy a defect in the Contractor System and/or Contractor Software.

**B4 Contractor's Staff**

- B4.1 The Authority may, by written notice to the Contractor, refuse to admit onto, or withdraw permission to remain on, the Authority's Sites:
- a) any member of the Contractor's Staff; or
  - b) any person employed or engaged by any member of the Contractor's Staff,
- whose admission or continued presence would, in the reasonable opinion of the Authority, be undesirable. The Authority shall on request provide in reasonable detail and in writing, grounds for the removal of the Contractor's Staff or any person employed or engaged by any member of the Contractor's Staff from the provision of the Services, such written grounds to be provided prior to or as soon as is reasonably practicable after the date of such removal.
- B4.2 At the Authority's written request, the Contractor shall provide a list of the names and business addresses of all persons who may require admission in connection with the Contract to the Authority's Sites, within seven (7) Working Days from date of request, specifying the capacities in which they are concerned with the Contract and giving such other particulars as the Authority may reasonably request.
- B4.3 The decision of the Authority as to whether any person is to be refused access to the Authority's Sites and as to whether the Contractor has failed to comply with clause B4.2 shall be final and conclusive.
- B4.4 The Contractor's Staff, engaged within the boundaries of the Authority's Sites, shall comply with such rules, regulations and requirements (including those relating to security arrangements) as may be in force from time to time for the conduct of personnel when at or outside the Authority's Sites.
- B4.5 The Contractor shall comply with all applicable legislation relating to safeguarding and protecting vulnerable groups, including the Safeguarding Vulnerable Groups Act 2006, the Safeguarding Vulnerable Groups Order (Northern Ireland) 2007 and the Protection of Vulnerable Groups (Scotland) Act 2007 or other relevant or equivalent legislation, or any statutory modification or re-enactment thereof.
- B4.6 The Contractor shall comply with Staff Vetting Procedures in respect of all persons employed or engaged in the provision of the Services. The Contractor confirms that all persons employed or engaged by the Contractor shall have complied with the Staff Vetting Procedures prior to commencing the Services and accessing the Sites.



- B4.7 The Contractor shall provide training on a continuing basis for all of the Contractor's Staff employed or engaged in the provision of the Services in compliance with the Authority's Security Requirements.
- B4.8 The Contractor shall further use all reasonable endeavours to ensure that its staff (including any persons employed or engaged in the provision of the Services) who are not EC nationals are legally entitled to be resident in the United Kingdom and have a work permit, where applicable. The Contractor shall promptly take all reasonable steps to ensure compliance with this clause.
- B4.9 If the Contractor, in the reasonable opinion of the Authority, fails to comply with clauses B4.4, B4.5 and B4.6 the Authority will be entitled to consider that failure a Material Default of the Contract and may terminate the Contract in accordance with clause H2.

## **B5 Licence to Occupy Sites**

- B5.1 Any land or Sites made available from time to time to the Contractor by the Authority in connection with this Contract shall be made available to the Contractor on a non-exclusive licence basis free of charge and shall be used by the Contractor solely for the purpose of performing its obligations under this Contract. The Contractor shall have the use of such land or Sites as licensee and shall vacate the same on expiry, termination or abandonment of the Contract or as otherwise required by the Authority.

## **B6 Property**

- B6.1 Where the Authority provides the Contractor or any of its Staff with access to any Property, such Property shall be and remain the property of the Authority and the Contractor irrevocably licences the Authority and its agents to enter upon any premises of the Contractor during normal business hours on reasonable notice to recover any such Property. The Contractor shall not in any circumstances have a lien or any other interest on the Property and the Contractor shall at all times possess the Property as fiduciary agent and bailee of the Authority. The Contractor shall take all reasonable steps to ensure that the title of the Authority to the 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 Authority's request, store the Property separately and ensure that it is clearly identifiable as belonging to the Authority.
- B6.2 The Property shall be deemed to be in good condition when received by or on behalf of the Contractor unless the Contractor notifies the Authority otherwise within five (5) Working Days of receipt.
- B6.3 The Contractor shall maintain the Property in good order and condition (excluding fair wear and tear), and shall use the Property solely in connection with the Contract and for no other purpose without prior Approval.
- B6.4 The Contractor shall ensure all the Property whilst in its possession, either on the Sites or elsewhere during the supply of the Services, is secured in accordance with the Authority's reasonable security requirements as published from time to time.
- B6.5 The Contractor shall be liable for all loss of, or damage to, the Property (excluding fair wear and tear), unless such loss or damage was caused by the Authority's Default. The Contractor shall inform the Authority within two (2) Working Days of becoming aware of any defects appearing in, or losses or damage occurring to, the Property.

## **B7 Offers of Employment**

- B7.1 During the Contract Period and for a period of twelve (12) Months thereafter, neither the Authority nor the Contractor shall employ or offer employment to any of the other Party's staff who have been associated with the provision of the Services or otherwise with this Contract, without that other Party's prior written consent.

## **B8 Transfer of Employees on Commencement**

- B8.1 The Parties agree that they do not anticipate that the TUPE Regulations will apply on commencement of the Services under this Contract and as such there will be no transfer of any of either Party's (or any Sub-contractor's) employees to the other Party on commencement of the Services under this Contract.

## **B9 Employee Provisions on Expiry or Termination**

### **Handover on Termination**

- B9.1 During the six (6) Months preceding the expiry of this Contract or after the Authority has given notice to terminate this Contract or at any other time as directed by the Authority, and within fifteen (15) Working Days of the Authority's request, the Contractor shall fully and accurately disclose to the Authority and shall ensure that any relevant Sub-contractor accurately discloses any and all information in relation to all personnel engaged in providing the Services, (whether engaged by the Contractor or any Sub-contractor). This shall include such information in respect of all Relevant Employees who are to transfer as a consequence of a Relevant Transfer as the Authority may request, in particular but not necessarily restricted to any of the following:
- a) a list of employees employed by the Contractor, or any Sub-contractor;
  - b) a list of agency workers, agents and independent contractors engaged by the Contractor;
  - c) the total payroll bill (i.e. total taxable pay and allowances including employer's contributions to pension schemes) of those personnel
  - d) the terms and conditions of employment of the Relevant Employees, their age, salary, date continuous employment commenced and (if different) the commencement date, accrued holiday entitlement, pension details, location, retirement age, enhancement rates, any other factors affecting their redundancy entitlement and any outstanding claims arising from employment;
  - e) details of any current disciplinary or grievance proceedings on-going or circumstances likely to give rise to such proceedings and details of any claims current or threatened; or
  - f) details of all collective agreements with a brief summary of the current state of negotiations with such bodies and with details of any current industrial disputes and claims for recognition by any trade union.
- B9.2 Where the Contractor provides information in accordance with clause B9.1 and the Contractor or Sub-contractor makes or becomes aware of any changes or discovers new information the Contractor shall notify the Authority within seven (7) days of any such change or discovery.
- B9.3 The Contractor warrants that all of the information provided to the Authority pursuant to clause B9.1 and B9.2 shall be accurate and complete. The Contractor authorises the Authority to use any and all the information as it considers necessary for the purposes of its businesses or for informing any tenderer for any services which are substantially the same as the Services (or any part thereof).
- B9.4 During the six (6) Months preceding the expiry of this Contract or where notice to terminate this Contract for whatever reason has been given, the Contractor shall allow the Authority or persons authorised by the Authority to communicate with and meet the Relevant Employees and their trade union or employee representatives as the Authority may reasonably request.

- B9.5 During the six (6) Months preceding the expiry of this Contract or where notice to terminate this Contract for whatever reason has been given, the Contractor shall not without the prior written consent of the Authority (or as specified in the Specification) unless genuinely in the ordinary course of business:
- a) vary, purport or promise to vary the terms and conditions of employment of any employee employed in connection with the Services;
  - b) increase or decrease the number of employees employed in connection with the Services; or
  - c) assign or redeploy any employee employed in connection with the Services to other duties unconnected with the Services.
- B9.6 The Contractor confirms that it will comply fully with its obligations under the TUPE Regulations in respect of providing information to any Replacement Contractor. The Contractor warrants that any information provided in accordance with Regulation 11 shall be accurate and complete.
- Indemnity**
- B9.7 The Contractor shall indemnify the Authority and any Replacement Contractor and keep the Authority and any Replacement Contractor indemnified in full from and against all direct, indirect or consequential liability or Loss (other than in respect of any Redundancy Costs) awarded against or incurred or paid by the Authority or any Replacement Contractor as a result of or in connection with:
- a) the employment or termination of employment of any Relevant Employee or employee of any Sub-contractor during any period prior to and including the date of expiry or termination of this Contract; and
  - b) any claim brought against the Authority or any Replacement Contractor as a result of the Contractors failure to comply with any of its obligations under the TUPE Regulations.
- B9.8 Notwithstanding any other provisions of this Contract, for the purposes of clause B9 and in accordance with the Contracts (Rights of Third Parties) Act 1999, the Parties accept that any Replacement Contractor shall be entitled to enforce the benefits conferred by it in this Contract. If the Parties rescind this Contract or vary it in accordance with the relevant provisions of this Contract or terminate this Contract, the consent of any Replacement Contractor shall not be required for such rescission, variation of termination.
- B9.9 Clause B8 and this Clause B9 shall apply during the Contract Period and indefinitely thereafter.

## **C. PAYMENT AND CONTRACT PRICE**

### **C1 Contract Price**

- C1.1 In consideration of the Contractor's performance of its obligations under the Contract, the Authority shall pay the Contract Price in accordance with clause C2 (Payment and VAT).

### **C2 Payment and VAT**

- C2.1 The Authority shall pay all sums Monthly in arrears by direct credit transfer into a suitable bank account or by other electronic payment methods as appropriate.
- C2.2 Within five (5) Working Days after the end of each Month, the Contractor shall raise an invoice for the relevant part of the Contract Price (as set out in Schedule 3) for the Services provided in that Month. Where the Contractor submits an invoice to the Authority

in accordance with this clause C2.2 and clause C2.5, the Authority will consider and verify that invoice in a timely fashion.

- C2.3 The Authority shall pay the amount due to the Contractor under such an invoice no later than a period of thirty (30) days from the date on which the Authority has determined that the invoice is valid and undisputed.
- C2.4 Where the Authority fails to comply with clause C2.2 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 C2.3 after a reasonable time has passed.
- C2.5 The Contractor 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 Authority to substantiate the invoice should be supplied in accordance with Schedule 3.
- C2.6 Where the Contractor enters into a Sub-contract for the purpose of performing its obligations under the Contract, the Contractor shall include in that Sub-contract:
- (a) provisions having the same effect as Clauses C2.2 to C2.4 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 C2.2 – C2.4 of the Contract.
- C2.7 The Contractor shall add VAT to the Contract Price at the prevailing rate as applicable and the Authority shall pay the VAT to the Contractor following an eligible invoice for payment being notified by the Contractor in line with the provisions of Schedule 3.
- C2.8 The Contractor shall indemnify the Authority on a continuing basis against any liability, including any interest, penalties or costs incurred which is levied, demanded or assessed on the Authority at any time in respect of the Contractor's failure to account for or to pay any VAT relating to payments made to the Contractor under the Contract. Any amounts due under this clause C2.8 shall be paid by the Contractor to the Authority not less than five (5) Working Days before the date upon which the tax or other liability is payable by the Authority.
- C2.9 The Contractor shall not suspend the supply of the Services unless the Contractor is entitled to terminate the Contract under clause H2.3 (Termination on Default) for failure to pay undisputed sums of money. Interest shall be payable by the Authority 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).
- C2.10 Without prejudice to Clause C2.8, for the avoidance of doubt, it shall at all times remain the sole responsibility of the Contractor 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 Contractor under the Contract to HM Revenue & Customs ("**HMRC**").
- C2.11 The Authority shall not be liable to the Contractor in any way whatsoever for any error or failure made by the Contractor (or the Authority) in relation to VAT, including, without limitation, where:
- (a) the Contractor is subject to a VAT ruling(s) by HMRC (or such other relevant authority) in connection with the Contract;

- (b) the Contractor 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;
  - (c) the Contractor'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; and/or
  - (d) where the Contractor has specified a rate of VAT, or a VAT classification, to the Authority (including, but not limited to, Out of Scope, Exempt, 0%, Standard Rate and Reduced Rate) but the Contractor subsequently regards such a rate, or such a classification, as being a mistake on its part. Further, in this scenario C2.11(d), the Contractor shall be obliged to repay any overpayment by the Authority on demand.
- C2.12 Where the Contractor does not include VAT on an invoice, the Authority will not be liable to pay any VAT for that invoice either when it falls due, or at any later date.
- C2.13 The Contractor acknowledges that the Authority has advised the Contractor that the Contractor should seek specialist VAT advice in relation to the Contract and, in the event of any uncertainty following specialist advice, the Contractor should seek clarification of the Contract's VAT status with HMRC.

### **C3 Recovery of Sums Due**

- C3.1 Wherever under the Contract any sum of money is recoverable from or payable by the Contractor (including any sum which the Contractor is liable to pay to the Authority in respect of any breach of the Contract), the Authority may unilaterally deduct that sum from any sum then due, or which at any later time may become due to the Contractor under the Contract or under any other agreement or contract with the Authority.
- C3.2 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.
- C3.3 The Contractor shall make all payments due to the Authority without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise unless the Contractor has a valid court order requiring an amount equal to such deduction to be paid by the Authority to the Contractor.
- C3.4 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.

### **C4 Disputed Invoices**

- C4.1 Notwithstanding clause C4.5, payment by the Authority of any invoice for all or any part of any Contract Price shall not signify approval of that invoice. The Authority reserves the right to verify the any invoices after the date of payment and subsequently to recover any sums which have been overpaid.
- C4.2 If any part of an invoice rendered by the Contractor is disputed or subject to question by the Authority either before or after payment, then the Authority may call for the Contractor to provide such further documentary and oral evidence as it may reasonably require to verify its liability to pay the amount which is disputed or subject to question and the Contractor shall promptly provide such evidence in a form satisfactory to the Authority.
- C4.3 If any part of an invoice rendered by the Contractor is disputed or subject to question by the Authority, the Authority shall not withhold payment of the remainder.
- C4.4 If any invoice rendered by the Contractor is paid but any part of it is disputed or subject to question by the Authority and such part is subsequently agreed or determined not to

have been properly payable, then the Contractor shall forthwith repay such part to the Authority.

- C4.5 The Authority shall be entitled to deduct from sums due to the Contractor (by way of set-off) any amounts owed to it or which are in dispute or subject to question either in respect of the invoice for which payment is being made or any previous invoice.

**C5 Final Invoice**

Provided all previous invoices in respect of the Contract Price have been paid, the Authority shall have no further liability to make payment of any kind to the Contractor once the final invoice in respect of the Contract Price has been paid, apart from any Redundancy Costs (if applicable).

**C6 Third Party Revenue**

The Contractor may not obtain any third party revenue, income or credit based on the Services and/or copyright works delivered under this Contract without the express prior written agreement of the Authority.

**D. STATUTORY OBLIGATIONS AND REGULATIONS**

**D1 Prevention of Bribery and Corruption**

- D1.1 The Contractor shall not, and shall ensure that any Staff shall not, commit any of the prohibited acts listed in this clause D1. For the purposes of this clause D1, a **"Prohibited Act"** is committed when the Contractor or any of its Staff:

- a) directly or indirectly offers, promises or gives any person working for or engaged by the Authority 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) directly or indirectly requests, agrees to receive or accepts any financial or other advantage as an inducement or a reward for improper performance of a relevant function or activity in connection with the Contract; or
- c) commits any offence:
  - (i) under the Bribery Act 2010;
  - (ii) under legislation creating offences concerning fraudulent acts;
  - (iii) at common law concerning fraudulent acts relating to the Contract or any other contract with the Authority; or
  - (iv) defrauding, attempting to defraud or conspiring to defraud the Authority.

- D1.2 The Contractor warrants, represents and undertakes that it is not aware of that it or any of its Staff have committed any Prohibited Acts, excluding any arrangement of which full details have been disclosed in writing to the Authority before execution of the Contract.

- D1.3 The Contractor shall if requested, provide the Authority with any reasonable assistance, at the Authority's reasonable cost, to enable the Authority to perform any activity required by any relevant government or agency in any relevant jurisdiction for the purpose of compliance with the Bribery Act 2010.

- D1.4 The Contractor shall have an anti-bribery policy which prevents any Staff from committing any Prohibited Acts and a copy of this shall be provided to the Authority upon request.

- D1.5 The Contractor shall immediately notify the Authority in writing if it becomes aware of or suspects any Default of clauses D1.1 or D1.2, or has reason to believe that it has or any Staff has:
- a) been subject to an investigation or prosecution which relates to an alleged Prohibited Act;
  - b) 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; or
  - c) received a request or demand for any undue financial or other advantage of any kind in connection with the performance of this Contract or otherwise suspects that any person or party directly or indirectly connected with this Contract has committed or attempted to commit a Prohibited Act.
- D1.6 If the Contractor notifies the Authority that it suspects or knows that there may be a Default of clauses D1.1 or D1.2, the Contractor must respond promptly to the Authority's enquiries, co-operate with any investigation, and allow the Authority to audit books, records and any other relevant documentation.
- D1.7 If the Contractor, its Staff or anyone acting on the Contractor's behalf engages in any Prohibited Act, the Authority may:
- a) terminate the Contract and recover from the Contractor 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; and/or
  - b) recover in full from the Contractor any other Loss sustained by the Authority in consequence of any Default of those clauses.
- D1.8 Notwithstanding clause I (Disputes and Law), any dispute relating to:
- a) the interpretation of clause D1; or
  - b) the amount or value of any gift, consideration or commission,
- shall be determined by the Authority, acting reasonably having given due consideration to all relevant factors, and its decision shall be final and conclusive.
- D1.9 Any termination under clause D1.7 will be without prejudice to any right or remedy which has already accrued or subsequently accrues to the Authority.
- D1.10 In exercising its rights or remedies under clause D1.7, the Authority shall act in a reasonable and proportionate manner having regard to such matters as the gravity of the conduct prohibited by clauses D1.1 or D1.2 and the identity of, the person performing that prohibited conduct.

## **D2 Equality and Diversity**

D2.1 The Contractor shall:

- (a) perform its obligations under the Contract (including those in relation to the Services) in accordance with:

- (i) all applicable equality Law (whether in relation to race, sex, gender reassignment, age, disability, sexual orientation, religion or belief, pregnancy, maternity or otherwise);
    - (ii) the Authority's equality and diversity policy as provided to the Contractor from time to time;
    - (iii) any other requirements and instructions which the Authority reasonably imposes in connection with any equality obligations imposed on the Authority at any time under applicable equality Law; and
  - (b) take all necessary steps, and inform the Authority 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).
- D2.2 The Contractor shall not unlawfully discriminate either directly or indirectly on such grounds as age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex or sexual orientation and without prejudice to the generality of the foregoing the Contractor shall not unlawfully discriminate within the meaning and scope of the Equality Act 2010 or other relevant or equivalent legislation, or any statutory modification or re-enactment thereof.
- D2.3 The Contractor shall take all reasonable steps to secure the observance of clause D2.1 by all Staff.
- D2.4 The Contractor shall comply with the provisions of the Human Rights Act 1998.

**D3 The Contracts (Rights of Third Parties) Act 1999**

Unless otherwise expressly set out in this Contract, a person who is not a party to the Contract shall have no right to enforce any of its provisions which, expressly or by implication, confer a benefit on him, without the prior written agreement of both Parties. This clause does not affect any right or remedy of any person which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999 and does not apply to the Crown.

**D4 Environmental Requirements**

- D4.1 In delivering the Services, the Contractor shall comply with such environmental requirements as notified by the Authority to the Contractor from time to time.
- D4.2 If the Contractor purchases new products partially or wholly to provide the Services, the Contractor must ensure that:
- (a) any purchase of products or goods listed in Schedule 1 to the Energy Information Regulations 2011 (products with energy labels) has the highest energy efficiency class possible;
  - (b) any purchase of products listed in Schedule 1 to the Energy Information Regulations 2011, which is not a product with energy labels within the meaning of clause D4.2(a), complies with the relevant energy efficiency benchmark for that product in paragraph 4 to Schedule 1 of the Eco-Design for Energy-Related Products Regulations 2010;
  - (c) any purchase of products listed in Annex C of 2006/1005/EC (Council Decision of 18 December 2006 concerning the conclusion of the agreement between the government of the United States of America and the European Community on the Coordination of the energy efficiency labelling programme for office equipment) complies with energy efficiency requirements not less demanding than those listed in Annex C of that Council Decision; and



- (d) any purchase of tyres carrying a label as specified in Annex II to Regulation (EC) Number 1222/2009 of the European Parliament and of the Council of 25 November 2009 (on the labelling of tyres with respect to fuel efficiencies and other parameters) has the highest fuel energy efficiency class (as defined by that Regulation).
- D4.3 The new purchases that the Contractor makes in clause D4.2 should be cost-effective and technically suited to the Services. For the avoidance of doubt, the Contractor is not required to purchase products under clause D4.2 where those products are not cost-effective or are not technically suited to the provision of the Services.
- D5 Health and Safety**
- D5.1 The Contractor shall promptly notify the Authority of any health and safety hazards which may arise in connection with the performance of its obligations under the Contract.
- D5.2 The Authority shall promptly notify the Contractor of any health and safety hazards which may exist or arise at the Authority's Sites and which may affect the Contractor in the performance of its obligations under the Contract.
- D5.3 While on the Authority's Sites, the Contractor shall comply with any health and safety measures implemented by the Authority in respect of Staff and other persons working there.
- D5.4 The Contractor shall notify the Authority immediately in the event of any incident occurring in the performance of its obligations under the Contract on the Sites where that incident causes any personal injury or damage to property which could give rise to personal injury.
- D5.5 The Contractor shall comply with the requirements of the Health and Safety at Work Act etc.1974 and any other acts, orders, regulations and codes of practice relating to health and safety, which may apply to Staff and other persons working on the Sites in the performance of its obligations under the Contract.
- D5.6 The Contractor shall ensure that its health and safety policy statement (as required by the Health and Safety at Work Act etc.1974) is made available to the Authority on request.

## **E. PROTECTION OF INFORMATION**

### **E1 Authority Data**

- E1.1 The Contractor shall not delete or remove any proprietary notices contained within or relating to the Authority Data.
- E1.2 The Contractor shall not store, copy, disclose, or use the Authority Data except as necessary for the performance by the Contractor of its obligations under this Contract or as otherwise expressly authorised in writing by the Authority.
- E1.3 To the extent that Authority Data is held and/or processed by the Contractor, the Contractor shall supply that data to the Authority as requested.
- E1.4 The Contractor shall take responsibility for preserving the integrity of Authority Data and preventing the corruption or loss of that data.
- E1.5 The Contractor shall create secure back-ups of all Aegis Data and shall ensure that up-to-date back-ups are stored off-site in accordance with the Contractor's Business Continuity Plan. The Contractor shall ensure that such back-ups are available to the Authority at all times upon request and are delivered to the Authority at no less than three Monthly intervals.

- E1.6 The Contractor shall ensure that any system or media on which the Contractor holds any Authority Data, including back-up data, is a secure system that complies with the Authority's Security Requirements.
- E1.7 If the Authority Data is corrupted, lost or sufficiently degraded as a result of the Contractor's negligence or Default of this Contract so as to be unusable, the Authority may:
- a) require the Contractor (at the Contractor's expense) to restore or provide for the restoration of the Authority Data or Personal Data and the Contractor shall do so as soon as practicable but not later than ten (10) days; and/or
  - b) itself restore or provide for the restoration of the Authority Data or Personal Data, and shall be repaid by the Contractor any reasonable expenses incurred in doing so.
- E1.8 If at any time the Contractor suspects or has reason to believe that the Authority Data or Personal Data has or may become corrupted, lost or sufficiently degraded in any way for any reason, then the Contractor shall notify the Authority immediately and inform the Authority of the remedial action the Contractor proposes to take.
- E1.9 In accordance with the DWP Offshoring Policy and while not in any way limiting any other provision of this Contract, the Contractor and any of its Sub-contractors, shall not offshore Authority Data (as described in the DWP Offshoring Policy) outside the United Kingdom without the prior written consent of the Authority, and where the Authority gives consent, the Contractor shall comply with any reasonable instructions notified to it by the Authority in relation to the Authority Data in question.
- E1.10 Where the Authority has given its prior written consent to the Contractor to process, host or access Authority Data from premises outside the United Kingdom (in accordance with clause E1.9 of the Contract), the Contractor:
- a) must notify the Authority (in so far as they are not prohibited by Law) where any Regulatory Bodies seek to gain or has gained access to such Authority Data; and
  - b) shall take all necessary steps in order to prevent any access to, or disclosure of, any Authority Data to any Regulatory Bodies outside the United Kingdom unless required by Law without any applicable exception or exemption.
- E1.11 Any breach by the Contractor of this clause E1 shall be a Material Default for the purposes of clause H2 (Termination on Default) and shall entitle the Authority (at its absolute discretion) to exercise its rights under the corresponding provisions of clause H2 (Termination on Default).
- E1.12 In the event the Contractor is put into Liquidation as outlined in clause H1.1(b) and H1.1(c) or the Contract is terminated by the Authority pursuant to the provisions of the Contract relating to termination on insolvency in accordance with clause H1.1, the Contractor (or a liquidator or provisional liquidator acting on behalf of the Contractor) shall at its own cost and at no cost to the Authority:
- a) conduct a full and thorough search for any electronic and paper records held by the Contractor which contain Authority Data/Information and Participant Personal Data/Information; in accordance with the Authority instructions;
  - b) return all such records to the Authority in accordance with their instructions;
  - c) permanently destroy all copies of any relevant electronic records; and

- d) provide written confirmation to the Authority that the actions outlined above in this paragraph have been completed.
- E1.13 In the event of a Sub-contractor of the Contractor being in liquidation (in accordance with clause F1.2) then it is the responsibility of the Contractor to recover records held by the Sub-contractor and provide assurance to the Authority that they have been recovered.
- E1.14 In the event the Contractor is put into Administration as outlined in clause H1.1(a) the Authority will work closely with the Administrator to ensure the Contractor is able to maintain Authority and other records they have created and held in accordance with clause E1 of this contract and maintain these standards in the safekeeping of Authority information, i.e. these records must be stored in accordance with Authority information assurance and HMG Cabinet Office information security standards.
- E1.15 Whilst in Administration the duty of the Administrator is to help the Contractor trade. This may involve the Administrator seeking an organisation to buy up the Contractor. The assignment or novation of this contract to new ownership is not automatic and the Authority must be consulted (in accordance with clause F1.1) and prior approval obtained. Where the contract is assigned or novated with the Authority's prior approval, the contractor must provide the Authority with all the relevant information and records necessary for the assigned or novated contract to continue to be performed.
- E1.16 Where the Contractor is required (for whatever reason) to dispose of any part of the Contractor System (including any part of the Aegis Equipment) or any equipment, documentation or other items used in connection with the provision of the Services or otherwise in connection with this Contract, the Contractor shall ensure that any data visible on, stored on, imbedded in or otherwise accessible in relation to, such items/documents (including any Authority Data, Personal Data or Confidential Information) is irretrievably deleted/destroyed prior to any such disposal. Upon request by the Authority, the Contractor shall provide proof of such deletion/destruction. Any breach by the Contractor of this clause E1.16 shall be a Material Default by the Contractor for the purposes of clause H2 (Termination on Default) and shall entitle the Authority (at its absolute discretion) to exercise its rights under the corresponding provisions of clause H2 (Termination on Default).

## **E2 Protection of Personal Data**

- E2.1 The Parties acknowledge that during the Contract Period the Contractor will Process Personal Data on behalf of the Authority in connection with the provision of the Services and may also, from time to time, Process Personal Data for its own purposes as a Data Controller in connection the provision of the Services.
- E2.2 In all cases when the Contractor is Processing Personal Data in connection with this Contract as a Data Controller the Contractor shall (and shall procure that all of its Sub-contractors shall):
- a) take such steps identified by the Authority to assist the Authority to comply with the Data Protection Legislation;
  - b) comply with the Data Protection Legislation;
  - c) not:
    - (i) do anything to cause the Authority to contravene any provisions of the Data Protection Legislation;
    - (ii) carry out any Processing of Authority Data, or any Personal Data obtained in the course of this Contract at or from a location outside of the United Kingdom without the Authority's prior consent; or
    - (iii) allow Authority Data to be accessed from outside of the United Kingdom without the Authority's prior consent;

- d) ensure that at all times it has in place appropriate technical and organisational measures to guard against unauthorised or unlawful processing of the Personal Data and/or accidental loss, destruction or damage to the Personal Data;
  - e) provide all reasonable co-operation and assistance as may be requested by the Authority from time to time to enable the Authority to comply with the Data Protection Legislation, including providing input into and carrying out data protection impact assessments and assisting with consultations with the Information Commissioner's Office;
  - f) notify the Authority promptly if a data security breach occurs, if any complaints are made or if a regulatory investigation is commenced (in each case in connection with the Personal Data) and provide all such information as may be requested by the Authority in relation to such breach, complaint or notification (as applicable); and
  - g) provide the Authority with such information as the Authority may from time to time require to satisfy itself that the Contractor and its Sub-contractors have complied with this clause E2.2.
- E2.3 Without limiting clause E2.2 or any applicable standards, Authority policies, procedures and regulations, the Parties shall comply with their respective obligations as set out in Schedule 7 (Data Protection).
- E2.4 The Contractor shall indemnify the Authority from and against all costs, expenses (including legal and other professional fees and expenses), losses, damages and other liabilities of whatever nature (whether contractual, tortious or otherwise) suffered or incurred by the Authority and arising out of or in connection with any breach by the Contractor of this clause E2.
- E3 Official Secrets Acts 1911 to 1989, Section 182 of the Finance Act 1989**
- E3.1 The Contractor shall comply with, and shall ensure that its Staff comply with, the provisions of:
- a) the Official Secrets Acts 1911 to 1989; and
  - b) Section 182 of the Finance Act 1989.
- E3.2 Any breach by the Contractor of this clause E3 shall be a Material Default by the Contractor for the purposes of clause H2 (Termination on Default) and shall entitle the Authority (at its absolute discretion) to exercise its rights under the corresponding provisions of clause H2 (Termination on Default).
- E4 Confidential Information**
- E4.1 Except to the extent set out in this clause or where disclosure is expressly permitted elsewhere in this Contract, each Party shall:
- a) treat the other Party's Confidential Information as confidential and safeguard it accordingly; and
  - b) not disclose the other Party's Confidential Information to any other person without the owner's prior written consent.
- E4.2 Clause E4 shall not apply to the extent that;
- a) such disclosure is a requirement of Law placed upon the Party making the disclosure, including any requirements for disclosure under the FOIA or the Environmental Information Regulations pursuant to clause E5 (Freedom of Information);

- b) such information was in the possession of the Party making the disclosure without obligation of confidentiality prior to its disclosure by the information owner;
  - c) such information was obtained from a third party without obligation of confidentiality;
  - d) such information was already in the public domain at the time of disclosure otherwise than by a breach of this Contract; or
  - e) it is independently developed without access to the other Party's Confidential Information.
- E4.3 The Contractor may only disclose the Authority's Confidential Information to the Staff who are directly involved in the provision of the Services and who need to know the information, and shall ensure that such Staff are aware of and shall comply with these obligations as to confidentiality.
- E4.4 The Contractor shall not, and shall procure that the Staff do not, use any of the Authority's Confidential Information received otherwise than for the purposes of this Contract.
- E4.5 At the written request of the Authority, the Contractor shall procure that members of Staff or such professional advisors or consultants identified by the Authority give a confidentiality undertaking before commencing any work in accordance with this Contract.
- E4.6 Nothing in this Contract shall prevent the Authority from disclosing the Contractor's Confidential Information:
- a) to any government department, any part of the Crown, or any other Central Government Body. All government departments, any part of the Crown or Central Government Body receiving such Confidential Information shall be entitled to further disclose the Confidential Information to other government departments, other parts of the Crown or other Central Government Bodies on the basis that the information is confidential and is not to be disclosed to a third party which is not part of any government department or the Crown;
  - b) to Parliament and Parliamentary Committees or if required by any Parliamentary reporting requirement;
  - c) to the extent that the Authority (acting reasonably) deems disclosure necessary or appropriate in the course of carrying out its public functions;
  - d) to any consultant, professional adviser, contractor, supplier or other person engaged by the Authority or any person conducting a Cabinet Office gateway review;
  - e) on a confidential basis for the purpose of the exercise of its rights under the agreement, including (but not limited to) for auditing purposes (Clause E9), to a body to novate, assign or dispose of its rights under this Contract (Clause F1.4), to a Replacement Contractor (Clause H7.2) and for the purpose of the examination and certification of the Authority's accounts; or
  - f) for any examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority has used its resources.
- E4.7 The Authority shall use all reasonable endeavours to ensure that any government department, part of the Crown, Central Government Body, employee, third party or Sub-

contractor to whom the Contractor's Confidential Information is disclosed pursuant to clause E4 is made aware of the Authority's obligations of confidentiality.

- E4.8 Nothing in this clause E4 shall prevent either Party from using any techniques, ideas or know-how gained during the performance of the Contract in the course of its normal business to the extent that this use does not result in a disclosure of the other Party's Confidential Information or an infringement of Intellectual Property Rights.
- E4.9 Any breach by the Contractor of clauses E4.1-3 shall be a Material Default by the Contractor for the purposes of clause H2 (Termination on Default) and shall entitle the Authority (at its absolute discretion) to exercise its rights under the corresponding provisions of clause H2 (Termination on Default).
- E4.10 Clauses E4.1-6 are without prejudice to the application of the Official Secrets Acts 1911 to 1989 to any Confidential Information.
- E4.11 The Parties acknowledge that, except for any information which is exempt from disclosure in accordance with the provisions of the FOIA, the content of this Contract is not Confidential Information. The Authority shall be responsible for determining in its absolute discretion whether any of the content of the Contract is exempt from disclosure in accordance with the provisions of the FOIA.
- E4.12 Notwithstanding any other term of this Contract, the Contractor hereby gives consent for the Authority to publish the Contract in its entirety (but with any information which is exempt from disclosure in accordance with the provisions of the FOIA redacted), including from time to time agreed changes to the Contract, to the general public.

## **E5 Freedom of Information**

- E5.1 The Contractor acknowledges that the Authority is subject to the requirements of the FOIA and the Environmental Information Regulations. The Contractor shall assist and cooperate with the Authority to enable the Authority to comply with its Information disclosure obligations.
- E5.2 The Contractor shall and shall procure that its Sub-contractors shall:
  - a) transfer to the Authority all Requests for Information that it receives as soon as practicable and in any event within two (2) Working Days of receiving a Request for Information;
  - b) provide the Authority with a copy of all Information in its possession or power in the form that the Authority requires within five (5) Working Days (or such other period as the Authority may specify) of the Authority's request; and
  - c) provide all necessary assistance as reasonably requested by the Authority to enable the Authority to respond to the Request for Information within the time for compliance set out in section 10 of the FOIA or regulation 5 of the Environmental Information Regulations.
- E5.3 The Authority shall be responsible for determining in its absolute discretion and notwithstanding any other provision in this Contract or any other agreement whether the Commercially Sensitive Information and/or any other Information is exempt from disclosure in accordance with the provisions of the FOIA or the Environmental Information Regulations.
- E5.4 In no event shall the Contractor respond directly to a Request for Information unless expressly authorised in writing to do so by the Authority.
- E5.5 The Contractor acknowledges that (notwithstanding the provisions of clause E5) the Authority may, acting in accordance with the Department for Constitutional Affairs' Code of Practice on the Discharge of the Functions of Public Authorities under section 45 of

FOIA (the “Code”), be obliged under the FOIA, or the Environmental Information Regulations to disclose information concerning the Contractor or the Services:

- a) in certain circumstances without consulting the Contractor; or
- b) following consultation with the Contractor and having taken their views into account.

E5.6 Where clause E5.5(a) applies, the Authority shall, in accordance with any recommendations of the Code, take reasonable steps, where appropriate, to give the Contractor advanced notice, or failing that, to draw the disclosure to the Contractor’s attention after any such disclosure.

E5.7 The Contractor shall ensure that all Information is retained for disclosure and shall permit the Authority to inspect such records as requested from time to time.

E5.8 The Contractor acknowledges that the Commercially Sensitive Information listed in the Commercially Sensitive Information Schedule is of indicative value only and that the Authority may be obliged to disclose it in accordance with clause E5.5.

## **E6 Publicity, Media and Official Enquiries**

E6.1 The Contractor shall not:

- a) make any press announcements or publicise this Contract or its contents in any way; or
- b) use the Authority’s name or brand in any promotion or marketing or announcement of orders,

without the written consent of the Authority, which shall not be unreasonably withheld or delayed.

E6.2 Both Parties shall take reasonable steps to ensure that their employees, agents, Sub-contractors, suppliers, professional advisors and consultants comply with clause E6.1.

## **E7 Security**

E7.1 Except for where the Contractor is responsible as the provider of the Services and otherwise in accordance with its obligations under this Contract, the Authority shall be responsible for maintaining the security of the Authority premises (including the Sites) in accordance with its standard security requirements, whether undertaken itself or via the Security Contractor. The Contractor shall comply with the Authority’s Security Requirements while on the Authority premises (including the Sites), and shall ensure that all Staff comply with such requirements. For the avoidance of doubt, nothing in this clause shall be construed as a reduction or waiver of the Contractor’s obligation to provide the Services in accordance with the terms of this Contract.

E7.2 Not used.

E7.3 The Contractor shall comply, and shall procure the compliance of its Staff, with the Authority’s Security Requirements.

E7.4 The Authority shall notify the Contractor of any changes or proposed changes to the Authority’s Security Requirements. Any changes shall be agreed in accordance with the procedure in clause F3.

E7.5 Until and/or unless a change to the Authority’s Security Requirements is agreed by the Authority pursuant to clause E7.4, the Contractor shall continue to perform the Services in accordance with its existing obligations.

## **E8 Intellectual Property Rights**

- E8.1 Save as granted under the Contract, neither the Authority nor the Contractor shall acquire any right, title or interest in the other's pre-existing Intellectual Property Rights. The Contractor acknowledges that the Authority Data is the property of the Authority and the Authority hereby reserves all Intellectual Property Rights which may exist in the Authority Data.
- E8.2 The Authority shall grant the Contractor a non-exclusive, revocable, paid up, royalty free, world-wide licence for the Contract Period to use the Authority's Intellectual Property Rights where it is necessary for the Contractor to supply the Services. The Contractor shall have the right to sub license the use of the Authority's Intellectual Property Rights to its Sub-contractors. At the end of the Contract Period the Contractor shall cease use, and shall ensure that any Sub-contractor ceases use of the Authority's Intellectual Property Rights. This licence shall automatically terminate at the end of the Contract Period.
- E8.3 The Contractor shall grant the Authority a non-exclusive, irrevocable, paid up, royalty free licence for the Contract Period to use, modify and enhance the Contractor's Intellectual Property Rights (excluding the Contractor Software which is licensed to the Authority in accordance with clause E8.6) where it is necessary for the Authority in the receipt of the Services and monitoring their proper performance. At the end of the Contract Period the Authority shall cease use of the Contractor's Intellectual Property Rights.
- E8.4 All Intellectual Property Rights in any guidance, specifications, instructions, toolkits, plans, data, drawings, databases, patents, patterns, models, designs or other material:
- a) furnished to or made available to the Contractor by or on behalf of the Authority shall remain the property of the Authority; or
  - b) prepared by or for the Contractor on behalf of the Authority exclusively for use, or intended use, in relation to the performance by the Contractor of its obligations under the Contract shall belong to the Authority ("**Bespoke Intellectual Property Rights**"),
- and the Contractor shall not, and shall ensure that the Staff shall not, (except when necessary for the performance of the Contract) without prior Approval, use or disclose any such Intellectual Property Rights.
- E8.5 The Contractor shall obtain approval before using any material, in relation to the performance of its obligations under the Contract which is or may be subject to any third party Intellectual Property Rights. The Contractor shall ensure that the owner of those rights grants to the Authority a non-exclusive licence, or if itself a licensee of those rights, shall grant to the Authority an authorised sub-licence, to use, reproduce, and maintain such material. This licence or sub-licence shall be non-exclusive, royalty-free and irrevocable and shall subsist for the Contract Period. This licence or sub-licence shall also include the right for the Authority to sub-license, transfer, novate or assign to the Replacement Contractor or to any other third party supplying services to the Authority.
- E8.6 The Contractor shall grant to the Authority an irrevocable, non-exclusive, royalty free, sub-licensable, world-wide licence during the Contract Period to use the Contractor Software. The Authority may sub-license the rights granted to it under this clause E8.6 or transfer such rights to third parties. The Authority shall not amend, decompile or duplicate the Contractor Software, without the express written consent of the Contractor.
- E8.7 The Contractor shall not infringe any Intellectual Property Rights of any third party in supplying the Services (including for the avoidance of doubt the provision of the Contractor System, Aegis Equipment, Contractor Software, the Contractor's Intellectual Property Rights and any other materials created for and/or provided to the Authority). The Contractor shall, during and after the Contract Period, indemnify and keep indemnified and hold the Authority and the Crown harmless from and against all actions,



suits, claims, demands, losses, charges, damages, costs and expenses and other liabilities which the Authority or the Crown may suffer or incur as a result of or in connection with any breach of this clause or their use of any of the Contractor System, Aegis Equipment, Contractor Software, the Contractor's Intellectual Property Rights and any other materials created for and/or provided to the Authority, except where any such claims, demands, losses, charges, damages, costs and expenses and other liabilities arise from:

- a) items or materials based upon designs supplied by the Authority; or
- b) the use of data supplied by the Authority which is not required to be verified by the Contractor under any provision of the Contract.

E8.8 The Authority shall notify the Contractor in writing of any claim or demand brought against the Authority for infringement or alleged infringement of any Intellectual Property Right in materials supplied or licensed by the Contractor to the Authority under this Contract (including but not limited to the Contractor System, Aegis Equipment and the Contractor Software) ("**IPR Claim**"). The Contractor shall at its own expense conduct all negotiations and any litigation arising in connection with any IPR Claims, provided always that the Contractor:

- a) shall consult the Authority on all substantive issues which arise during the conduct of such litigation and negotiations;
- b) shall take due and proper account of the interests of the Authority; and
- c) shall not settle or compromise any claim without the Authority's prior written consent (not to be unreasonably withheld or delayed).

E8.9 The Authority shall at the request of the Contractor provide to the Contractor all reasonable assistance for the purpose of contesting any IPR Claims and the Contractor shall indemnify the Authority for all costs and expenses (including, but not limited to, legal costs and disbursements) incurred in doing so. Such costs and expenses shall not be repaid where they are incurred in relation to any IPR Claims which are due to the matters in clauses E8.7 (a) or (b).

E8.10 The Authority shall not make any admissions which may be prejudicial to the defence or settlement of any IPR Claim.

E8.11 If an IPR Claim is made, or in the reasonable opinion of the Contractor is likely to be made, the Contractor shall notify the Authority and, at its own expense, and subject to the consent of the Authority (not to be unreasonably withheld or delayed), use its best endeavours to:

- a) modify any or all of the Services (including the Contractor System, Aegis Equipment, the Contractor Software, the Contractor's Intellectual Property Rights and/or any other materials created for and/or provided to the Authority) without reducing the performance or functionality, or substitute alternative Services of equivalent performance and functionality, so as to avoid the infringement or the alleged infringement, provided that the provisions herein shall apply with any necessary changes to such modified Services or to the substitute Services; or
- b) procure a licence to use and supply the Intellectual Property Rights that are the subject of the IPR Claim, on terms which are acceptable to the Authority,

and in the event that the Contractor is unable to comply with clauses E8.11 (a) or (b) within twenty (20) Working Days of receipt of the Contractor's notification, the Authority may terminate the Contract with immediate effect by notice in writing.

**E9 Audit and the National Audit Office**

- E9.1 The Contractor shall keep and maintain until six (6) years after the end of the Contract Period, or as long a period as may be agreed between the Parties, full and accurate records of the Contract including the Services supplied under it, all expenditure reimbursed by the Authority, and all payments made by the Authority. The Contractor shall on request afford the Authority or the Authority's representatives such access to those records as may be requested by the Authority in connection with the Contract.
- E9.2 The Contractor (and its agents) shall permit the Comptroller and Auditor General (and his appointed representatives) access free of charge during normal business hours on reasonable notice to all such documents (including computerised documents and data) and other information as the Comptroller and Auditor General may reasonably require for the purpose of his financial audit of the Authority and for carrying out examinations into the economy, efficiency and effectiveness with which the authority has used its resources. The Contractor shall provide such explanations as are reasonably required for these purposes. This clause does not constitute a requirement or agreement for the examination, certification or inspection of the accounts of the Contractor under Section 6(3) (d) and (5) of the National Audit Act 1983.
- E9.3 Except where an audit is imposed on the Authority by a Regulatory body, the Authority may at any time during the Contract Period and for a period of 12 months after the Contract Period, conduct an audit for the following purposes:
- a) to verify the accuracy of any charges that become due and payable by the Authority to the Contractor in respect of the Services (and proposed or actual variations to them in accordance with the Contract), or the costs of all suppliers (including Sub-contractors) of the Services;
  - b) to review the integrity, confidentiality and security of the Authority Data;
  - c) to review the Contractor's compliance with the Data Protection Legislation, FOIA and other Law applicable to the Services;
  - d) to review the Contractor's compliance with its obligations under the Contract;
  - e) to review any records created during the provision of the Services;
  - f) to review any books of account kept by the Contractor in connection with the provision of the Services;
  - g) to carry out the audit and certification of the Authority's accounts;
  - h) 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 Authority has used its resources; and
  - i) to verify the accuracy and completeness of any management information delivered or required by this agreement and/or the Open Book Data.
- E9.4 The Authority shall use its reasonable endeavours to ensure that the conduct of each audit does not unreasonably disrupt the Contractor or delay the provision of the Services.
- E9.5 Subject to the Authority's obligations of confidentiality, the Contractor shall on demand provide the Authority, the Comptroller and Auditor General and any relevant Regulatory Body (and/or their agents or representatives) with all reasonable co-operation, access and assistance in relation to each audit, including:
- a) all Information requested within the permitted scope of the audit;

- b) reasonable access to any Sites or sites controlled by the Contractor and to any equipment used (whether exclusively or non-exclusively) in the performance of the Services;
  - c) access to the Staff;
  - d) access to the Contractor Software and ICT Environment; and
  - e) accommodation (including desks) at the Sites as reasonably required to conduct the audit.
- E9.6 The Authority shall endeavour to (but is not obliged to) provide at least fifteen (15) calendar days' notice of its intention to conduct an audit.
- E9.7 If an audit identifies that:
- a) the Contractor has committed a Default that is capable of remedy, the Contractor shall correct such Default in accordance with the Rectification Plan Process;
  - b) the Authority has overpaid any charges that become due and payable by the Authority to the Contractor in respect of the Services, the Contractor shall pay to the Authority the amount overpaid within twenty (20) Working Days. The Authority may deduct the relevant amount from the Contract Price if the Contractor fails to make this payment; and
  - c) the Authority has underpaid any charges that become due and payable by the Authority to the Contractor in respect of the Services, the Authority shall pay to the Contractor the amount of the under-payment less the cost of audit incurred by the Authority if this was due to a Default by the Contractor within twenty (20) Working Days.

#### **E10 Exceptional Audits**

E10.1 The Contractor shall permit the Authority and/or its appointed representative's access to conduct an audit (an **"Exceptional Audit"**) of the Contractor in any of the following circumstances:

- a) actual or suspected impropriety or Fraud;
- b) there are reasonable grounds to suspect that:
  - (i) the Contractor is in Default under the Contract;
  - (ii) the Contractor is in financial distress or at risk of insolvency or any fact, circumstance or matter which is reasonably likely to cause the Contractor financial distress and result in a risk of the Contractor becoming insolvent has occurred; or
  - (iii) a breach of the Authority's Security Requirements has occurred under the Contract,

(each an **"Exceptional Circumstance"**).

E10.2 If the Authority notifies the Contractor of an Exceptional Circumstance and that it wishes to conduct an Exceptional Audit, the Contractor shall provide access in accordance with Clause E9.5 as soon as reasonably practicable after such request and in any event within forty eight (48) hours.

## **E11 Audit Costs**

E11.1 The Parties agree that they shall bear their own respective costs and expenses incurred in respect of compliance with their obligations under Clauses E9.3 to E10.2, unless an audit identifies a Material Default by the Contractor in which case the Contractor shall reimburse:

- a) the Authority for all the Authority's identifiable, reasonable costs and expenses properly incurred in the course of the audit; and
- b) where the Authority, a Regulatory Body, or the Comptroller and Auditor General appoint a third party to conduct an audit under this clause, the Authority shall be able to recover on demand from the Contractor the identifiable, reasonable and properly incurred costs and expenses of the relevant third party.

## **E12 Malicious Software**

E12.1 The Contractor shall ensure anti-virus software is updated as frequently as is necessary in order to provide protection against the latest threats and delete Malicious Software from the ICT Environment.

E12.2 Notwithstanding clause E12.1, if Malicious Software is found, the Parties shall co-operate to reduce the effect of the Malicious Software and, particularly if Malicious Software causes loss of operational efficiency or loss or corruption of Authority Data, assist each other to mitigate any losses and to restore the Services to their desired operating efficiency.

E12.3 Any cost arising out of the actions of the Parties taken in compliance with the provisions of clause E12.2 shall be borne by the Parties as follows:

- a) by the Contractor where the Malicious Software originates from the Contractor Software, the Third Party Software or the Authority Data (whilst the Authority Data was under the control of the Contractor); and
- b) by the Authority if the Malicious Software originates from the Authority Software, the Third Party Software or the Authority Data (whilst the Authority Data was under the control of the Authority).

## **E13 Financial Reports**

E13.1 The Contractor shall comply with the provisions of Schedule 10 – Financial Reports.

## **F. CONTROL OF THE CONTRACT**

### **F1 Transfer and Sub-contracting**

F1.1 The Contractor shall not assign, sub-contract or in any other way dispose of the Contract or any part of it without prior Approval. Sub-contracting any part of the Contract shall not relieve the Contractor of any of its obligations or duties under the Contract.

F1.2 The Contractor shall be responsible for the acts and omissions of its Sub-contractors as though they are its own.

F1.3 Where the Authority has consented to the placing of Sub-contracts, copies of each Sub-contract shall, at the request of the Authority, be sent by the Contractor to the Authority or as soon as reasonably practicable if requested within ten (10) Working Days.

F1.4 Subject to clause F1.6, the Authority may assign, novate or otherwise dispose of its rights and obligations under the Contract or any part thereof to:

- a) any Central Government Body;

- b) 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 Authority; or
- c) any private sector body which substantially performs the functions of the Authority,

provided that any such assignment, novation or other disposal shall not increase the burden of the Contractor's obligations under the Contract.

F1.5 Any change in the legal status of the Authority such that it ceases to be a Central Government Body shall not, subject to clause, affect the validity of the Contract. In such circumstances, the Contract shall continue in full force and effect for bind and inure to the benefit of any successor body to the Authority.

F1.6 If the rights and obligations under the Contract are assigned, novated or otherwise disposed of pursuant to clause F1.4 to a body which is not a Central Government Body or if there is a change in the legal status of the Authority such that it ceases to be a Central Government Body (in the remainder of this clause both such bodies being referred to as the "**Transferee**"):

- a) the rights of termination of the Authority in clauses H1 (Termination on Insolvency and Change of Control) and H2 (Termination on Default) shall be available to the Contractor in the event of respectively, the bankruptcy or insolvency, or Default of the Transferee; and
- b) the Transferee shall only be able to assign, novate or otherwise dispose of its rights and obligations under the Contract or any part thereof with the prior consent in writing of the Contractor.

F1.7 The Authority may disclose to any Transferee any Confidential Information of the Contractor which relates to the performance of the Contractor's obligations under the Contract. In such circumstances the Authority shall authorise the Transferee to use such Confidential Information only for purposes relating to the performance of the Contractor's obligations under the Contract and for no other purpose and shall take all reasonable steps to ensure that the Transferee gives a confidentiality undertaking in relation to such Confidential Information.

F1.8 Each Party shall at its own cost and expense carry out, or use all reasonable endeavours to ensure it carries out whatever further actions (including the execution of further documents) the other Party reasonably requires from time to time for the purpose of giving that other party the full benefit of the provisions of the Contract.

## **F2 Waiver**

F2.1 The failure of either Party to insist upon strict performance of any provision of the Contract, or the failure of either Party to exercise, or any delay in exercising, any right or remedy shall not constitute a waiver of that right or remedy and shall not diminish or affect any other cause a diminution of the obligations established by the Contract.

F2.2 No waiver shall be effective unless it is expressly stated to be a waiver and communicated to the other Party in writing in accordance with clause A5 (Notices).

F2.3 A waiver of any right or remedy arising from a breach of the Contract shall not constitute a waiver of any right or remedy arising from any other or subsequent breach of the Contract.

## **F3 Contract Change**

F3.1 No change, amendment, variation, restatement or supplement to this Contract shall be effective unless it is made in writing in accordance with the Change Control Procedure

as specified in Schedule 8 and signed on behalf of the Parties, save as set out in clause A10.4.

**F4 Severability**

F4.1 If any provision of the Contract is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed and the remainder of the provisions of the Contract shall continue in full force and effect as if the Contract had been executed with the invalid, illegal or unenforceable provision eliminated.

**F5 Remedies in the Event of Inadequate Performance**

F5.1 The Authority shall take all reasonable steps to investigate any complaint it receives regarding:

- a) the standard of Services;
- b) the manner in which any Services have been supplied,
- c) the manner in which work has been performed,
- d) the materials or procedures the Contractor uses; or
- e) any other matter connected with the performance of the Contractor's obligations under the Contract

F5.2 Without prejudice to its other rights and remedies under the Contract, the Authority may, in its sole discretion (acting reasonably), uphold the complaint and take further action in accordance with clause F5.3 or clause H2 (Termination on Default) of the Contract.

F5.3 In the event that the Authority reasonably believes that there has been a Default which is a Material Default of the Contract by the Contractor and which cannot be remedied, then the Authority may, without prejudice to its rights and remedies under the Contract including under clause H2 (Termination on Default), do any of the following:

- a) without terminating the Contract, itself supply or procure the supply of all or part of the Services until such time as the Contractor has demonstrated to the reasonable satisfaction of the Authority that the Contractor can once more be able to supply all or such part of the Services in accordance with the Contract;
- b) without terminating the whole of the Contract, terminate the Contract in respect of part of the Services only (whereupon a corresponding reduction in the Contract Price shall be made) and thereafter itself supply or procure a third party to supply such part of the Services; or
- c) terminate, in accordance with clause H2 (Termination on Default), the whole of the Contract.

F5.4 Without prejudice to its rights under clause C3 (Recovery of Sums Due) the Authority may charge the Contractor for any costs reasonably incurred and any reasonable administration costs in respect of the supply of any part of the Services by the Authority or a third party to the extent that such costs exceed the payment which would otherwise have been payable to the Contractor for such part of the Services and provided that the Authority uses its reasonable endeavours to mitigate any additional expenditure in obtaining replacement Services.

F5.5 If the Contractor fails to supply any of the Services in accordance with the provisions of the Contract and such failure is capable of remedy, then the Contractor shall remedy the failure at its own cost and expense and in accordance with the Rectification Plan Process.

F5.6 In the event that:

- a) the Contractor fails to comply with clause F5.5 above and the failure is materially adverse to the interests of the Authority or prevents the Authority from discharging a statutory duty; or
- b) the Contractor persistently fails to comply with clause F5.5,

the Authority may terminate the Contract with immediate effect by notice in writing.

#### **F6 Remedies Cumulative**

Except as otherwise expressly provided for by the Contract, all remedies available to either Party for breach of the Contract are cumulative and may be exercised concurrently or separately. The exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.

#### **F7 Monitoring of Contract Performance**

F7.1 The Contractor shall comply with the monitoring arrangements set out in the Performance Monitoring Schedule including, but not limited to, providing such data and information as the Contractor may be required to produce under the Contract.

#### **F8 Financial Assurance**

F8.1 The Contractor is required to disclose immediately to the Authority any material changes to the organisation that impacts on its on-going financial viability including details of the revenue replacement strategy and impact awareness on the organisation's profitability and stability where significant contracts are due to end.

F8.2 The Contractor is required to notify the Authority immediately of proposed changes to the organisational control or group structure, proposed mergers or acquisitions or proposed changes to the Contractor's financial viability.

F8.3 Only where requested by the Authority, the Contractor is required to provide any financial information which could include but is not limited to a copy of the Annual Accounts and Annual Returns.

#### **F10 Entire Agreement**

F10.1 The Contract constitutes the entire agreement between the Parties in respect of the matters dealt with therein. The Contract supersedes all prior negotiations between the Parties and all representations and undertakings made by one Party to the other, whether written or oral, with the exception that this clause shall not exclude liability in respect of any Fraud or fraudulent misrepresentation.

F10.2 Each of the Parties acknowledges and agrees that in entering into the Contract it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or undertaking (whether negligently or innocently made) other than as expressly set out in the Contract. The only remedy available to either Party for any such statements, representation, warranty or understanding shall be for breach of contract under the terms of the Contract.

F10.3 In the event of, and only to the extent of, any conflict between the clauses of the Contract, any document referred to in those clauses and the Schedules, the conflict shall be resolved in accordance with the following order of precedence:

- a) the clauses of the Contract;
- b) the Schedules; and
- c) any other document(s) referred to in the clauses of the Contract.

**F11 Counterparts**

The Contract may be executed in counterparts each of which when executed and delivered shall constitute an original but all counterparts together shall constitute one and the same agreement.

**F12 Rectification Plan Process**

F12.1 In the event that:

- a) there is, or is reasonably likely to be a:
  - (i) Default by the Contractor;
  - (ii) Service Failure; and/or
  - (iii) Critical Performance Failure; and/or

b) the Contractor commits a Material Default that is capable of remedy,

(each a **Notifiable Default**), the Contractor shall notify the Authority of the Notifiable Default as soon as practicable but in any event within two (2) Working Days of becoming aware of the Notifiable Default, detailing the actual or anticipated effect of the Notifiable Default and, unless the Notifiable Default also constitutes a Rectification Plan Failure or otherwise gives the Authority the right to terminate this Contract, the Authority may not terminate this Contract in whole or in part on the grounds of the Notifiable Default without first following the Rectification Plan Process

F12.1A Where the Contractor reasonably considers that a Notifiable Default is the result of a Wholesale Failure, the Contractor shall notify the Authority pursuant to, and shall comply with, the provisions set out in Schedule 6.

**Notification**

F12.2 If:

- a) the Contractor notifies the Authority pursuant to clause F12.1 that a Notifiable Default has occurred; or
- b) the Authority notifies the Contractor that it considers that a Notifiable Default has occurred (setting out sufficient detail so that it is reasonably clear what the Contractor has to rectify),

then, unless the Authority has the right to terminate the Contract due to the Notifiable Default and elects to do so, the Contractor shall comply with the Rectification Plan Process.

F12.3 The "Rectification Plan Process" shall be as set out in clauses F12.4 (Submission of the draft Rectification Plan) to F12.9 (Agreement of the Rectification Plan), unless otherwise agreed by the Parties.

**Submission of the draft Rectification Plan**

F12.4 The Contractor shall submit a draft Rectification Plan to the Authority for it to review as soon as possible and in any event within five (5) Working Days (or such other period as may be agreed between the Parties) after the original notification pursuant to clause F12.2 (Notification). The Contractor shall submit a draft Rectification Plan even if the Contractor disputes that it is responsible for the Notifiable Default.

F12.5 The draft Rectification Plan shall set out:

- a) full details of the Notifiable Default that has occurred, including a root cause analysis;
- b) the actual or anticipated effect of the Notifiable Default; and
- c) the steps which the Contractor proposes to take to rectify the Notifiable Default (if applicable) and to prevent such Notifiable Default from recurring, including timescales for such steps and for the rectification of the Notifiable Default (where applicable). For the avoidance of doubt, where a Notifiable Default arises due to a failure in the Contractor System that is not due to any negligent act or omission of the Contractor, the Contractor shall create a Rectification Plan for such Notifiable Default, save that the Contractor's obligations to rectify such Notifiable



Default shall not exceed the exhaustion of all the relevant aspects of the Service Levels in respect of that Notifiable Default.

- F12.6 The Contractor shall promptly provide to the Authority any further documentation that the Authority reasonably requires to assess the Contractor'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 clause I2.

**Agreement of the Rectification Plan**

- F12.7 The Authority may reject the draft Rectification Plan by notice to the Contractor 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 Notifiable Default; and/or
- d) will rectify the Notifiable Default but in a manner which is unacceptable to the Authority.

- F12.8 The Authority shall notify the Contractor whether it consents to the draft Rectification Plan as soon as reasonably practicable. If the Authority rejects the draft Rectification Plan, the Authority shall give reasons for its decision and the Contractor shall take the reasons into account in the preparation of a revised Rectification Plan. The Contractor shall submit the revised draft of the Rectification Plan to the Authority for review within 3 Working Days (or such other period as agreed between the Parties) of the Authority's notice rejecting the first draft.

- F12.9 If the Authority consents to the Rectification Plan:

- a) the Contractor shall immediately start work on the actions set out in the Rectification Plan; and
- b) the Authority may no longer terminate this Contract in whole or in part on the grounds of the relevant Notifiable Default.

- F12.10 Where the Contractor complies with the Rectification Plan Process but the Notifiable Default cannot be rectified:

- a) the Contractor's obligation to perform the Services; and
- b) the Authority's obligation to pay the Contract Price,

in respect of the part of the Services that was subject to the Notifiable Default shall end and each Party shall bear its own costs, and shall not be liable to the other Party, in relation to the removal of the relevant part of the Services from the scope of this Contract in accordance with this Clause F12.10.

- F12.11 Without prejudice to the Authority's rights under clause H2.1, where there is a Rectification Plan Failure, the Contractor shall indemnify the Authority for the full costs incurred by the Authority (from the date of the relevant Notifiable Default until rectification of the relevant Notifiable Default or removal of the relevant part of Services from the scope of this Agreement at the Authority's discretion (as applicable)) of implementing appropriate measures in order to ensure that:

- a) the Authority continues to receive the relevant Services to which the Notifiable Default relates, in accordance with the Specification and otherwise in accordance with this Contract; and
- b) the Sites remain secure and that persons at the Sites are as safe as if the Notifiable Default had not occurred

**G. LIABILITIES**

**G1 Liability and Indemnities**

- G1.1 Neither Party excludes or limits liability to the other Party for:

- a) death or personal injury caused by its negligence;

- b) fraud;
  - c) fraudulent misrepresentation; or
  - d) any Default of any obligations implied by Section 2 of the Supply of Goods and Services Act 1982.
- G1.2 Subject to and save as may be otherwise provided in clauses G1.3, G1.4 and G1.5, the Contractor shall indemnify the Authority and keep the Authority indemnified:
- a) in respect of any personal injury or loss of or damage to tangible property incurred by the Authority or its employees and agents to the extent that such personal injury or loss of property is directly caused by any Default of the Contractor, its employees, agents or Sub-contractors in connection with the performance or purported performance of the Contract;
  - b) against all claims, proceedings, actions, damages, costs, expenses (including but not limited to legal costs and disbursements on a solicitor and client basis) and any other liabilities in respect of any personal injury or damage incurred by any third party to the extent that such personal injury or damage is caused by any act or omission of the Contractor that constitutes a Default or breach of duty (including negligence); and
  - c) against all claims, proceedings, actions, damages, costs, expenses (including but not limited to legal costs and disbursements) which may arise out of, or in connection with:
    - (i) the supply (or the late or purported supply) of the Services;
    - (ii) the Authority's use of the Contractor System, Aegis Equipment or the Contractor Software;
    - (iii) the performance or non-performance by the Contractor of its obligations under the Contract;
    - (iv) the presence of the Contractor or any of its Staff on any of the Authority's premises (including the Sites), including financial loss arising from any advice given or omitted to be given by the Contractor; or
    - (v) any other loss which is caused directly or indirectly by any act or omission of the Contractor,

to the extent that such claims, proceedings, actions, damages, costs, expenses and losses are caused by any act or omission on the part of the Contractor that constitutes a Default or breach of duty (including negligence).
- G1.3 The Contractor shall only be responsible for any injury, loss, damage, cost or expense if and to the extent that it is caused by the negligence, breach of duty or wilful misconduct of the Contractor or by Default by the Contractor in respect of its obligations under the Contract.
- G1.4 Subject always to clauses G1.1 and G1.4 (c) and without prejudice to clause H2, the liability of the Parties, whether in contract, tort, including negligence, for breach of duty, under indemnities, or in any other way whatsoever, shall be subject to the following financial limits:
- a) The Contractor's aggregate liability in respect of all Loss or liability incurred by the Authority under or in connection with this Contract to the extent that such Loss or liability is caused by Defaults by the Contractor shall in no event exceed ten million pounds (£10,000,000) for any one Default or for any series of Defaults that have the same root cause.

- b) The Contractor's liability in respect of the indemnities in clauses B9.7 (TUPE), C2.8 (VAT), E2.4 (Data Protection), E8.7 (IPR) and E8.9 (IPR) shall be unlimited.
  - c) Without prejudice to the Authority's obligation to pay the Contract Price as and when it falls due for payment, the Authority's total aggregate liability in respect of all Loss incurred by the Contractor under or in connection with this Contract shall in no event exceed the an amount equal to the total Contract Price paid or payable by the Authority in the Contract Year in which the liability arose.
- G1.5 Subject always to clause G1.1 and except as otherwise expressly specified in this Contract, in no event shall either Party be liable to the other for any:
- a) loss of profits, business, revenue or goodwill; and
  - b) indirect or consequential loss or damage.

## **G2 Insurance**

- G2.1 The Contractor shall maintain in force for the Contract Period and a period of six (6) years thereafter, the following insurance policies:
- a) Third Party Public and Products Liability Insurance Policy covering risks up to a value of [REDACTED] per claim;
  - b) Employer's Liability Insurance Policy covering risks up to a value [REDACTED] per claim; and
  - c) Any other insurance policies that the Contractor is obliged to maintain under applicable Law.
- G2.2 The Contractor shall:
- a) administer the insurance policies and the Contractor's relationship with its insurers at all times to preserve the benefits for the Authority set out in this Contract;
  - b) do nothing to invalidate any such insurance policy or to prejudice the Authority's entitlement under those policies; and
  - c) procure that the terms of such policies shall not be altered in such a way as to diminish the benefit to the Authority of the policies.
- G2.3 Any excess or deductibles under the insurance referred to in clause G2.1 shall be the sole and exclusive responsibility of the Contractor or the Contractor's agents, professional consultants or Sub-contractors, as applicable.
- G2.4 The terms of any insurance or the amount of insurance cover shall not relieve the Contractor of any liabilities arising under the Contract.
- G2.4 The Contractor shall, on request, provide the Authority with copies of all insurance policies referred to in clause G2.1 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.
- G2.5 If, for whatever reason, the Contractor fails to give effect to and maintain the insurances required by this clause then the Authority may make alternative arrangements to protect its interests and may recover the costs of such arrangements from the Contractor.

## **G3 Warranties and Representations**

- G3.1 The Contractor warrants and represents that:

- a) it has full capacity and authority and all necessary consents (including where its procedures so require, the consent of its parent company) to enter into and perform its obligations under the Contract and that the Contract is executed by a duly authorised representative of the Contractor;
- b) in entering the Contract it has not committed any Fraud;
- c) as at the Effective Date, no claim is being asserted and no litigation, arbitration or administrative proceeding is presently in progress or, to the best of its knowledge and belief, pending or threatened against it or any of its assets which will or might have a material adverse effect on its ability to perform its obligations under the Contract;
- d) 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 the Contract;
- e) 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 Contractor 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 Contractor's assets or revenue;
- f) it owns, has obtained or is able to obtain, valid licences for all Intellectual Property Rights that are necessary for the performance of its obligations under the Contract; and
- g) in the three (3) years prior to the date of the Contract:
  - (i) it has conducted all financial accounting and reporting activities in compliance in all material respects with the generally accepted accounting principles that apply to it in any country where it files accounts;
  - (ii) it has been in full compliance with all applicable securities and tax laws and regulations in the jurisdiction in which it is established; and
  - (iii) it has not done or omitted to do anything which could have a material adverse effect on its assets, financial condition or position as an on-going business concern or its ability to fulfil its obligations under the Contract.

## **H. DEFAULT, DISRUPTION AND TERMINATION**

### **H1 Termination on Insolvency and Change of Control**

H1.1 The Authority may terminate the Contract with immediate effect by notice in writing where in respect of the Contractor:

- 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;
- 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);
- c) a petition is presented for its winding up (which is not dismissed within fourteen (14) 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;

- d) a receiver, administrative receiver or similar officer is appointed over the whole or any part of its business or assets;
- 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;
- f) it is or becomes insolvent within the meaning of section 123 of the Insolvency Act 1986;
- g) it applies to court for, or obtains, a moratorium under Part A1 of the Insolvency Act 1986; or
- h) any event similar to those listed in H1.1 (a)-(f) occurs under the law of any other jurisdiction.

H1.2 The Contractor shall notify the Authority immediately if the Contractor undergoes a change of control within the meaning of section 1124 of the Corporation Tax Act 2010 ("**Change of Control**"). The Authority may terminate the Contract by notice in writing with immediate effect within six (6) Months of:

- a) being notified that a Change of Control has occurred; or
- b) where no notification has been made, the date that the Authority becomes aware of the Change of Control;

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

## **H2 Termination on Default**

H2.1 The Authority may terminate the Contract (in whole or in part) by written notice to the Contractor with immediate effect if:

- a) there is a Rectification Plan Failure; or
- b) the Contractor commits a Default (whether a Material Default or otherwise) which is not, in the opinion of the Authority (acting reasonably), capable of remedy.

H2.2 Without prejudice to the provisions of clause H1 or H2.1, where the Authority considers that the Contractor has committed a Persistent Breach in relation to the Contract or any part thereof (including any part of the Services), the Authority shall be entitled to serve a written notice (a "**Formal Warning Notice**") on the Contractor:

- a) specifying that it is a Formal Warning Notice;
- b) giving details of the Persistent Breach; and
- c) stating that if the Persistent Breach recurs two or more times within a three (3) Month period after the date of service of the Formal Warning Notice, this may result in a termination of the Contract or that part of the Services affected by such Persistent Breach.

H2.3 If:

- a) twenty (20) Working Days after service of a Formal Warning Notice, the Contractor has failed to demonstrate to the Authority's satisfaction that the Persistent Breach specified has not continued and that the Contractor has put in place measures to ensure that such Persistent Breach does not recur; or

- b) within a three (3) Month period after the date of service of the Formal Warning Notice, the Contractor has failed to demonstrate to the satisfaction of the Authority that the Persistent Breach specified has not recurred two (2) or more times within such three (3) month period and that the Contractor has put in place measures to ensure that such Persistent Breach does not recur;

then the Authority may deem such failure shall be a Material Default.

H2.4 In the event that through any Default of the Contractor, data transmitted or processed in connection with the Contract is either lost or sufficiently degraded as to be unusable, the Contractor shall be liable for the cost of reconstitution of that data. The Contractor shall reimburse the Authority in respect of any charge levied for its transmission and any other costs charged in connection with such Default.

H2.5 If the Authority fails to pay the Contractor undisputed sums of money when due, the Contractor shall notify the Authority in writing of such failure to pay. If the Authority fails to pay such undisputed sums within ninety (90) Working Days of the date of such written notice, the Contractor may terminate the Contract in writing with immediate effect, save that such right of termination shall not apply where the failure to pay is due to the Authority exercising its rights under clause C3 Recovery of Sums Due.

### **H3 Termination for Convenience or Force Majeure**

H3.1 The Authority shall have the right to terminate the Contract at any time by giving three (3) Months' written notice to the Contractor. The Authority may extend the period of notice at any time before it expires, subject to agreement on the level of Services to be provided by the Contractor during the period of extension.

H3.2 On the expiry or termination of this Contract or any part thereof:

- a) the Contractor shall repay forthwith to the Authority any moneys paid up to and including such date of termination other than:

- (i) moneys in respect of the Service(s) or part thereof properly performed in accordance with this Contract: and

- (ii) Redundancy Costs; and

- b) the Contractor shall cease all use of all the Authority's Intellectual Property Rights and shall return or destroy (subject to clause E1.16) as the Authority requires, all documents and materials (including those in electronic format) incorporating or referring to the same.

H3.3 Either Party may terminate this Contract by giving notice to the other Party if a Force Majeure Event endures for a continuous period of more than 90 days.

### **H4 Termination on Phase Out of PSTN and ISDN Lines**

H4.1 The Contractor shall notify the Authority of any notice it receives from the third party who provides the PSTN and ISDN line infrastructure at any Site (the "**PSTN Provider**") regarding any material change to the availability or performance of PSTN and/or ISDN lines or the termination of the provision of PSTN and/or ISDN lines at the relevant Site. Such notification shall be made as soon as reasonably practicable following receipt of the relevant notification from the PSTN Provider.

H4.2 If the PSTN Provider gives notice that the provision of the PSTN and ISDN lines will be terminated before the Expiry Date by the PSTN Provider in respect of all Sites, either Party may terminate this Contract by giving not less than 60 days' written notice to the other Party, provided that:

- a) unless the Parties otherwise agree, such notice shall not expire prior to the last date on which termination of the provision of PSTN and ISDN lines are scheduled to occur at any Site; and
  - b) the Contractor shall not be entitled to exercise such right of termination where the provision of the PSTN and ISDN lines (or some of them) are terminated by the PSTN Provider in consequence of the Contractor's default.
- H4.3 If the PSTN Provider gives notice that the PSTN and ISDN lines will be terminated before the Expiry Date by the PSTN Provider in respect of a particular Site or Sites, either Party may direct that such Site(s) shall cease to be a Site(s) for the purposes of this Contract and the Services shall no longer be performed at such Site(s) by giving not less than 60 days' written notice to the other Party, provided that:
- a) unless the Parties otherwise agree, such notice shall not expire prior to the date on which termination of the provision of PSTN and ISDN lines are scheduled to occur at that Site(s); and
  - b) the Contractor shall not be entitled to exercise such right of termination where the provision of the PSTN and ISDN lines at that Site(s) are terminated by the PSTN Provider in consequence of the Contractor's default.

## **H5 Consequences of Expiry or Termination**

- H5.1 Where the Authority terminates the Contract under clause F5 (Remedies in the Event of Inadequate Performance) or clause H2 (Termination on Default) and then makes other arrangements for the supply of Services, the Authority may recover from the Contractor the cost reasonably incurred of making those other arrangements and any additional expenditure incurred by the Authority throughout the remainder of the Contract Period. The Authority shall take all reasonable steps to mitigate such additional expenditure. Where the Contract is terminated under clause F5 or clause H2, no further payments shall be payable by the Authority to the Contractor until the Authority has established the final cost of making those other arrangements.
- H5.2 Subject to clause H5.3, where the Authority terminates the Contract under clause H3 (Termination for Convenience), the Authority shall indemnify the Contractor against any commitments, liabilities or expenditure which would otherwise represent an unavoidable Loss by the Contractor by reason of the termination of the Contract (including Redundancy Costs), provided that the Contractor takes all reasonable steps to mitigate such loss. Where the Contractor holds insurance, the Contractor shall reduce its unavoidable costs by any insurance sums available. The Contractor shall submit a fully itemised and costed list of such Loss, with supporting evidence, of losses reasonably and actually incurred by the Contractor as a result of termination under clause H3. Any payment paid by the Authority in accordance with this clause H5.2 shall be in full and final settlement of any claim, demand and/or proceedings of the Contractor in relation to any termination by the Authority pursuant to clause H3. The Contractor shall be excluded from all other rights and remedies to which it would otherwise have been entitled in respect of any such termination.
- H5.3 The Authority shall not be liable under clause H5.2 to pay any sum which:
- a) was claimable under insurance held by the Contractor, and the Contractor 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;
  - b) when added to any sums paid or due (which, for the avoidance of doubt shall include the Redundancy Costs payable by the Authority in accordance with this Agreement) to the Contractor under the Contract, exceeds the total sum that would have been payable to the Contractor if the Contract had not been terminated prior to the expiry of the Contract Period; or

- c) is a claim by the Contractor for loss of profit, due to early termination of the Contract.

H5.4 On the expiry or termination of this Contract or any part thereof, the Contractor shall:

- a) repay at once to the Authority any moneys paid up to and including such date of termination other than:
  - (i) moneys in respect of the Service(s) or part thereof properly performed in accordance with this Contract: and
  - (ii) Redundancy Costs; and
- b) cease all use of all the Authority's Intellectual Property Rights, Bespoke Intellectual Property Rights, and any trade mark and shall return or destroy as the Authority requires, all documents and materials (including those in electronic format) incorporating or referring to the same.

H5.5 Unless otherwise expressly provided in the Contract:

- a) termination or expiry of the Contract shall be without prejudice to any rights, remedies or obligations accrued under the Contract prior to termination or expiration. Nothing in the Contract shall prejudice the right of either Party to recover any amount outstanding at such termination or expiry; and
- b) termination of the Contract shall not affect the continuing rights, remedies or obligations of the Authority or the Contractor under clauses C (Payment and Contract Price), D (Statutory Obligations and Regulations), E1 (Authority Data), E2 (Protection of Personal Data), E3 (Official Secrets Acts 1911 to 1989, Section 182 of the Finance Act 1989), E4 (Confidential Information), E5 (Freedom of Information), E8 (Intellectual Property Rights), E9 (Audit and National Audit Office), E11 (Audit Costs), F2 (Waiver), F4 (Severability), F6 (Remedies Cumulative), F10 (Entire Agreement), G1 (Liability and Indemnities), G2 (Insurance), H5 (Consequences of Expiry or Termination), H7 (Recovery upon Termination), I (Disputes and Law) and J (Force Majeure).

## **H6 Disruption**

- H6.1 The Contractor shall take reasonable care to ensure that in performing of its obligations under the Contract it does not disrupt the operations of the Authority, its employees or any other contractor employed by the Authority (including the Authority Supply Chain Members).
- H6.2 The Contractor shall immediately inform the Authority of any actual or potential industrial action, whether such action is by their own employees or others, which affects or might affect its ability at any time to perform its obligations under the Contract.
- H6.3 In the event of industrial action by the Contractor's Staff, the Contractor shall seek Approval to its proposals to continue to perform its obligations under the Contract.
- H6.4 If the Contractor's proposals referred to in clause H6.3 are considered insufficient or unacceptable by the Authority (acting reasonably), the Authority may terminate the Contract with immediate effect by notice in writing.
- H6.5 If the Contractor is temporarily unable to fulfil the requirements of the Contract owing to disruption of normal business due to the negligence of the Authority, an appropriate allowance by way of extension of time will be approved by the Authority. In addition, the Authority will reimburse any additional expense reasonably incurred by the Contractor as a direct result of such disruption.



H6.6 The Contractor shall have a Business Continuity Plan in place, agreed with the Authority, to ensure that the Service to the Authority will be maintained, to the extent that is reasonably possible, in the event of disruption (including, but not limited to, disruption to information technology systems) to the Contractor's operations, and those of Sub-contractors to the Contractor, however caused. Such contingency plans shall be available for the Authority to inspect and to practically test at any reasonable time, and shall be subject to regular updating and revision throughout the Contract Period. The Contractor will work with the Supply Chain Integrator and the Security Contractor to ensure that the Contractor's Business Continuity Plan coordinates with the business continuity measures employed by the Supply Chain Integrator and the Security Contractor and shall undertake all work reasonably necessary (where possible) to ensure such coordination.

## **H7 Recovery upon Termination**

H7.1 At the expiry or earlier termination of the Contract Period (howsoever arising) the Contractor shall immediately deliver to the Authority or as directed upon request all Property (including materials, documents, information and access keys/cards) used in the performance of its obligations under the Contract, or in its possession, or under its control, or in the possession or under the control of any permitted suppliers or Sub-contractors. In the event the Contractor fails to do so, the Authority may recover possession thereof and the Contractor grants a licence to the Authority or its appointed agents to enter (for the purposes of such recovery) any premises of the Contractor or its permitted suppliers or Sub-contractors where any such items may be held.

H7.2 In addition to the Contractor's obligations to cooperate and work with the Replacement Contractor in relation to the transition of the Services to the Replacement Contractor (as set out in the Specification), at the expiry or early termination of the Contract Period (howsoever arising), the Contractor shall provide reasonable assistance to the Authority and the Replacement Contractor in order to ensure an effective handover of all work then in progress, at no additional cost to the Authority.

## **I. DISPUTES AND LAW**

### **I 1 Governing Law and Jurisdiction**

The Contract shall be governed by and interpreted in accordance with English law and the Parties submit to the jurisdiction of the English courts. Each Party irrevocably waives any objection which it might at any time have to the courts of England being nominated as the forum to hear and decide any proceedings and to settle any disputes and agrees not to claim that the courts of England are not a convenient or appropriate forum.

### **I 2 Dispute Resolution**

I 2.1 The Parties shall attempt in good faith to negotiate a settlement to any dispute between them arising out of or in connection with the Contract within twenty (20) Working Days of either Party notifying the other of the dispute. Such efforts shall involve the escalation of the dispute ultimately to the Commercial Director (or such other person as he may direct) of each Party.

I 2.2 Nothing in this dispute resolution procedure shall prevent the Parties from seeking from any court of competent jurisdiction an interim order restraining the other Party from doing any act or compelling the other Party to do any act.

I 2.3 If the dispute cannot be resolved by the Parties pursuant to clause I 2.1 the Parties shall refer it to mediation pursuant to the procedure set out in clause I 2.5 unless:

- a) the Authority considers that the dispute is not suitable for resolution by mediation;  
or
- b) the Contractor does not agree to mediation.

- I 2.4 The obligations of the Parties under the Contract shall not cease, or be suspended or delayed by the reference of a dispute to mediation (or arbitration) and the Contractor and its Staff shall comply fully with the requirements of the Contract at all times.
- I 2.5 The procedure for mediation and consequential provisions relating to mediation are as follows:
- a) a neutral adviser or mediator (the “**Mediator**”) shall be chosen by agreement between the Parties, or if they are unable to agree upon a Mediator within ten (10) Working Days after a request by one Party to the other or if the Mediator agreed upon is unable or unwilling to act, either Party shall within ten (10) Working Days from the date of the proposal to appoint a Mediator, or within ten (10) Working Days of notice to either Party that he is unable or unwilling to act, apply to a mediation provider to appoint a Mediator.
  - b) The Parties shall within ten (10) Working Days of the appointment of the Mediator meet with him in order to agree a programme for the exchange of all relevant information and the structure to be adopted for negotiations to be held. If considered appropriate, the Parties may at any stage seek assistance from a mediation provider to provide guidance on a suitable procedure.
  - c) Unless otherwise agreed, all negotiations connected with the dispute and any settlement agreement relating to it shall be conducted in confidence and without prejudice to the rights of the Parties in any future proceedings.
  - d) If the Parties reach agreement on the resolution of the dispute, the agreement shall be recorded in writing and shall be binding on the Parties once it is signed by their duly authorised representatives, save for agreed amendments in the case of manifest error in the drafting of any written agreement. For the avoidance of doubt, the substantive agreement in respect of the dispute shall remain binding irrespective of any drafting amendments.
  - e) Failing agreement, either of the Parties may invite the Mediator to provide a non-binding but informative written opinion. Such an opinion shall be provided on a without prejudice basis and shall not be used in evidence in any proceedings relating to the Contract without the prior written consent of both Parties.
  - f) If the Parties fail to reach agreement in the structured negotiations within sixty (60) Working Days of the Mediator being appointed, or such longer period as may be agreed by the Parties, then any dispute or difference between them may be referred to the Courts.
- I 2.6 Subject to clause I 2.2, the Parties shall not initiate court proceedings until the procedures set out in clauses I 2.1 and I 2.3 have been completed, save that:
- a) the Authority may at any time before court proceedings are commenced, serve a notice on the Contractor requiring the dispute to be referred to and resolved by arbitration in accordance with clause I 2.7;
  - b) if the Contractor intends to commence court proceedings, it shall serve written notice on the Authority of its intentions and the Authority shall have twenty one (21) days following receipt of such notice to serve a reply on the Contractor requiring the dispute to be referred to and resolved by arbitration in accordance with clause I 2.7; and
  - c) the Contractor may request by notice in writing to the Authority that any dispute be referred and resolved by arbitration in accordance with clause I 2.7, to which the Authority may consent as it sees fit.
- I 2.7 In the event that any arbitration proceedings are commenced pursuant to clause I 2.6:

- a) the arbitration shall be governed by the provisions of the Arbitration Act 1996;
- b) the Authority shall give a written notice of arbitration to the Contractor (the “**Arbitration Notice**”) stating:
  - (i) that the dispute is referred to arbitration; and
  - (ii) providing details of the issues to be resolved;
- c) the London Court of International Arbitration (“**LCIA**”) procedural rules in force at the date that the dispute was referred to arbitration in accordance with I 2.7 (b) shall be applied and are deemed to be incorporated by reference to the 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 and save for agreed amendments in the case of manifest error in the drafting of any written decision. For the avoidance of doubt, the substantive decision in respect of the dispute shall remain binding irrespective of any drafting amendments;
- d) the tribunal shall consist of a sole arbitrator to be agreed by the Parties;
- e) if the Parties fail to agree the appointment of the arbitrator within ten (10) days of the Arbitration Notice being issued by the Authority under clause I 2.7 (b) or if the person appointed is unable or unwilling to act, the arbitrator shall be appointed by the LCIA;
- f) the arbitration proceedings shall take place in London and in the English language; and
- g) the arbitration proceedings shall be governed by, and interpreted in accordance with, English law.

## **J. FORCE MAJEURE**

- J1.1 Subject to the remaining provisions of this clause J (and, in relation to the Contractor, subject to its compliance with its obligations in clauses E1.5 and H6.6), a Party may claim relief under this clause J from liability for failure to meet, or delay in meeting, its obligations under this 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 Contractor in performing its obligations under this 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 Contractor.
- J1.2 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.
- J1.3 If the Contractor is the Affected Party, it shall not be entitled to claim relief under this clause J to the extent that consequences of the relevant Force Majeure Event:
  - a) are capable of being mitigated by any of the Services or the implementation of the Business Continuity Plan, but the Contractor has failed to do so; and/or
  - b) should have been foreseen and prevented or avoided by a prudent provider of services similar to the Services, operating to the standards required by this Contract.
- J1.4 Subject to clause J1.5, as soon as is reasonably 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 Services affected by the Force Majeure Event.

- J1.5 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 Contractor is the Affected Party, to the extent that is reasonably possible, it shall take all steps in accordance with Good Industry Practice to overcome or minimise the consequences of the Force Majeure Event.
- J1.6 Where, as a result of a Force Majeure Event:
- a) an Affected Party fails to perform, or is delayed in performing, its obligations in accordance with this Contract, then during the continuance of the Force Majeure Event:
    - (i) the other Party shall not be entitled to exercise any rights to terminate this Contract in whole or in part as a result of such failure or delay other than pursuant to clause H3.3; and
    - (ii) neither Party shall be liable for any Default arising as a result of such failure or delay;
  - b) the Contractor fails to perform its obligations, or is delayed in performing, in accordance with this Contract, the Authority shall not be entitled to receive Service Credits, to the extent that the relevant Performance Failure or Critical Performance Failure has been caused by the Force Majeure Event; and
  - c) the Contractor shall be entitled to receive payment of the Contract Price only in respect of Services that have been performed in accordance with the terms of this Contract during and/or prior to the occurrence of the Force Majeure Event.
- J1.7 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 Contract.
- J1.8 Relief from liability for the Affected Party under this clause J 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 Contract and shall not be dependent on the serving of notice under clause J1.7.

#### **K. REDUNDANCY COSTS**

The Authority shall pay the Redundancy Costs to the Contractor on receipt of satisfactory evidence that such costs have been reasonably and properly incurred by the Contractor.

This Contract has been entered into on the date specified at the top of page 7.

**SIGNED** by any authorised signatory for and on behalf of  
**The Secretary of State for Work and Pensions acting as part of the Crown**

**SIGNED** by an authorised signatory for and on behalf of  
**G4S Secure Solutions (UK) Limited**

Name \_\_\_\_\_  
Position \_\_\_\_\_  
Signature \_\_\_\_\_  
Date \_\_\_\_\_

Name \_\_\_\_\_  
Position \_\_\_\_\_  
Signature \_\_\_\_\_  
Date \_\_\_\_\_

**SCHEDULE 1 – SERVICES SPECIFICATION**

**[REDACTED]**

## **SCHEDULE 2 – PERFORMANCE MONITORING**

This Schedule sets out the contract management requirements which are applicable to the delivery of the Services.

### **1 Reviewing Contract Performance**

- 1.1 The Contractor shall work with the Authority to establish and maintain an effective and beneficial working relationship to ensure the Contract is delivered in accordance with the Specification and the Service Levels and to at least the Minimum Performance Levels.
- 1.2 The Contractor shall work with the Authority to establish suitable administrative arrangements for the effective management and performance monitoring of the Contract and shall provide information as requested to monitor and evaluate the success of the Contract and the Contractor's management and delivery of it.
- 1.3 The Contractor shall supply information requested relevant to the delivery of the Services to the Authority, using formats and to timescales specified by the Authority in this Schedule.
- 1.4 The Authority intends, wherever it can, to capture and collate information through the ICT Environment. However, the Authority does reserve the right to make reasonable requests for information (at no additional charge) from the Contractor including ad-hoc requests for information from time to time.
- 1.5 Any additional requests for information shall be considered in consultation with the Contractor as shall the process of defining the methods of collection.
- 1.6 Where an on-going, short-term or one-off requirement is agreed, both Parties agree that it shall be included, or deemed to be included within this Schedule.
- 1.7 Review meetings between the Authority and the Contractor shall also cover, as appropriate, resolving disputes and/or dealing with contractual breaches in accordance with the terms and conditions of this Contract. Roles and responsibilities will be documented and the personnel involved in managing the relationship identified and suitably empowered.
- 1.8 The Authority may undertake spot checks at any time to ensure that the Contractor is complying with its obligations under this Contract and the Contractor shall co-operate fully, at its own cost, with the Authority.
- 1.9 The Contractor will be responsible for managing and reporting on any Sub-contract arrangements. Arrangements shall include mechanisms for the provision of management information, including feedback to and from customers and stakeholders; change control procedures and the prompt resolution of any problems. The Authority will agree with the Contractor day-to-day relationship management, contact points, communication flows and escalation procedures.
- 1.10 Where the Services are not delivered in accordance with Paragraph 1.1 above, the Contractor will be expected to have suitable escalation procedures in place and, in respect of any part of the Services that are undertaken by a Sub-contractor, take action where necessary to terminate the relevant Sub-contract.

### **2 Access**

- 2.1 In all instances, the Contractor shall co-operate and provide such reasonable assistance as may be necessary to facilitate such monitoring. Failure to provide such reasonable assistance shall be deemed a "Default" for the purposes of clause H2 (Termination on Default).

### **3 Contractor Information (MI) Requirements**

- 3.1 The Contractor shall supply information listed below relevant to the delivery of the Services to the Authority, using formats and to timescales as specified. This includes but is not limited to;

<b>Contractor Information Required</b>	<b>Frequency or Date Required by</b>
Performance Reports	Within ten (10) Working Days after the end of each Month following the Effective Date.



## Appendix A – KPIs and Service Levels

[REDACTED]

**SCHEDULE 3 – PRICES AND RATES**

**[REDACTED]**

**SCHEDULE 4 – COMMERCIALLY SENSITIVE INFORMATION**

**[REDACTED]**

**SCHEDULE 5 – NOT USED**

**SCHEDULE 6 – WHOLESALE FAILURE**

**[REDACTED]**

## **SCHEDULE 7 – DATA PROTECTION**

### **1 General**

- 1.1 Details of the Processing of Personal Data carried out by the Contractor under or in connection with this Contract are set out in Appendix B to this Schedule 7. Appendix B includes details of whether the Contractor is Processing Personal Data as a Data Controller (in which case the obligations set out in clause E2.2 shall apply to such Processing) or as a Data Processor (in which case the obligations set out in this Schedule 7 (Data Protection) apply to such Processing).
- 1.2 The Parties agree and acknowledge that where the Contractor is Processing Personal Data on behalf of the Authority:
  - a) the Authority alone shall determine the purposes for which, and the manner in which, Personal Data is, or is to be, Processed in the provision of the Services or otherwise in connection with this Contract; and
  - b) the Parties shall comply with their respective obligations set out in this Schedule 7 (Data Protection).
- 1.3 The Contractor warrants that it has in place, and undertakes that it shall maintain, appropriate technical and organisational measures to ensure that the Processing of Personal Data by the Contractor in connection with this Contract meets the requirements of the Data Protection Legislation, including ensuring the protection of the rights of Data Subjects in accordance with the Data Protection Legislation. Such technical and organisational measures shall include (without limitation) the measures set out in Appendix A.

### **2 Restrictions**

- 2.1 The Contractor shall not disclose Personal Data to any Data Subject or to a third party other than:
  - a) at the request of the Authority; or
  - b) as provided for in this Contract; or
  - c) to the extent required under a court order by a court of competent jurisdiction (provided that the Contractor shall give notice to the Authority of any disclosure of Personal Data that it, or any of the Contractor's Sub-contractors, is required to make under such a court order as soon as practicable when it is made aware of such a requirement).
- 2.2 The Contractor shall:
  - a) Process the Personal Data in compliance with all applicable laws, enactments, regulations, orders, standards and other similar instruments (including the Data Protection Legislation);
  - b) Process the Personal Data only to the extent, and in such a manner, as is necessary for the Permitted Purpose and in accordance with the Authority's written instructions from time to time and shall not Process the Personal Data for any other purposes; and
  - c) notify the Authority in writing immediately if, in its reasonable opinion, it considers that any instruction infringes the Data Protection Legislation.
- 2.3 Not Used.

### **3 Data Collection**

- 3.1 The Contractor shall only collect any Personal Data on behalf of the Authority in the form agreed with the Authority which will 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 or purposes for which the Data Subject's Personal Data will be processed and any other information which

is necessary to comply with the Data Protection Legislation. The Contractor shall not modify or alter the form in any way without the prior written consent of the Authority.

#### **4 Data Security and Breach Notification**

- 4.1 The Contractor shall implement appropriate technical and organisational measures to ensure a level of security appropriate to the risks presented by the Processing of Personal Data pursuant to this Contract, including (without limitation) the risks presented by a Personal Data Breach. Such measures shall include (without limitation):
- a) the pseudonymisation and encryption of Personal Data where appropriate in accordance with good industry practice;
  - b) measures to ensure the on-going confidentiality, integrity, availability and resilience of the systems used for Processing and the provision of the Services;
  - c) measures to restore the availability and access to Personal Data in a timely manner in the event of a physical or technical incident;
  - d) a process for regularly testing, assessing and evaluating the effectiveness of technical and organisational measures for ensuring the security of the Processing; and
  - e) such other security measures as are set out in Appendix C and Schedule 9 (Security Requirements and Plan).
- 4.2 The Contractor shall notify the Authority in writing within 24 hours if it becomes aware of:
- a) any Personal Data Breach (whether caused by the Contractor or otherwise); and/or
  - b) any advance in technology and methods of working or potential security threats which mean that the Parties should revise the security measures taken by the Contractor to comply with its obligations under this Paragraph 4 (including as set out in Appendix C) or as set out in Schedule 9 (Security Requirements and Plan).
- 4.3 Where the Contractor notifies the Authority of advances in technology or methods of working or potential security threats that mean the Parties should revise the security measures set out in Appendix C, the Parties shall agree appropriate changes to Appendix C in accordance with the Change Control Procedure.
- 4.4 Where a Personal Data Breach occurs the Contractor shall provide such information and assistance and take such steps as the Authority may reasonably require to enable the Authority:
- a) to mitigate the impact of the Personal Data Breach;
  - b) to ensure that Personal Data Breaches of the same nature do not occur again;
  - c) to notify the competent regulatory body of the Personal Data Breach; and/or
  - d) to notify Data Subjects of the Personal Data Breach.

#### **5 Co-Operation and Assistance**

- 5.1 The Contractor shall provide the Authority with all reasonable co-operation and assistance in relation to the Processing of Personal Data to ensure that the Authority is able to comply with all of its obligations under the Data Protection Legislation, including (without limitation):
- a) implementing appropriate technical and organisational measures to assist the Authority to fulfil its obligations to respond to requests from Data Subjects made under the Data Protection Legislation (including Data Subject Access Requests);

- b) upon request putting in place measures to restrict the Processing of Personal Data;
- c) upon request providing a copy of Personal Data relating to specific Data Subjects in a structured, commonly used and machine readable format;
- d) upon request providing a copy of the record of any Processing of Personal Data it carries out on behalf of the Authority including (without limitation) the records specified in Article 30(2) of the UK GDPR;
- e) upon request providing information about the Contractor's Processing of Authority Data;
- f) assisting the Authority with the preparation of data protection impact assessments and preparing data protection impact assessments on behalf of the Authority on request;
- g) upon request providing a written description of the technical and organisational methods referred to in paragraph 4 (Data security and breach notification). Within 30 days of such a request, the Contractor shall provide written particulars of all such measures to a reasonable level of details such that the Authority can determine whether, in connection with the Personal Data, the Data Protection Legislation is being complied with;
- h) promptly complying with any request from the Authority requiring the Contractor to amend, transfer or delete the Personal Data and/or Authority Data; and
- i) subject to the Contractor being required to maintain such copies by law, upon expiry or termination of the Services (for any reason whatsoever), the Contractor shall at the request of the Authority promptly return to the Authority or destroy all Personal Data and/or Authority Data securely (regardless of form, and whether computerised or physical) and shall certify the deletion or destruction (as applicable) to the Authority in writing.

## **6 Individuals' Rights**

- 6.1 The Contractor shall notify the Authority promptly and in any event within 2 Working Days if it receives a request from a Data Subject wishing to exercise any of the Data Subject's rights under the Data Protection Legislation.
- 6.2 The Contractor shall notify the Authority immediately and in any event within 48 hours and provide all reasonable co-operation and assistance if:
  - a) it receives any complaint, notice or communication not covered under Paragraph 6.1 which relates directly or indirectly to the Processing of the Personal Data or to either Party's compliance with the Data Protection Legislation; or
  - b) the Contractor is subject to any regulatory investigation by the Information Commissioner or any other data protection supervisory authority.
- 6.3 The Contractor shall not without the prior written consent of the Authority or as strictly necessary to perform the Services, carry out Processing by automatic means of any Personal Data and/or Authority Data for the purposes of evaluating matters about a Data Subject that constitutes the sole basis for any decision that significantly affects such Data Subjects.

## **7 Overseas Data Transfers**

- 7.1 The Contractor shall not transfer the Personal Data to a country outside the United Kingdom without the prior written consent of the Authority and subject to compliance with such reasonable conditions as the Authority may specify.

## **8 Contractor's Staff**



- 8.1 The Contractor shall ensure that access to the Personal Data and/or Authority Data is limited to:
- a) the Contractor's Staff who need access to the Personal Data and/or Authority Data to enable the provision of the Services (provided that such access is subject to written terms substantially the same as, and no less stringent than, the terms contained in clause E2.2 of this Contract and this Schedule); and
  - b) in the case of any access by any of the Contractor's Staff, such part or parts of the Personal Data and/or Authority Data as is strictly necessary for performance of the duties of that member of the Contractor's Staff.
- 8.2 The Contractor shall ensure that all of the Contractor's Staff involved in the Processing of the Personal Data and/or Authority Data:
- a) are informed of the confidential nature of the Personal Data and/or Authority Data;
  - b) are subject to legally binding obligations of confidentiality in relation to the Personal Data;
  - c) have undertaken reasonably adequate training in the laws relating to care and handling Personal Data and/or Authority Data; and
  - d) are aware both of the Contractor's duties and their personal duties and obligations under such laws and this Contract.
- 8.3 The Contractor shall take reasonable steps to ensure the reliability of any of the Contractor's Staff who have access to the Personal Data and/or Authority Data.

## **9 Sub-contractors**

- 9.1 The Contractor may only authorise a Sub-contractor to Process the Personal Data:
- a) subject to the Authority's prior written Approval where the Contractor has supplied the Authority with full details of such Sub-contractor;
  - b) provided that such Sub-contractor's contract is on terms which impose the same or equivalent data protection obligations on the Sub-contractor as those imposed on the Contractor as set out in clause E2.2 of this Contract and this Schedule, including, but not limited to, the requirement to implement appropriate technical and organisational measures to ensure that the Processing will meet the requirements set out in the Data Protection Legislation;
  - c) provided that such Sub-contractor shall where requested enter into a confidentiality undertaking with the Authority (in a form specified by the Authority);
  - d) provided that such Subcontractor's contract terminates automatically on termination of this Contract for any reason.
- 9.2 For the avoidance of doubt, where a Sub-contractor fails to comply with its data protection obligations, the Contractor shall remain liable to the Authority for the performance of the Sub-contractor's obligations.

## **10 Records, Information and Audit Rights**

- 10.1 The Contractor shall keep a record of any Processing of Personal Data it carries out on behalf of the Authority including (without limitation) the records specified in Article 30(2) of the UK GDPR.
- 10.2 The Authority is entitled, on giving reasonable notice of no fewer than 5 Working Days to the Contractor, and the Contractor shall permit the Authority, to inspect or appoint representatives to inspect all facilities, equipment, documents and electronic data relating to the Processing of Personal Data by the Contractor for the purpose of verifying the Contractor's compliance with the Data protection provisions of this Contract and this Schedule.

- 10.3 The requirement under paragraph 10.2 to give notice will not apply if the Authority reasonably believes that the Contractor is in material breach of any of its obligations under this Contract or the Data Protection Legislation.

**SCHEDULE 7 - APPENDIX A - TECHNICAL AND ORGANISATIONAL MEASURES TO  
ENSURE COMPLIANCE WITH DATA PROTECTION LEGISLATION**

**[REDACTED]**

**SCHEDULE 7 - APPENDIX B - DETAILS OF CONTRACTOR PROCESSING ACTIVITIES**

**[REDACTED]**

**SCHEDULE 7 - APPENDIX C - SECURITY MEASURES**

**[REDACTED]**

## **SCHEDULE 8 – CHANGE CONTROL PROCEDURE**

### **1 General Principles of Change Control Procedure**

- 1.1 This Schedule sets out the procedure for dealing with Contract Changes and Operational Changes.
- 1.2 If either Party is in doubt about whether a change falls within the definition of an Operational Change, it must be processed as a Contract Change.
- 1.3 For any Change Communication to be valid under this Schedule, it must be sent in accordance with the provisions of clause A5 (*Notices*) as if it were a notice.
- 1.4 For the avoidance of doubt, the step-down of the Services (and associated reduction in the Contract Price) over the Contract Period as set out in the Specification shall not be subject to the Change Control Procedure and shall be undertaken in accordance with the Specification.

### **2 Costs**

- 2.1 The Contractor shall be entitled to increase the Contract Price only if it can demonstrate in the Impact Assessment that the proposed Contract Change requires additional resources.
- 2.2 The Contractor shall decrease the Contract Price if the Impact Assessment demonstrates that the proposed Contract Change would result in fewer resources being required to deliver the Services after that Contract Change is implemented than before that Contract Change is implemented.
- 2.3 Any change to the Charges resulting from a Contract Change, whether the change will cause an increase or a decrease in the Contract Price, will be strictly proportionate to the increase or decrease in the level of resources required for the provision of the Services affected by the change.
- 2.4 Both Parties' costs incurred in respect of any use of this Change Control Procedure as a result of any error or Default by the Contractor shall be paid for by the Contractor.

### **3 Operational Change Procedure**

- 3.1 Any Operational Changes identified by either Party to improve operational efficiency of the Services may be implemented by the Contractor without following the Change Control Procedure provided they do not:
  - (a) involve the Authority in paying any additional costs or any increase in the Contract Price;
  - (b) have an impact on the business of the Authority;
  - (c) require a Contract Change to this Contract; or
  - (d) have a direct impact on use of the Services.
- 3.2 Either Party may request an Operational Change by submitting an Operational Change Request to other Party at any time during the Contract Period, and which is sent in accordance with clause A5.
- 3.3 If the Party that receives an Operational Change Request wishes to agree to the Operational Change it must submit an Operational Change Confirmation to the other Party.
- 3.4 The Contractor shall inform the Authority of any impact on the Services that may arise from the proposed Operational Change.
- 3.5 The Contractor shall complete the Operational Change by the date agreed by the Parties in the Operational Change Confirmation and shall promptly notify the Authority when it is completed.

#### **4 Contract Change Procedure**

- 4.1 Either Party may issue a Change Request to the other Party at any time during the Contract Period. A Change Request shall be substantially in the form of Appendix 1.
- 4.2 If the Authority issues a Change Request, then the Contractor shall provide, as soon as reasonably practical, and in any event within ten (10) Working Days of the date of receiving the Change Request, an Impact Assessment to the Authority.
- 4.3 If the Contractor issues the Change Request, then it shall provide an Impact Assessment to the Authority at the same time as the Change Request.
- 4.4 If the Contractor requires any clarification in relation to the Change Request issued by the Authority before it can deliver the Impact Assessment, then it shall make a request for clarification to the Authority within three (3) Working Days of the date of receiving the Change Request.
- 4.5 Provided that sufficient information is received by the Authority to fully understand the nature of the request for clarification and the reasonable justification for the request for clarification, the time period to complete the Impact Assessment shall be extended by the time taken by the Authority to provide that clarification. The Authority shall respond to the request for clarification as soon as is reasonably practicable.

#### **5 Impact Assessment**

- 5.1 An Impact Assessment shall be substantially in the form of Appendix 2.
- 5.2 Each Impact Assessment shall be completed in good faith and shall include:
- (a) details of the impact the proposed Contract Change will have on the Services and the Contractor's ability to meet its other obligations under this Contract;
  - (b) any additional changes to the terms of this Contract that will be required as a result of that impact, which may include changes to:
    - (i) the Services, the Service Levels and/or the Minimum Performance Levels;
    - (ii) the format of Authority Data, as set out in the Services;
    - (iii) the Implementation Plan and any other timetable previously agreed by the Parties; and
    - (iv) other services provided by third party contractors to the Authority, including any changes required by the proposed Contract Change to the Authority System;
  - (c) a timetable for the implementation, together with any proposals for the testing of the Contract Change;
  - (d) details of how the proposed Contract Change will ensure compliance with any applicable change in Law which impacts on the performance of the Services which comes into force after the Effective Date;
  - (e) any amendments to the Contract wording proposed in the Change Request;
  - (f) such other information as the Authority may reasonably request in (or in response to) the Change Request;
  - (g) details of the cost of implementing the proposed Contract Change; and
  - (h) details of any on-going costs required by the proposed Contract Change when implemented, including any increase or decrease in the Contract Price, any alteration

in the resources and/or expenditure required by either Party and any alteration to the working practices of either Party.

- 5.3 The calculation of costs for the purposes of Paragraphs 5.2(g) and (h) shall:
- (a) include estimated volumes of each type of resource to be employed and the applicable rate card, where appropriate;
  - (b) include full disclosure of any assumptions underlying such Impact Assessment;
  - (c) include evidence of the cost of any assets required for the Contract Change; and
  - (d) include details of any new Sub-contracts necessary to accomplish the Contract Change.
- 5.4 If the Contract Change involves the processing or transfer of any Personal Data outside the United Kingdom, the preparation of the Impact Assessment shall also be subject to Clause E2 (Protection of Personal Data).
- 5.5 Subject to the provisions of Paragraph 5.6, the Authority shall review the Impact Assessment and respond to the Contractor in accordance with Paragraph 6 within fifteen (15) Working Days of receiving the Impact Assessment.
- 5.6 If the Authority is the Receiving Party and the Authority reasonably considers that it requires further information regarding the proposed Contract Change so that it may properly evaluate the Change Request and the Impact Assessment or that a Change Request or Impact Assessment contains errors, it shall notify the Contractor of this fact and detail any further information that it requires. The Contractor shall then re-issue the relevant Change Request and/or Impact Assessment to the Authority within ten (10) Working Days of receiving such notification.
- 5.7 At the Authority's discretion, the Parties may repeat the process described in Paragraph 5.6 until the Authority is satisfied that it has sufficient information to properly evaluate the Change Request and/or Impact Assessment to enable it to take one of the steps prescribed by Paragraph 6.

## **6 Authority's Right of Approval**

- 6.1 Subject to Paragraph 5.6 and 5.7, within fifteen (15) Working Days, or timescale agreed between both parties, of receiving the Impact Assessment from the Contractor, the Authority shall do one of the following:
- (a) approve the proposed Contract Change, in which case the Parties shall follow the procedure set out in Paragraph 6.5; or
  - (b) in its absolute discretion, reject the Contract Change, in which case it shall notify the Contractor of the rejection. The Authority shall not reject any proposed Contract Change to the extent that the Contract Change is necessary for the Contractor or the Services to comply with any changes in Law.
- 6.3 No proposed Contract Change shall be implemented by the Contractor until a Change Authorisation Note has been signed and issued by the Authority in accordance with Paragraph 6.6.
- 6.4 Unless the Authority expressly agrees (or requires) otherwise in writing, the Contractor shall continue to supply the Services in accordance with the existing terms of this Contract as if the proposed Contract Change did not apply.
- 6.5 Any discussions, negotiations or other communications which may take place between the Authority and the Contractor in connection with any proposed Contract Change, including the submission of any Change Communications, shall be without prejudice to each Party's



other rights under this Contract.

- 6.6 If the Authority approves the proposed Contract Change pursuant to Paragraph 6.1 and it has not been rejected by the Contractor in accordance with Paragraph 7, then the Authority shall prepare two copies of a Change Authorisation Note in substantially the form set out at Appendix 3 and send them to the Contractor. The Contractor shall sign both copies and deliver both signed copies to the Authority for its signature. Following receipt by the Authority of the Change Authorisation Note, it shall sign both copies and return one copy to the Contractor. On the Authority's signature the Change Authorisation Note shall constitute a binding change to this Contract.

## **7 Contractor's Right of Rejection**

- 7.1 Following an Impact Assessment, if the Contractor reasonably believes that any proposed Contract Change which is requested by the Authority would:

- (a) materially and adversely affect the risks to the health and safety of any person; and/or
- (b) require the Services to be performed in a way that infringes any Law,

then the Contractor shall be entitled to reject the proposed Contract Change and shall notify the Authority of its reasons for doing so within five (5) Working Days after the date on which it is obliged to deliver the Impact Assessment pursuant to Paragraph 4.2.

- 7.2 The Contractor shall have the right to reject a Change Request solely in the manner set out in Paragraph 7.1.

## **8 Failure to Comply**

- 8.1 If the Contractor fails to complete an Impact Assessment, implement or successfully comply with the Contract Change by the required date, the Authority may:

- (a) give the Contractor a further opportunity to implement or comply with the Contract Change; or
- (b) escalate any issues arising out of the failure to implement or comply with the Contract Change in accordance with the dispute resolution procedure set out in clause I2 (Dispute Resolution).

## **9 Contract Management**

- 9.1 The Parties shall update their copy of the Contract to reflect all Contract Changes or Operational Changes agreed in the relevant Change Authorisation Note or Operational Change Request and annotate with a reference to the Change Authorisation Note or Operational Change Request pursuant to which the relevant Contract Changes or Operational Changes were agreed.

**SCHEDULE 8 – APPENDIX 1 - CHANGE REQUEST FORM**

**(For Completion by the Party Requesting Change)**

Change Request No:	Contract Title & Contract Number:	Contractor Name & Registered No:
Contract Change Title:		Contract Change Implementation Date:
Full Description of Requested Contract Change (including proposed changes to wording of the contract):		
Reasons for and Benefits of Requested Contract Change:		
Name of Owner Requesting Change:		
Signature of Owner Requesting Change:		
Date of Signature:		
<b>(For Completion by Party Receiving Request for Change)</b>		
Disadvantages of Requested Contract Change, if any:		
Details of any proposed alternative scenarios, if any;		
Authorisation to Complete Impact Assessment: (Name)		
Impact Assessment Assigned to: (Name)		
Impact Assessment Assigned on: (Date)		

## **SCHEDULE 8 – APPENDIX 2 - IMPACT ASSESSMENT**

### **(For Completion by the Contractor)**

Change Request No:	Contract Title & Contract Number:	Contractor Name & Registered No:
Contract Change Title:		Contract Change Implementation Date:
Full Details of the Impact the proposed Contract Change will have on the Services and your ability to meet your other obligations under this Contract:		
Any additional changes to this Contract that will be required as a result of the change – including any:  [1.Service/Service Levels/Performance Levels 2.Format of Authority Data 3.Timetable for the Implementation, including testing 4.Amendments to contract wording 5.Cost of implementing the change – on-going/increase/decrease in costs 6.Alteration in Resources – estimated volumes and applicable rates]		
Impact Assessment Completed by: (Name & Position in Organisation)		
<b>(For Completion by the Authority)</b> Impact Assessment Approved by: (Name & Date)		
Impact Assessment Rejected by: (Name & Date)		
Reason for Rejection:		

### **SCHEDULE 8 – APPENDIX 3 - Change Authorisation Note**

#### **(For Completion by the Authority)**

Change Request No:	Contract Title & Contract No:	Contractor Name & Registered No:
Contract Change Title:		Contract Change Implementation Date:
Detailed Description of Agreed Contract Change for which the Impact Assessment has been prepared. Provide details:		
Details of Agreed adjusted Charges resulting from the Contract Change for which the Impact Assessment has been prepared. Provide details:		
Amended/New Contract Wording – must include details of Cross Referencing to Original Contract Documents:		
In consideration of the rights and obligations created, granted and assumed by each party to the other party pursuant to this Change Authorisation Note, the parties have agreed to enter into this Change Authorisation Note.		
The provisions of the Contract shall, save as amended in this Change Authorisation Note, continue in full force and effect, and shall be read and construed as one document with this Change Authorisation Note.		

<b>Signed on Behalf of the Authority:</b>	<b>Signed on Behalf of the Contractor:</b>
Signature:	Signature:
Name:	Name:
Position:	Position:
Date:	Date:

## **SCHEDULE 9 – SECURITY REQUIREMENTS**

### **GENERAL**

The Contractor shall, and shall procure that any Sub-contractor (as applicable) shall, comply with the Authority's security requirements as set out in the Contract which include the requirements set out in this Schedule 9 to the Contract (the "**Authority's Security Requirements**"). The Authority's Security Requirements include, but are not limited to, requirements regarding the confidentiality, integrity and availability of Authority Assets, the Authority's Systems Environment and the Contractor's Systems Environment.

Terms used in this Schedule 9 which are not defined below shall have the meanings given to them in clause A1 (Definitions and Interpretations) of the Contract.

### **1. DEFINITIONS**

1.1 In this Schedule 9, the following definitions shall apply:

<b>"Authority Personnel"</b>	shall mean all persons employed by the Authority including directors, officers, employees together with the Authority's servants, agents, consultants, contractors and suppliers but excluding the Contractor and any Sub-contractor (as applicable).
<b>"Availability Test"</b>	shall mean the activities performed by the Contractor to confirm the availability of any or all components of any relevant ICT system as specified by the Authority.
<b>"CHECK"</b>	shall mean the scheme for authorised penetration tests which scheme is managed by the NCSC.
<b>"Cloud"</b>	shall mean an off-premise network of remote ICT servers on the Internet to store, process, manage and transmit data.
<b>"Cyber Essentials"</b>	shall mean the Government-backed, industry-supported scheme managed by the NCSC to help organisations to protect themselves against online threats or the relevant successor or replacement scheme which is published and/or formally recommended by the NCSC.
<b>"Cyber Security Information Sharing Partnership" or "CiSP"</b>	shall mean the cyber security information sharing partnership established by the NCSC or the relevant successor or replacement scheme which is published and/or formally recommended by the NCSC.
<b>"Good Security Practice"</b>	shall mean: <ul style="list-style-type: none"><li>a) the technical and organisational measures and practices that are required by, or recommended in, nationally or internationally accepted management standards and codes of practice relating to Information Security (such as published by the International Organization for Standardization or the National Institute of Standards and Technology);</li><li>b) security standards and guidelines relating to Information Security (including generally accepted principles regarding the segregation of the duties of governance, implementation and control) provided to the general public or Information Security</li></ul>

		practitioners and stakeholders by generally recognised authorities and organisations; and
		c) the Government's security policies, frameworks, standards and guidelines relating to Information Security.
<b>"Information Security"</b>		shall mean: <ul style="list-style-type: none"> <li>a) the protection and preservation of: <ul style="list-style-type: none"> <li>i) the confidentiality, integrity and availability of any Authority Assets, the Authority's Systems Environment (or any part thereof) and the Contractor's Systems Environment (or any part thereof);</li> <li>ii) related properties of information including, but not limited to, authenticity, accountability, and non-repudiation; and</li> </ul> </li> <li>b) compliance with all Law applicable to the processing, transmission, storage and disposal of Authority Assets.</li> </ul>
<b>"Information Security Manager"</b>		shall mean the person appointed by the Contractor with the appropriate experience, authority and expertise to ensure that the Contractor complies with the Authority's Security Requirements.
<b>"Information Management ("ISMS")"</b>	<b>Security System</b>	shall mean the set of policies, processes and systems designed, implemented and maintained by the Contractor to manage Information Security Risk as certified by ISO/IEC 27001.
<b>"Information Questionnaire"</b>	<b>Security</b>	shall mean the Authority's set of questions used to audit and on an ongoing basis assure the Contractor's compliance with the Authority's Security Requirements.
<b>"Information Security Risk"</b>		shall mean any risk that might adversely affect Information Security including, but not limited to, a Breach of Security.
<b>"ISO/IEC 27001, ISO/IEC 27002 and ISO 22301"</b>		shall mean <ul style="list-style-type: none"> <li>a) ISO/IEC 27001;</li> <li>b) ISO/IEC 27002/IEC; and</li> <li>c) ISO 22301</li> </ul> <p>in each case as most recently published by the International Organization for Standardization or its successor entity (the <b>"ISO"</b>) or the relevant successor or replacement information security standard which is formally recommended by the ISO.</p>
<b>"NCSC"</b>		shall mean the National Cyber Security Centre or its successor entity (where applicable).

<b>“Penetration Test”</b>	shall mean a simulated attack on any Authority Assets, the Authority’s Systems Environment (or any part thereof) or the Contractor’s Systems Environment (or any part thereof).
<b>“PCI DSS”</b>	shall mean the Payment Card Industry Data Security Standard as most recently published by the PCI Security Standards Council, LLC or its successor entity (the <b>“PCI”</b> ).
<b>“Risk Profile”</b>	shall mean a description of any set of risk. The set of risks can contain those that relate to a whole organisation, part of an organisation or as otherwise applicable.
<b>“Security Test”</b>	shall include, but not be limited to, Penetration Test, Vulnerability Scan, Availability Test and any other security related test and audit.
<b>“Tigerscheme”</b>	shall mean a scheme for authorised penetration tests which scheme is managed by USW Commercial Services Ltd.
<b>“Vulnerability Scan”</b>	shall mean an ongoing activity to identify any potential vulnerability in any Authority Assets, the Authority’s Systems Environment (or any part thereof) or the Contractor’s Systems Environment (or any part thereof).

- 1.2 Reference to any notice to be provided by the Contractor to the Authority shall be construed as a notice to be provided by the Contractor to the Authority’s Representative.

## **2. PRINCIPLES OF SECURITY**

- 2.1 Subject to paragraph 2.2 below, the Contractor shall at all times comply with the Authority’s Security Requirements and provide a level of security which is in accordance with the Security Policies and Standards, Good Security Practice and Law.
- 2.2 The parties acknowledge and agree that in respect of the Aegis System the Contractor is not able to: (a) comply in full with all of the Authority’s Security Requirements; or (b) provide the required level of security; due, in each case, to the age of the technology and the platforms on which the Aegis System is based.

## **3. ISO/IEC 27001 COMPLIANCE AND AUDIT**

- 3.1 The Contractor shall, and shall procure that any Sub-contractor (as applicable) shall, comply with ISO/IEC 27001 in relation to the Services during the Contract Period.
- 3.2 The Contractor shall appoint an Information Security Manager and shall notify the Authority of the identity of the Information Security Manager on 1 October 2020 and, where applicable, within 5 Working Days following any change in the identity of the Information Security Manager.
- 3.3 The Contractor shall ensure that it operates and maintains the Information Security Management System during the Contract Period and that the Information Security Management System meets the Security Policies and Standards, Good Security Practice and Law and includes:
- (a) a scope statement (which covers all of the Services provided under this Contract);
  - (b) a risk assessment (which shall include any risks specific to the Services);
  - (c) a statement of applicability;
  - (d) a risk treatment plan; and
  - (e) an incident management plan

in each case as specified by ISO/IEC 27001.

The Contractor shall provide the Information Security Management System to the Authority upon request within 10 Working Days from such request.

- 3.4 The Contractor shall carry out regular Security Tests in compliance with ISO/IEC 27001 and shall within 10 Working Days after completion of the relevant audit provide any associated security audit reports to the Authority.
- 3.5 Notwithstanding the provisions of paragraph 3.1 to paragraph 3.4 the Authority may, in its absolute discretion, notify the Contractor that it is not in compliance with the Authority's Security Requirements and provide details of such non-compliance. The Contractor shall, at its own expense, undertake those actions required in order to comply with the Authority's Security Requirements within one calendar month following such notification or on a date as agreed by the Parties. For the avoidance of doubt, any failure to comply with the Authority's Security Requirements within the required timeframe (regardless of whether such failure is capable of remedy) shall constitute a Material Breach entitling the Authority to exercise its rights under clause F5.2A.

#### **4. CYBER ESSENTIALS SCHEME**

- 4.1 The Contractor shall, and shall procure that any Sub-contractor (as applicable) shall, obtain and maintain certification to Cyber Essentials (the "Cyber Essentials Certificate") in relation to the Services during Contract Period. The Cyber Essentials Certificate shall be provided by the Contractor to the Authority annually on the dates as agreed by the Parties.
- 4.2 The Contractor shall notify the Authority of any failure to obtain, or the revocation of, a Cyber Essentials Certificate within 2 Working Days of confirmation of such failure or revocation. The Contractor shall, at its own expense, undertake those actions required in order to obtain a Cyber Essentials Certificate following such failure or revocation. For the avoidance of doubt, any failure to obtain and/or maintain a Cyber Essentials Certificate during the Contract Period after the first date on which the Contractor was required to provide a Cyber Essentials Certificate in accordance with paragraph 4.1 (regardless of whether such failure is capable of remedy) shall constitute a Material Breach entitling the Authority to exercise its rights under clause F5.2A.

#### **5. RISK MANAGEMENT**

- 5.1 The Contractor shall operate and maintain policies and processes for risk management (the **Risk Management Policy**) during the Contract Period which includes standards and processes for the assessment of any potential risks in relation to the Services and processes to ensure that the Authority's Security Requirements are met (the **Risk Assessment**). The Contractor shall provide the Risk Management Policy to the Authority upon request within 10 Working Days of such request. The Authority may, at its absolute discretion, require changes to the Risk Management Policy to comply with the Authority's Security Requirements. The Contractor shall, at its own expense, undertake those actions required in order to implement the changes required by the Authority within one calendar month of such request or on a date as agreed by the Parties.
- 5.2 The Contractor shall carry out a Risk Assessment (i) at least annually, (ii) in the event of a material change in the Contractor's Systems Environment or in the threat landscape or (iii) at the request of the Authority. The Contractor shall provide the report of the Risk Assessment to the Authority, in the case of at least annual Risk Assessments, within 5 Working Days of completion of the Risk Assessment or, in the case of all other Risk Assessments, within one calendar month after completion of the Risk Assessment or on a date as agreed by the Parties. The Contractor shall notify the Authority within 5 Working Days if the Risk Profile in relation to the Services has changed materially, for example, but not limited to, from one risk rating to another risk rating.
- 5.3 If the Authority decides, at its absolute discretion, that any Risk Assessment does not meet the Authority's Security Requirements, the Contractor shall repeat the Risk Assessment within one calendar month of such request or as agreed by the Parties.
- 5.4 The Contractor shall, and shall procure that any Sub-contractor (as applicable) shall, co-operate with the Authority in relation to the Authority's own risk management processes regarding the Services.



- 5.5 For the avoidance of doubt, the Contractor shall pay all costs in relation to undertaking any action required to meet the requirements stipulated in this paragraph 5. Any failure by the Contractor to comply with any requirement of this paragraph 5 (regardless of whether such failure is capable of remedy), shall constitute a Material Breach entitling the Authority to exercise its rights under clause F5.2A.

## **6. SECURITY AUDIT AND ASSURANCE**

- 6.1 The Contractor shall, and shall procure that any Sub-contractor (as applicable) shall, complete the information security questionnaire in the format stipulated by the Authority (the “**Information Security Questionnaire**”) at least annually or at the request by the Authority. The Contractor shall provide the completed Information Security Questionnaire to the Authority within one calendar month from the date of request.
- 6.2 The Contractor shall conduct Security Tests to assess the Information Security of the Contractor's Systems Environment and, if requested, the Authority's Systems Environment. In relation to such Security Tests, the Contractor shall appoint a third party which i) in respect of any Penetration Test, is duly accredited by CHECK, CREST (International), or Tigerscheme and, ii) in respect of any Security Test to which PCI DSS apply, is an approved scanning vendor duly accredited by the PCI. Such Security Test shall be carried out (i) at least annually, (ii) in the event of a material change in the Contractor's Systems Environment or in the Authority's System Environment or (iii) at the request of the Authority which request may include, but is not limited to, a repeat of a previous Security Test. The content, and format of any report of such Security Tests shall be approved in advance of the Security Test by the Authority. The Contractor shall provide any report of such Security Tests within one calendar month following the completion of such Security Test or on a date agreed by the Parties. The Contractor shall, at its own expense, undertake those actions required to rectify any risks identified by any Security Test in the manner and within the timeframe required by the Authority in its absolute discretion.
- 6.3 The Authority shall be entitled to send the Authority's Representative to witness the conduct of any Security Test. The Contractor shall provide to the Authority notice of any Security Test at least one month prior to the relevant Security Test.
- 6.4 Where the Contractor provides code development services to the Authority, the Contractor shall comply with the Authority's Security Requirements in respect of code development within the Contractor's Systems Environment and the Authority's Systems Environment.
- 6.5 Where the Contractor provides software development services, the Contractor shall comply with the code development practices specified in the Specification or in the Authority's Security Requirements.
- 6.6 The Authority, or an agent appointed by it, may undertake Security Tests in respect of the Contractor's Systems Environment after providing advance notice to the Contractor. If any Security Test identifies any non-compliance with the Authority's Security Requirements, the Contractor shall, at its own expense, undertake those actions required in order to rectify such identified non-compliance in the manner and timeframe as stipulated by the Authority at its absolute discretion. The Contractor shall provide all such co-operation and assistance in relation to any Security Test conducted by the Authority as the Authority may reasonably require.
- 6.7 The Authority shall schedule regular security governance review meetings which the Contractor shall, and shall procure that any Sub-contractor (as applicable) shall, attend.

## **7. PCI DSS COMPLIANCE AND CERTIFICATION**

- 7.1 Where the Contractor obtains, stores, processes or transmits payment card data, the Contractor shall comply with the PCI DSS.
- 7.2 The Contractor shall obtain and maintain up-to-date attestation of compliance certificates (“**AoC**”) provided by a qualified security assessor accredited by the PCI and up-to-date self-assessment questionnaires (“**SAQ**”) completed by a qualified security assessor or an internal security assessor,

in each case accredited by the PCI (each with the content and format as stipulated by the PCI and such reports the "PCI Reports"), during the Contract Period. The Contractor shall provide the respective PCI Reports to the Authority upon request within 10 Working Days of such request.

- 7.3 The Contractor shall notify the Authority of any failure to obtain a PCI Report or a revocation of a PCI Report within 2 Working Days of confirmation of such failure or revocation. The Contractor shall, at its own expense, undertake those actions required in order to obtain a PCI Report following such failure or revocation within one calendar month of such failure or revocation.

## **8. SECURITY POLICIES AND STANDARDS**

- 8.1 The Contractor shall, and shall procure that any Sub-contractor (as applicable) shall, comply with the Security Policies and Standards set out Annex A and B.
- 8.2 Notwithstanding the foregoing, the Authority's Security Requirements applicable to the Services may be subject to change following certain events including, but not limited to, any relevant change in the delivery of the Services. Where any such change constitutes a Contract Change, any change in the Authority's Security Requirements resulting from such Contract Change (if any) shall be agreed by the Parties in accordance with the Contract Change Procedure. Where any such change constitutes an Operational Change, any change in the Authority's Security Requirements resulting from such Operational Change (if any) shall be agreed by the Parties and documented in the relevant Operational Change Confirmation.
- 8.3 The Contractor shall, and shall procure that any Sub-contractor (as applicable) shall, maintain appropriate records and is otherwise able to demonstrate compliance with the Security Policies and Standards.

## **9. CYBER SECURITY INFORMATION SHARING PARTNERSHIP**

- 9.1 The Contractor may become a member of the Cyber Security Information Sharing Partnership in accordance with the recommendations by the NCSC during the Contract Period. The Contractor may participate in the Cyber Security Information Sharing Partnership for the exchange of cyber threat information.
- 9.2 Where the Contractor becomes a member of the Cyber Security Information Sharing Partnership, it shall review the NCSC weekly threat reports on a weekly basis and implement recommendations in line with the Contractor's Risk Management Policy.

## ANNEX A – AUTHORITY SECURITY POLICIES AND STANDARDS

The Security Policies are published on:

<https://www.gov.uk/government/publications/dwp-procurement-security-policies-and-standards> unless specified otherwise:

- a) Acceptable Use Policy
- b) Information Security Policy
- c) Physical Security Policy
- d) Information Management Policy
- e) Email Policy
- f) Technical Vulnerability Management Policy
- g) Remote Working Policy
- h) Social Media Policy
- i) Forensic Readiness Policy
- j) SMS Text Policy
- k) Privileged Users Security Policy
- l) User Access Control Policy
- m) Security Classification Policy
- n) Cryptographic Key Management Policy
- o) HMG Personnel Security Controls – May 2018  
(published on <https://www.gov.uk/government/publications/hmg-personnel-security-controls>)
- p) NCSC Secure Sanitisation of Storage Media (published on <https://www.ncsc.gov.uk/guidance/secure-sanitisation-storage-media>)

## ANNEX B – SECURITY STANDARDS

The Security Standards are published on:

<https://www.gov.uk/government/publications/dwp-procurement-security-policies-and-standards>:

- a) SS-001 - Part 1 - Access & Authentication Controls
- b) SS-001 - Part 2 - Privileged User Access Controls
- c) SS-002 - PKI & Key Management
- d) SS-003 - Software Development
- e) SS-005 - Database Management System Security Standard
- f) SS-006 - Security Boundaries
- g) SS-007 - Use of Cryptography
- h) SS-008 - Server Operating System
- i) SS-009 - Hypervisor
- j) SS-010 - Desktop Operating System
- k) SS-011 - Containerisation
- l) SS-012 - Protective Monitoring Standard for External Use
- m) SS-013 - Firewall Security
- n) SS-014 - Security Incident Management
- o) SS-015 - Malware Protection
- p) SS-016 - Remote Access
- q) SS-017 - Mobile Devices
- r) SS-018 - Network Security Design
- s) SS-019 - Wireless Network
- t) SS-022 - Voice & Video Communications
- u) SS-023 - Cloud Computing
- v) SS-025 - Virtualisation
- w) SS-027 - Application Security Testing
- x) SS-028 - Microservices Architecture
- y) SS-029 - Securely Serving Web Content
- z) SS-030 - Oracle Database
- aa) SS-031 - Domain Management
- bb) SS-033 - Patching

## **SCHEDULE 10 – FINANCIAL REPORTS**

### **1 FINANCIAL TRANSPARENCY OBJECTIVES**

1.1 The Contractor acknowledges that the provisions of this Schedule are designed (inter alia) to facilitate, and the Contractor shall co-operate with the Authority in order to achieve, the following objectives:

(a) **Understanding the Contract Price**

- (i) for the Authority to understand any payment sought from it by the Contractor including an analysis of the costs, overhead recoveries (where relevant), time spent by Contractor's Staff in providing the Services and the Contractor's profit margin; and
- (ii) for both Parties to be able to understand the Contract Price and to have confidence that these are based on justifiable numbers;

(b) **Agreeing the impact of Contract Changes**

- (i) for both Parties to agree the quantitative impact of any Contract Changes that affect ongoing costs and to identify how these could be mitigated and/or reflected in the Contract Price;
- (ii) for both Parties to be able to review, address issues with and re-forecast progress in relation to the provision of the Services;

(c) **Continuous improvement**

- (i) for the Parties to challenge each other with ideas for efficiency and improvements; and
- (ii) to enable the Authority to demonstrate that it is achieving value for money for the tax payer relative to current market prices,

(together the "**Financial Transparency Objectives**").

### **2 OPEN BOOK DATA**

2.1 The Contractor acknowledges the importance to the Authority of the Financial Transparency Objectives and the Authority's need for complete transparency in the way in which the Contract Price is calculated.

2.2 During the Contract Period, and for a period of 7 years following the end of the Contract Period, the Contractor shall:

- (a) maintain and retain the Open Book Data; and
- (b) subject to paragraph 2.3 of this Schedule 10, disclose and allow the Authority and/or the Authority's representatives access to the Open Book Data.

2.3 The Contractor may withhold and/or deny access to the Authority's representatives to information comprised within the Open Book Data to the extent that it can demonstrate to the Authority that disclosure of those details would breach binding legal obligations of confidence owed by the Contractor to another customer. Any such information shall be redacted to the required extent and shall not prevent disclosure of or access to any Open Book Data which is not subject to such obligations of confidence.