

Contract Reference Number: TfL_scp_001874

Date: 22th June 2020

NON-UK DEBT RECOVERY CONTRACT

Contract for Services

between

TRANSPORT FOR LONDON

and

Euro Parking Collection plc

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THIS CONTRACT is made the _____ day of _____ 2020

BETWEEN:

- (1) **TRANSPORT FOR LONDON (“TfL”)** of 5 Endeavour Square, Stratford, London E20 1JN; and
- (2) **Euro Parking Collection plc**, a company registered in England and Wales (Company Registration Number 03515275) whose registered office is at Unit 6 Shepperton House, 83-93 Shepperton Road, London N1 3DF (**“the Service Provider”**).

RECITALS:

- A. TfL administers various traffic enforcement schemes in the Greater London Area including the Congestion Charging Scheme, LEZ Scheme, Traffic Enforcement Scheme and ULEZ Scheme.
- B. TfL has selected the Service Provider to recover debts due to TfL resulting from non-compliance with certain traffic enforcement schemes by vehicles registered outside of the United Kingdom and the non-payment of the resulting fines as well as any other non-UK debts as required.
- C. TfL wishes the Service Provider to provide the Services and the Service Provider is willing to provide the Services to TfL on the terms and conditions set out in the Contract and in accordance with all applicable laws.
- D. The Service Provider should be aware that TfL does not offer any guarantee or minimum volume of the Services that may be delivered under this Contract and does not offer any exclusivity to the Service Provider.

THE PARTIES AGREE THAT:

1. Definitions and Interpretation

In the Contract (including the Recitals):

- 1.1 unless the context indicates otherwise the following expressions shall have the following meanings:

- “Acceptable Service Level”** has the meaning ascribed in Paragraph 2.5 of Schedule 5 (Service Level Agreement);
- “Acceptance Testing”** means the Testing envisaged to be undertaken in Paragraph 9.1.2 of Schedule 4 (Testing Regime);
- “Additional Services”** has the meaning ascribed in Clause 4 (Additional Services);
- “Affected Party”** has the meaning given to it in Clause 39.3;

Communications Plan"

"Agreed Strategic Equality & Diversity Plan"

has the meaning ascribed in Clause 36.2;

"Agreed Supplier Diversity Plan"

has the meaning ascribed in Clause 36.4;

"Agreed Training Plan"

has the meaning ascribed in Clause 36.3.1;

"Application Form"

means any application form in relation to the Schemes provided by or on behalf of TfL to the Service Provider from time to time;

"Authorised User"

means in respect of an element of the Non-UK Notice Processing Service System(s), a person authorised by TfL to access that element of the Non-UK Notice Processing Service System(s);

"Authority Assets"

means any assets (whether tangible or intangible), materials, resources, systems, networks, connectivity and other equipment, machinery and facilities owned by or licensed to TfL or any member of the Authority Group;

"Authority Group"

shall mean:

- (a) TfL in its own right and as holding company of all its subsidiaries (as defined in section 1159 of the Companies Act 2006) from time to time together and reference to any "**member of the Authority Group**" shall refer to TfL or any such subsidiary; and
- (b) the Greater London Authority (GLA), the GLA, TfL, the Mayor's Office for Policing and Crime, the London Fire Commissioner, London Legacy Development Corporation and the Old Oak and Park Royal Development Corporation ("**Functional Bodies**") each in their own right and as holding companies of all of their subsidiaries (as defined in section 1159 of the Companies Act 2006) from time to time together and reference to any "**member of the Authority Group**" shall refer to the GLA, any Functional Body or any such subsidiary;

"Authority Premises"

any land or premises (including temporary buildings) owned or occupied by or on behalf of any member of the Authority Group;

“Authority to Proceed”	means an authorisation by TfL in respect of a Milestone, as evidenced by the issue of a Notice of Authority to Proceed;
"Automatic Payment Reference"	means a computer generated reference number given to an account holder, payer of money or a person who makes a payment with a credit card or debit card as confirmation they have paid a specific amount of money to a specific account;
"BAME"	has the meaning ascribed in Schedule 13 (TfL: Supplier Diversity Definitions);
“Business Day”	any day excluding Saturdays, Sundays or public or bank holidays in England;
"Business Hours"	means the hours of 8:00am to 6:00pm each Business Day;
“Cessation Plan”	a plan agreed between the Parties or determined by TfL pursuant to Clauses 41.3 to 41.5 (inclusive) to give effect to a Declaration of Ineffectiveness or Clauses 41.6 to 41.9 (inclusive) to give effect to a Public Procurement Termination Event;
"Change"	means any change to the Services (or the scope thereof or to the manner in which they are provided) or to any of the terms of this Contract pursuant to the Change Control Request Procedure;
"Change Authorisation"	means a notice issued by TfL in accordance with Schedule 10 (Change Control Request Procedure and Changes) authorising the Service Provider to proceed with a Change;
"Change Control Request" or "CCR"	means a written request, raised by TfL or the Service Provider in accordance with Schedule 10 (Change Control Request Procedure and Changes), in relation to a proposed Change;
"Change Control Request Procedure"	means the procedure for requesting a Change as set out in Schedule 10 (Change Control Request Procedure and Changes);
"Change in Law"	means any: <ul style="list-style-type: none"> (a) amendment, alteration or modification to or repeal of existing Law; (b) introduction of any new Law; (c) judgment of a competent court which changes a

binding precedent or the interpretation of any relevant legislation;

- (d) the suspension of one or more Schemes; or
- (e) the introduction of or amendment to any Authority policy, instruction or guidance on any matters relevant to the operation and/or administration of one or more Schemes,

which takes effect after the Contract Commencement Date;

"Change Manager" has the meaning ascribed in paragraph 2.1 of Schedule 10 (Change Control Request Procedure and Changes);

"Charge Back" means a Person Liable or other payee has claimed money back from their bank for any enforcement and PCN costs paid by them by way of debit or credit card for various reasons;

"Charge Certificate" means a notice issued to the Registered Keeper or the Person Liable notifying him or her that a Penalty Charge is outstanding;

"Charge Payment" means each (or any) of:

- (a) a Congestion Charge Payment;
- (b) a LEZ Payment;
- (c) a ULEZ Payment; or
- (d) any other charge payment which permits a vehicle which does not qualify for an exemption or a 100% discount to be in a Congestion Charging Zone during certain days or hours without incurring a penalty or fine;

"Cloud" means a type of internet-based computing service where an organisation can have aspects of their IT infrastructure managed by external providers, normally as a Software as a Service (SaaS), Platform as a Service (PaaS) or Infrastructure as a Service (IaaS) basis;

"Commencement Date" means the date of execution of this Contract;

"Common Personal Data" has the meaning ascribed in Paragraph 1.5.3 of Schedule 7 (Information Compliance);

"Compliant"	means a vehicle is compliant with the provisions of the LEZ and ULEZ Schemes, including the emissions standards in force from time to time, as stated in the LEZ Scheme Order, as amended from time to time, and "Compliance" shall be construed accordingly;
"Confidential Information"	all information (whether written or verbal) that by its nature may reasonably be regarded as confidential to TfL (or any member of the Authority Group) whether commercial, financial, technical or otherwise, and including information which relates to the business affairs, customers, suppliers, products, software, telecommunications, networks, trade secrets, know-how or personnel of the Authority Group);
"Congestion Charge Payment"	means the payment that permits a vehicle, which does not qualify for an exemption or 100% discount, to be within the Congestion Charging Zone during certain hours without incurring a penalty or fine;
"Congestion Charge Penalty Charge"	means a fine or penalty charge incurred in relation to a vehicle which has been identified as being in contravention of any Congestion Charging Scheme;
"Congestion Charging Scheme"	means the congestion charging scheme for London as set out or referred to in the Congestion Charging Scheme Order as amended from time to time and any implementation of such scheme;
"Congestion Charging Scheme Order"	means the scheme order, as subsequently varied by various variation orders, referred to in the document entitled "The Central London Congestion Charging Scheme – The Consolidated Scheme Order" issued on 19 June 2006, as such scheme order may be further varied and confirmed by the Mayor of London from time to time;
"Congestion Charging Zone"	means the area within which persons are liable to pay a Charge Payment to travel or park designated vehicles on designated roads at designated times, as defined in the Congestion Charging Scheme Order;
"Contract"	this contract, including the Schedules and all other documents referred to in this contract;
"Contract Commencement Date"	the date for commencement of the Contract specified in Schedule 1;
"Contract Information"	(i) the Contract in its entirety (including from time to time agreed Changes to the Contract); (ii) data extracted from the invoices submitted pursuant to Clause 7 which

shall consist of the Service Provider's name, the expenditure account code, the expenditure account code description, the document number, the clearing date and the invoice amount;

- “Contract Manager”** the person named as such in Schedule 1 or such other person as notified to the Service Provider by TfL;
- “Contravention”** means the failure by a motorist to comply with traffic or parking controls relating to the Congestion Charging Scheme, the LEZ Scheme, the Traffic Enforcement Schemes, the ULEZ Scheme; and any other scheme in respect of which Services are to be provided by the Service Provider pursuant to this Contract from time to time;
- “Contravention Record”** means, in respect of the Non-UK Notice Processing Services, the full collection of information which is submitted to the Non-UK Notice Processing Service Systems via the CSP Interface in respect of each Contravention Type that has been identified, including but not limited to the VRM, Contravention details and Registered Keeper/Person Liable details where available;
- “Contravention Types”** means the different contraventions relating to the Congestion Charging Scheme, the LEZ Scheme, the Traffic Enforcement Schemes, the ULEZ Scheme; and any other scheme in respect of which Services are to be provided by the Service Provider pursuant to this Contract from time to time;
- “Core Service Provider” or “CSP”** means the service provider providing the services under the London Road User Charging Agreement dated 26 September 2016 (or such other party as TfL may notify to the Service Provider from time to time);
- “Correspondence”** means any letter, leaflet or other information sent to Persons Liable or received from any Person Liable in connection with any Recovery Action or a Representation;
- “CSP Interface”** has the meaning ascribed to it in Paragraph 6.7.1 of Schedule 2 (Statement of Requirements);
- “CSP Testing”** has the meaning ascribed to it in Paragraph 8.1 of Schedule 4 (Testing Regime);
- “Cyber Essentials Scheme”** means the UK government scheme encouraging organisations to adopt good practice in information security, focussing mainly on technical controls rather

	than governance, risk, and policy;
“Cyber Security Policy / Policies”	means the high level cyber security requirements for all IT and Operational Technology and data owned by TfL or operated and supported by third parties for or on behalf of TfL;
“Cyber Security Standard(s)”	means the technical detail behind the implementation of the high level cyber security requirements as set out in the Cyber Security Policies;
“Data”	means data created, generated or collected, during the performance of the Services (or any part thereof), including Personal Data and data supplied to TfL and members of the Authority Group in connection with the Services or this Contract;
"Data Centre"	A facility or facilities that consolidate the Service Provider's IT operations and equipment, as well as where the Service Provider stores, manages, processes and disseminates Data;
"Data Controller"	has the meaning given to it in Data Protection Legislation;
"Data Processor"	has the meaning given to it in Data Protection Legislation;
"Data Protection Impact Assessment"	an assessment by the Data Controller of the impact of the envisaged Processing on the protection of Personal Data;
“Data Protection Legislation”	means: <ul style="list-style-type: none"> (a) the Regulation (EU) 2016/679 on the protection of natural persons with regard to the Processing of personal data and on the free movement of such data; (b) Directive (EU) 2016/680 (the Law Enforcement Directive); (c) any legislation in force from time to time in the United Kingdom relating to privacy and/or the Processing of Personal Data, including but not limited to the Data Protection Act 2018; (d) any statutory codes of practice issued by the Information Commissioner in relation to such legislation; and (e) the Privacy and Electronic Communications (EC

Directive) Regulations 2003;

"Data Subject"	has the meaning given to it in Data Protection Legislation;
"Debt"	means any debt due to TfL in respect of an outstanding Penalty Charge;
"Declaration of Ineffectiveness"	a declaration of ineffectiveness in relation to this Contract made by a Court of competent jurisdiction pursuant to Regulation 98 of the Public Contracts Regulations 2015 or Regulations 113(2)(a) or 118(3) of the Utilities Contracts Regulations 2016;
"Deliverables"	means the materials that are deliverable at a Milestone Date in accordance with Schedule 3 (Milestones and Deliverables) and the Implementation Plan and any other tangible item that the Service Provider is required to provide as part of the Services or as a result of the Change Control Procedure;
"Detailed Milestone Achievement Criteria"	has the meaning ascribed in Paragraph 9.1 of Schedule 3 (Milestones and Deliverables);
"Discounted Payment"	means a reduced payment of fifty per cent (50%) (or such other percentage as may be notified to the Service Provider by TfL from time to time in respect of each Scheme) of a Debt which shall be deemed to constitute Payment in Full if such reduced payment is recovered within 14 days of the date the relevant PCN is served on the Person Liable;
"Discrimination Policy"	has the meaning ascribed in Clause 36.1.2;
"Dispute Resolution Procedure"	means the procedure set out in Clause 38 (Dispute Resolution Procedure);
"Documentation List"	means the list to be produced by the Service Provider pursuant to Paragraph 6.1 of Schedule 3 (Milestones and Deliverables);
"Driver and Vehicle Licensing Agency" or "DVLA"	means the Driver and Vehicle Licensing Agency, an executive agency of the Department for Transport responsible for maintaining registers of vehicles and drivers for law enforcement and taxation purposes, and its successors from time to time;
"Digital Traffic Enforcement System" or "DTES"	means the system used by TfL to enforce applicable traffic Law on the Transport for London Road Network;

"Emergency"	<p>means a situation in which if a Change is required to avoid or mitigate (or if not implemented would result in):</p> <ul style="list-style-type: none"> (a) loss of the Services; (b) material loss to TfL of Revenue or potential Revenue; (c) the immediate risk of death or personal injury to any person; and/or (d) an immediate material risk: <ul style="list-style-type: none"> (1) to the integrity of the Scheme(s); and/or (2) of loss of or damage to property;
"Emergency Preparedness Plan"	<p>means a plan created by the Service Provider and agreed in writing by TfL stating the processes, procedures and measures all Service Provider Personnel are to follow in the case of an emergency or if facing serious and imminent danger;</p>
"Equality & Diversity Infraction"	<p>has the meaning ascribed in Clause 36.7.3;</p>
"Error"	<p>means a fault or error found in the Service Provider's systems during Testing or during provision of the Services arising:</p> <ul style="list-style-type: none"> (a) from any failure to meet the Interface Specification or any other provision of the Statement of Requirements; (b) as a result of any misinstructions, inaccuracy, incompleteness or "out of date" in connection with Deliverables or other instructions of the Service Provider; or (c) because the relevant software, hardware or equipment is not Fit for Purpose.
"Escalation"	<p>means an enquiry or complaint made by a Person Liable, Registered Keeper or any other person in relation the Service Provider's performance of the Services, or any other issue relating to the performance of the Services that requires input, guidance or a response from TfL and which has been forwarded to TfL for action, and "Escalate" or "Escalated" shall be construed accordingly;</p>

“Fit for Purpose”

means:

- (a) in the case of hardware, software, systems or Interfaces, that the hardware, software, systems or Interfaces deliver the functionality for the intended use, as envisaged by the performance criteria and other requirements of this Contract; and
- (b) in the case of any other Deliverables not referred to in (a), that the relevant Deliverables:
 - (1) are complete taking into account the stage of the implementation of the Services (or, during the Operational Phase, the stage reached in the implementation of any Change);
 - (2) meet any criteria or requirements relevant to the Deliverables set out in the Contract;
 - (3) are comprehensible to someone with the knowledge and skills of the intended audience;
 - (4) reflect Good Industry Practice;
 - (5) are consistent with any physical or actual assets or processes that they describe;
 - (6) reflect any relevant agreements between TfL and the Service Provider in respect of the Services; and
 - (7) take account of TfL’s reasonable comments following prior review unless otherwise agreed between the parties.

“Force Majeure Event”

any of the following: riot, civil unrest, war, act of terrorism, threat or perceived threat of act of terrorism, fire, earthquake, extraordinary storm, flood, abnormal weather conditions or other natural catastrophe or strikes, lock-outs or other industrial disputes to the extent that such event has materially affected the ability of the Affected Party to perform its obligations in accordance with the terms of the Contract but excluding any such event insofar as it arises from or is attributable to the wilful act, omission or negligence of the Affected Party or the failure on the part of the Affected Party to take reasonable precautions to prevent such Force Majeure Event or its impact;

"General Change"		means any Change other than an Emergency Change or a Mandatory Change;
"Good Practice"	Industry	means in relation to any undertaking and any circumstances, the exercise of that degree of skill, diligence, prudence, foresight and practice that would reasonably and ordinarily be expected from a highly skilled and experienced person engaged in the same type of undertaking as that to which the particular element of the Services relates under the same or similar circumstances to those in which each element of the Services is to be provided;
HMG Information Security Assurance Standards		means the standards, as well as the relevant policy documents, found at https://www.gov.uk/government/collections/government-security-or-any-updated-link ;
"Holding Company"		any company which from time to time directly or indirectly controls the Service Provider as set out by section 1159 of the Companies Act 2006;
"Impact Assessment"		means the documents of that title, each relating to a proposed Change, as the Service Provider may be required to prepare from time to time in accordance with Schedule 10 (Change Control Request Procedure and Changes);
"Implementation Phase"		means the period from the Contract Commencement Date until the Service Commencement Date;
"Implementation Plan"		means the plan to be produced by the Service Provider pursuant to Paragraph 3.1 of Schedule 3 (Milestones and Deliverables);
"Incident"		means an event that occurs or is observed during Testing or during the provision of the Services which causes, or may cause, an adverse impact on the provision or quality of the Services, including Errors, Service Issues and Security Incidents, and in the case of Testing, where the relevant Test Criteria are not met;
"Incident Log"		means the centralised electronic tool used to record all events that occur or are observed during the provision of the Services which cause, or may cause, an adverse impact on the provision or quality of the Services;
"Information Register"	Asset	means a register of all information assets relating to the services connected to this Contract as detailed in paragraph 2.2.3 of Schedule 6 (Security Policy);

“Information Security Management System” or “ISMS”

a framework of governance models, policies and procedures, based on a business risk approach to establish, implement, operate, monitor, review, maintain and improve information security in accordance with the requirements of paragraph 15 of Schedule 6 (Security Policy);

“Insolvency Event”

any of the following:

- (a) either or both of the Service Provider or the Holding Company making any voluntary arrangement with its creditors or becoming subject to an administration order;
- (b) a receiver, administrative receiver, manager, or administrator being appointed over all or part of the business of either or both of the Service Provider or the Holding Company;
- (c) being a company, either or both of the Service Provider or the Holding Company having passed a resolution for its winding-up or being subject to a petition for its winding-up (except for the purposes of a voluntary amalgamation, reconstruction or other re-organisation without insolvency);
- (d) either or both of the Service Provider or the Holding Company ceasing or threatening to cease to carry on its business for any reason or being unable to pay its debts within the meaning of the Insolvency Act 1986;
- (e) being an individual or firm, the Service Provider becoming bankrupt or dying;
- (f) any similar event to those in (a) to (e) above occurring in relation to either or both of the Service Provider or the Holding Company under the law of any applicable jurisdiction for those purposes;

“Intellectual Property Rights”

any patent, know-how, trade mark or name, service mark, design right, copyright, rights in passing off, database right, rights in commercial or technical information, any other rights in any invention, discovery or process and any other intellectual property rights, in each case whether registered or unregistered and including applications for the grant of any such rights and all rights or forms of protection having equivalent or similar effect in each case in the United Kingdom and anywhere else in the world;

"Interest Rate"	means two percent (2%) above the London Inter-Bank Offer Rate (LIBOR) offered by HSBC Bank plc from time to time;
"Interface Specification"	means the specification and description of the CSP Interface as set out in Annex A to Schedule 2 (Statement of Requirements);
"Internal Changes"	has the meaning ascribed in paragraph 3.3 of Schedule 10 (Change Control Request Procedure and Changes);
ISO/IEC 27001	means the information security standard specification for an information security management system (ISMS), with an emphasis on measuring and evaluating how well an organisation's ISMS is performing;
"IT Services"	means the IT services that support the delivery of the Services;
"IVR"	means Interactive Voice Response (IVR) which allows customers to interact with the Service Provider's operational systems for payments and queries both during and outside of Business Hours;
"Key Personnel"	the Service Provider's key personnel named in Schedule 1;
"Law"	means any directive, regulation or any other law, legislation, treaty, enactment, statute, proclamation, decree, bye-law, decision, notice, order, rule (including, without limitation, any rule or decision of a court), local government rule, statutory instrument or other delegated or subordinate legislation and any directions, codes of practice or guidance issued pursuant to any legislation or law and/or, in any such case, the equivalent thereof (howsoever described) applicable in any jurisdiction in which or through which the Services are to be performed in effect from time to time;
"LEZ Charge", "LEZ Charge Payment" or "LEZ Payment"	means the payment that permits a vehicle, which does not qualify for an exemption or 100% discount, to be within the LEZ without incurring a LEZ Penalty Charge, as defined in the LEZ Scheme Order;
"LEZ Penalty Charge"	means a charge incurred in relation to a Non-Compliant vehicle which has been detected within the LEZ without a valid LEZ Charge Payment having been made in respect of it as required under the relevant Laws relating to the LEZ Scheme;
"LEZ Scheme"	means the low emissions zone scheme for London as

	set out or referred to in the LEZ Scheme Order as amended from time to time and any implementation of such scheme;
"LEZ Scheme Order"	means the Greater London Low Emission Zone Charging Order 2006, as varied;
"LEZ Status"	means, at any point in time, the status of a vehicle as either Compliant or Non-Compliant;
"Liquidated Damages"	has the meaning set out in Clause 6 (Consequences of Delay in achieving Milestones);
"Local Collector"	means a person legally or otherwise similarly entitled to enforce debts which are similar to the Debts in any jurisdiction in which the Service Provider is performing its obligations under this Contract;
"Local Community"	has the meaning ascribed in Clause 36.5.1;
"Losses"	all costs (including legal costs and costs of enforcement), expenses, liabilities (including any tax liability), injuries, direct, indirect or consequential loss (all three of which terms include pure economic loss, loss of profits, loss of business, depletion of goodwill and like loss), damages, claims, demands, proceedings and judgments;
"Low Emissions Zone" or "LEZ"	means the low emissions zone, being the geographical zone within which the Person Liable for a qualifying vehicle identified as having been in the zone will be liable for a charge, as defined in the LEZ Scheme Order;
"Malicious Software"	means any software that brings harm to a computer system. Commonly known as malware can be in the form of worms, viruses, trojans, spyware, and adware which steal protected data, delete documents or add software not approved by a user;
"Mandatory Change"	means any Change which either one party or both parties are required to implement as part of this Agreement and which is necessitated by, or results directly from: <ul style="list-style-type: none"> (a) a Change in Law, except if and to the extent that the actions to be undertaken by the Service Provider as a result constitute or relate to Additional Services; (b) an Emergency; or

- (c) a change or changes to one or more other Service Provider's systems (including the Core Service Provider) and/or service delivery processes;

which takes effect after the Contract Commencement Date and which impacts on:

- (1) the provision of the Services;
- (2) the operation or administration of a Scheme and/or the Schemes; or
- (3) otherwise on the terms of this Agreement;

or which the Agreement otherwise specifies is a Mandatory Change;

"Material Service Level Failure" means that the Service Provider has, in any month, accrued Service Failure Points with a monetary value in aggregate that is equal to or more than thirty percent (30%) of the value of the Operational Charge due to the Service Provider in respect of that same month;

"Milestone" means a milestone to be achieved pursuant to Schedule 3 (Milestones and Deliverables) by the relevant Milestone Date or as specified as a result of the Change Control Request Procedure;

"Milestone Achievement Criteria" means the criteria to be met by the Service Provider in order to achieve a Milestone, as specified in Table 1 of Schedule 3 (Milestones and Deliverables) or as specified as a result of the Change Control Request Procedure;

"Milestone Date" means that date specified in Table 1 of Schedule 3 (Milestone and Deliverables) or otherwise agreed between the parties in writing or as part of the Change Control Request Procedure, as appropriate, for realisation of a specified Milestone;

"Milestone Payment" means each relevant amount set out in Schedule 8 (Charging) or agreed as part of the Change Control Request Procedure which is payable to the Service Provider on achievement of a particular Milestone;

"Milestone Tasks" has the meaning given in Paragraph 8.1.3 of Schedule 3 (Milestones and Deliverables);

"Minimum Records" has the meaning ascribed in Clause 36.8.5.4;

"Non-Compliant"	means a vehicle does not comply with the provisions of the LEZ or ULEZ Schemes, including the emissions standards in force from time to time, as stated in the LEZ Scheme Order, as amended from time to time, and "Non-Compliance" shall be construed accordingly;
"Non-UK Processing System"	Notice Service(s) has the meaning ascribed to it in Paragraph 6.5.1 of Schedule 2 (Statement of Requirements);
"Notice of Acceptance"	has the meaning ascribed to it in Paragraph 3.1.13 of Schedule 2 (Statement of Requirements);
"Notice of Approval"	means a notice issued by TfL to the Service Provider pursuant to paragraph 10.1 of Schedule 3 (Milestones and Deliverables);
"Notice of Authority to Proceed"	means a notice issued by TfL to the Service Provider to proceed in respect of any Milestone;
"Notice of Rejection"	has the meaning ascribed to it in Paragraph 3.1.14 of Schedule 2 (Statement of Requirements);
"Notice to Owner"	means a notice issued in accordance with regulation 9 of the Civil Enforcement of Parking Contraventions (England) General Regulations 2007;
"Objection Notice"	has the meaning ascribed to it in Paragraph 7.3.2 of Schedule 10 (Change Control Request Procedure and Changes);
"On Hold"	means, in relation to a Penalty Charge, the Service Provider ceasing all Recovery Action;
"Operational Charge"	has the meaning ascribed to it in Paragraph 2.1 of Schedule 9 (Operational Pricing);
"Operational Phase"	means the period from the Service Commencement Date until the date of expiry or termination of this Contract;
"Operational Processes and Procedures"	means the document to be produced by the Service Provider pursuant to Paragraph 5.1 of Schedule 3 (Milestones and Deliverables);
"Operational Technology"	means any hardware or software which monitors and/or operates a physical process;
"Other Service Provider"	means any party providing services to, or having an interface with, TfL in relation to one or more Schemes from time to time, other than the Service Provider;

“Outline Security Management Plan”	means the security plan provided by the Service Provider as part of their tender submission;
"Parameterised Change Element"	means that element of a Change relating to the re-configuration of a parameterised aspect of the Services, as detailed in Annex A to Schedule 10 (Change Control Request Procedure and Changes);
“Parties”	TfL and the Service Provider (including their successors and permitted assignees) and “Party” shall mean either of them as the case may be;
"Payment"	means the receipt of money in full or part satisfaction of a Debt as described in the Penalty Charge naming that Person Liable;
"Payment in Full"	means a Payment which, either of itself or when in addition to previous Payments, fully satisfies the Debt as described in the Penalty Charge Notice as being owed at the time such Payment is made;
"PCI DSS"	has the meaning ascribed in Clause 33.2;
"Penalty Charge"	means any charge incurred in respect of a Contravention, payable by a Registered Keeper or Person Liable registered with a Vehicle Licensing Authority by virtue of the issue of the relevant Statutory Notice;
“Penalty Charge Notice” or “PCN”	means a notice issued to a Registered Keeper and/or a Person Liable notifying him or her of a Penalty Charge;
"Penalty Charge Record"	means a unique record associated with each Penalty Charge containing all Communications and stages of Recovery Action relating to the relevant Contravention Type, as identified by a unique reference number that corresponds to the Penalty Charge number;
"Performance Indicator" or "PI"	has the meaning ascribed in Paragraph 2.1 of Schedule 5 (Service Level Agreement);
"Performance Indicator Report"	means the report provided by the Service Provider in accordance with Paragraph 6 of Schedule 11 (Contract Management and Reporting);
"Performance Management Regime"	has the meaning ascribed in Paragraph 2.1 of Schedule 5 (Service Level Agreement);
"Persistent Evader"	means a person liable who has registered their vehicle with a Vehicle Licensing Authority and who has three or more recorded contraventions for a vehicle and those Penalty Charge Notices have not been paid,

represented or appealed against within the statutory time limits, or their representations or appeals have been rejected but they have still not been paid;

"Person Liable"	means the Registered Keeper or person liable for a vehicle as registered with the relevant Vehicle Licensing Authority;
"Personal Data"	has the meaning given to it in the Data Protection Legislation;
"Premium Hours"	means the period from 07.59.59 to 21.59.59 on any day;
"Processing"	has the meaning given to it in Data Protection Legislation and "Process" and "Processed" will be construed accordingly;
"Procurement Manager"	the person named as such in Schedule 1 and referred to in Clause 11 or such other person as notified to the Service Provider by TfL;
"Project Review Group"	has the meaning ascribed in Paragraph 3.1 of Schedule 11 (Contract Management and Reporting Procedure);
"Project Review Meeting"	has the meaning ascribed in Paragraph 3.3 of Schedule 11 (Contract Management and Reporting Procedure);
"Public Procurement Termination Event"	has the meaning given to it in Clause 41.7;
"Public Procurement Termination Grounds"	any one or more of the grounds described either in Regulation 73(1) of the Public Contracts Regulations 2015 or Regulation 89(1) of the Utilities Contracts Regulations 2016;
"Ready for Service Testing"	has the meaning ascribed in Paragraph 8.2 of Schedule 4 (Testing Regime);
"Receipt"	means a unique document which acknowledges the payment of money by any payee in respect of Penalty Charges for any Scheme;
"Receipt Number"	means a unique number assigned to a Receipt which acknowledges the payment of money by any payee in respect of Penalty Charges for any Scheme;
"Recovery Action"	means any action taken by the Service Provider or the Service Provider Personnel in order to enforce a Penalty Charge;

"Recovery Action Procedure"	<p>means either:</p> <ul style="list-style-type: none"> (a) the Recovery Action Procedure for Congestion Charging and Traffic Enforcement Penalty Charges set out in Paragraph 2.2 of Schedule 2 (Statement of Requirements); or (b) the Recovery Action Procedure for Low Emission Zone Penalty Charges set out in Paragraph 2.3 of Schedule 2 (Statement of Requirements); or (c) the Recovery Action Procedure for Ultra Low Emission Zone Penalty Charges as set out in Paragraph 2.4 of Schedule 2 (Statement of Requirements) <p>as the context requires;</p>
"Registered Keeper"	<p>means the person registered to use, or who owns a vehicle, as recorded by any relevant Vehicle Licensing Authority;</p>
"Regression Testing"	<p>means the testing to ensure that existing functionality is not affected by the addition of new and modified functionality for the relevant part of the Services as envisaged by Paragraph 9.1.1 of Schedule 4 (Testing Regime);</p>
"Relevant Protected Characteristic"	<p>has the meaning ascribed in Clause 20.1.4;</p>
"Remittance"	<p>has the meaning ascribed in Paragraph 2.1 of Schedule 12 (Revenue Collection and Payment);</p>
"Removable Media"	<p>means any type of storage device that can be removed from a computer while the system is running. Examples of removable media include CDs, DVDs and Blu-Ray disks, as well as diskettes and USB drives;</p>
"Report Specifications"	<p>means functional specifications for each of the Reports which shall include, but not be limited to details explaining:</p> <ul style="list-style-type: none"> (a) the source of the data; (b) the script used to obtain the data; (c) any exclusion of data; (d) the transformation applied to the data;

- (e) the presentation of the data;
- (f) the process and tools used to generate the report; and
- (g) any input parameters to the report and report frequency if generated automatically;

"Reports" means the reports to be produced by the Service Provider under this Contract;

"Representation" means a representation made to TfL by the Person Liable in relation to a Penalty Charge;

"Representative" or "Representatives" means any or all of the Service Provider's Contract Manager, TfL's Project Manager and TfL's Contract Manager, as the context requires;

"Restricted Countries" any country outside the European Economic Area other than the UK following withdrawal from the European Union;

"Return" means the process by which a Penalty Charge is sent back to the CSP via the CSP Interface with the appropriate Status and reason code and **"Returned"** shall be construed accordingly;

"Revenue" means all sums recovered by the Service Provider from Persons Liable as a result of Recovery Action that are due to TfL in respect of an outstanding Penalty Charge and which, for the avoidance of doubt, shall not include any overpayments;

"Review Meeting" means the meeting between the Service Provider's Representative and TfL's Representative as described in Paragraph 4.1 of Schedule 11 (Contract Management and Reporting Procedure);

"Scheme Order" means an order, rules or regulations relating to any one or more of the Schemes and as they may be amended or varied from time to time;

"Schemes" means:

- (A) the Congestion Charging Scheme;
- (B) the LEZ Scheme;
- (C) the Traffic Enforcement Schemes;
- (D) the ULEZ Scheme; and

(E) any other scheme in respect of which Services are to be provided by the Service Provider pursuant to this Contract from time to time,

and “**Scheme**” means any of the above;

"Security Incident"	a potential or actual event or attempted breach of security affecting the confidentiality, integrity or availability of the Services, IT Services or TfL Networks which process or hold Data;
"Security Incident Management Process"	has the meaning ascribed to it in Paragraph 8.1.1 of Schedule 6 (Security Policy);
"Security Management Plan"	means the Service Provider's security plan developed and revised pursuant to Paragraph 14 of Schedule 6 (Security Policy);
"Security Manager"	has the meaning ascribed in Paragraph 5.1 of Schedule 6 (Security Policy);
"Security Policy"	means any TfL security policies as amended by TfL from time to time;
"Security Risk"	meaning all risks associated with the security of the Services which may have a negative impact upon the agreed security posture, including information security;
"Security Risk Register"	means a register of Security Risks produced and maintained as detailed in Paragraph 2.2.2 of Schedule 6 (Security Policy);
"Sensitive Personal Data"	sensitive or special categories of Personal Data (as defined in Data Protection Legislation) which is Processed pursuant to or in connection with this Contract;
"Service Assets"	means all assets and rights including all physical assets, software, IPR, as well as spares and components whether in storage, repair or on sites, used by the Service Provider to provide the Services in accordance with this Contract;
"Service Commencement Date"	the date from which the Service Provider shall begin to carry out Recovery Action in respect of Cases issued to it by TfL, following successful completion of the Implementation Phase;
"Service Failure Deduction"	means a reduction to the monthly Operational Charges as specified in, and calculated in accordance with Paragraph 2.11 of Schedule 5 (Service Level

	Agreement);
"Service Failure Deduction Cap"	has the meaning ascribed in Paragraph 2.13 of Schedule 5 (Service Level Agreement);
"Service Failure Point Value"	has the meaning ascribed in Paragraph 2.11 of Schedule 5 (Service Level Agreement);
"Service Failure Points"	has the meaning ascribed in Paragraph 1.2 of Schedule 5 (Service Level Agreement);
"Service Issue"	means an Incident which does not constitute an Error or change to the Interface Specification but which will or may adversely affect the quality or efficient functioning of the Services;
"Service Level" or "SL"	has the meaning ascribed in Paragraph 1.1 of Schedule 5 (Service Level Agreement);
"Service Period"	means the period of time deemed acceptable for correspondence to be issued to and received by the intended recipient. Where an Act authorises or requires any document to be served by post (whether the expression "serve" or the expression "give" or "send" or any other expression is used) then, unless the contrary intention appears, the service is deemed to be effected by properly addressing, pre-paying and posting a letter containing the document and, unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of post;
"Service Provider Data"	means any Personal Data which the Service Provider uses in its performance of the Services, other than the TfL Personal Data;
"Service Provider Equipment"	the equipment and materials of whatsoever nature used by the Service Provider in providing the Services which do not themselves form part of the Services and in which title is not intended to pass to TfL under the Contract;
"Service Provider Personnel"	all such persons, including (without limitation) employees, officers, suppliers, sub-contractors and agents of the Service Provider, as are engaged in the performance of any of the Services and including the Key Personnel;
"Service Provider Premises"	means any land or building where the Service Provider carries out any part of this Contract;
"Service Provider's"	has the meaning ascribed in Paragraph 2.1 of Schedule

Contract Manager"	11 (Contract Management and Reporting Procedure);
"Service Provider's Technical Solution"	has the meaning set out in Paragraph 4.1 of Schedule 3 (Milestones and Deliverables);
"Services"	<p>(a) subject to Clause 39.6 all or any part of the services to be provided to, or activities to be undertaken and completed for, TfL by the Service Provider under the Contract as detailed in the Statement of Requirements including any variations to such services or activities or any Additional Services agreed pursuant to Clause 44; and</p> <p>(b) any services, functions or responsibilities which may be reasonably regarded as incidental to the foregoing services or activities and which may be reasonably inferred from the Contract;</p>
"Severity 1"	means a critical element of the Services is or is likely to be prevented from functioning or being performed, or results or is likely to result in an unacceptable impact on the public or on TfL or on an Other Service Provider, as determined by TfL in its absolute discretion, in relation to a Service Issue or Error in connection with the Testing or operation of, or a Security Incident in relation to the security of, the Services;
"Severity 2"	means Services still function with a workaround, however the functionality or performance is or is likely to be severely impacted or there is or is likely to be a significant impact on the public or on TfL or on an Other Service Provider, as determined by TfL in its absolute discretion, in relation to a Service Issue or Error in connection with the Testing or operation of, or a Security Incident in relation to the security of, the Services;
"Severity 3"	means Services still function with a workaround however the required functionality or performance is or is likely to be materially impacted or there is or is likely to be a material impact on the public or on TfL or on an Other Service Provider, as determined by TfL in its absolute discretion, in relation to a Service Issue or Error in connection with the Testing or operation of, or a Security Incident in relation to the security of, the Services;
"Severity Level"	means Severity 1, Severity 2 or Severity 3 (as applicable);

"SME"	has the meaning ascribed in Schedule 12 (TfL: Supplier Diversity Definitions);
"Statement of Requirements"	the statement of requirements set out in Schedule 2 (Statement of Requirements);
"Status"	means the status of a Penalty Charge with respect to any Recovery Action that has taken place;
"Statutory Notice"	means any or all of the following: a Penalty Charge Notice, a Notice to Owner and a Charge Certificate;
"Strategic Meeting"	Review means the meeting between the Service Provider and TfL described in Paragraph 5 of Schedule 11 (Contract Management and Reporting Procedure);
"Subject Request"	a request made by or on behalf of a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation including the right (i) to be informed, (ii) of access, (iii) to rectification, (iv) to erasure, (v) to restrict processing, (vi) to data portability, (vii) to object and (viii) to automated decision making including profiling;
"Suppress"	means the prevention of the issue of a PCN, for a Parameterised period, where a Penalty Charge is incurred for any Contravention Type, and this action is recorded against the Penalty Charge Record;
"Suppression Period"	means Parameterised period of time as instructed from TfL or the CSP for the prevention or delaying the issue of a PCN, where a Penalty Charge has incurred for any Contravention Type this action shall be recorded against the Penalty Charge Record;
"System Failure"	means any material failure, fault or problem of the Service Provider's systems including the CSP Interface and the Non-UK Notice Processing Service(s) System;
"Term"	the period during which the Contract continues in force as provided in Clause 2 and Schedule 1;
"Test Criteria"	means the specific test conditions and criteria used to determine whether a software or hardware item passes or fails a Test;
"Test Data"	means any data in relation to any Testing;
"Test Documents"	means all documentation to be provided by the Service Provider to TfL in accordance with Schedule 4 (Testing Regime);

"Test Plan"	means the detailed document prepared or to be prepared by the Service Provider and including the criteria set out in Paragraph 6 of Schedule 4 (Testing Regime);
"Test Report"	means a test report prepared or to be prepared by the Service Provider as envisaged under Paragraph 12 of Schedule 4 (Testing Regime);
"Tests"	means the tests undertaken or to be undertaken by the Service Provider as envisaged under Clause 8 (Testing) and Schedule 4 (Testing Regime) and "Testing" shall have a corresponding meaning;
"Test Specification"	means a detailed specification document prepared or to be prepared by the Service Provider setting out how the Tests will demonstrate that the Test Criteria have been met as envisaged under Paragraph 7 of Schedule 4 (Testing Regime);
"Test Strategy"	means the high level document to be produced by the Service Provider which shall include the criteria set out in Paragraph 3 of Schedule 4 (Testing Regime);
"Test Witnessing"	means a process by which personnel from TfL, or a nominated third party, witnesses the execution of Tests performed by the Service Provider as envisaged under Paragraph 11 of Schedule 4 (Testing Regime);
"TfL EDR Business Rules"	means the business rules set out in Annex B (Non-UK Representations Business Rules), Annex C (LEZ Processing Guidance) and Annex F (ULEZ Processing Guidance) to Schedule 2 (Statement of Requirements) as may be amended from time to time;
"TfL Information Security Controls Framework"	means a hierarchy of IT security documents consisting of the high level Information Management Security Policy and ten security principles (Information Security Controls Framework), available upon request;
"TfL Network(s)"	means the network infrastructure and services owned or used by TfL to support the delivery of the IT Services;
"TfL Personal Data"	Personal Data and/or Sensitive Personal Data Processed by the Service Provider or any sub-contractor on behalf of the TfL, pursuant to or in connection with this Contract; and
"TfL Personnel "	means all employees, agents, consultants and contractors of TfL;

"TfL Restricted"		as defined in the TfL Information Security Classification Standard (listed in Annex 5 of Schedule 6 (Security Policy));
"TfL Sites"		means all TfL premises where the Services are delivered;
"TfL's Contract Manager"	Contract	has the meaning ascribed in Paragraph 2.3 of Schedule 11 (Contract Management and Reporting Procedure);
"TfL's Project Manager"		has the meaning ascribed in Paragraph 2.2 of Schedule 11 (Contract Management and Reporting Procedure);
"Third Party Representation"	Party	means a representation made to TfL by an individual who is not the Person Liable in relation to a Penalty Charge;
"Traffic Enforcement Penalty Charge"	Enforcement	means a fine or penalty charge incurred in relation to a vehicle which has been identified as being in contravention of any Traffic Enforcement Scheme;
"Traffic Enforcement Scheme"		means a scheme relating to the regulation of vehicular traffic that is provided for by Law including, without limitation, the Road Traffic Regulation Act 1984, the Traffic Management Act 2004, the London Local Authorities and Transport for London Act 2003 and the London Local Authorities Act 1996;
"Transparency Commitment"		means TfL's commitment to publish its contracts, tender documents and data from invoices received in accordance with the Local Government Transparency Code 2015 and TfL's own published transparency commitments;
"ULEZ Charge", "ULEZ Charge Payment" or "ULEZ Payment"		means the payment that permits a vehicle, which does not qualify for an exemption or 100% discount, to be within the ULEZ without incurring a ULEZ Penalty Charge, as defined in the LEZ Scheme Order;
"ULEZ Penalty Charge"		means a charge incurred in relation to a Non-Compliant vehicle which has been detected within the ULEZ without a valid ULEZ Charge Payment having been made in respect of it as required under the relevant Laws relating to the ULEZ Scheme;
"ULEZ Scheme"		means the Ultra Low Emissions Zone scheme for London as set out or referred to in the LEZ Scheme Order as amended from time to time and any implementation of such scheme;

"ULEZ Status"	means, at any point in time, the status of a vehicle as either Compliant or Non-Compliant;
"Ultra Low Emission Zone" or ULEZ"	means one of the following as the context requires: <ul style="list-style-type: none"> (a) the element of the LEZ Scheme Order that details how vehicles that do not comply with the minimum emission standards for ultra low emissions vehicles detailed in the LEZ Scheme Order, shall be treated when travelling in the applicable zone; or (b) means the zone in which the ULEZ applies as set out in the LEZ Scheme Order;
"Unallocated Payment"	means any money sent to the Service Provider but without information as to the Person Liable and/or Debt or other debt it has been paid in respect of;
"Upheld Customer Complaint"	has the meaning ascribed in Paragraph PI 5B.1 of Schedule 5 (Service Level Agreement);
"VAT"	means value added tax as provided for in the Value Added Tax Act 1994 and any tax replacing the same or of a similar nature;
"Vehicle Licensing Authority"	means the relevant authority in a country other than the United Kingdom which has the equivalent or substantially similar responsibilities for vehicle registration as the DVLA;
"Vehicle Registration Mark" or "VRM"	means the unique identifier required by Law to be displayed in numerical and/or character format on vehicles on a public highway;
"VRM"	means vehicle registration marker;
"Warning Notice"	means a notice issued to a Person Liable instead of a formal Penalty Charge Notice; and
"Warning Notice Period"	means the period of time when a warning notice is issued to a Person Liable instead of a Penalty Charge Notice.

1.2 a reference to the singular includes the plural and vice versa, and a reference to any gender includes all genders;

1.3 a reference to any statute, enactment, order, regulation or other similar instrument shall be construed as a reference to the statute, enactment, order, regulation or instrument as amended or re-enacted by any subsequent statute, enactment, order, regulation or instrument and shall include all

statutory instruments or orders made pursuant to it whether replaced before or after the date of execution of the Contract;

- 1.4 a reference to any document other than as specified in Clause 1.3 and save as expressed otherwise shall be construed as a reference to the document as at the date of execution of the Contract;
- 1.5 headings are included in the Contract for ease of reference only and do not affect the interpretation or construction of the Contract;
- 1.6 references to Clauses and Schedules are, unless otherwise provided, references to clauses of, and schedules to, the Contract and any reference to a paragraph in any Schedule shall, in the absence of provision to the contrary, relate to the paragraph in that Schedule;
- 1.7 in the event, and only to the extent, of any conflict between the Clauses and the Schedules, the Clauses prevail, except where:
 - 1.7.1 the conflicting part of the Schedule is explicitly expressed to take precedence; or
 - 1.7.2 the conflict is with a provision in Schedule 2 (Statement of Requirements), in which case the provisions in Schedule 2 shall prevail;
- 1.8 in the event, and only to the extent, of any conflict or inconsistency between any provision of the Contract (including the Schedules) and any provision of applicable Law then the relevant provision of applicable Law shall prevail but only where such conflict or inconsistency would in TfL's reasonable opinion require the Service Provider to breach applicable Law and only in so far as is necessary to resolve that conflict or inconsistency.
- 1.9 the Schedules form part of the Contract and will have the same force and effect as if expressly set out in the body of the Contract;
- 1.10 the expression "person" means any individual, firm, body corporate, unincorporated association, partnership, government, state or agency of a state or joint venture; and
- 1.11 the words "including", "includes" and "included" will be construed without limitation unless inconsistent with the context.

2. Commencement and Duration

The Contract commences on the Contract Commencement Date and continues in force for the duration stated in Schedule 1 unless terminated earlier in accordance with Clause 39.

3. The Services

- 3.1 The Service Provider:

- 3.1.1 shall provide the Services to TfL from the Service Commencement Date in accordance with the Contract;
 - 3.1.2 shall provide the Deliverables in accordance with, and otherwise comply with the provisions set out in, Schedule 3 (Milestones and Deliverables) so as to archive the Milestones;
 - 3.1.3 acknowledges that it has sufficient information about TfL and the Statement of Requirements and that it has made all appropriate and necessary enquiries to enable it to perform the Services in accordance with the Contract;
 - 3.1.4 shall neither be entitled to any additional payment nor excused from any obligation or liability under the Contract due to any misinterpretation or misunderstanding by the Service Provider of any fact relating to the Statement of Requirements or otherwise to the Contract; and
 - 3.1.5 shall comply with all lawful and reasonable directions of TfL relating to its performance of the Services; and
 - 3.1.6 shall at all time comply with the rules of the Schemes,
- 3.2 Notwithstanding anything to the contrary in the Contract, TfL's discretion in carrying out its statutory duties shall not be fettered or otherwise constrained or affected by any provision of the Contract;
- 3.3 The Service Provider shall provide the Services:
- 3.3.1 in accordance with Acceptable Service Levels set out in Schedule 5 (Service Level Agreement);
 - 3.3.2 in accordance with the time periods set out in the Statement of Requirements or, where no period is specified, within a reasonable time;
 - 3.3.3 with the high degree of skill, care and diligence normally exercised by recognised professional firms or by highly skilled and experienced service providers providing services of a similar scope, type and complexity to the Services and with sufficient resources including project management resources;
 - 3.3.4 in conformance in all respects with the Statement of Requirements and so that they fulfil the purpose indicated by or to be reasonably inferred from the Statement of Requirements;
 - 3.3.5 in a safe manner and free from any unreasonable or avoidable risk to any person's health and well-being and in an economic and efficient manner; and

- 3.3.6 so that they are properly managed and monitored and shall immediately inform TfL if any aspect of the Contract is not being or is unable to be performed.
- 3.4 Throughout the term of the Contract the Service Provider shall when required give to TfL such written or oral advice or information regarding any of the Services as TfL may reasonably require.
- 3.5 Where a format for electronic receipt of orders by the Service Provider is set out in Schedule 1, the Service Provider shall, unless TfL requires otherwise, receive orders in such format and shall maintain its systems to ensure that it is able to do so throughout the Term.

4. Additional Services

- 4.1 TfL may, in accordance with the obligations set out in Clause 44 (Change Control Request Procedure), require the Service Provider from time to time to provide services in addition to the Services such as:
- 4.1.1 other ad-hoc non-UK enforcement activities as directed by TfL;
- 4.1.2 translation services (other than those which it is required to provide under the Statement of Requirements) for other parts of the TfL business; and
- 4.1.3 any other services substantially similar to the Services, including any required to support TfL's traffic and vehicle parking enforcement, further road user charging and/or infrastructure charging schemes as well as to support TfL in the collection of any other outstanding sums owed to TfL,

together the “**Additional Services**”.

- 4.2 Any Additional Services shall be provided on and subject to the terms and conditions of this Contract. The Operational Charges for any Additional Services shall be calculated in accordance with the principles and methodology set out in Schedule 9 (Operational Pricing).

5. Performance Management

- 5.1 The Parties agree the purpose of the Service Failure Points is to give the Service Provider an incentive to perform and that the operation of the Performance Management Regime is without prejudice to TfL's right at any time and without reference to the Performance Management Regime not to allocate any cases to the Service Provider.
- 5.2 In the event that the Service Provider fails to achieve the Acceptable Service Levels, the following provisions shall apply:
- 5.2.1 the Service Provider shall, subject to the terms of this Contract, promptly undertake all necessary actions in order to rectify the failure and achieve the Acceptable Service Levels;

- 5.2.2 if the failure to achieve the Acceptable Service Levels results in the Service Provider accumulating more than 25 Service Failure Points in a month, TfL may take the action described in Table 2 of Schedule 5 (Service Level Agreement); and
- 5.2.3 in the event of a Material Service Level Failure, TfL shall be entitled to terminate this Contract in accordance with Clause 39 (Breach and Termination of Contract).
- 5.3 TfL's rights under this Clause 5 are in addition to and without prejudice to any other rights or remedies available to TfL.
- 5.4 Any dispute as to whether the Services are supplied, or the Service Provider's relevant obligations are performed, in accordance with the Acceptable Service Levels shall be resolved in accordance with Clause 38 (Dispute Resolution Procedure).

6. Consequences of Delay in achieving Milestones

- 6.1 In the event that the Service Provider fails to achieve a Milestone by the relevant Milestone Date, the Service Provider shall pay to TfL liquidated damages in accordance with paragraph 4 of Schedule 8 (Charging) ("**Liquidated Damages**") in respect of that Milestone, for each day or part day on which the achievement of that Milestone is delayed beyond the relevant Milestone Date, from and including the relevant Milestone Date to but excluding the date on which TfL issues a Notice of Authority to Proceed in respect of the Milestone, up to a maximum period of thirty (30) days (the "**LD Period**").
- 6.2 Without prejudice to TfL's rights to terminate as set out in this Contract, the parties acknowledge that:
 - 6.2.1 the Liquidated Damages are a genuine pre-estimate of the loss that TfL is likely to suffer during the LD Period in the event of delay to the relevant Milestone; and
 - 6.2.2 in the event that delay to achievement of a Milestone continues beyond the expiry of the LD Period, TfL shall be entitled to exercise any or all of its rights, whether under this contract, at law or otherwise.

7. Revenue Collection and Operational Charges

- 7.1 The Service Provider shall pay to TfL all Revenue within one (1) Business Day of receipt in accordance with the provisions of Schedule 12 (Revenue Collection and Payment).
- 7.2 In consideration of the provision of the Services by the Service Provider in accordance with this Agreement, TfL will pay the Operational Charges to the Service Provider as provided for in, and subject to, the provisions of Schedule 9 (Operational Pricing).

- 7.3 The Service Provider shall invoice for payment of the Operational Charges on a monthly basis in accordance with the provisions of Schedule 8 (Charging).
- 7.4 Subject to the following, TfL shall pay the amount set out in a correct and complete invoice within thirty (30) days of receipt of the invoice:
- 7.4.1 if any part of an invoice is disputed by TfL, TfL shall only pay the amount which is not in dispute; and
- 7.4.2 if any supporting information which was or should have been submitted with an invoice is missing or incomplete, including but not limited to performance reporting information, TfL shall notify the Service Provider. If the required information has not been received within ten (10) Business Days from the date of the notice served by TfL, TfL shall be entitled to suspend payment of the relevant amounts until it has received all of the required information from the Service Provider. Once the required information has been provided, unless TfL disputes the amount of the invoice, TfL shall pay to the Service Provider the amount set out in the invoice within thirty (30) days of receipt of the required information.
- 7.5 If any dispute arises in relation to an invoice, the Operational Charges and/or any other amount due, it shall be resolved in accordance with Clause 38 (Dispute Resolution Procedure).
- 7.6 TfL shall be entitled to review and/or vary (as applicable) the Operational Charges in accordance with Paragraph 3 of Schedule 9 (Operational Pricing) and such review and/or variation shall not, for the avoidance of doubt, constitute a Change). In all other circumstances, the Operational Charges shall not be varied other than in accordance with the provisions of Schedule 8 (Charging) or Schedule 10 (Change Control Request Procedure and Changes).
- 7.7 For any payments payable by the Service Provider TfL shall have, at its discretion, the option to receive such payments in either pounds Sterling or Euros, provided that TfL can only receive such payments in a currency that is legal tender in the UK (or any part thereof) at the time of payment.
- 7.8 No payment by TfL of any invoice or any other form of payment made by TfL to the Service Provider (including any final payment) or act or omission or approval by TfL or any TfL Personnel (whether related to payment or otherwise) shall:
- 7.8.1 indicate or be taken to indicate the TfL's acceptance or approval of the Services or any part of them or any act or omission of the Service Provider, or otherwise prejudice any rights, powers or remedies which TfL may have against the Service Provider, or absolve the Service Provider from any obligation or liability imposed on the Service Provider under or by virtue of the Contract; or

7.8.2 prevent TfL from recovering any amount overpaid or wrongfully paid including payments made to the Service Provider by mistake of law or fact. Without prejudice to Clause 25, TfL shall be entitled to withhold such amount from any sums due or which may become due to the Service Provider or TfL may recover such amount as a debt.

8. Testing

8.1 Each party shall have the relevant rights and comply with the provisions set out in Schedule 4 (Testing Regime) in relation to Testing.

8.2 The Service Provider agrees that all Testing shall be the responsibility of, and shall be carried out at the cost and expense of, the Service Provider.

9. Warranties and Obligations

9.1 Without prejudice to any other warranties expressed elsewhere in the Contract or implied by law, the Service Provider warrants, represents and undertakes to TfL that:

9.1.1 the Service Provider:

9.1.1.1 has full capacity and authority and all necessary licences, permits, permissions, powers and consents (including, where its procedures so require, the consent of its Holding Company) to enter into and to perform the Contract; and

9.1.1.2 is aware of the purposes for which the Services are required and acknowledges that TfL is reliant upon the Service Provider's expertise and knowledge in the provision of the Services; and

9.1.1.3 is entering into this Contract as principal and not as agent for any person and that it will act as an independent contractor in carrying out its obligations under this Contract;

9.1.2 the Contract is executed by a duly authorised representative of the Service Provider;

9.1.3 all materials, equipment and goods used or supplied by the Service Provider in connection with the Contract shall be of satisfactory quality within the meaning of the Sale of Goods Act 1979 (as amended), sound in design and in conformance in all respects with the Statement of Requirements; and

9.1.4 all documents, drawings, computer software and any other work prepared or developed by the Service Provider or supplied to TfL under the Contract shall not infringe any Intellectual Property Rights or any other legal or equitable right of any person.

9.2 Each warranty and obligation in this Clause 9 shall be construed as a separate warranty or obligation (as the case may be) and shall not be limited or restricted by reference to, or reference from, the terms of any other such warranty or obligation or any other term of the Contract.

10. TfL's Obligations

10.1 Notwithstanding the provisions of Schedule 5 (Service Level Agreement), TfL is not obliged to supply any cases to the Service Provider whether pursuant to this Contract or otherwise.

10.2 TfL reserves the right to cancel any instruction in respect of any cases previously allocated to the Service Provider without notice, explanation or payment of any compensation, fees or expenses to the Service Provider. TfL shall use reasonable endeavours to ensure that where a case or any cases are withdrawn the Service Provider is informed within two (2) Business Days of any such cancellation or withdrawal.

11. Operational Management

11.1 TfL authorises the Contract Manager to act as TfL's representative for the Contract.

11.2 The Service Provider shall deal with the Contract Manager (or his or her nominated representative) in respect of all matters arising under the Contract, except as set out below or unless otherwise notified by TfL:

11.2.1 Change Control Requests;

11.2.2 any matter concerning the terms of the Contract; and

11.2.3 any financial matter (including any issues in Schedule 8 (Charging), Schedule 9 (Operational Charges) or Schedule 12 (Revenue Collection and Payment),

which shall be referred to the Procurement Manager.

11.3 The Service Provider shall, at TfL's request, provide promptly to TfL at no additional cost such reports on the provision of the Services as TfL may reasonably request.

12. Service Provider Personnel

12.1 Nothing in this Contract will render the Service Provider Personnel, an employee, agent or partner of TfL or Authority Group by virtue of the provision of the Services by the Service Provider under the Contract, and the Service Provider shall be responsible for making appropriate deductions for tax and national insurance contributions from the remuneration paid to the Service Provider Personnel.

12.2 The Service Provider shall provide the Service Provider Personnel as necessary for the proper and timely performance and management of the

Services in accordance with the Contract. All personnel deployed on work relating to the Contract shall have the appropriate qualifications and competence, be properly trained, managed and supervised and in these and any other respects be acceptable to TfL.

- 12.3 The Service Provider shall procure (as far as it is lawfully able to do so) that all the Service Provider Personnel disclose to the Service Provider details of any convictions. The Service Provider shall not engage any of the Service Provider Personnel who have convictions in the performance of the Services without the prior written consent of TfL.
- 12.4 The Service Provider shall require (as far as it is lawfully able to do so) that the Service Provider Personnel declare any interests or relationships they have with Person(s) Liable at any time and from time to time. The Service Provider shall notify TfL of all such declarations and shall ensure that none of the Service Provider Personnel shall carry out Recovery Action in respect of a Person Liable with whom he or she has declared an interest or relationship.
- 12.5 If TfL, acting reasonably, considers that any member of the Service Provider Personnel is not performing properly, efficiently or effectively or is in any way disruptive to TfL's activities then TfL may, by written notice to the Service Provider, require the removal of such member of the Service Provider Personnel from the provision of the Services with immediate effect. The Service Provider shall inform TfL in writing if it considers that the re-engagement of any such member of the Service Provider Personnel in the provision of the Services to be justified, and TfL may permit such re-engagement on such terms as TfL shall determine. The exercise of these rights by TfL will not relieve the Service Provider of any of its obligations under this Contract.
- 12.6 The Service Provider shall:
 - 12.6.1 only use Service Provider Personnel in the performance of the Services who have first successfully completed an induction training programme developed by the Service Provider and approved by TfL;
 - 12.6.2 maintain an accurate and up-to-date record of the training history of all Service Provider Personnel, including details of the training dates, the courses undertaken, and any further training scheduled.
- 12.7 TfL may from time to time attend, inspect and audit the Service Provider Personnel training courses at any time (with or without prior notice).
- 12.8 Without prejudice to any of TfL's other rights, powers or remedies, TfL may (without liability to the Service Provider) deny access to any Service Provider Personnel to any Authority Premises and/or require that any Service Provider Personnel be immediately removed from performing the Services if such Service Provider Personnel in TfL's view have not been properly trained in any way required by this Contract, are otherwise incompetent, negligent, guilty of misconduct or could be a danger to any person. TfL shall notify the Service Provider of such denial and/or requirement in writing and the Service Provider

shall comply with such notice and provide a suitable replacement (with the Contract Manager's prior consent in the case of Key Personnel).

- 12.9 The Service Provider shall give TfL, if so requested, full particulars of all persons who are or may be at any time employed on the Contract and shall take all reasonable steps to avoid changes to any of its staff designated in the Contract as Key Personnel. The Service Provider shall give TfL reasonable notice of any proposals to change Key Personnel and Clause 12.2 shall apply to the proposed replacement personnel.
- 12.10 The Service Provider shall indemnify, keep indemnified and hold harmless TfL from and against all Losses which TfL or other member of the Authority Group incur or suffer in relation to the Service Provider Personnel or any person who may allege to be the same (whenever such Losses may arise) or any failure by the Service Provider to comply with this Clause 12.
- 12.11 The Service Provider shall pay to the Service Provider Personnel not less than the amounts declared to TfL (if any) as part of the tender process for the Contract and not less than the amounts to which the Service Provider Personnel are contractually entitled.

13. Service Provider Personnel – Information

- 13.1 The Service Provider shall update and provide to TfL, no later than two (2) weeks following the Contract Commencement Date and thereafter within two (2) Business Days of any changes, a manual in such form as is appropriate which shall set out:
- 13.1.1 the organisational structure and internal lines of reporting of the Service Provider in relation to the Services;
 - 13.1.2 a brief summary of the roles and responsibilities of all Service Provider Personnel; and
 - 13.1.3 if requested by TfL, a curriculum vitae for any or all members of Service Provider Personnel.
- 13.2 The Service Provider shall (subject to restrictions imposed by any relevant data protection laws) within twenty (20) Business Days following a request by TfL during the continuance of this Contract deliver up, or procure the delivery up of, to TfL full and accurate information in respect of the Service Provider Personnel concerning their number, function, remuneration and benefits, terms of employment or engagement, age, length of service or engagement and the proportion of working time each individual has been concerned with the Services during the preceding twelve (12) months and such copies of any personnel records as may be required by TfL.
- 13.3 In the event that information provided pursuant to Clause 13.2 changes in any material respect at any time prior to the expiry or termination of this Contract, the Service Provider will notify TfL promptly, and in any event by or at the next Review Meeting. The Service Provider shall upon written request by TfL

(such requests to be made at intervals of no less than twenty (20) Business Days except on reasonable grounds) provide updated information within five (5) Business Days of such request. Further, the Service Provider shall clarify any matter in relation to the information provided for which TfL makes a request. In supplying such information to TfL the Service Provider thereby consents to the disclosure of such information to any actual or prospective Replacement Service Provider and to TfL's professional advisers and warrants to TfL the accuracy of the information.

14. No Transfer of Employees to Service Provider

14.1 For the purposes of this Clause 14, unless the context indicates otherwise, the following expressions shall have the following meanings:

"Employment Liabilities" means all costs (including the costs of enforcement), expenses, liabilities (including any tax liability), injuries, damages, awards, compensation, claims, demands, proceedings and legal costs (on a full indemnity basis);

"Replacement Service Provider" means any replacement supplier or provider to TfL of the Services (or any part of the Services) and any sub-contractor to such replacement supplier or provider;

"Transfer of Services" means the transfer of the provision of the Services from the Service Provider and any sub-contractor to TfL or any Replacement Service Provider or any sub-contractor for any reason;

"Transferring Staff" means such employees of the Service Provider(s) who transfer (or claim an entitlement to transfer) to TfL or any Replacement Service Provider pursuant to TUPE;

"TUPE" means the Transfer of Undertakings (Protection of Employment) Regulations 2006;

14.2 The Parties agree and acknowledge that they do not expect TUPE to apply on the Transfer of Services.

14.3 To the extent that TUPE does or is deemed to apply to any Transfer of Services, the Service Provider will indemnify and keep indemnified TfL and the Replacement Service Provider(s) (and its sub-contractors) from and against all Employment Liabilities which TfL or the Replacement Service Provider (or its sub-contractors) incur or suffer arising out of or in connection with:

14.3.1 any act or omission by or on behalf of the Service Provider (or its sub-contractors) in respect of any person employed or engaged by it (or its sub-contractors) (including the Transferring Staff) on or after the Contract Commencement Date;

14.3.2 any failure by the Service Provider (or its sub-contractors) to comply with Regulation 13 of TUPE in relation to the Transfer of Services;

- 14.3.3 any claim brought or other action which arises from or in connection with (directly or indirectly) any act or omission or communication made to the Transferring Staff by the Service Provider (or its sub-contractors) before, on or after the Contract Commencement Date;
 - 14.3.4 the employment or termination of employment by the Service Provider (or its sub-contractors) of any Transferring Staff on or after the Contract Commencement Date;
 - 14.3.5 any actual or proposed changes by the Service Provider (or its sub-contractors) to the terms and conditions of employment or working conditions of any of the Transferring Staff which are or are alleged to be to the detriment of any of the Transferring Staff.
- 14.4 Immediately upon becoming aware that TUPE may apply to any Transfer of Services, the Service Provider will provide TfL with all information which it may reasonably require to enable it or any Replacement Service Provider to comply with its information and consultation obligations under TUPE.
- 14.5 Clause 43.1 shall be amended so that benefits conferred on the Replacement Service Provider or its sub-contractors under this Clause shall be enforceable by them.
- 14.6 If TUPE does not apply on the expiry or termination of the Contract, the Service Provider will remain responsible for the Service Provider Personnel and will indemnify and keep indemnified TfL against all Employment Liabilities which TfL incurs or suffers arising directly or indirectly out of or in connection with the employment or termination of employment of any of the Service Provider Personnel or former Service Provider Personnel.

15. Health and Safety

- 15.1 The Service Provider shall at all times comply with:
- 15.1.1 all applicable health and safety Law; and
 - 15.1.2 all decisions, requirements, regulations, orders, instructions, directions or rules relating to health and safety applicable to the provision of the Services.
- 15.2 In the event that a serious health or safety risk has arisen or is likely to arise in the provision of the Services, the Service Provider will notify TfL promptly in writing and will provide TfL with adequate information relating to such risk including any steps and safeguards which the Service Provider proposes to take and observe in order to ensure that the Services are performed safely. The Service Provider shall promptly take such steps and adopt such safeguards.

16. London Living Wage

- 16.1 For the purposes of this Clause 16, the following expressions have the corresponding meanings:

- “CCSL”** the Centre for Civil Society Limited or any relevant replacement organisation as notified by the Authority from time to time;
- “London Living Wage”** the London rate for the basic hourly wage as updated and published annually by the CCSL (or any relevant replacement organisation) on its website (www.livingwage.org.uk); and
- “Subcontractor”** a sub-contractor (of any tier) of the Service Provider.

- 16.2 The Service Provider acknowledges and agrees that the Mayor of London pursuant to section 155 of the Greater London Authority Act 1999 has directed that members of the Authority Group ensure that the London Living Wage be paid to anyone engaged by any member of the Authority Group who is required to discharge contractual obligations (whether as a direct contractor or a sub-contractor (of any tier) of that direct contractor) on the Authority’s estate in the circumstances set out in Clause 16.3.1
- 16.3 Without prejudice to any other provision of this Contract, the Service Provider shall:
- 16.3.1 ensure and procure that any of the Service Provider Personnel or the employees of the Service Provider’s sub-contractors engaged in the provision of the Services:
- 16.3.1.1 for two (2) or more hours of work in any given day in a week, for eight (8) or more consecutive weeks in a year; and
- 16.3.1.2 on the Authority’s estate including (without limitation) premises and land owned or occupied by the Authority,
- be paid an hourly wage (or equivalent of an hourly wage) equivalent to or greater than the London Living Wage;
- 16.3.2 ensure that none of:
- 16.3.2.1 the Service Provider Personnel; nor
- 16.3.2.2 the employees of the Service Provider’s sub-contractors, engaged in the provision of the Services be paid less than the amount to which they are entitled in their respective contracts of employment;
- 16.3.3 provide to TfL such information concerning the London Living Wage as TfL or its nominees may reasonably require from time to time, including (without limitation):

- 16.3.3.1 all information necessary for TfL to confirm that the Service Provider is complying with its obligations under Clause 16.3.1; and
- 16.3.3.2 reasonable evidence that Clause 16.3.1 has been implemented;
- 16.3.4 disseminate on behalf of TfL to:
 - 16.3.4.1 the Service Provider Personnel; and
 - 16.3.4.2 the employees of the Service Provider's sub-contractors, engaged in the provision of the Services such perception questionnaires as TfL may reasonably require from time to time and promptly collate and return to TfL responses to such questionnaires; and
- 16.3.5 cooperate and provide all reasonable assistance in monitoring the effect of the London Living Wage including (without limitation):
 - 16.3.5.1 allowing the CCSL to contact and meet with the Service Provider's employees and any trade unions representing the Service Provider Personnel;
 - 16.3.5.2 procuring that the Service Provider's sub-contractors allow the CCSL to contact and meet with the subcontractors' employees and any trade unions representing the sub-contractors' employees,

in order to establish that the obligations in Clause 16.3.1 have been complied with.
- 16.4 For the avoidance of doubt the Service Provider shall:
 - 16.4.1 implement the annual increase in the rate of the London Living Wage; and
 - 16.4.2 procure that its sub-contractors implement the annual increase in the rate of the London Living Wage,

on or before 1 April in the year following the publication of the increased rate of the London Living Wage.
- 16.5 TfL reserves the right to audit (acting by itself or its nominee(s)) the provision of the London Living Wage to the Service Provider Personnel and the employees of its sub-contractors.
- 16.6 Without limiting TfL's rights under any other termination provision in this Contract, the Service Provider shall remedy any breach of the provisions of this Clause 16 within four (4) weeks' notice of the same from TfL. If the Service Provider remains in breach of the provisions of this Clause 16

following this four (4) week notice period, TfL may by written notice to the Service Provider immediately terminate this Contract.

17. Sub-Contracting and Change of Ownership

17.1 The Service Provider shall not assign or sub-contract all or any part of the Services without the prior written consent of TfL, which may be refused or granted subject to such conditions as TfL sees fit.

17.2 Where the Service Provider sub-contracts all or any part of the Services to any person, the Service Provider shall:

17.2.1 ensure that such person is obliged to comply with all of the obligations and duties of the Service Provider under the Contract insofar as they relate to the Services or part of them (as the case may be) which that sub-contractor is required to provide;

17.2.2 be responsible for payments to that person;

17.2.3 remain solely responsible and liable to TfL for any breach of the Contract or any performance, non-performance, part-performance or delay in performance of any of the Services by any sub-contractor to the same extent as if such breach, performance, non-performance, part-performance or delay in performance had been carried out by the Service Provider;

17.2.4 on or before the Contract Commencement Date or the Service Commencement Date (whichever is the earlier), notify TfL in writing of the name, contact details and details of the legal representatives of any such sub-contractor (of any tier), to the extent that such information has not already been provided by the Service Provider to TfL under the Contract;

17.2.5 promptly notify TfL in writing of any change to the information notified under Clause 17.2.4 and provide in writing the name, contact details and details of the legal representatives of each such sub-contractor (of any tier) who is engaged after the Contract Commencement Date or the Service Commencement Date (whichever is the earlier);

17.2.6 without prejudice to the provisions of Clause 20, ensure compliance with the Bribery Act 2010 and any guidance issued by the Secretary of State under it when appointing any such sub-contractor;

17.2.7 include a term in each sub-contract (of any tier):

17.2.7.1 requiring payment to be made by the Service Provider or (in respect of a sub-contract below the first tier) the payer under the relevant sub-contract, to the sub-contractor within a specified period not exceeding 30 days from receipt of a valid and undisputed invoice as defined by the sub-contract requirements;

- 17.2.7.2 a requirement that any invoices for payment submitted by the sub-contractor are considered and verified by the Service Provider, or (in respect of a sub-contract below the first tier) the payer under the relevant sub-contract, in a timely manner and that any undue delay in doing so shall not in itself be sufficient justification for failing to treat an invoice as being valid and undisputed under the sub-contract requirements;
 - 17.2.7.3 entitling the Service Provider or (in respect of a sub-contract below the first tier) the payer under the relevant subcontract 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
 - 17.2.7.4 a requirement that the sub-contractor includes a provision having the same effect as Clause 17.2.7.3 above in any sub-contract it awards.
- 17.3 The Service Provider shall give notice to TfL within 10 Business Days where:
- 17.3.1 there is any change in the ownership of the Service Provider where such change relates to 50% or more of the issued share capital of the Service Provider; and
 - 17.3.2 there is any change in the ownership of the Holding Company where such change relates to 50% or more of the issued share capital of the Holding Company; and
 - 17.3.3 (in the case of an unincorporated Service Provider) give notice to TfL if there is any change in the management personnel of the Service Provider, which alone or taken with any other change in management personnel not previously notified to TfL, equates to a change in the identity of 50% or more of the management personnel of the Service Provider.

Upon the occurrence of any of the events referred to at Clauses 17.3.1 – 17.3.3 above, TfL shall have the right to terminate the Contract.

18. Conflict of Interest

- 18.1 The Service Provider warrants that it does not and will not have at the Contract Commencement Date or Service Commencement Date any interest in any matter where there is or is reasonably likely to be a conflict of interest with the Services or any member of the Authority Group, save to the extent fully disclosed to and approved by TfL.
- 18.2 The Service Provider shall check for any conflict of interest at regular intervals throughout the Term and in any event not less than once in every six months and shall notify TfL in writing immediately upon becoming aware of any actual

or potential conflict of interest with the Services or any member of the Authority Group and shall work with TfL to do whatever is necessary (including the separation of staff working on, and data relating to, the Services from the matter in question) to manage such conflict to TfL's satisfaction, provided that, where TfL is not so satisfied, it may terminate the Contract in accordance with Clause 39.1.10.

19. Access to Premises and Assets

- 19.1 Subject to Clause 12.8 any access to either or both of any Authority Premises or Authority Assets made available to the Service Provider in connection with the proper performance of the Contract shall be free of charge and shall be used by the Service Provider solely for the purpose of performing the Services during the Term in accordance with the Contract provided, for the avoidance of doubt, the Service Provider shall be responsible for its own costs or travel including either or both of any congestion charging or low emission zone charging. The Service Provider shall:
- 19.1.1 have the use of such Authority Premises as licensee and shall not have or purport to claim any sole or exclusive right to possession or to possession of any particular part of such Authority Premises;
 - 19.1.2 vacate such Authority Premises upon the termination or expiry of the Contract or at such earlier date as TfL may determine;
 - 19.1.3 not exercise or purport to exercise any rights in respect of any Authority Premises in excess of those granted under this Clause 19.1;
 - 19.1.4 ensure that the Service Provider Personnel carry any identity passes issued to them by TfL at all relevant times and comply with TfL's security procedures as may be notified by TfL from time to time;
 - 19.1.5 not damage the Authority Premises or any assets on Authority Premises; and
 - 19.1.6 return immediately to TfL in good working order and satisfactory condition (in the reasonable opinion of TfL) all Authority Assets used by the Service Provider or the Service Provider Personnel in the performance of the Services.
- 19.2 Nothing in this Clause 19 shall create or be deemed to create the relationship of landlord and tenant in respect of any Authority Premises between the Service Provider and any member of the Authority Group.
- 19.3 TfL shall be under no obligation to provide office or other accommodation or facilities or services (including telephony and IT services) to the Service Provider except as may be specified in Schedule 1.

20. Compliance with Policies and Law

- 20.1 The Service Provider, at no additional cost to TfL:

- 20.1.1 undertakes to procure that all the Service Provider Personnel comply with all of TfL's policies and standards that are relevant to the performance of the Services, (including the TfL EDR Business Rules, TfL's workplace harassment policy as updated from time to time (copies of which are available on request from TfL) and with TfL's Code of Conduct (which is available on TfL's website, www.tfl.gov.uk)) and those relating to safety, security, business ethics, drugs and alcohol and any other on site regulations specified by TfL for personnel working at Authority Premises or accessing TfL's computer systems. TfL shall provide the Service Provider with copies of such policies and standards on request. In the event that the Services are being provided to both the GLA and TfL, then the policies and standards of each of the GLA and TfL shall apply as appropriate;
- 20.1.2 shall provide the Services in compliance with and shall ensure that the Service Provider Personnel comply with all requirements of all Acts of Parliament, statutory instruments, court orders, regulations, directives, European Community decisions (insofar as legally binding), bye-laws, treaties and other regulatory requirements relevant to either or both of the Service Provider's or TfL's business, from time to time in force which are or may become applicable to the Services. The Service Provider shall promptly notify TfL if the Service Provider is required to make any change to the Services for the purposes of complying with its obligations under this Clause 20.1.2;
- 20.1.3 without limiting the generality of Clause 20.1.2, shall comply with all relevant enactments in force from time to time relating to discrimination in employment and the promotion of equal opportunities;
- 20.1.4 acknowledges that TfL is under a duty under section 149 of the Equality Act 2010 to have due regard to the need to eliminate unlawful discrimination on the grounds of sex, marital or civil partnership status, race, sexual orientation, religion or belief, age, pregnancy or maternity, gender reassignment or disability (a "**Relevant Protected Characteristic**") (as the case may be) and to promote equality of opportunity between persons who share a Relevant Protected Characteristic and persons who do not share it. In providing the Services, the Service Provider shall assist and cooperate with Authority where possible in satisfying this duty;
- 20.1.5 where possible, shall provide the Services in such a manner as to:
- 20.1.5.1 promote equality of opportunity for all persons irrespective of their race, sex, disability, age, sexual orientation or religion;
- 20.1.5.2 eliminate unlawful discrimination; and

- 20.1.5.3 promote good relations between persons of different racial groups, religious beliefs and sexual orientation;
- 20.1.6 without prejudice to any other provision of this Clause 20.1 or the Schedules, comply with any provisions set out in the Schedules that relate to traffic management and shall comply with the reasonable instructions of TfL's Traffic Manager as may be made available to the Service Provider from time to time. For the purposes of this Clause 20.1.6, "**Traffic Manager**" means TfL's traffic manager appointed in accordance with section 17 of the Traffic Management Act 2004;
- 20.1.7 shall promptly notify the Service Provider Personnel and TfL of any health and safety hazards that exist or may arise in connection with the performance of the Services;
 - 20.1.7.1 without limiting the generality of Clause 20.1.2, shall comply with the Bribery Act 2010 and any guidance issued by the Secretary of State under it; and
 - 20.1.7.2 where applicable to the Service Provider and without limiting the generality of Clause 20.1.2, shall comply with the Modern Slavery Act 2015 and any guidance issued by the Secretary of State under it.

In all cases, the costs of compliance with this Clause 20.1 shall be borne by the Service Provider.

- 20.2 In providing the Services, the Service Provider shall (taking into account best available techniques not entailing excessive cost and the best practicable means of preventing, or counteracting the effects of any noise or vibration) have appropriate regard (insofar as the Service Provider's activities may impact on the environment) to the need to:
 - 20.2.1 preserve and protect the environment and to the need to avoid, remedy and mitigate any adverse effects on the environment;
 - 20.2.2 enhance the environment and have regard to the desirability of achieving sustainable development;
 - 20.2.3 conserve and safeguard flora, fauna and geological or physiological features of special interest; and
 - 20.2.4 sustain the potential of natural and physical resources and the need to safeguard the life-supporting capacity of air, water, soil and ecosystems.
- 20.3 Emergency Preparedness Plan
 - 20.3.1 For the duration of this Contract, the Service Provider shall comply with the agreed Emergency Preparedness Plan and shall procure that each of its direct subcontractors:

20.3.1.1 adopts and implements; and

20.3.1.2 in respect of other tiers of subcontractors beneath the Service Provider's direct subcontractors uses reasonable endeavours to procure that those indirect subcontractors adopt and implement,

an emergency preparedness plan in respect of their respective employees engaged in the performance of the Contract which is at least as extensive in scope as that agreed with TfL and set out in the agreed Emergency Preparedness Plan.

Work Related Road Risk

20.4 For the purposes of Clauses 20.4 to 20.13 (inclusive) of this Contract, the following expressions shall have the following meanings:

“Alternative Scheme” has the meaning given to it in Clause 20.5.1;

“Approved Progressive Driver Training” an ongoing programme of Drivers' training to ensure they have the appropriate knowledge, skills and attitude to operate safely on urban roads. This includes the training specific for the urban environment (including on-road experience from a cyclist's perspective), which is required to be completed at least once every 5 years;

“Car-derived Van” a vehicle based on a car, but with an interior that has been altered for the purpose of carrying larger amounts of goods and/or equipment;

“Category N2 HGV” a vehicle designed and constructed for the carriage of goods having a MAM exceeding 3,500 kilograms but not exceeding 12,000 kilograms;

“Category N3 HGV” a vehicle designed and constructed for the carriage of goods and having a MAM exceeding 12,000 kilograms;

“CLOCS Standard” the Construction Logistics and Community Safety standard, which aims to eliminate risk of a collision between heavy goods vehicles servicing the construction sector and vulnerable road users by ensuring effective practice in the management of operations, vehicles, drivers and construction sites; further information can be found at: www.clocs.org.uk;

“Collision Report” a report detailing all collisions during the previous 12 months involving injuries to persons or fatalities;

“Delivery and Servicing Vehicle” a HGV, a Van or a Car-derived Van;

“Driver” any employee of the Service Provider (including an agency or contracted driver), who operates Delivery and Servicing Vehicles on behalf of the Service Provider while delivering the Services;

“Direct Vision Standard” or “DVS” Direct Vision Standard, a performance based assessment and rating tool, as updated from time to time that measures how much direct vision a Driver has from a Category N3 HGV cab in relation to other road users. Further information can be found at: www.tfl.gov.uk;

“FORS” the Fleet Operator Recognition Scheme, which is an accreditation scheme for businesses operating commercial vehicles including vans, HGV, coaches and powered two wheelers. It offers impartial, independent advice and guidance to motivate companies to improve their compliance with relevant Laws and their environmental, social and economic performance;

“FORS Standard” the standard setting out the accreditation requirements for the Fleet Operator Recognition Scheme, a copy of which can be found at: www.fors-online.org.uk;

“Gold Accreditation” the highest level of accreditation within the FORS Standard, the requirements of which are more particularly described at: www.fors-online.org.uk;

“HGV” a vehicle with a MAM exceeding 3,500 kilograms;

“MAM” the maximum authorised mass of a vehicle or trailer including the maximum load that can be carried safely while used on the road;

“Silver Accreditation” the minimum level of accreditation within the FORS Standard acceptable for the contract schedule, the requirements of which are more particularly described at: www.fors-online.org.uk;

“Van” a vehicle with a MAM not exceeding 3,500 kilograms; and

“WRRR Self-Certification Report” has the meaning given to it in Clause 20.11.

Fleet Operator Recognition Scheme Accreditation

20.5 Where the Service Provider operates Delivery and Servicing Vehicles to provide the Services, it shall within 90 days of the Contract Commencement Date:

20.5.1 (unless already registered) register for FORS or a scheme, which in the reasonable opinion of the Authority, is an acceptable substitute to FORS (the **“Alternative Scheme”**); and

20.5.2 (unless already accredited) have attained the standard of Silver Accreditation (or higher) or the equivalent within the Alternative Scheme and shall maintain the standard of Silver Accreditation (or equivalent standard within the Alternative Scheme) by way of an annual independent audit in accordance with the FORS Standard or take such steps as may be required to maintain the equivalent standard within the Alternative Scheme. Alternatively, where the Service Provider has attained Gold Accreditation, the maintenance

requirements shall be undertaken in accordance with the periods set out in the FORS Standard.

Safety Features on HGVs

20.6 The Service Provider shall ensure that every HGV, which it uses to provide the Services, shall be fitted with safety features consistent with the FORS Silver Accreditation.

Construction Logistics and Community Safety (CLOCS)

20.7 Where applicable, for works contracts exceeding a value of £1m:

20.7.1 the Service Provider shall comply with the CLOCS Standard; and

20.7.2 the Service Provider shall ensure that the conditions at all sites and locations where:

20.7.2.1 the Services are being delivered; or

20.7.2.2 in connection with the performance of the Services, any waste is being disposed of or supplies are being delivered to or from,

are appropriate for each Category N3 HGV being used in the provision of the Services.

Direct Vision Standard (DVS)

20.8 Where applicable, for contracts exceeding a value of £1m where the duration will exceed 12 months and a significant amount of the work will be conducted within the GLA boundaries:

20.8.1 the Service Provider shall comply with the DVS Schedule attached to this Contract; and

20.8.2 the Service Provider shall ensure that:

20.8.2.1 from and including 26 October 2019, all Category N3 HGVs used in the provision of the Services achieve a minimum of a one (1) star Direct Vision Standard rating; and

20.8.2.2 from and including 26 October 2023, all Category N3 HGVs used in the provision of the Services achieve a minimum of three (3) star Direct Vision Standard rating.

Driver Training

20.9 Where the Service Provider operates Delivery and Servicing Vehicles to provide the Services the Service Provider shall ensure that each of its Drivers

attend the Approved Progressive Driver Training throughout the Term of the Contract.

Collision Reporting

20.10 Where the Service Provider operates Delivery and Servicing Vehicles to deliver the Contract, the Service Provider shall within 15 days of the Contract Commencement Date, provide to the Authority a Collision Report. The Service Provider shall provide to the Authority an updated Collision Report within five Business Days of a written request from the Authority at any time.

Self-Certification of Compliance

20.11 Where the Service Provider operates Delivery and Servicing Vehicles to provide the Services, within 90 days of the Contract Commencement Date, the Service Provider shall provide a written report to the Authority detailing its compliance with Clauses 20.5, 20.6, 20.7, 20.8, 20.9 and 20.10 (as applicable) of this Contract (the “**WRRR Self-Certification Report**”). The Service Provider shall provide updates of the WRRR Self-Certification Report to the Authority on each six month anniversary of its submission of the initial WRRR Self-Certification Report.

Obligations of the Service Provider Regarding Sub-contractors

20.12 The Service Provider shall ensure that those of its sub-contractors who operate Category N2 HGVs, Category N3 HGVs, Vans and/or Car-derived Vans to provide the Services shall comply with the corresponding provisions of this Contract:

20.12.1 Clauses 20.5, 20.9, 20.10, 20.11; and

20.12.2 for Category N2 HGVs – Clause 20.6; and

20.12.3 for Category N3 HGVs – Clauses 20.6, and, where applicable 20.7, 20.8,

as if those sub-contractors were a party to this Contract.

Failure to Comply

20.13 Without limiting the effect of any other clause of this Contract relating to termination, if the Service Provider fails to comply with Clauses 20.5, 20.6 (where applicable), 20.7 (where applicable), 20.8 (where applicable), 20.9, 20.10, 20.11 and 20.12;

20.14 the Service Provider has committed a material breach of this Contract; and

20.15 the Authority may refuse the Service Provider, its employees, agents and Delivery and Servicing Vehicles entry onto any property that is owned, occupied or managed by the Authority for any purpose (including but not limited to deliveries).

21. Corrupt Gifts and Payment of Commission

The Service Provider shall not, and shall ensure that its employees, agents and sub-contractors do not, pay any commission, fees or grant any rebates to any employee, officer or agent of any member of the Authority Group nor favour any employee, officer or agent of any member of the Authority Group with gifts or entertainment of significant cost or value nor enter into any business arrangement with employees, officers or agents of any member of the Authority Group other than as a representative of TfL, without TfL's prior written approval.

22. Equipment

22.1 Risk in:

22.1.1 all Service Provider Equipment shall be with the Service Provider at all times; and

22.1.2 all other equipment and materials forming part of the Services (title to which will pass to TfL) ("**Materials**") shall be with the Service Provider at all times until completion of the Services in accordance with the Contract,

regardless of whether or not the Service Provider Equipment and Materials are located at Authority Premises.

22.2 The Service Provider shall ensure that all Service Provider Equipment and all Materials meet all minimum safety standards required from time to time by Law.

23. Quality and Best Value

23.1 The Service Provider acknowledges that TfL is a best value authority for the purposes of the Local Government Act 1999 and as such TfL is required to make arrangements to secure continuous improvement in the way it exercises its functions (having regard to a combination of economy, efficiency and effectiveness) and, as such, the Service Provider shall, where reasonably requested by TfL, participate in any relevant best value review.

23.2 Where the GLA is TfL then in accordance with the statutory requirement set out in section 61(3) of the Greater London Authority Act 1999, the Service Provider shall send such representatives as may be requested to attend the Greater London Assembly for questioning in relation to the Contract. The Service Provider acknowledges that it may be liable to a fine or imprisonment if it fails to comply with a summons to attend.

24. Records, Audit and Inspection

24.1 The Service Provider shall, and shall procure that its sub-contractors shall:

24.1.1 maintain a complete and correct set of records pertaining to all activities relating to the performance of the Services and the Service

Provider's obligations under the Contract and all transactions entered into by the Service Provider for the purposes of the Contract ("**Records**"); and

- 24.1.2 retain all Records during the Term and for a period of not less than 6 years (or such longer period as may be required by Law), except Records containing Personal Data (as defined in section 1(1) of the Data Protection Act 1998) which shall only be retained for as long as necessary, following termination or expiry of the Contract ("**Retention Period**").
- 24.2 TfL and any person nominated by TfL has the right to audit any and all Records at any time during the Retention Period on giving to the Service Provider what TfL considers to be reasonable notice (whether in writing or verbally) and at any reasonable time to inspect any aspect of the Service Provider's performance of the Services (including compliance with Clause 20.1) and the Service Provider shall give all reasonable assistance to TfL or its nominee in conducting such inspection, including making available documents and staff for interview.

25. Set-Off

All damages, costs, charges, expenses, debts, sums or other amounts owing (contingently or otherwise) to or incurred by TfL arising out of or attributable to this Contract or any other contract between TfL and the Service Provider may be deducted by TfL from monies due or which may become due to the Service Provider under this Contract or under any other contract with any member of the Authority Group may recover such amount as a debt.

26. Liability and Indemnity

- 26.1 Nothing in this Contract shall limit or exclude either party's liability in respect of death or personal injury caused by the negligence of such party or in respect of fraudulent misrepresentation by either party.
- 26.2 Nothing in this Contract shall exclude or limit the Service Provider's liability:
- 26.2.1 for any breach of Clause 32.1 or Schedule 7 (Information Compliance);
- 26.2.2 for any breach of Clause 14 (No Transfer of Employees to Service Provider);
- 26.2.3 for the indemnity given by it under Clause 26.5.2 (indemnity for infringement of third party Intellectual property Rights); or
- 26.2.4 for any breach of Clause 34 (Confidentiality and Announcements).
- 26.3 Subject to Clause 26.1, TfL's liability under this Contract shall in no event exceed £1,000,000 (one million pounds) in aggregate per annum.

- 26.4 Subject to Clause 26.1 and Clause 26.2, the Service Provider's liability to TfL under this Contract shall in no event exceed £2,000,000 (two million pounds) per claim arising pursuant to this Contract.
- 26.5 Subject to Clause 26.4 and Clause 26.6, the Service Provider is responsible for and shall indemnify, keep indemnified and hold harmless each of TfL and all other members of the Authority Group (including their respective employees, sub-contractors and agents) ("**the Indemnified Party**") against all Losses which the Indemnified Party incurs or suffers as a consequence of:
- 26.5.1 any breach or negligent performance of the Contract by the Service Provider (or any of the Service Provider Personnel) (including in each case any non-performance or delay in performance of the Contract) or of any breach of applicable Law, statutory duty, misrepresentation or misstatement by the Service Provider (or any of its employees, agents or sub-contractors); and
- 26.5.2 any claim brought against TfL for infringement of any third party Intellectual Property rights due to the performance of the Services or the provision of any of the Deliverables by the Service Provider.
- 26.6 The Service Provider is not responsible for and shall not indemnify TfL for any Losses to the extent that such Losses are caused by any breach or negligent performance of any of its obligations under the Contract by TfL or any other member of the Authority Group including by any of their respective employees, agents or sub-contractors.

27. Security and Guarantees

- 27.1 As a condition precedent to the Contract, the Service Provider shall (to the extent that it has not already done so) provide at its expense a parent company guarantee (from such Holding Company as TfL may require unless otherwise agreed with TfL) in the form set out in Schedule 20 (Form of Parent Company Guarantee) and, if requested by TfL, a legal opinion as to its enforceability in the form set out in Schedule 21 (Form of Legal Opinion for Use with Guarantee).
- 27.2 TfL shall not be obliged to make any payment to the Service Provider under the Contract whether for the Operational Charges due or otherwise unless and until the parent company guarantee (and legal opinion if applicable) have been provided in a form satisfactory to TfL.
- 27.3 The Service Provider shall be regarded as being in material breach of the Contract which is incapable of remedy in the event that any parent company guarantee (as the case may be) is or becomes invalid or otherwise unenforceable.
- 27.4 The Service Provider shall give notice to TfL within 10 Business Days where there is any change in the ownership of the guarantor of the parent company guarantee where such change relates to 50% or more of the issued share capital of the guarantor. TfL shall have the right to terminate the Contract

within sixty (60) calendar days of receipt of the required notice from the Service Provider, or in the event that the Service Provider fails to give the required notice, within sixty (60) calendar days of TfL becoming aware of such event, unless the Service Provider has within such period provided a parent company guarantee or other appropriate security from a replacement guarantor acceptable to TfL on terms identical to the parent company guarantee.

28. Insurance

28.1 The Service Provider will at its sole cost maintain:

28.1.1 employer's (compulsory) liability insurance in the sum of not less than £5,000,000 per incident;

28.1.2 public liability insurance in the sum of not less than £5,000,000 per occurrence;

28.1.3 professional indemnity insurance in the sum of not less than £1,000,000 in the aggregate per annum for the duration of the Contract and for a minimum of six (6) years after expiry or termination of the Contract;

28.1.4 crime insurance (fidelity guarantee) in the sum of not less than £1,000,000

28.1.5 insurance to cover the loss or damage to any item related to the Services;

28.1.6 product liability insurance;

28.1.7 motor insurance cover as required by law;

together the "**Insurances**"

28.2 The Service Provider shall ensure that TfL's interest is noted on each and every insurance policy or that any professional indemnity, public liability, product liability or employer's liability insurance includes an Indemnity to Principal clause.

28.3 The Insurances will be maintained with a reputable insurer.

28.4 The Service Provider will produce evidence to TfL on reasonable request of the insurance policies set out in Clause 28.1 and payment of all premiums due on each policy.

28.5 The Service Provider warrants that nothing has or will be done or be omitted to be done which may result in any of the insurance policies set out in Clause 28.1 being or becoming void, voidable or unenforceable.

28.6 In the event that any of the Insurances are cancelled or not renewed, the Service Provider shall immediately notify TfL and shall at its own cost arrange alternative Insurances with an insurer or insurers acceptable to TfL.

29. TfL's Data

29.1 The Service Provider acknowledges TfL's ownership of Intellectual Property Rights which may subsist in TfL's data. The Service Provider shall not delete or remove any copyright notices contained within or relating to TfL's data.

29.2 The Service Provider and TfL shall each take reasonable precautions (having regard to the nature of their other respective obligations under the Contract) to preserve the integrity of TfL's data and to prevent any corruption or loss of TfL's data.

30. Intellectual Property Rights

30.1 The Service Provider hereby provides TfL with a licence free of charge for the Term so as to allow TfL to lawfully access and view all data relating to the Services contained within the Non-UK Notice Processing Service(s) System as required under paragraph 5.2.3 of Schedule 2 (Statement of Requirements).

30.2 The Service Provider shall have no right (save where expressly permitted under the Contract or with TfL's prior written consent) to use any trade marks, trade names, logos or other Intellectual Property Rights of TfL.

30.3 The Service Provider shall not charge TfL any royalties, licence fees or similar expenses in respect of all Intellectual Property Rights used in connection with the Contract.

31. IT Systems

31.1 For the purposes of this Clause 31, unless the context indicates otherwise, the following expressions shall have the following meanings:

"Euro Compliant" that the software, electronic or magnetic media, hardware or computer system (whichever is applicable) is capable of, and will not require any replacement or changes in order to be capable of, supporting the introduction of, changeover to and operation of the Euro as a currency and in dual currency (Sterling and Euro) and will not manifest any material error nor suffer a diminution in performance or loss of functionality as a result of such introduction, changeover or operation and it shall (if applicable) be capable of processing transactions calculated in Euros separately from or in conjunction with other currencies and is capable of complying with any legislative changes relating to the Euro;

31.2 The Service Provider shall ensure that any software, electronic or magnetic media, hardware or computer system used or supplied by the Service Provider in connection with the Contract shall:

- 31.2.1 not have its functionality or performance affected, or be made inoperable or be more difficult to use by reason of any date related input or processing in or on any part of such software, electronic or magnetic media, hardware or computer system;
- 31.2.2 not cause any damage, loss or erosion to or interfere adversely or in any way with the compilation, content or structure of any data, database, software or other electronic or magnetic media, hardware or computer system used by, for or on behalf of the either or both of the Authority or any other member of the Authority Group, on which it is used or with which it interfaces or comes into contact;
- 31.2.3 comply with the Government's open standards principles as documented at <https://www.gov.uk/government/publications/open-standards-principles/open-standards-principles#open-standards-principles>;
- 31.2.4 be Euro Compliant; and
- 31.2.5 any variations, enhancements or actions undertaken by the Service Provider in respect of such software, electronic or magnetic media, hardware or computer system shall not affect the Service Provider's compliance with this Clause 31.

32. Privacy, Data Protection and Cyber Security

- 32.1 The Service Provider shall comply with all of its obligations under Data Protection Legislation and, if Processing Personal Data on behalf of TfL, shall only carry out such Processing for the purposes of providing the Services in accordance with Schedule 7 of this Contract (Information Compliance).
- 32.2 The Service Provider shall provide the Services in accordance with, and shall ensure that the Service Provider Personnel comply with, the provisions of this Clause 32 and Schedule 6 on this Contract (Security Policy).
- 32.3 The Service Provider must follow the 10 Steps to Cyber Security issued by the National Cyber Security Centre.
- 32.4 The Service Provider shall at all times provide such access, facilities, information, data, documentation and assistance reasonably required by TfL, the Core Service Provider and any third party nominated by TfL in connection with the preparation and implementation of any cyber security requirements envisaged under this Contract.
- 32.5 The Service Provider shall as soon as possible, and in any event before the end of each day, update the Incident Log in respect of each Security Incident and ensure that the Incident Log is always available to TfL and is accurate, up to date and complete.
- 32.6 In the event of a Security Incident:

- 32.6.1 the Service Provider shall immediately, and at the Service Provider's cost, correct, make good, reinstate, replace and fix all deficiencies, loss and/or damage to the Services in connection with a Security Incident, including without limitation to the CSP Interface and perform any appropriate testing, to demonstrate to TfL's satisfaction that the performance of the Services is secure and meets the criteria specified in this Contract including in connection with the Service Provider implementing any Security Management Plan pursuant to Clause 32.6.2.
 - 32.6.2 the Service Provider shall immediately and at the Service Provider's cost follow the Security Incident Management Process (as agreed pursuant to Schedule 6 (Security Policy));
 - 32.6.3 the Service Provider shall promptly escalate the matter to such level of seniority within the Service Provider Personnel as TfL may require;
- 32.7 TfL may, in the event that it is not satisfied that the Security Incident Management Process or any Security Management Plan is being fully implemented by the Service Provider, terminate this Agreement with immediate effect by giving notice to the Service Provider.
- 32.8 The Service Provider agrees that:
- 32.8.1 any breach of Clause 32.6 or 32.7 shall be deemed to be a material breach of this Agreement by the Service Provider; and
 - 32.8.2 notwithstanding Clause 32.6.1, a breach or failure of security in connection with the Services shall be at the sole risk of, and sole cost to, the Service Provider.
- 32.9 If any data is inaccurate, corrupted, lost or sufficiently degraded as to be unusable as a result of the Service Provider's failure to comply with the provisions of Clauses 32.6 and 32.7 or any other act or omission of the Service Provider, the Service Provider shall at its own cost carry out (or procure the carrying out of) such remedial action to restore such data or information.

33. Payment Card Industry Data Security Standard

- 33.1 For the purposes of this Clause 33, unless the context indicates otherwise, the following expressions shall have the following meanings:
- "PCI DSS" has the meaning given to it in Clause 33.2;
 - "QSA" has the meaning given to it in Clause 33.2.1;
- 33.2 If the Service Provider Processes payment card data under the Contract, it shall ensure that it is and that its internal processes and procedures, information technology systems and any equipment that it provides or is provided on its behalf pursuant to this Contract are compliant with the

Payment Card Industry Data Security Standard as updated from time to time (“**PCI DSS**”). In addition the Service Provider shall:

- 33.2.1 at least once every 12 months appoint a PCI DSS Qualified Security Assessor (“**QSA**”) to validate that the Service Provider is compliant with (including as set out above) PCI DSS when providing the Services;
- 33.2.2 without prejudice to any other audit and inspection rights that the Authority has under this Contract, provide TfL with copies of any reports and other documents provided by or to the QSA in respect of each such validation; and
- 33.2.3 where the QSA recommends that certain steps should be taken by the Service Provider, promptly take those steps and demonstrate to TfL that those steps have been taken without charge to the TfL.

34. Confidentiality and Announcements

- 34.1 Subject to Clause 35, the Service Provider will keep confidential:
 - 34.1.1 the terms of this Contract; and
 - 34.1.2 any and all Confidential Information that it may acquire in relation to TfL.
- 34.2 The Service Provider will not use TfL’s Confidential Information for any purpose other than to perform its obligations under this Contract. The Service Provider will ensure that its officers and employees comply with the provisions of Clause 34.1.
- 34.3 The obligations on the Service Provider set out in Clause 34.1 will not apply to any Confidential Information:
 - 34.3.1 which either of the Parties can demonstrate is in the public domain (other than as a result of a breach of this Clause 34);
 - 34.3.2 which a Party is required to disclose by order of a court of competent jurisdiction but then only to the extent of such required disclosure; or
 - 34.3.3 to the extent that such disclosure is to the Secretary for Transport (or the government department responsible for public transport in London for the time being) the Office of Rail Regulation, or any person or body who has statutory responsibilities in relation to transport in London and their employees, agents and sub-contractors.
- 34.4 The Service Provider shall keep secure all materials containing any information in relation to the Contract and its performance.
- 34.5 The Service Provider shall not communicate with representatives of the general or technical press, radio, television or other communications media in

relation to the existence of the Contract or that it is providing the Services to TfL or in relation to any matter under or arising from the Contract unless specifically granted permission to do so in writing by TfL. TfL shall have the right to approve any announcement before it is made.

34.6 The provisions of this Clause 34 will survive any termination of this Contract for a period of 6 years from termination.

35. Freedom of Information and Transparency

35.1 For the purposes of this Clause 35:

35.1.1 “**FOI Legislation**” means the Freedom of Information Act 2000, all regulations made under it and the Environmental Information Regulations 2004 and any amendment or re-enactment of any of them and any guidance or statutory codes of practice issued by the Information Commissioner, the Ministry of Justice or the Department for Environment Food and Rural Affairs (including in each case its successors or assigns) in relation to such legislation;

35.1.2 “**Information**” means information recorded in any form held by TfL or by the Service Provider on behalf of TfL; and

35.1.3 “**Information Access Request**” means a request for any Information under the FOI Legislation.

35.2 The Service Provider acknowledges that TfL:

35.2.1 is subject to the FOI Legislation and agrees to assist and co-operate with TfL to enable TfL to comply with its obligations under the FOI Legislation; and

35.2.2 may be obliged under the FOI Legislation to disclose Information without consulting or obtaining consent from the Service Provider.

35.3 Without prejudice to the generality of Clause 35.2, the Service Provider shall and shall procure that its sub-contractors (if any) shall:

35.3.1 transfer to the Contract Manager (or such other person as may be notified by TfL to the Service Provider) each Information Access Request relevant to the Contract, the Services or any member of the Authority Group that it or they (as the case may be) receive as soon as practicable and in any event within two (2) Business Days of receiving such Information Access Request; and

35.3.2 in relation to Information held by the Service Provider on behalf of TfL, provide TfL with details about and copies of all such Information that TfL requests and such details and copies shall be provided within five (5) Business Days of a request from TfL (or such other period as TfL may reasonably specify), and in such forms as TfL may reasonably specify.

- 35.4 TfL shall be responsible for determining whether Information is exempt from disclosure under the FOI Legislation and for determining what Information will be disclosed in response to an Information Access Request in accordance with the FOI Legislation.
- 35.5 The Service Provider shall not itself respond to any person making an Information Access Request, save to acknowledge receipt, unless expressly authorised to do so by TfL.
- 35.6 The Service Provider acknowledges that TfL is subject to the Transparency Commitment. Accordingly, notwithstanding Clause 34.1 and Clause 35, the Service Provider hereby gives its consent for TfL to publish the Contract Information to the general public.
- 35.7 TfL may in its absolute discretion redact all or part of the Contract Information prior to its publication. In so doing and in its absolute discretion TfL may take account of the exemptions/exceptions that would be available in relation to information requested under the FOI Legislation.
- 35.8 TfL may in its absolute discretion consult with the Service Provider regarding any redactions to the Contract Information to be published pursuant to Clause 35.6. TfL shall make the final decision regarding both publication and redaction of the Contract Information.

36. Supplier Diversity

36.1 Compliance

36.1.1 Without limiting the generality of any other provision of this Contract, the Service Provider:

36.1.1.1 shall not unlawfully discriminate,

36.1.1.2 shall procure that the Service Provider Personnel do not unlawfully discriminate, and

36.1.1.3 shall use reasonable endeavours to procure that its direct and indirect subcontractors do not unlawfully discriminate in relation to the Services,

within the meaning and scope of the Equality Act 2010 and any other relevant enactments in force from time to time relating to discrimination in employment.

36.1.2 TfL's Harassment, Bullying and Discrimination Policy ("**Discrimination Policy**") as up-dated from time to time (copies of which are available on request from TfL) requires TfL Personnel and those of its direct and indirect subcontractors to comply fully with the Discrimination Policy to eradicate harassment in the workplace. The Service Provider shall:

- 36.1.2.1 ensure that the Service Provider Personnel, and those of its direct and indirect subcontractors who are engaged in the performance of the Contract are fully conversant with the requirements of the Discrimination Policy;
- 36.1.2.2 fully investigate allegations of workplace harassment in accordance with the Discrimination Policy; and
- 36.1.2.3 ensure that appropriate, effective action is taken where harassment is found to have occurred.

36.2 Strategic Equality & Diversity Plan

36.2.1 For the duration of this Contract, the Service Provider shall comply with the Agreed Strategic Equality & Diversity Plan and shall procure that each of its direct subcontractors:

36.2.1.1 adopts and implements; and

36.2.1.2 in respect of other tiers of subcontractors beneath the Service Provider's direct subcontractors uses reasonable endeavours to procure that those indirect subcontractors adopt and implement,

a strategic equality and diversity plan in respect of their respective employees engaged in the performance of the Contract which is at least as extensive in scope as that agreed with TfL and set out in the Agreed Strategic Equality & Diversity Plan.

For the purposes of this Contract the expression “**Agreed Strategic Equality & Diversity Plan**” means the strategic equality & diversity plan as negotiated and agreed and attached to the Contract as a Schedule headed “Agreed Strategic Equality & Diversity Plan”.

36.2.2 Where a subcontractor has, pursuant to Clause 36.2.1 or otherwise, adopted a Strategic Equality & Diversity Plan, the Service Provider shall procure that each of its direct subcontractors:

36.2.2.1 provides; and

36.2.2.2 in respect of other tiers of subcontractors beneath the Service Provider's direct subcontractors, use reasonable endeavours to procure that those indirect subcontractors provide,

a copy of its Strategic Equality & Diversity Plan (and any amendments thereto) to TfL or its nominee as soon as reasonably practicable.

36.3 Diversity Training

36.3.1 For the duration of this Contract, the Service Provider shall comply with the Agreed Training Plan in relation to all of its employees engaged in the performance of the Contract. For the purposes of this Contract the expression "**Agreed Training Plan**" means the diversity training plan set out as agreed and attached to the Contract as a Schedule headed "Agreed Training Plan". The Service Provider shall procure that each of its direct subcontractors:

36.3.1.1 adopts and implements; and

36.3.1.2 in respect of other tiers of subcontractors beneath the Service Provider's direct subcontractors uses reasonable endeavours to procure that those indirect subcontractors adopt and implement,

a diversity training plan in respect of their respective employees engaged in the performance of the Contract which is at least as extensive in scope as the Agreed Training Plan.

36.3.2 Where a subcontractor has, pursuant to Clause 36.3 or otherwise, adopted a diversity training plan, the Service Provider shall procure that each of its direct subcontractors:

36.3.2.1 provides; and

36.3.2.2 in respect of other tiers of subcontractors beneath the Service Provider's direct subcontractors, use reasonable endeavours to procure that those indirect subcontractors provide,

a copy of its diversity training plan (and any amendments thereto) to TfL or its nominee as soon as reasonably practicable.

36.4 Supplier Diversity

36.4.1 For the duration of this Contract the Service Provider shall at all times comply with the Agreed Supplier Diversity Plan. For the purposes of this Contract the expression "**Agreed Supplier Diversity Plan**" means the supplier diversity plan set out as agreed and attached to the Contract as a Schedule headed "Agreed Supplier Diversity Plan". The Service Provider shall procure that each of its direct subcontractors:

36.4.1.1 adopts and implements; and

36.4.1.2 in respect of other tiers of subcontractors beneath the Service Provider's direct subcontractors uses reasonable endeavours to procure that those indirect subcontractors adopt and implement,

a supplier diversity plan in relation to the performance of this Contract which is as least as extensive as the Agreed Supplier Diversity Plan.

36.4.2 Where a subcontractor has, pursuant to Clause 36.4 or otherwise, adopted a supplier diversity plan, the Service Provider shall procure that each of its direct subcontractors:

36.4.2.1 provides; and

36.4.2.2 in respect of other tiers of subcontractors beneath the Service Provider's direct subcontractors, use reasonable endeavours to procure that those indirect subcontractors provide;

a copy of its supplier diversity plan (and any amendments thereto) to TfL or its nominee as soon as reasonably practicable.

36.5 Communications Plan

36.5.1 For the duration of this Contract and in all dealings with the Local Community, the Service Provider shall comply with the Agreed Communications Plan. For the purposes of this Contract the expression "**Agreed Communications Plan**" means the communications plan agreed and attached to the Contract as a Schedule headed "Agreed Communication Plan" and the expression "**Local Community**" means those areas of London affected by the Works from time to time.

36.6 Monitoring and Reporting

36.6.1 Subject to Clause 36.6.2, the Service Provider shall use reasonable endeavours to provide TfL on the date of this Contract and subsequently every 12 months from the date or such other frequency as TfL may reasonably request of this Contract with the following information:

An annual report on performance and compliance with the equality and diversity provisions as set out in clauses 36.2 to 36.5. The annual report should set out:

36.6.1.1 the performance of the Service Provider over the past 12 months in relation to the Agreed Strategic Equality and Diversity Plan, the Agreed Training Plan, the Agreed Supplier Diversity Plan and the Agreed Communications Plan and/or the action plan submitted for the previous 12 months in accordance with Clause 36.6.1.2.6;

36.6.1.2 the proportion of its employees engaged in the performance of the Contract and, to the extent reasonably possible, the employees of its direct or indirect subcontractors engaged pursuant to the terms of the

relevant subcontracts in the performance of the Contract who are:

- 36.6.1.2.1 female;
- 36.6.1.2.2 of non-white British origin or who classify themselves as being non-white British;
- 36.6.1.2.3 from the Local Community;
- 36.6.1.2.4 disabled;
- 36.6.1.2.5 the proportion of its direct or indirect subcontractors that are SMEs and/or BAMEs and/or other suppliers from other under-represented or protected groups; and
- 36.6.1.2.6 a plan of action for the forthcoming 12 months showing what the Service Provider plans to do to continue delivery of the equality & supplier diversity objectives.

For the purposes of this Clause, the meaning of “**SME**” and “**BAME**” is as set out in Schedule 13 (TfL: Supplier Diversity Definitions).

- 36.6.2 The Service Provider shall ensure at all times that it complies with the requirements of the Data Protection Act 2018 (as may be amended) in the collection and reporting of the information to TfL pursuant to Clause 36.6.1. The Service Provider shall not include information identifying an individual in any report and shall instead provide such information in aggregate form (including both direct references to individuals and also information which, when used alongside other information, may allow someone to be identified).

36.7 Equality and Diversity Infractions

- 36.7.1 If the Service Provider or any of its direct subcontractors commits a Equality & Diversity Infraction, TfL shall be entitled (but not obliged) to act as follows:
 - 36.7.1.1 if a Equality & Diversity Infraction is committed by the Service Provider then TfL may serve written notice upon the Service Provider identifying in reasonable detail the nature of the Equality & Diversity Infraction, and the Service Provider shall cease committing and remedy, at its own cost, the Equality & Diversity Infraction, within 30 days of receipt of such notice (or such longer period as may be specified in the notice); or
 - 36.7.1.2 if the Equality & Diversity Infraction is committed by a direct subcontractor of the Service Provider, TfL may serve written notice upon the Service Provider identifying

in reasonable detail the nature of the Equality & Diversity Infraction, and the Service Provider shall procure that the direct subcontractor ceases committing and remedies, at its own cost, the Equality & Diversity Infraction within 30 days of receipt by the Service Provider of such notice (or such longer period as may be specified in the notice). If the Service Provider fails to procure the remedy of the Equality & Diversity Infraction, TfL may serve a further written notice upon the Service Provider and within 30 days of receipt of such further notice (or such longer period as may be specified in the notice), the Service Provider shall terminate, at its own cost, the relevant contract with its direct subcontractor and procure performance of the affected works or services by another person which also complies with the obligations specified in clauses 36.2 to 36.5 of this Contract.

36.7.2 It shall be a fundamental term and condition of the Contract that the Service Provider complies with its obligations under clauses 36.7.1.1 to 36.7.1.2. Where, following receipt of a notice given pursuant to Clause 36.7.1.1 or 36.7.1.2 the Service Provider fails to remedy an Equality & Diversity Infraction to the satisfaction of TfL or in the case of Clause 36.7.1.2 fails to terminate the contract with a defaulting subcontractor and procure performance by another person on the terms specified in Clause 36.7.1.2 the Service Provider will be in breach of the Contract and TfL shall be entitled (but not obliged) to terminate the Contract, without further notice to the Service Provider, in accordance with the termination clause in this Contract.

36.7.3 For the purposes of this Clause 36.7 **"Equality & Diversity Infraction"** means any breach by the Service Provider of its obligations specified in clauses 36.2 to 36.5 of this Contract and/or any failure by a direct subcontractor to adopt and implement a strategic equality and diversity plan, a diversity training plan and/or a supplier diversity plan as described in clauses 36.2 to 36.5 of this Contract.

36.8 Equality and Diversity Audit

36.8.1 TfL or its nominee may from time to time undertake any audit or check of any and all information regarding the Service Provider's compliance with clauses 36.2 to 36.5.

36.8.2 TfL's rights pursuant to this Clause shall include any and all documents and records of the Service Provider and its direct contractors and, where applicable, subject to the provisions of clauses 36.2 to 36.5 indirect subcontractors and shall include the Minimum Records.

36.8.3 The Service Provider shall, maintain and retain the Minimum Records for a minimum of six years from the termination or expiry of

the Contract with respect to all matters in respect of the performance of and compliance with clauses 36.2 to 36.5. The Service Provider shall procure that each of its direct and, where applicable subject to the provisions of clauses 36.2 to 36.4, indirect subcontractors shall, maintain and retain the Minimum Records for a minimum of six years from the termination or expiry of the Contract with respect to all matters in respect of the performance of and compliance with clauses 36.2 to 36.4. The Service Provider shall procure that each subcontract between it and its direct subcontractors and, where applicable, subject to the provisions of clauses 36.2 to 36.4 each subcontract between its direct subcontractor and any indirect subcontractor of the Service Provider shall contain rights of audit in favour of and enforceable by TfL substantially equivalent to those granted by the Service Provider pursuant to Clause 36.8.

36.8.4 TfL shall use reasonable endeavours to co-ordinate its audits and to manage the number, scope, timing and method of undertaking audits so as to ensure that the Service Provider and each direct subcontractor is not, without due cause, disrupted or delayed in the performance of its obligations under the Contract and/or relevant subcontract (as the case may be).

36.8.5 The Service Provider shall promptly provide, and procure that its direct subcontractors and, where applicable subject to the provisions of clauses 36.2 to 36.4 indirect subcontractors promptly provide all reasonable co-operation in relation to any audit or check including, to the extent reasonably possible in each particular circumstance:

36.8.5.1 granting or procuring the grant of access to any premises used in the Service Provider's performance of the Contract or in the relevant subcontractor's performance of its subcontract, whether the Service Provider's own premises or otherwise;

36.8.5.2 granting or procuring the grant of access to any equipment (including all computer hardware and software and databases) used (whether exclusively or non-exclusively) in the performance of the Service Provider's or the relevant subcontractor's obligations specified in clauses 36.2 to 36.4 wherever situated and whether the Service Provider's own equipment or otherwise; and

36.8.5.3 complying with TfL's reasonable requests for access to senior personnel engaged in the Service Provider's performance of the Contract or the relevant subcontractor's performance of its subcontract.

36.8.5.4 For the purposes of this Clause 36.8 the expression "**Minimum Records**" means all information relating to the Service Provider's performance of and compliance with clauses 36.2 to 36.5 and the adoption and implementation

of a strategic equality and diversity plan, an equality & diversity training plan and a supplier diversity plan by each direct and, where applicable, subject to the provisions of clauses 36.2 to 36.4 indirect subcontractor of the Service Provider.

37. Strategic Labour Needs and Training Requirements

37.1 Without prejudice to the other provisions in this Contract relating to the Service Provider Personnel, this Clause 37 sets out the Service Provider's obligations in respect of:

37.1.1 supporting the Authority Group (and third parties nominated by the Authority Group) in the implementation of the Skills and Employment Strategy; and

37.1.2 ensuring that the Service Provider attracts, develops and retains the Service Provider Personnel with the skills necessary to deliver the Services throughout the Term.

37.2 In this Clause 37, the following terms shall have the corresponding meanings:

"Agreed SLNT Plan" means the Service Provider's strategic labour needs and training plan set out at Schedule 16 (Initial/Agreed SLNT Plan) to this Contract, to be prepared in accordance with the SLNT Plan Template and approved by TfL;

"Apprentice" means a member of the Service Provider Personnel who is registered as an apprentice or technician with an industry recognised body;

"SLNT Implementation Plan" means the plan set out at Schedule 17 (SLNT Implementation Plan), submitted by the Service Provider in accordance with Clause 37.4.3;

"Initial SLNT Plan" means the initial strategic labour needs and training plan set out at Schedule 16 (Initial/Agreed SLNT Plan), submitted by the Service Provider prior to the Contract Commencement Date and to be agreed between the Parties in accordance with Clauses 37.4 to 37.8;

"Quarterly SLNT Monitoring Report" means the report to be prepared by the Service Provider in the form set out at Schedule 18 (Quarterly SLNT Monitoring Report Template) to this Clause 37 and submitted to the Authority in accordance with Clause 37.11;

"Skills and Employment Strategy" means the Authority Group's ten (10) year skills and employment strategy, as amended from time to time. A copy of the current Skills and Employment Strategy is provided at Schedule 14 (Skills and Employment Strategy) to this Clause 37;

"SLNT Co-ordinator" has the meaning set out in Clause 37.9;

“SLNT Infraction” means any breach by the Service Provider of any of its obligations under this Clause 37;

“SLNT Output” means the minimum number of Apprentice positions or equivalent to be delivered by the Service Provider (either directly through its own personnel and the personnel of its sub-contractors) under this Contract, as identified and agreed in the Agreed SLNT Plan; and

“SLNT Plan Template” means the template for the SLNT Plan set out at Schedule 15 (SLNT Plan Template) to this Contract, to be completed by the Service Provider.

Ethical Sourcing

37.3 The Service Provider shall comply with and ensure that its practices and policies adhere to the principles set out in Schedule 19 (Ethical Sourcing: The ETI Base Code).

Agreed SLNT Plan

37.4 Based on the Initial SLNT Plan, the Service Provider shall:

37.4.1 further develop the Initial SLNT Plan to reflect the comments and requirements of TfL;

37.4.2 submit a revised copy of the Initial SLNT Plan to TfL for approval within twenty (20) Business Days of the Contract Commencement Date; and

37.4.3 provide an SLNT Implementation Plan as contained in Schedule 17 (SLNT Implementation Plan) to this Contract based on the revised copy of the Initial SLNT Plan within forty (40) Business Days of the Contract Commencement Date.

37.5 If the Initial SLNT Plan is:

37.5.1 approved, it shall be adopted immediately and become the Agreed SLNT Plan; or

37.5.2 not approved, the Service Provider shall amend the Initial SLNT Plan and re-submit it to TfL for approval within the time period agreed in writing between the Parties. If TfL does not approve the Initial SLNT Plan following its resubmission, the matters preventing such approval shall be resolved in accordance with the dispute resolution procedure.

37.6 Without limiting any other provision of this Contract, the Service Provider shall:

37.6.1 comply with provisions of the Agreed SLNT Plan; and

37.6.2 at no additional cost to TfL and subject to the provisions of Clause 37.7 below, review and amend the Agreed SLNT Plan and Implementation Plan:

37.6.2.1 [three (3) months] prior to the Service Commencement Date; and

37.6.2.2 every twelve (12) months following the Service Commencement Date or at other times requested by TfL, to reflect:

37.6.2.2.1 Good Industry Practice;

37.6.2.2.2 any changes to the nature of the Services or Authority Assets; and

37.6.2.2.3 any amendments proposed by TfL.

37.7 Any changes or amendments to the Agreed SLNT Plan shall be subject to the Change Control Request Procedure and shall not be implemented until approved in writing by TfL.

37.8 In order to facilitate the efficient implementation of the Service Provider's SLNT requirements as contained in the Agreed SLNT Plan, TfL will also require the Service Provider to prepare an SLNT Implementation Plan as contained in Schedule 17 (SLNT Implementation Plan) to this Contract. The Service Provider shall complete the SLNT Implementation Plan prior to the Contract Commencement Date.

SLNT Co-ordinator

37.9 Within twenty (20) Business Days of the Contract Commencement Date, the Service Provider shall nominate a member of the Service Provider Personnel with the necessary skills and authority to:

37.9.1 be responsible for the implementation and on-going development and maintenance of the Agreed SLNT Plan; and

37.9.2 act as the single point of contact for personnel of TfL on all matters concerning the Agreed SLNT Plan,

(the "**SLNT Co-ordinator**").

37.10 The Parties shall add the SLNT Co-ordinator to the list of Key Personnel set out in Schedule 1.

Monitoring and Reporting

37.11 Subject to Clause 37.14 below, the Service Provider shall provide TfL with a Quarterly SLNT Monitoring Report within ten (10) Business Days of the quarter end date. This will detail the Service Provider's performance against the Agreed SLNT Plan.

37.12 Failure to provide TfL with a copy of the Quarterly SLNT Monitoring Report within the timescales set out in Clause 37.11 above shall constitute a material breach of this Contract.

37.13 The Service Provider shall ensure at all times that it complies with the requirements of the Data Protection Act 2018 (as may be amended) in the:

37.13.1 development and maintenance of training plans; and

37.13.2 collection and reporting of the information to TfL pursuant to Clause 37.11 above.

SLNT Infractions

37.14 Failure to:

37.14.1 ensure that each SLNT Output for the monitoring period is delivered in accordance with Agreed SLNT Plan; and/or

37.14.2 review the Agreed SLNT Plan in accordance with Clause 37.6,

shall constitute a material breach of this Contract.

SLNT Audit

37.15 TfL may from time to time undertake any audit or check of any and all information regarding the Service Provider's compliance the provisions of this Clause 37.

37.16 The Service Provider shall maintain and retain records relating to the Agreed SLNT Plan and its compliance with the provisions of this Clause 37 for a minimum of seven (7) years.

37.17 TfL shall use reasonable endeavours to co-ordinate such audits and to manage the number, scope, timing and method of undertaking audits so as to ensure that the Service Provider is not, without due cause, disrupted or delayed in the performance of the Service Provider's obligations under this Contract.

37.18 The Service Provider shall promptly provide all reasonable co-operation in relation to any audit or check including, to the extent reasonably possible in each particular circumstance:

37.18.1 granting or procuring the grant of access to any:

37.18.2 premises used in the Service Provider's performance of this Contract, whether the Service Provider's own premises or otherwise;

37.18.3 equipment (including all computer hardware and software and databases) used (whether exclusively or non-exclusively) in the performance of the Service Provider's obligations, wherever situated and whether the Service Provider's own equipment or otherwise; and

37.18.4 complying with TfL's reasonable requests for access to senior personnel engaged in the Service Provider's performance of this Contract.

38. Dispute Resolution Procedure

- 38.1 TfL and the Service Provider shall use all reasonable endeavours to negotiate in good faith and settle any dispute or difference that may arise out of or relate to the Contract ("**Dispute**") before resorting to litigation.
- 38.2 If the Dispute is not settled through discussion between the Contract Manager and a representative of the Service Provider within a period of seven (7) Business Days of the date on which the Dispute arose, the Parties may refer the Dispute in writing to a director or chief executive (or equivalent) ("**Senior Personnel**") of each of the Parties for resolution.
- 38.3 If the Dispute is not resolved within 14 Business Days of referral to the Senior Personnel, the Parties shall attempt in good faith to resolve the Dispute through entry into a structured mediation or negotiation with the assistance of a mediator. Either Party may give notice to the other Party ("**Notice**") to commence such process and the Notice shall identify one or more proposed mediators.
- 38.4 If the Parties are unable to agree on a mediator, or if the agreed mediator is unable or unwilling to act within 28 Business Days of the service of the Notice, either Party may apply to the Centre for Effective Dispute Resolution ("**CEDR**") in London to appoint a mediator. The costs of that mediator shall be divided equally between the Parties or as the Parties may otherwise agree in writing.
- 38.5 Where a dispute is referred to mediation under Clause 38.3, the Parties will attempt to settle such Dispute by mediation in accordance with the model mediation procedures published by CEDR or such other procedures as the mediator may recommend.
- 38.6 If the Parties reach agreement on the resolution of the Dispute, such agreement shall be recorded in writing and once signed by the Parties' authorised representatives, shall be final and binding on the Parties.
- 38.7 If either Party refuses at any time to participate in the mediation procedure and in any event if the Parties fail to reach agreement on the Dispute within 40 Business Days of the service of the Notice either Party may commence proceedings in accordance with Clause 53.
- 38.8 For the avoidance of doubt, the Service Provider shall continue to provide the Services in accordance with the Contract and without delay or disruption while the Dispute is being resolved pursuant to this Clause 38.
- 38.9 Neither Party shall be prevented from, or delayed in, seeking any order for specific performance or for interim or final injunctive relief as a result of the

provisions of this Clause 38 and Clause 38 shall not apply in respect of any circumstances where such remedies are sought.

39. Breach and Termination of Contract

39.1 Without prejudice to TfL's right to terminate at common law, TfL may terminate the Contract immediately upon giving notice to the Service Provider if:

39.1.1 In addition and without prejudice to Clauses 39.1.2 to 39.1.13 (inclusive), the Service Provider has committed any material or persistent breach of the Contract and in the case of such a breach that is capable of remedy fails to remedy that breach within 10 Business Days (or such other timeframe as specified in writing by TfL) from the date of written notice to the Service Provider giving details of the breach and requiring it to be remedied;

39.1.2 there is a Material Service Level Failure;

39.1.3 in circumstances in which a Milestone is delayed beyond the Milestone Date by more than twenty (20) Business Days or such other period agreed in writing by the parties;

39.1.4 the Service Provider is subject to an Insolvency Event;

39.1.5 the Service Provider commits any breach of Clause 7 (Revenue Collection and Operational Charges) which results in TfL incurring any financial loss);

39.1.6 there is a Change in Law which renders operation of the Services or any of the Schemes wholly or partially illegal or if the Schemes are cancelled or terminated by any authority (including but not limited to the Mayor of London);

39.1.7 the Service Provider engages in any conduct which TfL reasonably believes may be unlawful or believes in its sole discretion is otherwise prejudicial to its name, image, business or reputation;

39.1.8 a System Failure has occurred and has continued, or in TfL's opinion is likely to continue, for a period of more than one month and the Service Provider has failed to implement a business continuity plan such that the standard of Services provided does not comply with the standards to which the Services were provided immediately prior to the System Failure occurring;

39.1.9 in the event that there is a change of ownership referred to in Clause 17.3 or the Service Provider is in breach of Clause 17.3;

39.1.10 TfL is not satisfied on the issue of any conflict of interest in accordance with Clause 18;

- 39.1.11 the Service Provider or any of its officers, employees or agents commits any act of bribery described in the Bribery Act 2010; or
 - 39.1.12 the Service Provider commits any of the money laundering related offences listed in the Public Contracts Regulations 2015; or
 - 39.1.13 the Service Provider fails to comply in the performance of the Services with legal obligations in the fields of environmental, social or labour Law; or
 - 39.1.14 the Service Provider falsifies any data or Personal Data and/or there is any non-compliance with Clause 32.1 or Schedule 7 (Information Compliance)
- 39.2 Without prejudice to any of TfL's other rights, powers or remedies (whether under the Contract or otherwise) if the Service Provider is in breach of any of its warranties, or obligations either under Clause 9 or any other provision of this Contract, the Service Provider shall, if required to do so by TfL, promptly remedy and/or re-perform the Services or part of them at its own expense to ensure compliance with such warranties and obligations. Nothing in this Clause 39.2 shall prevent TfL from procuring the provision of any Services or any remedial action in respect of any Services from an alternative contractor and, where TfL so procures any Services or any remedial action, TfL shall be entitled to recover from the Service Provider all additional cost, loss and expense incurred by TfL and attributable to TfL procuring such Services or remedial action from such alternative contractor.
- 39.3 Neither Party shall be deemed to be in breach of the Contract, or otherwise liable to the other Party in any manner whatsoever, for any failure or delay in performing its obligations under the Contract to the extent that such failure or delay is due to a Force Majeure Event. If a Force Majeure Event has continued for more than 8 weeks from the date on which that Force Majeure Event first arose and is having a material adverse effect on either Party's performance of its obligations under the Contract ("**the Affected Party**"), then for as long as such Force Majeure Event continues and has that effect, the Party not affected by such Force Majeure Event ("**Innocent Party**") may terminate the Contract immediately upon giving notice to the Affected Party. If the Contract is terminated in accordance with this Clause 39.3 then without prejudice to any rights and liabilities which accrued prior to termination the Affected Party shall not be liable to the Innocent Party by reason of such termination.
- 39.4 Without prejudice to TfL's right to terminate the Contract under Clause 39.1 or to terminate at common law, TfL may terminate the Contract at any time without cause subject to giving the Service Provider written notice of the period specified in Schedule 1, provided that this Clause 39.4 may be disapplied by notice to that effect in Schedule 1.
- 39.5 Without prejudice to TfL's right to terminate the Contract under Clauses 39.1, 39.4 or at common law, TfL may terminate the Contract at any time following a Declaration of Ineffectiveness in accordance with the provisions of Clause 41.

39.6 To the extent that TfL has a right to terminate the Contract under this Clause 39 then, as an alternative to termination, TfL may by giving notice to the Service Provider require the Service Provider to provide part only of the Services with effect from the date specified in TfL's notice ("**Change Date**") whereupon the provision of the remainder of the Services will cease and the definition of "the Services" shall be construed accordingly.

40. Consequences of Termination or Expiry

40.1 Notwithstanding the provisions of Clause 34, wherever TfL chooses to put out to tender for a replacement service provider some or all of the Services, the Service Provider shall disclose to tenderers such information concerning the Services as TfL may require for the purposes of such tender. The Service Provider may impose upon any recipient of such information such obligations of confidentiality as it may require.

40.2 The termination or expiry of the Contract shall not prejudice or affect any right, power or remedy which has accrued or shall accrue to either Party prior to or after such termination or expiry.

40.3 Upon expiry or termination of the Contract (howsoever caused):

40.3.1 No compensation of any form shall be payable to the Service Provider;

40.3.2 unless instructed by TfL to the contrary, the Service Provider shall immediately cease all performance of the Services, return any Goods or vehicles belonging to a Person Liable that are in the possession of the Service Provider to the appropriate Person Liable and return to TfL (at its own cost) any unexecuted cases.

40.3.3 the Service Provider shall, at no further cost to TfL:

40.3.3.1 take all such steps as shall be necessary to agree with TfL a plan for the orderly handover of Services to TfL (or its nominee), such that the Services can be carried on with the minimum of interruption and inconvenience to TfL and to effect such handover; and

40.3.3.2 on receipt of TfL's written instructions to do so (but not otherwise), arrange to remove all electronically held information by a mutually agreed date, including the purging of all disk-based information and the reformatting of all disks.

40.4 On termination of all or any part of the Contract, TfL may enter into any agreement with any third party or parties as TfL thinks fit to provide any or all of the Services and (save where terminated under Clause 39.4) the Service Provider shall be liable for all additional expenditure reasonably incurred by TfL in having such services carried out and all other costs and damages

reasonably incurred by TfL in consequence of such termination. TfL may recover such costs from the Service Provider as a debt.

41. Declaration of Ineffectiveness and Public Procurement Termination Event

41.1 In the event that a court makes a Declaration of Ineffectiveness, TfL shall promptly notify the Service Provider. The Parties agree that the provisions of Clause 40 and Clauses 41.1, 41.2, 41.4 to 41.6 (inclusive) and 41.12 shall apply as from the time when the Declaration of Ineffectiveness is made.

41.2 The Declaration of Ineffectiveness shall not prejudice or affect any right, liability or remedy which has accrued or shall accrue to either Party prior to or after such Declaration of Ineffectiveness in respect of the period prior to the Declaration of Ineffectiveness, save as otherwise expressly provided to the contrary in Clauses 41.1 to 41.6 inclusive.

41.3 During any court proceedings seeking a Declaration of Ineffectiveness, TfL may require the Service Provider to prepare a Cessation Plan in accordance with this Clause 41.3 by issuing a notice in writing. As from the date of receipt by the Service Provider of such notification from TfL, the Parties (acting reasonably and in good faith) shall agree or, in the absence of such agreement, TfL shall reasonably determine an appropriate Cessation Plan with the object of achieving:

41.3.1 an orderly and efficient cessation of the Services or (at TfL's request) a transition of the Services to TfL or such other entity as TfL may specify; and

41.3.2 minimal disruption or inconvenience to TfL or to customers of the Services or to public passenger transport services or facilities,

in accordance with the provisions of Clauses 41.2 to 41.6 (inclusive) and which the Parties agree would have effect in the event that a Declaration of Ineffectiveness is made.

41.4 Where there is any conflict or discrepancy between the provisions of Clause 40 and Clauses 41.2 to 41.6 (inclusive) and 41.12 or the Cessation Plan, the provisions of these Clauses 41.2 to 41.6 (inclusive) and 41.12 and the Cessation Plan shall prevail.

41.5 The Parties will comply with their respective obligations under the Cessation Plan (as agreed by the Parties or, where agreement cannot be reached, as reasonably determined by TfL) in the event that a Declaration of Ineffectiveness is made.

41.6 TfL shall pay the Services Provider's reasonable costs in assisting TfL in preparing, agreeing and complying with the Cessation Plan. Such costs shall be based on any comparable costs or as otherwise reasonably determined by TfL. Provided that TfL shall not be liable to the Service Provider for any loss of

profit, revenue, goodwill or loss of opportunity as a result of the early termination of this Contract pursuant to any Declaration of Ineffectiveness.

41.7 Without prejudice to TfL's rights of termination implied into the Contract by Regulation 73(3) of the Public Contracts Regulations 2015 or Regulation 89(3) of the Utilities Contracts Regulations 2016, in the event that TfL exercises its right to terminate pursuant to this Clause 41.7 (a "**Public Procurement Termination Event**"), TfL shall promptly notify the Service Provider and the Parties agree that:

41.7.1 the provisions of Clause 40 and these Clauses 41.7 to 41.12 (inclusive) shall apply as from the date of receipt by the Service Provider of the notification of the Public Procurement Termination Event; and

41.7.2 if there is any conflict or discrepancy between the provisions of Clause 40 and these Clauses 41.7 to 41.12 or the Cessation Plan, the provisions of these Clauses 41.7 to 41.12 and the Cessation Plan shall prevail.

41.8 Termination on the Public Procurement Termination Grounds shall not prejudice or affect any right, liability or remedy which has accrued or shall accrue to either Party prior to or after such termination on Public Procurement Termination Grounds, in respect of the period prior to such termination, save as otherwise expressly provided in Clauses 41.7 to 41.11 inclusive.

41.9 As from the date of receipt by the Service Provider of the notification of the termination on Public Procurement Termination Grounds, the Parties (acting reasonably and in good faith) shall agree or, in the absence of such agreement, TfL shall reasonably determine an appropriate Cessation Plan with the object of achieving:

41.9.1 an orderly and efficient cessation or (at TfL's election) a transition to TfL or such other entity as TfL may specify of: (i) the Services; or (at Authority's election), (ii) the part of the Services which are affected by the Public Procurement Termination Grounds; and

41.9.2 minimal disruption or inconvenience to TfL or to customers of the Services or to public passenger transport services or facilities,

in accordance with the provisions of these Clauses 41.7 to 41.11 (inclusive) and to take account of the circumstances of the Public Procurement Termination Grounds.

41.10 Upon agreement, or determination by TfL, of the Cessation Plan the Parties will comply with their respective obligations under the Cessation Plan.

41.11 TfL shall pay the Service Provider's reasonable costs in assisting TfL in preparing, agreeing and complying with the Cessation Plan. Such costs shall be based on any comparable costs or as otherwise reasonably determined by TfL, provided that TfL shall not be liable to the Service Provider for any loss of

profit, revenue, goodwill or loss of opportunity as a result of the early termination of this Contract as a result of Public Procurement Termination Grounds.

- 41.12 For the avoidance of doubt, the provisions of this Clause 41 (and applicable definitions) shall survive any termination of the Contract following a Declaration of Ineffectiveness or termination on Public Procurement Termination Grounds.

42. Survival

The provisions of Clauses 1, 3.1.3, 4, 6, 9.1.4, 14, 17.2.2, 17.2.3, 19.1.1, 19.1.2, 19.1.5, 19.2, 22, 24-29 (inclusive), 30.1, 31-36 (inclusive), 40, 41-43 (inclusive), 46-53 (inclusive) and any other Clauses or Schedules that are necessary to give effect to those Clauses shall survive termination or expiry of the Contract. In addition, any other provision of the Contract which by its nature or implication is required to survive the termination or expiry of the Contract shall do so.

43. Rights of Third Parties

- 43.1 Save that any member of the Authority Group has the right to enforce the terms of the Contract in accordance with the Contracts (Rights of Third Parties) Act 1999 (“**Third Party Act**”), the Parties do not intend that any of the terms of the Contract will be enforceable by virtue of the Third Party Act by any person not a party to it.
- 43.2 Notwithstanding Clause 43.1, the Parties are entitled to vary or rescind the Contract without the consent of any other person including any member of the Authority Group.

44. Change Control Request Procedure

Each Party shall have the relevant rights and shall comply with the provisions set out in Schedule 10 (Change Control Request Procedure and Changes).

45. Novation

- 45.1 TfL may novate or otherwise transfer the Contract (in whole or in part).
- 45.2 Within 10 Business Days of a written request from TfL, the Service Provider shall at its expense execute such agreement as TfL may reasonably require to give effect to any such transfer all or part of its rights and obligations under the Contract to one or more persons nominated by TfL.
- 45.3 Subject to Clause 14, the Contract is personal to the Service Provider who shall not assign the benefit or delegate the burden of the Contract or otherwise transfer any right or obligation under the Contract without the prior written consent of TfL.

46. Non-Waiver of Rights

No waiver of any of the provisions of the Contract is effective unless it is expressly stated to be a waiver and communicated to the other Party in writing in accordance with the provisions of Clause 48. The single or partial exercise of any right, power or remedy under the Contract shall not in any circumstances preclude any other or further exercise of it or the exercise of any other such right, power or remedy.

47. Illegality and Severability

If any provision of the Contract (in whole or in part) is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed from the Contract and the remaining provisions shall continue in full force and effect as if the Contract had been executed without the invalid, illegal, or unenforceable provision. In the event that in TfL's reasonable opinion such a provision is so fundamental as to prevent the accomplishment of the purpose of the Contract, TfL and the Service Provider shall immediately commence good faith negotiations to remedy such invalidity.

48. Notices

Any notice, demand or communication in connection with this Contract will be in writing and may be delivered by hand, prepaid recorded delivery first class post or facsimile addressed to the recipient at its registered office, the address stated in Schedule 1 or any other address (including a facsimile number) notified to the other Party in writing in accordance with this Clause as an address to which notices, invoices and other documents may be sent. The notice, demand or communication will be deemed to have been duly served:

if delivered by hand, at the time of delivery;

if delivered by post, two (2) Business Days after being posted or in the case of Airmail 14 Business Days after being posted; or

if delivered by facsimile, at the time of transmission, provided that a confirming copy is sent by first class post to the other Party within 24 hours after transmission.

49. Entire Agreement

49.1 Subject to Clause 49.2:

49.1.1 the Contract and all documents referred to in the Contract, contains all of the terms which the Parties have agreed relating to the subject matter of the Contract and such documents and supersedes and extinguishes any prior drafts, agreements, undertakings, representations, warranties and arrangements of any nature whatsoever, whether or not in writing relating to the provision of the Services. Neither Party has been induced to enter into the Contract by a statement which the Contract does not contain; and

- 49.1.2 without prejudice to the Service Provider's obligations under the Contract, the Service Provider is responsible for and shall make no claim against TfL in respect of any misunderstanding affecting the basis of the Service Provider's tender in respect of the Contract or any incorrect or incomplete information howsoever obtained.
- 49.2 Nothing in this Clause 49 excludes any liability which one Party would otherwise have in respect of any statement it has made fraudulently to the other Party.
- 49.3 No variation of this Contract shall be effective unless it is, where applicable, made in accordance with the Change Control Request Procedure and in all other circumstances is made in writing and signed by each of the parties.

50. Counterparts

This Contract may be executed in any number of counterparts or duplicates, each of which shall be an original, and such counterparts or duplicates shall together constitute one and the same agreement.

51. Relationship of the Parties

Nothing in the Contract constitutes, or shall be deemed to constitute, a partnership between the Parties. Except as expressly provided in the Contract, neither Party shall be deemed to be the agent of the other, nor shall either Party hold itself out as the agent of the other.

52. Further Assurance

Each Party will do or procure the doing of all acts and things and execute or procure the execution of all such documents as the other Party reasonably considers necessary to give full effect to the provisions of the Contract.

53. Governing Law

The Contract shall be governed by and construed in accordance with the law of England and Wales. Without prejudice to Clause 38, the courts of England will have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Contract provided that TfL has the right in its absolute discretion to enforce a judgment and take proceedings in any other jurisdiction in which the Service Provider is incorporated or in which any assets of the Service Provider may be situated. The Parties agree irrevocably to submit to that jurisdiction.

SCHEDULE 1

KEY CONTRACT INFORMATION

1. **Contract Reference Number:** tfl_scp_001874
2. **Name of Service Provider:** Euro Parking Collection plc
3. **Commencement:**
 - (a) **Contract Commencement Date:** 01/5/2020
 - (b) **Service Commencement Date:** 01/5/2020
4. **Duration/Expiry Date:** Five year term (Initial Term) with an option at TfL's sole discretion to extend the Contract for up to a further five year term (Extended Term). The Service Provider will be notified in writing, at least twelve (12) months prior to the expiry of the Initial Term, should TfL decide in its sole discretion to extend the Contract for the Extended Term. TfL may on six (6) months' written notice terminate the Contract at any time during the Extended Term.
5. **Address where invoices shall be sent:**

Accounts Payable
Transport for London (TfL)
Financial Service Centre
Floor 1
14 Pier Walk
London SE10 0ES

Electronic format required (if any) for submission of orders by the Authority and of invoices by the Service Provider:

6. **Details of TfL's Contract Manager**

Name: ██████████
Address: Transport for London (TfL)
Floor 4 B1/ B2
5 Endeavour Square
London
E20 1JN
Tel: ██████████
Email: ██████████

7. Details of Service Provider's Contract Manager

Name: [REDACTED]
Address: EPC plc
Unit 6 Shepperton House
83-93 Shepperton Road
London
N1 3DF
Tel: [REDACTED]
Email: [REDACTED]

8. Details of TfL's Project Manager

Name: [REDACTED]
Address: Transport for London (TfL)
Floor 4 B1/ B2
5 Endeavour Square
London
E20 1JN
Tel: [REDACTED]
Email: [REDACTED]

9. Service Provider's Key Personnel:

Name & Position	Contact Details	Area of Responsibility
[REDACTED] [REDACTED] [REDACTED] [REDACTED]	[REDACTED]	Production & IT
[REDACTED] [REDACTED] [REDACTED] [REDACTED]	[REDACTED]	Customer Service & Representations
[REDACTED] [REDACTED] [REDACTED] [REDACTED]	[REDACTED]	Finance

10. Notice period in accordance with Clause 39.4 (termination without cause): six (6) calendar months

11. Address for service of notices and other documents in accordance with Clause 48:

For the Authority:

Name: [REDACTED]
Address: Floor 4 B1/ B2
5 Endeavour Square
London
E20 1JN
Tel: [REDACTED]
Email: [REDACTED]

For the Service Provider:

Name: [REDACTED]
Address: Unit 6 Shepperton House
83-93 Shepperton Road
London
N1 3DF
Tel: [REDACTED]
Email: [REDACTED]

12. List of Key Personnel

SLNT Co-ordinator

For TfL: SLNT Team
Name: SLNT Team
Address: Transport for London (TfL)
5 Endeavour Square
Westfield Avenue Stratford
London, E20 1JN
Email: supplierskills@tfl.gov.uk

For the Service Provider:

Name: [REDACTED]

Address: Unit 6 Shepperton House
83-93 Shepperton Road
London
N1 3DF

Tel: [REDACTED]

Email: [REDACTED]



Non-UK Debt Recovery Services Contract

Schedule 2

Statement of Requirements

Road User Charging Directorate

Transport for London

**5 Endeavour Square
Stratford
London E20 1JN**

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Introduction

This document, along with its appendices, is part of Schedule 2 (Statement of Requirements) of the Non-UK Debt Recovery Services Contract. This document should be read in conjunction with other component documents of the Contract as these play an integral part in understanding the requirements set out in this document.

Background

The Congestion Charging Scheme and the Low Emission Zone (LEZ) are integral parts of the Mayor's Transport Strategy designed specifically to reduce Air pollution is one of the most significant challenges facing London, affecting the health of all Londoners. Every child in London breathes toxic air daily, damaging their lung growth. Road transport is the biggest source of the emissions damaging health in London and the Ultra Low Emission Zone (ULEZ) will help to improve air quality.

TfL operates and enforces a number of road user charging schemes and also enforces red routes, moving contraventions and parking contraventions, which together contribute to the realisation of the Mayor's Transport Strategy. The five main elements of this are:-

Congestion Charging Scheme

LEZ

Traffic Enforcement Scheme (Red route enforcement)

ULEZ

Direct Vision Standards (DVS) Scheme (enforcement will be the same as Traffic Enforcement but with a different value)

Enforcement of the Congestion Charging (CC), LEZ, ULEZ, Traffic Enforcement (TE) and DVS Schemes is important in order to keep London's roads moving, improves safety and reduces the pollution on London streets and roads. If an individual fails to comply with the relevant scheme rules or any traffic enforcement regulations it results in a Penalty Charge Notice (PCN) being issued to the Registered Keeper or the Person Liable of the vehicle.

The primary function of the Service Provider is to produce and issue Statutory Notices and other relevant documents (for example, Warning Notices) to Registered Keepers or Persons Liable (as appropriate). Statutory Notices shall be progressed in accordance with the requirements for each Contravention Type. Penalty Charges should be issued to recover outstanding debt accumulated and to deter future evasion of payments within the existing or future schemes, or any other debt accumulated by TfL (not necessarily scheme related). Warning Notices are used primarily to notify Persons Liable of a new Contravention Type or a new location where a restriction covered by an existing Contravention Type is implemented. During a Warning Notice Period, any vehicle which commits the relevant Contravention Type at the relevant location or is captured by the relevant camera shall be issued with a Warning Notice and shall not be issued a PCN during the relevant Warning Notice Period.

TfL currently outsources much of the operation of the Congestion Charging Zone, Low Emission Zone, Ultra Low Emission Zone, Traffic Enforcement and Direct Vision Standards schemes administration to a Core Service Provider (CSP).

1. Services		
1.1 Overview Services		
1.1.1		Mandatory
<p>The Service Provider shall maintain facilities, resources and Service Provider Personnel to effectively identify and locate Persons Liable, respond to enquiries and complaints, receive Payments, process Representations and perform Recovery Action (the "Non-UK Notice Processing Services"). This shall include, but shall not be limited to:</p> <ul style="list-style-type: none"> • access to and maintenance of appropriate databases of vehicle details and keeper registration details; • developing and maintaining relationships with Vehicle Licensing Authorities for the purpose of identifying and locating Persons Liable; • access to and use of Local Collectors, as appropriate; • provision of the Non-UK Notice Processing Service(s) System; • provision of a telephone contact centre; • provision of a web site; • provision of a web-based registration service for any current or future emission based schemes within the scope of the Contract; • translation services; and • the ability to transfer debt into a non-UK court if required <p>in accordance with the provisions set out below.</p>		

2. Enforcement		
2.1 Foreign Notice Processing		
2.1.1		Mandatory
<p>The Service Provider shall provide Non-UK Notice Processing Services for the following Contravention Types:</p> <ul style="list-style-type: none"> • Congestion Charging Scheme; • Low Emission Zone Scheme; • Ultra Low Emission Zone Scheme; • Bus lanes contraventions; • Moving traffic contraventions; • On-street contravention(s); • CCTV parking contravention(s); • Direct Vision Standards; and • Any other future road or vehicle charging schemes as notified to the Service Provider by TfL in writing. 		

2.1.2		Mandatory
The Service Provider shall ensure that all Statutory Notices and Warning Notices are issued in the vehicle's country of origin official language.		

2.1.3		Mandatory
The Service Provider shall ensure that all Non-UK Notice Processing Services comply with all relevant parking and traffic enforcement legislation including the relevant Scheme Orders as well as all other relevant Laws.		

2.1.4		Mandatory
The Service Provider shall comply with any future amendments and developments in relevant Laws (including the implementation of new relevant Laws) and any other related policies and guidance (subject where relevant, to the Change Control Procedure). These include, but are not limited to:		
<ul style="list-style-type: none"> • legislative changes in the traffic enforcement area; • recommendations, formal or informal, made by the London Tribunals Service or Adjudication Service(s); • Congestion Charging Scheme changes; • Low Emission Zone Scheme changes; • Ultra Low Emission Zone Scheme changes; • Direct Vision Standards changes; • recommendations made by the London Council(s); • policy decisions made (for any other reason) by TfL; • Local Government Ombudsmen recommendations; and • court decisions. 		

2.1.5		Mandatory
The Service Provider shall ensure that each Penalty Charge is progressed through every relevant stage of the Non-UK Notice Processing lifecycle in accordance with Annex D Recovery Process Flow CC and TE and Annex E Recovery Process Flow LEZ and ULEZ.		

2.1.6		Mandatory
The Service Provider shall ensure the Non-UK Notice Processing Service System(s) has the functionality to Suppress Penalty Charges in accordance with directions given by TfL.		

2.1.7		Mandatory
The Service Provider shall ensure all Warning Notices PCNs and Charge Certificates for any Scheme, shall be issued by post or electronically if appropriate (where possible and in agreement with TfL).		

2.1.8		Mandatory
The Service Provider shall issue all notice types in accordance with templates provided by TfL from time to time. Different templates will be provided for each Scheme and, at TfL's		

option, for specific Contravention Types.

2.1.9		Mandatory
The Service Provider shall, on receipt of the Contravention Record, create a Penalty Charge Record that is assigned with a unique number to the Penalty Charge Record using the unique number provided by the CSP (the assigned Penalty Charge number).		

2.1.10		Mandatory
The Service Provider shall create an Automatic Payment Reference in respect of each Penalty Charge Record irrespective of the Contravention Type and include this Automated Payment Reference on the Penalty Charge Notice.		

2.1.11		Mandatory
The Service Provider shall ensure that Statutory Notices for all Contravention Types are updated on the relevant Penalty Charge Record event history of the Non-UK Notice Processing Service System(s) to confirm the action taken in relation to the associated Penalty Charge.		

2.1.12		Mandatory
The Service Provider shall ensure that Statutory Notices for each Contravention Type and any Warning Notices (where applicable) are printed and posted to the Registered Keeper/Person Liable of a Vehicle in accordance with PI 9A Schedule 5 (Service Level Agreement).		

2.1.13		Mandatory
The Service Provider shall ensure where possible and at TfL's request, in addition to Paragraph 2.1.8. The NonUK Notice Processing Service System(s) has the capability to send Statutory Notices and non-Statutory Notices for each Contravention Type (in accordance with Schedule 5 (Service Level Agreement) to the Person Liable via email or Secure File Transfer Protocol (SFTP).		

2.1.14		Mandatory
The Service Provider shall ensure that a copy of each Statutory Notice issued in relation to each specific Contravention Type is retained on the relevant Penalty Charge Record on the Non-UK Notice Processing Service System(s) within a parameterised period after being sent to the Registered Keeper/Person Liable.		

2.1.15		Mandatory
The Service Provider shall ensure that a copy of any Warning Notice issued in relation to each specific Contravention Type is retained on the relevant Penalty Charge Record on the Notice Processing Service System(s) within a parameterised period after being sent/served to the Registered Keeper or Person Liable.		

2.1.16		Mandatory
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The Service Provider shall ensure that changes requested by TfL to Statutory Notices, letter templates and Warning Notices are made at no additional cost to TfL.

2.1.17		Mandatory
<p>The Service Provider shall progress a Penalty Charge through each stage of the Non-UK Notice Processing lifecycle by issuing statutory and non-statutory enforcement documentation within a parameterised period (subject to postal delays) and within the Service Period in accordance with the Annex D Recovery Process Flow CC and TE and Annex E Recovery Process Flow LEZ and ULEZ.</p>		

2.1.18		Mandatory
<p>The Service Provider shall ensure that all Penalty Charge(s) are closed following any one of the following events (but not limited to):</p> <ul style="list-style-type: none"> • Payment of the Penalty Charge; • Where the Penalty Charge has been cancelled; and • Where a Representation in respect of the Penalty Charge has been accepted. 		

2.1.19		Mandatory
<p>The Service Provider shall ensure the Non-UK Notice Processing Service System(s)' values are parameterised. This includes but is not limited to ensuring that the following are parameterised:</p> <ul style="list-style-type: none"> • dates and stages throughout the entire Non-UK Notice Processing lifecycle (including that dates and stages are configurable by Contravention Types); • Any Warning Notice Period (and such period must be configurable); • A Suppression Period for subsequent contraventions (and such period must be configurable); • Penalty Charges and percentage increases in Penalty Charges; • levels of discount; • Contravention Type; • Data included on Statutory Notices and non-Statutory Notices; and • Enforcement reference data such as contravention codes, cancellation codes, write-off codes and reason codes for accepting and/or rejecting Representations. 		

2.1.20		Mandatory
<p>The Service Provider shall ensure that all inbound Correspondence is responded to in accordance with Schedule 5 (Service Level Agreement).</p>		

2.2 Recovery Action Procedure for Congestion Charging and Traffic Enforcement		
2.2.1		Mandatory
<p>The Service Provider shall determine the origin of the vehicle's registration associated with a Penalty Charge within five (5) Business Days (parameterised) of receiving the Penalty Charge.</p>		

2.2.2		Mandatory
The Service Provider shall issue a PCN to the Person Liable for each Congestion Charging Penalty Charge within five (5) days of obtaining the Person Liable's full name and postal address		
2.2.3		Mandatory
The Service Provider shall issue a PCN or Notice to Owner to the Person Liable for each Traffic Enforcement Penalty Charge within five (5) days of obtaining the Person Liable's full name and postal address		
2.2.4		Mandatory
Where the Service Provider has determined, in accordance with any requirements contained in the TfL EDR Business Rules that it is unable to take Recovery Action with respect to a Penalty Charge, the Service Provider shall Return the Penalty Charge to the CSP.		
2.2.5		Mandatory
<p>Where the Service Provider is:</p> <ul style="list-style-type: none"> a) unable to determine the country of registration, as required under Paragraph 2.2.1; or b) unable to determine the details for the Person Liable, as required under paragraphs 2.1.13, <p>the Service Provider shall Return the Penalty Charge to the CSP as appropriate.</p>		
2.2.6		Mandatory
Where the Service Provider determines that the country of registration of any vehicle is the UK the Service Provider shall Return the Penalty Charge to the CSP as appropriate via the CSP Interface using the appropriate reason code.		
2.2.7		Mandatory
Where the Service Provider reasonably believes that the Penalty Charge has been issued in error the Service Provider shall return the Penalty Charge to the CSP as appropriate via the CSP Interface using the appropriate reason code.		
2.2.8		Mandatory
Where the Service Provider determines that the Person Liable has made a Payment via an alternative Payment route (e.g. a direct Payment to the CSP), the Service Provider shall return the applicable Penalty Charge to the CSP via the CSP Interface using the appropriate reason code. No operational process charges shall apply in such circumstances.		
2.2.9		Mandatory

Where the Service Provider has reasonable evidence to believe that the Penalty Charge was issued to the Person Liable in error, the Service Provider shall return the Penalty Charge to the CSP via the CSP Interface using the appropriate reason code.

2.2.10		Mandatory
Where the Service Provider is unsure of how to proceed with Recovery Action for any reason, the Service Provider shall place the Penalty Charge On Hold and Escalate the matter to the CSP.		

2.2.11		Mandatory
The Service Provider shall have arrangements in place with Vehicle Licensing Authorities to request and receive Registered Keeper and vehicle details.		

2.2.12		Mandatory
The Service Provider shall continually seek to access Vehicle Licensing Authorities to further facilitate the contravening Registered Keeper of the vehicle and vehicle details.		

2.2.13		Mandatory
The Service Provider shall not use the details of any Person Liable or any vehicle for marketing purposes, or sell those details to any person.		

2.2.14		Mandatory
The Service Provider shall ensure that, unless otherwise authorised by the Person Liable in writing, details relating to a Penalty Charge or Charge Certificate are discussed only with TfL, the CSP, any Service Provider Personnel where necessary and the Person Liable.		

2.2.15		Mandatory
The Service Provider shall immediately place a Penalty Charge On Hold when instructed to do so by TfL or the CSP.		

2.2.16		Mandatory
On request by TfL or the CSP, the Service Provider shall provide the details of any Recovery Action taken with respect to a Penalty Charge that is On Hold.		

2.2.17		Mandatory
Except where otherwise specified in or permitted by the requirements in this Schedule 2 (Statement of Requirements) or by the TfL EDR Business Rules, the Service Provider shall only cease Recovery Action with respect to a Penalty Charge once Payment in Full has been recovered.		

2.2.18		Mandatory
Where the Service Provider obtains new address details for a Person Liable in respect of whom Recovery Action has commenced and the Service Provider is satisfied that any		

previous Correspondence relating to the Recovery Action has not been received by the Person Liable, the Service Provider shall revert to the start of the Recovery Action Procedure.

2.2.19		Mandatory
The Service Provider shall exchange data securely with the relevant Vehicle Licensing Authorities and comply with their data transfer policies in compliance with all relevant Laws.		

2.2.20		Mandatory
The Service Provider shall securely store all requests and responses received from the relevant Vehicle Licensing Authorities against the relevant Penalty Charge Record in line with Schedule 7 (Information Compliance).		

2.2.21		Mandatory
The Service Provider shall allow a Person Liable to make a Discounted Payment up to twenty-one (21) days (parameterised) from the date of issue of the PCN.		

2.2.22		Mandatory
If after thirty-five (35) days (parameterised) from the date of issue of the PCN Payment in Full has not been received or a Representation against the Congestion Charging Penalty Charge or Traffic Enforcement Penalty Charge has not been received, the Service Provider shall issue a Charge Certificate to the Person Liable.		

2.2.23		Mandatory
If after thirty-five (35) days (parameterised) from the date of issue of the Charge Certificate Payment in Full has not been received, or a Representation against the Congestion Charging Penalty Charge or Traffic Enforcement Penalty Charge has not been received the Service Provider may in agreement with TfL engage with Local Collectors to attempt to recover the outstanding Debt owed to TfL.		

2.3 Recovery Action Procedure for Low Emission Zones

2.3.1		Mandatory
The Service Provider shall request from the relevant Vehicle Licensing Authority the following details in respect of the vehicle identified in the LEZ within seven (7) Business Days (parameterised) of determining the country of registration:		
<ul style="list-style-type: none"> a) the vehicle fuel propulsion type; b) the European vehicle type; c) whether the vehicle is carrying goods or people; d) for vehicles that are for carrying goods: <ul style="list-style-type: none"> i. gross vehicle weight; ii. date of first vehicle registration; iii. manufacturer; and iv. reference mass; 		

e) for vehicles that are for carrying people:

- i. seating capacity;
- ii. gross vehicle weight; and
- iii. reference mass.

For the avoidance of doubt, the Service Provider shall perform this request for every LEZ Penalty Charge received, even when these details are already held on the Non-UK Notice Processing Service(s) System.

2.3.2		Mandatory
The Service Provider shall determine the LEZ Status (in accordance with Annex C LEZ Processing Guidance) of a vehicle within five (5) days (parameterised) of receiving the vehicle details requested under Paragraph 2.3.1.		

2.3.3		Mandatory
The Service Provider shall cease Recovery Action and Return all LEZ Penalty Charges to the CSP in respect of those vehicles that are determined to have a LEZ Status of Compliant.		

2.3.4		Mandatory
The Service Provider shall request from the relevant Vehicle Licensing Authority the full name and postal address of the Person Liable within seven (7) days (parameterised) of identifying a vehicle with a LEZ Status of Non-Compliant which is the subject of a LEZ Penalty Charge.		

2.3.5		Mandatory
Where the Service Provider has no record of a particular Person Liable having previously incurred a LEZ Penalty Charge, the Service Provider may be required (in accordance with guidance from TfL) to issue a Warning Notice instead of a Penalty Charge to the Person Liable within five (5) days (parameterised) of receiving their full name and postal address details.		

2.4 Recovery Action Procedure for Ultra Low Emission Zone

2.4.1		Mandatory
The Service Provider shall request from the relevant Vehicle Licensing Authority the following details in respect of the vehicle identified in the ULEZ Penalty Charge within seven (7) days (parameterised) of determining the country of registration:		
<ul style="list-style-type: none"> a) the vehicle fuel propulsion type; b) the European vehicle type; c) Euro standard (can be determined by date of manufacture); d) year of manufacture (if available); and e) date of first registration (if available). 		

For the avoidance of doubt, the Service Provider shall perform this request for every ULEZ Penalty Charge received, even when these details are already held on the Non-UK Notices Processing Service(s) System.

2.4.2		Mandatory
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The Service Provider shall determine the ULEZ Status, in accordance with Annex F ULEZ Processing Guidance, of a vehicle within five (5) days (parameterised) of receiving the vehicle details requested under Paragraph 2.4.1.

2.4.3		Mandatory
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The Service Provider shall cease Recovery Action and Return the ULEZ Penalty Charge to the CSP in respect of those vehicles that are determined to have a ULEZ Status of Compliant.

2.4.4		Mandatory
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The Service Provider shall request from the relevant Vehicle Licensing Authority the full name and postal address of the Person Liable within seven (7) days (parameterised) of identifying a vehicle with a ULEZ Status of Non-Compliant which is the subject of a ULEZ Penalty Charge.

2.4.5		Mandatory
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Where the Service Provider has no record of a particular Person Liable having previously incurred a ULEZ Penalty Charge, the Service Provider may be required (in accordance with guidance from TfL) to issue a Warning Notice instead of a Penalty Charge to the Person Liable within five (5) Business Days (parameterised) of receiving their full name and postal address details.

2.5 Warning Notices

2.5.1		Mandatory
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The Service Provider shall issue a Warning Notice instead of a PCN upon instruction from TfL or the CSP. A Warning Notice may be issued in relation to any Contravention Type or any of the Schemes.

2.5.2		Mandatory
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The Service Provider shall ensure that the Non-UK Notice Processing Service System(s) measures the Suppression Period from the date of the first relevant contravention and issues no Warning Notices or PCNs for any vehicle that has already received a Warning Notice during the Suppression Period.

2.5.3		Mandatory
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The Service Provider shall ensure that once the Suppression Period for any vehicle has expired a PCN is issued for all subsequent contraventions by that vehicle for which the vehicle has already received a Warning Notice.

2.5.4		Mandatory
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The Service Provider shall ensure that it can Suppress specific PCNs where the vehicle to which the PCN relates has already received a Warning Notice for the same Contravention Type to which the PCN relates.

The duration for which an PCN must be Suppressed as specified by TfL, should be an amendable parameter that can be adjusted after the commencement of a Warning Notice Period.

3. Representations and Escalations

3.1. Representations

Note: This Paragraph sets out the requirements for receiving, investigating and responding to Representations and the processes to be followed when making a decision to either accept or reject a Representation.

A Person Liable can challenge a Penalty Charge by making a Representation within a parameterised time after receiving a PCN.

The Service Provider shall consider all Representations in accordance with the latest TfL rules as set out in the TfL EDR Business Rules.

3.1.1		Mandatory
The Service Provider shall immediately suspend any Recovery Action against a Person Liable upon receipt of a Representation and, subject to Paragraph 3.1.12 below, time shall cease to be counted for the purposes of calculation of the expiry of the time periods referred to in paragraphs 2.2.21, 2.2.22 and 2.2.23 (within which the Service Provider shall allow a Person Liable to make a Discounted Payment).		
3.1.2		Mandatory
The Service Provider shall notify the CSP as appropriate on the day of receipt via the CSP Interface that a Representation has been received.		
3.1.3		Mandatory
At the request of TfL, the Service Provider shall send the CSP a copy of any Representations and any supporting information via the CSP Interface within fifteen (15) days (parameterised).		
3.1.4		Mandatory
The Service Provider shall manage all Representations in accordance with the TfL EDR Business Rules and send the response to the Person Liable within fifteen (15) Business days (parameterised) of receipt of the Representation.		
3.1.5		Mandatory
The Service Provider shall ensure all Representations are investigated. The investigations shall include but are not limited to:		

- applying the latest TfL EDR Business Rules.
- applying any relevant guidance set out in any TfL policies supplied by TfL;
- reviewing evidence received;
- details of the Registered Keeper/Person Liable and the vehicle;
- validating the Registered Keeper/Person Liable's address;
- Utilising other tools supplied by TfL including and not limited to access to other systems.

3.1.6		Mandatory
The Service Provider shall ensure that all Representations received via all channels are processed in accordance with the TfL EDR Business Rules for the relevant Contravention Type.		

3.1.7		Mandatory
The Service Provider shall ensure that additional evidence is requested from the Registered Keeper/Person Liable where insufficient evidence exists to reach a conclusion regarding a Representation as detailed in the TfL EDR Business Rules.		

3.1.8		Mandatory
The Service Provider shall ensure that additional evidence is requested via any communication channel, including but not limited to: <ul style="list-style-type: none"> • telephone; • email; and • post. 		

3.1.9		Mandatory
The Service Provider shall set a parameterised period of time in agreement with TfL for the Registered Keeper/Person Liable to provide additional evidence.		

3.1.10		Mandatory
The Service Provider shall ensure that where the additional evidence is not provided, or where the additional evidence is deemed insufficient in accordance with the TfL EDR Business Rules the Representation is rejected.		

3.1.11		Mandatory
The Service Provider shall ensure that the Non-UK Notice Processing Service System(s) records the date of receipt of the relevant Representation and links it to the relevant Penalty Charge Record. This may differ from the date scanned on the Non-UK Notice Processing Service System(s).		

3.1.12		Mandatory
Upon receipt of a Representation and other correspondence relating to the Representation, the Service Provider shall: <ul style="list-style-type: none"> • record receipt of the Representation on the Non-UK Notice Processing Service 		

<p>System(s) and link to the relevant Penalty Charge Record;</p> <ul style="list-style-type: none"> • immediately suspend the relevant Penalty Charge(s); • verify if it is a Representation against more than one (1) Penalty Charge; • verify if there are other Penalty Charge(s) outstanding for the relevant Person Liable to which the Representation may apply; • take the appropriate action in accordance with the TfL EDR Business Rules for each relevant Penalty Charge; • verify if additional evidence is required in accordance with the TfL EDR Business Rules; • verify if the Representation has been raised by a third party and if so ensure the relevant process is applied as described in the TfL EDR Business Rules; • verify if the Representation is late and if so ensure the relevant process is applied as described in the TfL EDR Business Rules; and • record the grounds of the Representation as outlined in the Representation on the Non-UK Notice Processing Service System(s) and link to the relevant Penalty Charge Record.

3.1.13		Mandatory
<p>The Service Provider shall ensure that upon acceptance of a Representation the following actions are taken:</p> <ul style="list-style-type: none"> • the decision is recorded on the Non-UK Notice Processing Service System(s) and linked to the relevant Penalty Charge Record(s); • an appropriate reason code is recorded, linked and visible on the relevant Penalty Charge Record(s) on the Non-UK Notice Processing Service System(s); • relevant notes are added to the Penalty Charge Record(s) on the Non-UK Notice Processing Service Systems(s) to support the decision made; • an event is recorded on the Non-UK Notice Processing Service System(s) and linked to the relevant Penalty Charge Record(s); • the notice of acceptance of the Representation (the "Notice of Acceptance") is associated on the Non-UK Notice Processing Service System(s) and linked to the relevant Penalty Charge Record(s); • a Notice of Acceptance is issued and sent to the Registered Keeper/Person Liable (and where applicable an authorised third party) in accordance with Schedule 5 (Service Level Agreement); • the date and time of posting of the Notice of Acceptance is recorded on the Non-UK Notice Processing Service System(s) and linked to the relevant Penalty Charge Record(s); • the relevant Penalty Charge is cancelled; • the relevant Penalty Charge is written off; or • the PCN is reissued. <p>All of the above information must be sent to the CSP's system via the CSP Interface as described in Annex A Interface Specification.</p>		

3.1.14		Mandatory
<p>The Service Provider shall ensure that upon rejection of a Representation the following</p>		

action is taken:

- the decision is recorded on the Non-UK Notice Processing Service System(s) and linked to the relevant Penalty Charge Record(s);
- an appropriate reason code is recorded and linked to the relevant Penalty Charge Record(s) on the Non-UK Notice Processing Service System(s);
- relevant notes are added to the Penalty Charge Record(s) on the Non-UK Notice Processing Service Systems(s) to support the decision made;
- an event is recorded within the Non-UK Notice Processing Service System(s) and linked to the relevant Penalty Charge Record(s);
- a notice of rejection of the Representation (the "**Notice of Rejection**") is issued and sent to the Registered Keeper/Person Liable (and where applicable an authorised third party) in accordance with Schedule 5 (Service Level Agreement);
- the date and time of posting of the Notice of Rejection is recorded on Non-UK Notice Processing Service System(s) and linked to the relevant Penalty Charge Record(s);
- the Notice of Rejection is associated on the Non-UK Notice Processing Service System(s) and linked and visible to the relevant Penalty Charge Record(s);
- the relevant Penalty Charge suspension is removed; and
- reset the Penalty Charge to a previous stage of its lifecycle within the Non-UK Notice Processing Service System(s).

All of the above information must be sent to the CSP's systems via the CSP Interface as described in Annex A (Interface Specification).

3.1.15		Mandatory
<p>The Service Provider shall ensure that if the Representation was received within the discounted payment period and is subsequently rejected, the Penalty Charge value is reset to the discounted amount and the timeline is reset to 0 (zero) on the Non-UK Notice Processing lifecycle in accordance with Annex D: Notice Progressing Process Flows.</p>		
3.1.16		Mandatory
<p>The Service Provider shall ensure that when processing a Representation, the Non-UK Notice Processing Service System(s) has the functionality to allow the following searches:</p> <ul style="list-style-type: none"> • a search of a specific Penalty Charge Record history; • a search of all Penalty Charge Record(s) and history of events for the same VRM; • a search of all Penalty Charge Records(s) for the same Registered Keeper/Person Liable at the same address; and • a search of all Penalty Charge Record(s) for the same Registered Keeper/Person Liable at a different address. 		
3.1.17		Mandatory
<p>At the request of TfL, the Service Provider shall request additional information from a Person Liable to support or respond to a Representation. The Service Provider shall provide such information to the CSP in the format agreed with TfL and within the timeframes specified by TfL.</p>		

3.1.18		Mandatory
<p>The Service Provider shall ensure that when a Representation is not from the Registered Keeper/Person Liable or another authorised person, it is processed and responded to in line with Annex B Non-UK Representations Business Rules, Annex C LEZ Processing Guidance, Annex F ULEZ Processing Guidance and Annex J DVS Processing Guidance within a parameterised period.</p>		

3.1.19		Mandatory
<p>At the request of TfL and/or the CSP, the Service Provider shall provide additional information with respect to a Penalty Charge, Correspondence and other aspects of Recovery Action to support TfL and/or the CSP in responding to locally handled Representation.</p>		

3.2 Escalations

3.2.1		Mandatory
<p>The Service Provider shall Escalate cases they cannot work to the CSP for advice in accordance with guidelines from TfL, including but not limited to the guidelines set out in the TfL EDR Business Rules.</p>		

3.2.2		Mandatory
<p>The Service Provider shall operate a process for Escalating relevant cases to the CSP for consideration in accordance with guidelines from TfL including but not limited to the guidelines set out in the TfL EDR Business Rules. This workflow must accommodate the processing of returned cases in line with the relevant instruction from the CSP.</p>		

3.2.3		Mandatory
<p>The Service Provider shall ensure that the Non-UK Notice Processing Service System(s) allows the Escalation, the response from the CSP and any other associated documents to be visible in the Non-UK Notice Processing Service System(s) and linked to the relevant Penalty Charge Record.</p>		

4. Recovery Action

4.1. Recovery Action		
4.1.1		Mandatory
<p>The Service Provider shall provide to TfL, prior to any debt collection, a list of all Local Collectors to be used in the provision of the Services.</p> <p>The Service Provider shall notify TfL from time to time of any changes to this list within forty-eight (48) hours (parameterised) of a change taking place.</p>		

4.1.2		Mandatory
<p>At the request of TfL, the Service Provider shall provide any information required regarding Recovery Action being undertaken by the Service Provider or being undertaken by a Local Collector in respect of any Penalty Charge/Charge Certificate.</p>		

4.1.3		Mandatory
The Service Provider shall comply with all relevant Laws including fees whilst completing any Recovery Action to recover any Debt.		
4.1.4		Mandatory
The Service Provider shall ensure that it has access to legal advice (at its own cost) in respect of Recovery Action undertaken by Local Collectors. The Service Provider shall notify TfL if anyone should request access to legal advice within 48 Business Hours of the Service Provider receiving the request.		
4.1.5		Mandatory
The Service Provider shall not undertake any Recovery Action or any further Recovery Action as soon as it becomes aware that a Person Liable is under extreme hardship, as determined by relevant Laws and as specified in the TfL EDR Business Rules. Extreme hardship shall include but not be limited to:		
<ul style="list-style-type: none"> • where the Person Liable is in ill health or infirm; • where the Person Liable is in prison; and • where the Person Liable is bankrupt or insolvent and the Person Liable can provide further evidence such as a court order or a company resolution. 		
4.1.6		Mandatory
The Service Provider shall propose and, if approved by TfL in accordance with this paragraph 4.1.6, implement alternative prosecution and debt recovery routes within 6 months (parameterised) of the Operational Commencement Date. Any proposals for prosecution shall require TfL approval prior to initiating proceedings.		
4.1.7		Mandatory
The Service Provider shall propose a process to recover debt from Persistent Evaders, to be approved by TfL at its discretion.		
4.1.8		Mandatory
The Service Provider shall implement and perform any process to recover debt from Persistent Evaders proposed to and approved by TfL pursuant to paragraph 4.1.7.		
4.1.9		Mandatory
The Service Provider shall provide translations for any proposed debt collection to the Person Liable including instructions to any agents if required. This includes written and verbal communications.		
5. Enquires, Complaints and Payments		
5.1. Correspondence		
5.1.1		Mandatory

<p>The Service Provider shall ensure all Correspondence it sends includes the following details:</p> <ul style="list-style-type: none"> • details of the Debt; • available Debt payment methods; • available Debt payment channels; and • contact details for enquires and complaints.
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5.1.2		Mandatory
The Service Provider shall obtain prior written approval from TfL for all standard paragraphs used in any Correspondence.		

5.1.3		Mandatory
When replying to any Correspondence, the Service Provider shall ensure that each relevant point raised is addressed and appropriate evidence is provided as requested.		

5.1.4		Mandatory
The Service Provider shall provide Correspondence in large print, braille or audio file at the request of a Person Liable, TfL or the CSP.		

5.1.5		Mandatory
The Service Provider shall provide to TfL a copy of any Correspondence and other supporting documentation associated with Recovery Action within forty-eight (48) hours (parameterised) of a request by TfL.		

5.1.6		Mandatory
The Service Provider shall ensure there are appropriate internal quality control measures are in place for Correspondence. These measures shall include, but not be limited to:		
<ul style="list-style-type: none"> a) spelling and grammar checking; b) translation checking, to ensure translations are concise and accurate; and c) checks to ensure all required fields are completed. 		

5.1.7		Mandatory
The Service Provider shall, at the request of TfL (and in accordance with any additional instructions TfL may provide), issue Warning Notices as described in Paragraph 2.3.5 and 2.4.5 above.		

5.2 Translation Services		
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5.2.1		Mandatory
At the request of TfL, the Service Provider shall translate any Correspondence into English.		

5.2.2		Mandatory
The Service Provider shall use all of the following European languages as the basis for providing a translation service:		

- a. German;
- b. French;
- c. Dutch;
- d. Belgian French;
- e. Belgian Flemish;
- f. Polish;
- g. Danish;
- h. Italian;
- i. Spanish;
- j. Czech;
- k. Finnish;
- l. Swedish;
- m. Portuguese;
- n. Greek;
- o. Slovenian;
- p. Hungarian;
- q. Swiss;
- r. Estonian;
- s. Latvian;
- t. Slovakian;
- u. Maltese;
- v. Lithuanian;
- w. Cypriot;
- x. Icelandic; and
- y. Norwegian.

5.2.3		Mandatory
The Service Provider shall translate all Correspondence into the language of the Person Liable.		

5.2.4		Mandatory
The Service Provider shall translate standard information and application forms into at least the languages listed in requirement 5.2.2. Translations of standard information and application forms shall, upon request, be provided to TfL for approval prior to use.		

5.2.5		Mandatory
The Service Provider shall provide additional translation services at the request of TfL.		

5.2.6		Mandatory
The Service Provider shall supply to TfL and/or the CSP upon request, copies of translated correspondence and the associated response in the relevant language.		

5.3 Complaints		
5.3.1		Mandatory

The Service Provider shall manage complaints in accordance with the procedure specified in this Paragraph 5.3.		
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5.3.2		Mandatory
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The Service Provider shall ensure that the Non-UK Notice Processing Service System(s) has the functionality to record Person Liables' complaints.		
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5.3.3		Mandatory
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The Service Provider shall forward any complaints that do not relate to the Services to TfL within forty-eight (48) hours (parameterised) of such a complaint being received.		
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5.3.4		Mandatory
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<p>The Service Provider shall categorise complaints as follows:</p> <ul style="list-style-type: none"> • Stage 1 Complaints: first time complaints which are resolved easily, such as general enquiries regarding the process or requests for missing receipts. • Stage 2 Complaints: second time complaints where a Person Liable's Stage 1 Complaint has not been resolved following an initial response by the Service Provider, prompting a second letter or complaint from the Person Liable. These will require escalation to a manager within the Service Provider's organisation if further issues are raised which require investigation. • Stage 3 Complaints: complaints which have been through both stages 1 and 2 where the response to date has failed to resolve the issues and any complaint which is considered severe in nature. An example of a severe complaint might be a situation where, following an investigation, it is deemed necessary to issue formal warnings or suspensions to members of the Service Provider Personnel. 		
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5.3.5		Mandatory
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<p>The Service Provider shall direct the Persons Liable upon request to the complaints process held on TfL's website which allows the Person Liable to:</p> <ul style="list-style-type: none"> • Make a complaint online. • Phone: 0343 222 2222 (TfL call charges) International: +44 20 7649 9122. Textphone: 020 7649 9123 if you have impaired hearing. Please make sure you have all the relevant details to hand before calling. • Write to: Customer Services Manager. Road User Charging. PO Box 344. 		
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5.3.6		Mandatory
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The Service Provider shall maintain a record/register for all complaints linking to the recovery of Debts under this Contract. Upon request by TfL, the Service Provider shall supply a copy of such register to TfL within two Business Days of TfL's request. At TfL's		
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request, the Service Provider shall give TfL further details of any complaint in the register together with access to all correspondence relating to such complaint within two Business Days of TfL's request.

5.3.7		Mandatory
Where a complaint is received regarding a member of the Service Provider Personnel, the name of that member of the Service Provider Personnel shall be included in the complaints register.		

5.3.8		Mandatory
Any refund or compensation that is paid to a Person Liable as a result of a complaint shall be recorded in the complaints register.		

5.3.9		Mandatory
The Service Provider shall resolve all complaints in accordance with TfL EDR Business Rules as well as TfL's complaint process and any other relevant TfL policy supplied to the Service Provider.		

5.3.10		Mandatory
The Service Provider shall ensure that their Non-UK Notice Processing Service System(s) enables operational users to access all information held within the Non-UK Notices Processing Service(s) System in order to process any complaints.		

5.3.11		Mandatory
The Service Provider shall escalate enquiries, complaints or other issues raised by Persons Liable in accordance with the TfL EDR Business Rules.		

5.3.12		Mandatory
The Service Provider shall immediately escalate all complaints relating to infringements of privacy, Data Protection Legislation, civil liberties, equality and human rights to TfL in accordance with the timescales in Schedule 5 (Service Level Agreement).		

5.3.13		Mandatory
The Service Provider shall immediately escalate and report all complaints relating to unauthorised and unlawful processing of, accidental loss of, alteration, destruction and damage to Personal Data to TfL in accordance with Schedule 6 (Security Policy) and this Schedule 2 (Statement of Requirements).		

5.3.14		Mandatory
The Service Provider shall supply summary information of any complaint on a standard template, to be agreed with TfL, at the request of TfL or the CSP.		

5.4 Service Provider's Contact Centre		
5.4.1		Mandatory

The Service Provider shall maintain and operate a telephone contact centre for the purpose of payments, enquires and complaints.

5.4.2		Mandatory
The Service Provider shall provide an IVR solution to the service for the contact centre for operating outside of Business Hours.		

5.4.3		Mandatory
Should a return contact number be provided by a Person Liable outside of contact centre Business Hours, the Service Provider shall respond back to Persons Liable on the first Business Day after contact was made.		

5.4.4		Mandatory
The Service Provider shall ensure that the Service Provider Personnel within the contact centre are trained for such role.		

5.4.5		Mandatory
The Service Provider shall provide a text phone service for hearing impaired Persons Liable.		

5.4.6		Mandatory
The Service Provider shall provide access to a translation and interpreting service for Persons Liable who do not speak English as a first language.		

5.4.7		Mandatory
The Service Provider shall ensure that the IVR has the functionality to provide an automated payment system.		

5.4.8		Mandatory
The Service Provider shall ensure that payments made via the IVR by a Person Liable, or by any other person on behalf of the Person Liable, are stored against the relevant VRM, PCN and Receipt Number.		

5.4.9		Mandatory
The Service Provider shall ensure that one hundred per cent (100%) (parameterised) of calls made to the contact centre are recorded.		

5.4.10		Mandatory
The Service Provider shall comply with PCI industry standards.		

5.4.11		Mandatory
The Service Provider shall ensure all recorded calls are date and time stamped.		

5.4.12		Mandatory
The Service Provider shall ensure that stored call recordings are accessible by Authorised Users.		
5.4.13		Mandatory
The Service Provider shall ensure that stored call recordings or a translated script of a call can be transferred to TfL in a secure format if required.		
5.5 Payments		
5.5.1		Mandatory
The Service Provider shall provide at a minimum the facility to make Payments by the following methods: <ul style="list-style-type: none"> • credit or debit card; • bank transfer; and • cheque 		
5.5.2		Mandatory
The Service Provider shall provide at a minimum the facility to make Payments by the following channels: <ul style="list-style-type: none"> • telephone; • direct bank transfer; • through a website; and • electronic payments. 		
5.5.3		Mandatory
The Service Provider shall offer a receipt to the Person Liable (or the person making payment on behalf of the Person Liable) for every Payment made.		
5.5.4		Mandatory
The Service Provider shall not be entitled to claim back from TfL any outstanding Charge Back fees or paid PCN costs already remitted to TfL.		
5.5.5		Mandatory
Where a Payment defaults, is not accepted or is otherwise invalid the Service Provider shall make a written request to the Person Liable for Payment in Full and notifying that person that Recovery Action will recommence within seven (7) days (parameterised) of the date of issue of the letter unless Payment in Full is made.		
5.5.6		Mandatory
Where directed by TfL or the CSP, the Service Provider shall issue a refund to a Person Liable or any person who made payment on behalf of the Person Liable such that the relevant Person Liable or the person who made payment receives (by way of refund) the full amount which they paid in relation to the relevant Payment (unless otherwise instructed by TfL or the CSP) and such refund shall be made by the same method in		

which Payment was received (unless otherwise instructed by TfL or the CSP). Unless the refund is required due to an error or omission of the Service Provider (as determined by TfL), TfL shall reimburse the Service Provider the amount refunded to the Person Liable or the person who made payment using a payment mechanism agreed with TfL.

5.5.7		Mandatory
In the event that a Person Liable completes a Charge Back to a paid case, the Service Provider shall endeavour to collect the outstanding debt through the Recovery Action Procedure and all relevant Law.		

5.5.8		Mandatory
In the event that the Service Provider is unable to allocate a Payment that money should be banked in a dedicated TfL account.		

5.5.9		Mandatory
The Service Provider shall obtain written approval from TfL for the source of any exchange rate information to be used for the calculation of Payment amounts at least one (1) month in advance of it being used in the performance of the Services.		

5.5.10		Mandatory
The Service Provider shall round exchange rates and currency conversion calculations to two decimal places.		

5.5.11		Mandatory
The Service Provider shall perform any currency conversion calculations on the day of PCN issue.		

5.5.12		Mandatory
The Service Provider shall (for the purposes of reducing currency exchange fluctuation risk), following any currency conversion and prior to the relevant PCN being issued, be entitled to increase the amount that it calculates as the amount payable in the relevant alternative (to Sterling) currency, by such marginal percentage as TfL may (in its absolute discretion) agree to in writing from time to time.		

5.6 General Finance Requirements

5.6.1		Mandatory
The Service Provider shall comply with Clause 7 (Revenue Collection and Operational Charges) and Schedule 12 (Revenue Collection and Payment).		

5.7 TfL Liaison

5.7.1		Mandatory
The Service Provider shall provide a dedicated contact point for TfL, including a dedicated contact number and email address, neither of which shall be specific to (or accessible only by) a single member of the Service Provider Personnel.		

5.7.2		Mandatory
<p>The Service Provider shall ensure that the dedicated TfL contact point is sufficiently staffed and experienced so as to be able to respond to a range of queries and issues, including:</p> <ul style="list-style-type: none"> • complaints; • TfL EDR Business Rules; • requests for information from TfL or the CSP; • personnel issues; and • complex or sensitive issues. 		

5.7.3		Mandatory
<p>The Service Provider shall provide TfL with a list of individuals who are authorised to liaise with TfL on behalf of the Service Provider. The list shall include:</p> <ul style="list-style-type: none"> • full names; • telephone numbers; • fax numbers; • email addresses; and • postal addresses. 		

5.7.4		Mandatory
<p>The Service Provider shall acknowledge in writing all correspondence and new or updated TfL EDR Business Rules received from TfL within twenty-four (24) hours (parameterised) of receipt.</p>		

5.7.5		Mandatory
<p>The Service Provider shall perform any actions resulting from the issue of new or updated TfL EDR Business Rules within the agreed timescales or otherwise within forty-eight (48) hours (parameterised).</p>		

5.7.6		Mandatory
<p>Where the Service Provider is unable to comply with Paragraph 5.7.5 for any reason, the Service Provider shall notify TfL immediately.</p>		

6. Technical		
6.1 General		
6.1.1		Mandatory

The Service Provider shall contact the CSP and TfL as soon as possible and no later than twenty-four (24) hours (parameterised) from becoming aware of a technical failure in the electronic transmission of information to be transferred to or from the CSP in accordance with Annex A (Interface Specification).

6.1.2		Mandatory
The Service Provider shall provide a dedicated contact point for the CSP and TfL for all technical queries, faults and issues, including a dedicated contact number and email address, neither of which shall be specific to (or accessible only by) a single member of the Service Provider Personnel.		

6.1.3		Mandatory
The Service Provider shall ensure that all scheduled downtime for any element of the Services is undertaken outside of Premium Hours unless otherwise agreed with TfL in writing.		

6.1.4		Mandatory
The Service Provider shall during the Implementation Phase prepare the Exit Plan and deliver it to the Authority for its Approval in accordance with the requirements stated in Annex G (Exit Plan).		

6.1.5		Mandatory
The Service Provider shall during the Implementation Phase prepare a Disaster Recovery Plan and deliver it to the Authority for its Approval in accordance with the requirements stated in Annex H (Disaster Recovery Plan).		

6.2. Website

6.2.1		Mandatory
As a minimum, the Service Provider shall build and maintain a webpage or website (on its existing website) which shall perform the following functions in the languages as stated in 5.2.2:		
<ul style="list-style-type: none"> • provide information as provided by TfL to the Service Provider from time to time; • provide electronic Application Forms; • provide a LEZ compliance registration service; • provide a ULEZ compliance registration service; • provide a DVS registration service • allow Persons Liable to make Payments; and • provide the Service Provider's contact details. 		

6.2.2		Mandatory
The Service Provider shall update the website with information provided by TfL within forty-eight (48) hours (parameterised) of receiving such information.		

6.2.3		Mandatory
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The website shall securely store and handle all payment related data in accordance with the latest Payment Card Industry (PCI) standards in line with Clause 32 (Privacy, Data Protection and Cyber Security) and Schedule 7 (Information Compliance).

6.3 Website – Low Emission Zone (LEZ) Compliance Registration

6.3.1		Mandatory
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The Service Provider shall offer a LEZ compliance registration service on its website in accordance with 6.2.1 above. The LEZ compliance registration service will allow the customers to enter:

- their name;
- their address;
- their e-mail address;
- their validated e-mail address;
- Single or multiple VRMs for their vehicles;
- their country of registration;
- their European vehicle type(s);
- the make(s) of their vehicles;
- the model(s) of their vehicles;
- the colour(s) of their vehicles; and
- the Euro Status(es) of each of their vehicles (if known).

6.3.2		Mandatory
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The Service Provider shall have the facility to receive bulk uploads of relevant documentation from customers demonstrating their compliance to all schemes.

6.3.3		Mandatory
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The Service Provider shall offer a LEZ compliance registration service in the languages stated in Paragraph 5.2.2.

6.3.4		Mandatory
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The Service Provider shall process all LEZ compliance registration service applications in accordance with Annex C (LEZ Processing Guidance).

6.4 Website – Ultra Low Emission Zone (ULEZ) Compliance Registration

6.4.1		Mandatory
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The Service Provider shall offer a ULEZ compliance registration service on the ULEZ webpage. The ULEZ compliance registration service will allow the customer to enter:

- their name;
- their address;
- their e-mail address;
- their validated e-mail address;
- Single or multiple VRMs for their vehicles;
- their country of registration;
- their European vehicle type(s);

- the make(s) of their vehicles;
- the model(s) of their vehicles;
- the colour(s) of their vehicles; and
- the Euro Status(es) of each of their vehicles (if known).

6.4.2		Mandatory
The Service Provider shall have the facility to receive bulk uploads of relevant documentation from customers demonstrating their compliance to all schemes.		

6.4.3		Mandatory
The Service Provider shall offer a ULEZ compliance registration service in the languages as stated in Paragraph 5.2.2.		

6.4.4		Mandatory
The Service Provider shall process all ULEZ compliance registration service applications in accordance with Annex F (ULEZ Processing Guidance).		

6.5 Non-UK Notice Processing Service(s) System

6.5.1		Mandatory
<p>The Service Provider shall operate and maintain a system (the "Non-UK Notice Processing Service(s) System") which shall perform at minimum the following functions:</p> <ul style="list-style-type: none"> a) interface with the CSP systems by way of the CSP Interface in accordance with 6.7.1 below and Annex A (Interface Specification); b) receive files from the CSP by way of the CSP Interface which may include images in accordance with Annex A (Interface Specification); c) send and receive updates to and from the CSP by way of the CSP Interface in accordance with Annex A (Interface Specification); d) issue all Correspondence in accordance with guidelines from TfL and the requirements laid out in this Schedule; e) record all Recovery Action undertaken and all Payments received in relation to each Penalty Charge and Person Liable record; f) record all notifications, instructions, guidance, or Correspondence relating to each Penalty Charge and Person Liable record; g) record Person Liable data; h) securely store vehicle and Person Liable related data. 		

6.6 Systems

6.6.1		Mandatory
The Service Provider shall provide TfL with remote access via a web portal to the Non-UK Notice Processing Service(s) System for the purpose of viewing all data relating to the Services contained within the Non-UK Notice Processing Service(s) System.		

6.6.2		Mandatory
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The Service Provider shall ensure that data accessed via the web portal provided under Paragraph 6.6.1 is displayed in an easily read format.

6.6.3		Mandatory
The Service Provider shall complete any updates to the Non-UK Notice Processing Service(s) System at its own cost.		

6.6.4		Mandatory
The Service Provider shall ensure that all information relating to individual case files, including Person Liable details, Correspondence and Payments are stored in the Non-UK Notice Processing Service(s) System and can be provided to TfL on request within two (2) Business Days (parameterised) from the request having been made.		

6.7 CSP Interface		
6.7.1		Mandatory
The Service Provider shall design, build and maintain an interface between the Non-UK Notice Processing Service(s) System to the CSP's systems (the " CSP Interface ") as specified in Annex A (Interface Specification).		

6.7.2		Mandatory
The Service Provider shall contact the CSP as appropriate within twenty-four (24) hours (parameterised) on becoming aware of a technical failure of file transfer across the CSP Interface.		

6.7.3		Mandatory
The Service Provider shall provide all hardware, software and maintenance required to meet the CSP Interface requirements necessary for the provision of the Services and shall complete any required updates to the CSP Interface at its own cost.		

6.8 Reporting and Monitoring		
6.8.1		Mandatory
The Service Provider shall use the same data as provided to TfL and/or the CSP to manage its own operational and financial performance of its obligations under this Contract.		

6.8.2		Mandatory
The Service Provider shall comply with its reporting obligations set out in Schedule 11 (Contract Management and Reporting).		

6.8.3		Mandatory
The Service Provider shall provide TfL with ad hoc reports as and when required and at no cost to TfL.		

6.9 Infrastructure Security		
6.9.1		Mandatory

The Service Provider shall comply with Data Protection legislation ensuring that their infrastructure complies with the provisions of Schedule 6 (Security Policy) in respect of infrastructure security.		
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6.9.2		Mandatory
The Service Provider shall use Data Centres located in the UK or within European Economic Area.		

6.9.3		Mandatory
The Service Provider shall complete pen testing in accordance with accreditation and certification from The Council for Registered Ethical Security Testers (CREST) or from a certified TIGER scheme.		

6.9.4		Mandatory
The Service Provider shall adhere to the requirements stated in TfL Cyber Security Policies (where applicable).		

6.9.5		Mandatory
The Service Provider shall use the following encryption levels (or equivalent) for data in transit and data at rest.		
<ul style="list-style-type: none"> • Symmetric/Block Encryption – Advanced Encryption Standard (AES)-256 • Asymmetric Encryption – RSA 2048/3072/4096. 		

7. Innovation		
7.1		Mandatory
Upon request by TfL the Service Provider shall participate in the trial of new technology, recovery methods or processes to improve the performance of the Services or other Services contracted by TfL.		

SCHEDULE 3

Milestones and Deliverables

1 Scope

- 1.1 The Milestone Achievement Criteria which the Service Provider is required to satisfy relating to the implementation and delivery of the Services are set out in this Schedule. Achievement of the Milestone Achievement Criteria shall be required in order to demonstrate achievement by the Service Provider of the Milestones.
- 1.2 A Milestone shall be successfully achieved when TfL issues Notice of Authority to Proceed to the Service Provider in respect of all relevant Milestone Achievement Criteria.
- 1.3 This Schedule also sets out the procedures to be applied when Milestone Achievement Criteria are not met by the relevant Milestone Date.

PART A: MILESTONES

2 Milestones

2.1 General Provisions

- 2.1.1 The Service Provider shall achieve each Milestone by the relevant Milestone Date as specified in Table 1.
- 2.1.2 Subject to Paragraph 10 of Part B of this Schedule, upon achievement of a Milestone by the Service Provider, TfL shall issue the Notice of Authority to Proceed.

Table 1: Milestones

Milestone	Milestone Achievement Criteria	Milestone Outcome	Milestone Date
(1) Planning Complete	The Service Provider to have received Notice of Approval from TfL in relation to the Implementation Plan, which shall comply with Paragraph 3 of this Schedule.	██████████ ██████████	██████████
(2) Ready for Testing with the Core Service Provider	<p>The Service Provider to have received Notice of Approval from TfL in relation to the following:</p> <p>A. the Test Strategy, which shall comply with Paragraph 3 of Schedule 4 (Testing Regime);</p> <p>B. Test Plans and Test Specifications in respect of CSP Testing which shall comply with Paragraphs 6 and 7, respectively, of Schedule 4 (Testing Regime);</p> <p>C. the updated Implementation Plan including without limitation internal and external dependencies and all assumptions made in developing the Implementation Plan, which</p>	██████████ ██████████	<p>██████████</p> <p>██████████</p> <p>██████████</p> <p>██</p> <p>██</p> <p>██</p> <p>██████████</p> <p>██████████</p>

Milestone	Milestone Achievement Criteria	Milestone Outcome	Milestone Date
	<p>shall comply with Paragraph 3 of this Schedule;</p> <p>D. the Service Provider’s Technical Solution, which shall comply with Paragraph 4 of this Schedule;</p> <p>E. the Documentation List, which shall comply with Paragraph 8 of this Schedule;</p> <p>F. documentation evidencing that the infrastructure for CSP Testing is correctly configured and the Non-UK Notice Processing Service(s) System and the CSP Interface is sufficiently integrated into that infrastructure to commence CSP Testing;</p> <p>G. documentation evidencing the provision of environments for CSP Testing in accordance with the Test Strategy; and</p> <p>H. documentation evidencing that the data required for CSP Testing is defined, created</p>		<p>██████████</p>

Milestone	Milestone Achievement Criteria	Milestone Outcome	Milestone Date
	and available.		
(3) Testing with the Core Service Provider Complete/Ready for Operational Commencement	<p>The Service Provider to have received Notice of Approval from TfL in relation to the following:</p> <ul style="list-style-type: none"> A. the Operational Processes and Procedures, which shall comply with Paragraph 7 of this Schedule; B. all Report Specifications; C. the Security Plan, which shall comply with Schedule 6 (Security Policy); D. documentation evidencing the successful completion of all CSP Testing; E. documentation evidencing that all Personnel are trained in accordance with Clause 12 (Service Provider Personnel) of this Contract; and F. documentation evidencing the successful completion of Ready for Service Testing and 	<p>[REDACTED]</p> <p>[REDACTED]</p>	<p>[REDACTED]</p>

Milestone	Milestone Achievement Criteria	Milestone Outcome	Milestone Date
	that all premises or locations, facilities and equipment required for the performance of the Services are available and ready as required for the performance of the Services.		
(4) Operations Review	<p>The Service Provider to have received Notice of Approval from TfL in relation to the following:</p> <p>A. Performance Indicator Reports evidencing that in respect of all PIs in Schedule 5 (Service Level Agreement), Service Failure Deductions for the month preceding the month in which the Milestone Date falls are no more than ten per cent (10%) of the Operational Charges for that month;</p> <p>B. documentation evidencing that security procedures are in force at the Service Provider's premises which conform to the Security Plan; and</p> <p>C. a Report demonstrating completion of Schedule 6 (Security Policy) and this</p>		<p>████████████████████</p> <p>████████████████████</p> <p>████████████████████</p> <p>████████████████████</p> <p>████████████████████</p> <p>████████████████████</p>

Milestone	Milestone Achievement Criteria	Milestone Outcome	Milestone Date
	Schedule 3.		
(5) Exit Plan/Disaster Recovery Plan	<p>The Service Provider to have received Notice of Approval from TfL in relation to the following:</p> <ul style="list-style-type: none"> A. the Exit Plan, which shall comply with Annex G (Statement of Requirements); B. the Disaster Recovery Plan, which shall comply with Annex H (Statement of Requirements); 	<p>██████████ ██████████</p>	<p>████████████████████ ████████████████████</p>

3 Implementation Plan

3.1 The Service Provider shall develop and provide to TfL for review an implementation plan for the successful delivery of the Services (the “**Implementation Plan**”), which shall include, without limitation:

3.1.1 planning details; and

3.1.2 a Gantt chart covering the key activities required to achieve the Milestones in Table 1 above and including without limitation all dependencies on TfL and the Service Provider and any third party.

3.2 Once approved by TfL in accordance with Part C of this Schedule, TfL shall issue a Notice of Approval in respect of the Implementation Plan.

3.3 Thereafter, the Service Provider shall keep the Implementation Plan updated on an ongoing basis during the Term.

4 Exit Plan

4.1 The Service Provider shall prepare an Exit Plan during the Implementation Phase and submit to TfL for Approval in accordance with Annex G (Statement of Requirements).

5 Disaster Recovery Plan

5.1 The Service Provider shall prepare a Disaster Recovery Plan during the Implementation Phase and submit to TfL for Approval in accordance with Annex H(Statement of Requirements).

6 Service Provider’s Technical Solution

6.1 The Service Provider shall develop and keep updated on an ongoing basis as necessary during the Term a document which expands on the Service Provider’s technical solution to the Services to be provided and demonstrates how the Service Provider’s technical solution meets TfL’s requirements. It shall include, but not be limited to, details of the following:

6.1.1 a description of all external and internal Interfaces, including any technical specifications;

6.1.2 the technical implementation of all external and internal Interfaces; and

6.1.3 a description of the functionality provided by the Service Provider's Non-UK Notice Processing Service(s) System,

(the "**Service Provider's Technical Solution**").

6.2 The Service Provider shall submit the Service Provider's Technical Solution and any updates as necessary (including, without limitation, as required in accordance with any changes made to other documentation in accordance with the Contract and/or any Changes) from time to time for approval in accordance with Part C of this Schedule.

7 Operational Processes and Procedures

7.1 The Service Provider shall develop and keep updated on an ongoing basis during the Term detailed operational processes and procedures documents which set out the working methods which shall be utilised by all Personnel providing the Services, including but not limited to the operational processes and procedures described in the Statement of Requirements (the "Operational Processes and Procedures").

7.2 The Service Provider shall submit the Operational Processes and Procedures for approval in accordance with Part C of this Schedule.

8 Documentation List

8.1 The Service Provider shall develop and keep updated on an ongoing basis during the Term a document setting out what documentation it intends to deliver during the Implementation Phase along with a timetable for delivery and review (the "Documentation List").

8.2 The Service Provider shall submit the Documentation List and any updates from time to time for approval in accordance with Part C of this Schedule.

9 Provisions of General Application to Deliverables

9.1 Without prejudice to TfL's other rights and remedies under this Contract, common law, statute or in equity, and without limitation to the Service Provider's other obligations under this Contract, the Service Provider shall ensure that:

- 9.1.1 the Service Provider employs a recognised development methodology in accordance with Good Industry Practice as determined by TfL in its absolute discretion from time to time;
 - 9.1.2 all Deliverables shall be produced in accordance with Good Industry Practice and shall be Fit for Purpose;
 - 9.1.3 the Service Provider produces documentation in respect of the design of the CSP Interface, and maintains that documentation in accordance with Changes to the CSP Interface, throughout the Term; and
 - 9.1.4 any changes proposed by the Service Provider from time to time to the Deliverables described in this Schedule as necessary to update such Deliverables shall only be made pursuant to the Change Control Request Procedure.
- 9.2 The structure and outline content of all Deliverables shall be determined by TfL in its absolute discretion.
- 9.3 The Service Provider shall provide all Deliverables to TfL a reasonable period before each Milestone Date, having regard, without limitation, to the following:
- 9.3.1 the number of Deliverables in respect of which TfL is conducting a review at any time; and
 - 9.3.2 the volume and complexity of each of the Deliverables referred to in Paragraph 9.3.1,
 - 9.3.3 and, without limiting the foregoing, in any event not less than ten (10) Business Days before the relevant Milestone Date.
- 9.4 Unless expressly provided to the contrary elsewhere in this Contract, and subject to the Milestone Dates, TfL shall use reasonable endeavours to complete a review of each Deliverable within ten (10) Business Days from its delivery to TfL or within such other period as TfL may agree. Where re-work is required following review, the Service Provider shall complete such re-work and re-issue the Deliverable within five (5) Business Days of receipt of TfL's review comments on the basis of which the re-work is required, or within such other period as TfL may agree.

PART B : MILESTONE ACHIEVEMENT

10 Milestone Achievements General Provisions

10.1 Without prejudice to TfL's rights under Paragraph 12.1 of this Schedule, TfL shall, as soon as commercially practicable after:

10.1.1 completion of Testing, Test Witnessing and receipt by TfL of the relevant Test Report and the relevant information from the Incident Log (if relevant);

10.1.2 delivery by the Service Provider of all Deliverables to be delivered as part of the Milestone Achievement Criteria for the relevant Milestone (if relevant);
and

10.1.3 successful completion of all other tasks and activities ("Milestone Tasks") to be undertaken as part of the Detailed Milestone Achievement Criteria for the relevant Milestone (if relevant),

10.1.4 comply with the provisions of Paragraph 10.2 of this Schedule.

10.2 TfL shall, at TfL's absolute discretion and without prejudice to any of TfL's other rights and remedies under this Contract or otherwise:

10.2.1 issue to the Service Provider a Notice of Authority to Proceed in respect of the associated Milestone to be achieved during the Implementation Phase to which the relevant Testing, approval of Deliverables and/or Milestone Tasks relate; or

10.2.2 issue to the Service Provider notice of rejection of any or all parts of the Services if either:

(1) any Milestone to be achieved to which those Tests relate is not achieved due to:

(A) one (1) or more Severity 1 Service Issues or Errors;

(B) one (1) or more Severity 2 Service Issues or Errors;

(C) four (4) or more Severity 3 Service Issues or Errors;

- (D) one (1) or more Security Incidents which have not been resolved to TfL's satisfaction; or
 - (E) where the cumulative effect of all Service Issues, Errors and/or Security Incidents identified (regardless of their respective Severity Levels) adversely affects the operation of the Services or any part of them;
- (2) any Deliverables to be provided in accordance with the Detailed Milestone Achievement Criteria for the relevant Milestone are missing, incomplete, inaccurate, deficient or not Fit for Purpose; or
 - (3) any Milestone Task required to satisfy the Detailed Milestone Achievement Criteria has not been successfully undertaken and completed.

10.3 If TfL rejects any or all parts of the Services under Paragraph 10.2.2 of this Schedule:

10.3.1 the Service Provider shall immediately and at the Service Provider's cost and expense commence to make and promptly complete all corrections of all Service Issues and/or Errors contributing to failure to achieve the Milestone, provide, complete, rectify or amend (as appropriate) any Deliverables, complete all relevant Milestone Tasks and/or perform or re-perform Tests or alternative tests, within reasonable timeframes specified by TfL from time to time (at TfL's absolute discretion), to demonstrate to TfL's satisfaction that the relevant parts of the Services provide the features, functions, and facilities and meet the performance criteria specified in the Statement of Requirements and this Contract;

10.3.2 the parties shall repeat the procedure set out in Paragraphs 10.1, 10.2 and this Paragraph 10.3 of this Schedule until approval of the relevant parts of the Services pursuant to Paragraph 10.2 of this Schedule or termination of this Contract pursuant to Paragraph 10.3.3 of this Schedule; and

10.3.3 in the event that the relevant Milestone is not achieved within twenty (20) Business Days or such other period agreed in writing between the Parties, TfL may terminate this Contract pursuant to Clause 39.1.3 (Breach and Termination of Contract).

- 10.4 Without limiting Paragraphs 11 and 12 or this Paragraph 10 of this Schedule, the Service Provider shall at all times comply with its other obligations set out in Part A of this Schedule and in Schedule 4 (Testing Regime).
- 10.5 The Service Provider or TfL may request changes to any documentation or Testing envisaged under Part C of this Schedule, Paragraph 2 of Schedule 4 (Testing Regime) and/or this Paragraph 10 from time to time in accordance with the Change Control Request Procedure.
- 10.6 Notwithstanding the foregoing, all Errors and Service Issues outstanding at the date of achievement of a Milestone shall be corrected at the Service Provider's earliest opportunity at no cost or expense to TfL.

11 Development of Detailed Milestone Achievement Criteria

- 11.1 The Service Provider acknowledges and agrees that all Milestones are high level and TfL may, on a case-by-case basis, determine supplemental additional, low-level criteria detailing elements of the relevant Milestone Achievement Criteria ("**Detailed Milestone Achievement Criteria**"), provided that:

11.1.1 each party shall promptly negotiate in good faith to agree in writing the Detailed Milestone Achievement Criteria for each Milestone within ten (10) Business Days of TfL having issued a Notice of Authority to Proceed in respect of the preceding Milestone;

11.1.2 subject to the provisions of Paragraph 11.2 of this Schedule, if no such agreement on the Detailed Milestone Achievement Criteria is reached within ten (10) Business Days of the date of the Notice of Authority to Proceed in respect of the preceding Milestone then TfL shall be entitled to determine what Detailed Milestone Achievement Criteria (if any) are required for the next Milestone.

- 11.2 TfL may only determine Detailed Milestone Achievement Criteria which:

11.2.1 are objectively measurable;

11.2.2 do not fundamentally alter the Milestone Achievement Criteria (subject to ensuring consistency with the requirements of the Statement of Requirements and this Contract); and

11.2.3 consist of supplemental additional, low-level criteria which detail elements of the relevant Milestone Achievement Criteria.

PART C : DOCUMENTATION

12 Approval of documents

12.1 Within such period as is specified in this Contract or the Implementation Plan and in any event by any applicable Milestone Dates (or as the parties otherwise agree in writing) following TfL's receipt of any documentation, TfL shall:

12.1.1 review the documentation; and

12.1.2 notify the Service Provider that TfL:

- accepts the documentation (in which case it shall issue notice of such acceptance to the Service Provider, a "Notice of Approval"); or
- rejects the documentation, if the documentation:
 - (A) fails to provide for the functions and the performance criteria specified in the Statement of Requirements; or
 - (B) is not Fit for Purpose.

12.2 If TfL rejects any documentation under Paragraph 10.1.2 of this Schedule:

12.2.1 the Service Provider shall, at no cost to TfL, promptly undertake a revision or amendment of the relevant documentation at no cost or expense to TfL and re-submit it to TfL for review;

12.2.2 the parties shall repeat the procedure set out in Paragraph 12.1 of this Schedule until acceptance of the documentation or the expiry or termination of this Contract.

SCHEDULE 4

Testing Regime

1 Introduction

- 1.1 This Schedule describes the procedures to be followed by the Service Provider in Testing.

2 Testing Regime General Provisions

- 2.1 The Service Provider shall, in accordance with:

- 2.1.1 the applicable Milestone Dates;
- 2.1.2 the relevant Test Documents;
- 2.1.3 the Change Control Request Procedure; and
- 2.1.4 this Schedule,

and so as to achieve all relevant Milestones, perform the Testing so as to ensure that the relevant parts of the Services perform and provide the features, functions and facilities and meet the performance criteria set out in the Statement of Requirements and the other terms and conditions of this Contract.

- 2.2 The Service Provider shall:

- 2.2.1 give TfL at least seven (7) Business Days' written notice prior to each Test;
- 2.2.2 at all times provide such access, facilities, information, data, explanation, documentation and assistance to TfL and any third party nominated by TfL in order for TfL (and/or that third party) to participate in such Test Witnessing as TfL may require;
- 2.2.3 prepare a detailed Test Report in respect of each Test immediately following the conducting of that Test;
- 2.2.4 immediately provide to TfL a copy of each Test Report and the Service Provider agrees that TfL may, notwithstanding anything to the contrary in this Contract, share the Test Report in form or substance with any third party for any purpose in respect of this Contract, the Services, Additional Services and/or the Schemes;
- 2.2.5 if any Incident arises or becomes apparent during Testing, as soon as possible update the Incident Log in respect of each Test following the conducting of that Testing in accordance with Paragraph 7 of Schedule 11 (Contract Management and Reporting Procedure) and ensure that the Incident Log is made available to TfL promptly following each Test with accurate, up to date and complete information and Test Data (including

without limitation, a Severity Level agreed by TfL for each Error or Service Issue); and

2.2.6 subject to any contrary written instructions from TfL from time to time, ensure that all Test Data containing Personal Data is securely and promptly destroyed once it is no longer needed for Testing purposes and shall confirm to TfL once such destruction has been completed.

2.3 For the avoidance of doubt, those of the Service Provider's obligations under this Schedule which are expressed as "including without limitation" or "including but not limited to" are not intended by the parties to oblige the Service Provider to conduct any Testing not envisaged under the Test Strategy, the Test Plans or the Test Specifications.

3 Test Strategy

3.1 The Service Provider shall ensure that the Test Strategy includes at least the following:

3.1.1 an overall plan for the Testing of the Non-UK Notice Processing Service(s) System, the Interfaces, and the Services which shall comply with Paragraph 6 of this Schedule;

3.1.2 a brief description of the approach to Testing during the Implementation Phase and after the Operational Commencement Date, including the rationale for such approach;

3.1.3 the names and contact details of the Service Provider's representatives for the purposes of the Testing;

3.1.4 the requirements and objectives of the Testing;

3.1.5 any dependencies affecting the Testing, including reliance on third parties;

3.1.6 the scope of the Testing;

3.1.7 any assumptions made that may impact upon Testing;

3.1.8 the perceived risks to Testing or risks, Service Issues or other issues as a result of Testing together with their impact and methods of mitigation;

3.1.9 descriptions of the stages of Testing including without limitation the processes for establishing and implementing the relevant Test Specification against which the Testing will be conducted and assessed;

3.1.10 descriptions of the anticipated processes relating to Testing for achieving a Notice of Authority to Proceed in respect of each relevant Milestone including the performance of the Service Provider's obligations in respect of Test Witnessing, Test Reports, Incident management and the business

process scenarios to be used in determining whether the Test Criteria have been met;

3.1.11 the entry and exit criteria applicable to the Testing;

3.1.12 the roles and responsibilities of all those involved with the Testing programme, including the Service Provider's Personnel or personnel of TfL and/or third parties where applicable;

3.1.13 an outline of the resource requirements, including Personnel, Personnel training, test environments, and Testing tools; and how they will be used during Testing;

3.1.14 the location of the Testing;

3.1.15 the sources and mechanisms for creation of Test Data for use during Testing;

3.1.16 a description of the steps that will be taken to secure the Test Data, to process it in compliance with Data Protection Legislation, and to delete it securely;

3.1.17 the quality management tools and processes to be used in Testing including:

- any standards to be applied to Testing;
- Incident and problem management processes;
- Test results capture, logging, and tracking; and
- Test progress and completion reporting.

4 Implementation Phase Testing Documents

4.1 The Service Provider shall, in accordance with Schedule 3 (Milestones and Deliverables):

4.1.1 work with the CSP to prepare and submit to TfL a Test Plan and Test Specifications in respect of the CSP Testing which is to be performed during the Implementation Phase; and

4.1.2 prepare and, if expressly requested by TfL, submit to TfL a Test Plan and Test Specifications in respect of all other Testing.

5 Operational Phase Testing Documents

5.1 The Service Provider shall:

- 5.1.1 prepare and submit to TfL the Test Specifications and the Test Plan (including without limitation details of the scenarios to be used in such Testing) for Acceptance Testing in respect of the Non-UK Notice Processing Service(s) System, and releases to be implemented pursuant to the Change Control Request Procedure;
- 5.1.2 where relevant to Testing of the Non-UK Notice Processing Service(s) System, prepare and provide to TfL release notes describing any new or amended functionality in functional user terms, any outstanding Service Issues or Errors and any operational workarounds required due to those Service Issues or Errors
- 5.1.3 prepare and, if requested by TfL, submit to TfL detailed Test Specifications in respect of all other Operational Phase testing as TfL may require.

6 Test Plans

- 6.1 Each Test Plan shall include to an appropriate level of detail:
 - 6.1.1 the identification and details of the environment(s) to be used in carrying out the relevant Testing;
 - 6.1.2 the scope of the Testing, including without limitation a description of the constituent parts or functional areas of the Non-UK Notice Processing Service(s) System, or Interfaces being Tested;
 - 6.1.3 any specific Testing requirements or objectives where this differs from the Test Strategy, together with the reasons and rationale for the differences;
 - 6.1.4 an overview of the specific Testing approach;
 - 6.1.5 any specific dependencies, pre-requisites, assumptions and risks related to Testing;
 - 6.1.6 identification of the Test scripts to be executed;
 - 6.1.7 a detailed schedule for the Testing;
 - 6.1.8 named roles and responsibilities for all those involved with Testing; and
 - 6.1.9 a description of the Test Data to be used for Testing.

7 Test Specifications

- 7.1 The Service Provider shall:
 - 7.1.1 in accordance with the applicable Milestone Dates and the Test Strategy, develop a Test Specification for Testing;

7.1.2 ensure that each Test Specification is at all times accurate, up to date and complete, including without limitation in respect of the changing functionality of the Services, and as a result of any Changes or Internal Changes;

7.1.3 include in each Test Specification at least the following information:

- the Test Criteria with a reference back to the Service Provider's Technical Solution and any other documents relevant to the Testing.
- a set of Test scenarios (including without limitation business process scenarios (where applicable)) and Test Cases designed to exercise all the Test Criteria identified within the Test Specification, each with a reference to the Test Criteria covered by the Test scenario;
- a set of Test scripts corresponding to the Test scenarios and Test Cases describing the purpose of the Test, the data requirements for the Test, any pre-requisites for the Test, the actions to be taken during the Test, and the expected results for each step or action of the Test against which success or failure of the Test shall be judged; and

7.1.4 ensure that all requirements specified in this Contract in respect of Testing are properly and adequately covered by the Test Criteria.

8 Testing During The Implementation Phase

8.1 The Service Provider shall, in accordance with Paragraph 2 of this Schedule, carry out testing in order to demonstrate:

8.1.1 that all of the hardware, software and systems used or to be used by the Service Provider in the provision of the Services, and the constituent parts of the Non-UK Notice Processing Service(s) System, fully integrate and fully inter-operate with the relevant CSP and TfL systems, in accordance with the Service Provider's Technical Solution and the Interface Specification, including without limitation:

- data constructed to cover normal and exception conditions, including but not limited to, ensuring all Interface failure conditions and recovery from failure are Tested and that the Data are correctly stored by the Non-UK Notice Processing Service(s) System,; and
- demonstrate the full end-to-end integration of the Non-UK Notice Processing Service(s) System,, via the CSP Interface, with systems of the CSP, based on end-to-end business processes and data flows as against the business process definitions set out in the Service Provider's Technical Solution and Operational Processes and Procedures,

("CSP Testing").

8.2 The Service Provider shall also, in accordance with Paragraph 2 of this Schedule, carry out testing in order to:

8.2.1 ensure and assure compliance with the Security Policy and the Service Provider's other obligations set out in this Contract;

8.2.2 demonstrate that the relevant Personnel of the Service Provider are appropriately trained in order to provide the Services in accordance with this Contract; and

8.2.3 demonstrate that the Service Provider's Operational Processes and Procedures are appropriate for the Service Provider to perform its obligations under this Contract,

("Ready for Service Testing").

9 Testing During The Operational Phase

9.1 The Service Provider shall, in accordance with Paragraph 2 and subject to Paragraph 9.2 of this Schedule, carry out the following Testing as required in relation to each Change:

9.1.1 Regression Testing in relation to each Change on the basis of analysis of the impact of the changes made to the Non-UK Notice Processing Service(s) System, to demonstrate that the Change has not affected aspects of the Non-UK Notice Processing Service(s) System, not subject to the Change in accordance with the relevant Test Specification envisaged under Paragraph 5.1.3;

9.1.2 Acceptance Testing in relation to each Change to demonstrate to TfL that the Change:

- is in accordance with the relevant Test Specification envisaged under Paragraph 5.1.1 of this Schedule;
- is consistent with the agreed Change Control Request pursuant to the Change Control Request Procedure;
- is in accordance with the Security Plan;
- is consistent with the Service Levels; and
- is in accordance with Good Industry Practice.

9.2 The Service Provider shall in conducting the Testing envisaged under Paragraph 9.1 of this Schedule use the Test Specification (where applicable) and Test Plan to be produced by the Service Provider as part of the Operational Phase Test Documents as envisaged under Paragraph 5.1 of this Schedule.

10 Delivery of Documents For Testing

10.1 The Service Provider shall:

10.1.1 subject to Paragraphs 10.1.2 and 13.2.2 of this Schedule deliver all documents required for or relevant to Testing to TfL no less than ten (10) Business Days prior to the relevant Test; and

10.1.2 deliver Test Specifications to TfL no less than thirty (30) Business Days prior to the relevant Test,

or in accordance with such other timetable as TfL may, in its absolute discretion, agree in writing with the Service Provider from time to time.

11 Test Witnessing

11.1 The Service Provider shall, during Test Witnessing:

11.1.1 follow TfL's reasonable instructions in relation to the form of Test Witnessing and the way in which Test Witnessing is to be carried out, including without limitation TfL witnessing of a demonstration of the Service Provider's Technical Solution, TfL witnessing of the execution of the Testing being carried out by the Service Provider, and TfL carrying out any Testing using a third party in conjunction with the Service Provider's Testing;

11.1.2 follow TfL's reasonable instructions in relation to any specific sets of business process scenario Tests to be carried out by the Service Provider and witnessed as part of Test Witnessing; and

11.1.3 demonstrate to TfL's reasonable satisfaction that adequate modifications and Testing have been performed leading to closure of the Service Issue or Error, or the successful completion of Testing.

12 Test Reports

12.1 At the completion of Testing during the Implementation Phase, the Service Provider's Representative will submit a Test Report to TfL for approval pursuant to Part C of Schedule 3 (Milestones and Deliverables). The Service Provider shall ensure that each Test Report includes at least the following information:

12.1.1 the relevant Testing carried out;

12.1.2 the results of the Testing conducted;

12.1.3 any deviation from the Test Strategy, applicable Test Plan and/or Test Specifications;

12.1.4 if the Testing failed in any way, the extent and cause of the failure;

12.1.5 summary metrics on Service Issues and Errors raised during the Testing;

12.1.6 the detail of any outstanding Errors or unresolved Service Issues, including references to the Incident Log and the Severity Levels; and

12.1.7 the steps taken or to be taken to resolve all outstanding Errors or Service Issues.

13 Test Reports, Management Of Issues Arising From Testing And Resubmission Of Test Documents

13.1 All Incidents (including Errors and Service Issues) arising as a result of or identified during Testing shall be dealt with in accordance with Schedule 11 (Contract Management and Reporting Procedure).

13.2 The Service Provider shall:

13.2.1 complete and deliver each Test Report to TfL and ensure that the Incident Log is up to date, accurate and complete pursuant to Paragraph 2.2.5 of this Schedule as agreed in writing between the parties and in any event at least five (5) Business Days prior to the Milestone Date for successful completion of the relevant Test; and

13.2.2 re-submit to TfL any Test Document which has been rejected by TfL pursuant to Paragraph 10 of Part C of Schedule 3 (Milestones and Deliverables) within five (5) Business Days following the date that TfL issues its rejection of the relevant document.

SCHEDULE 5

Service Level Agreement

1. Performance Management Regime Objectives

- 1.1 The objective of the performance management regime is to incentivise the Service Provider to meet defined service levels (each a “**Service Level**” or “**SL**”).

2. Performance Management Regime Overview

- 2.1 The performance management regime (“**Performance Management Regime**”) consists of performance indicators (each a “**Performance Indicator**” or “**PI**”), the start and end points for assessment of PIs (where appropriate), the Service Levels required and the points to be accrued if the Service Levels are not met (“**Service Failure Points**”) as set out in this schedule. The table in Annex A to this schedule (“**Table 1**”) sets out the Performance Management Regime parameters for each of the Performance Indicators.
- 2.2 The ‘Performance Indicator title’ column in Table 1 identifies the various Performance Indicators on which the performance of the Service Provider shall be measured and tracked, and against which Service Failure Points may accrue.
- 2.3 The ‘Start Point’ column in Table 1 details the time from when the Performance Indicator shall start to be measured (the “**Start Point**”).
- 2.4 The ‘End Point’ column in Table 1 details the time at which the relevant Performance Indicator shall cease to be measured (the “**End Point**”).
- 2.5 The ‘Acceptable Service Level’ column in Table 1 specifies the range of operational performance for the Performance Indicator that is expected of the Service Provider (each an “**Acceptable Service Level**”) for which no Service Failure Points shall accrue.
- 2.6 Failure to meet the Acceptable Service Level shall result in the Service Provider accumulating Service Failure Points as detailed in Table 1. The number of Service Failure Points accumulated depends on the extent to which the Service Provider has failed to meet the Acceptable Service Level for each PI. For each Performance Indicator (other than PI 6A) there are three (3) bands of Service Failure Points.
- 2.7 The ‘Band 1’ column in Table 1 indicates the range of performance for the first band below the Acceptable Service Level and the associated level of Service Failure Points which shall accrue. If the Service Provider’s performance for a Performance Indicator falls within this Band 1, the number of Service Failure Points which accrue is calculated by multiplying the number of incidents, occurrences or items (as applicable) falling within Band 1 by the Band 1 Service Failure Points (as detailed in the ‘Band 1’ column of Table 1).
- 2.8 The ‘Band 2’ column in Table 1 indicates the range of performance for the second band below the Acceptable Service Level and the associated level of Service Failure Points which shall accrue. If the Service Provider’s performance for a

Performance Indicator falls within this Band 2, the number of Service Failure Points which accrue is calculated by adding:

2.8.1 the number of incidents, occurrences or items (as applicable) falling within Band 1 multiplied by the Band 1 Service Failure Points (as detailed in the 'Band 1' column of Table 1); and

2.8.2 the number of incidents, occurrences or items (as applicable) falling within Band 2 multiplied by the Band 2 Service Failure Points (as detailed in the 'Band 2' column of Table 1).

2.9 The 'Band 3' column in Table 1 indicates the range of performance for the third band below the Acceptable Service Level and the associated level of Service Failure Points which shall accrue. If the Service Provider's performance for a Performance Indicator falls within this Band 3, the number of Service Failure Points which accrue is calculated by adding:

2.9.1 the number of incidents or occurrences falling within Band 1 multiplied by the Band 1 Service Failure Points;

2.9.2 the number of incidents or occurrences falling within Band 2 multiplied by the Band 2 Service Failure Points; and

2.9.3 the number of incidents or occurrences falling within Band 3 multiplied by the Band 3 Service Failure Points.

2.10 The Service Level achieved for each Performance Indicator must be calculated to one (1) decimal place.

2.11 Service Failure Points shall be totalled for all Performance Indicators at the end of each month and the corresponding Service Failure Deductions shall be calculated as follows:

$$X = Y \times Z$$

Where:

X = the monetary value of Service Failure Deductions to be deducted from the monthly Operational Charges;

Y = the aggregate Service Failure Points accrued in a particular month, in accordance with this Schedule 5 (Service Level Agreement); and

Z = the value of each Service Failure Point ("**Service Failure Point Value**"), which at the date of this Contract is one pound sterling (£1) per Service Failure Point.

2.12 The value of the Service Failure Deductions calculated as due in accordance with the calculation set out in Paragraph 2.11 above shall be deducted from the monthly Operational Charges and shall be included as a separate line in the relevant invoice. The Service Provider shall include with such invoice full details of how the value of the Service Failure Deductions has been calculated.

2.13 The value of the Service Failure Deductions shall be capped each month at an

amount equivalent to twenty percent (20%) of the monthly Operational Charges for that month (the “**Service Failure Deduction Cap**”).

2.14 The Service Provider shall diligently seek to perform and complete each action which is subject to the Performance Management Regime (an “**Action**”), notwithstanding that it shall have accrued Service Failure Points in respect of such Action.

3. **Start Points, End Points and Temporarily Closed Items**

3.1 For the purposes of the Performance Indicators, in respect of any Action:

3.1.1 The ‘Start Point’ of a particular Action shall be whenever the Service Provider commenced or should have commenced its undertaking, as indicated in Table 1.

3.1.2 The ‘End Point’ of a particular Action shall be whenever the Service Provider successfully completes the Action, as indicated in Table 1.

3.2 If an Action has not been successfully completed on or before the date of the Performance Indicator Report in respect of a particular month:

3.2.1 the relevant Action shall be deemed ‘temporarily closed’ and shall be treated as if the End Point for that Action was the last day of that month for the purposes of calculation of the relevant Performance Indicator for that month. For the avoidance of doubt Service Failure Points may accrue to ‘temporarily closed’ Actions; and

3.2.2 once the End Point for that Action is actually achieved the calculation of the relevant Performance Indicator shall be applied to the actual time from the relevant Start Point to the relevant End Point. Service Failure Points shall accrue and shall be applied in accordance with the relevant Performance Indicator (if appropriate) provided that all Service Failure Points accrued in respect of the particular Action in earlier months shall be taken into account when calculating the Service Failure Points that accrue once the relevant End Point for that Action has been achieved.

4. **Performance Monitoring**

4.1 The Service Provider shall accurately document all processes for the identification of performance against the PIs in accordance with Schedule 11 (Contract Management and Reporting Procedure).

4.2 Performance by the Service Provider in meeting the Service Levels in respect of each PI shall be monitored and assessed monthly in accordance with Schedule 11 (Contract Management and Reporting Procedure).

4.3 The Service Provider shall measure and provide such data as is reasonably required by TfL for the purposes of monitoring the performance of the Service Provider in meeting the Service Levels and PIs.

4.4 If, as part of a quality monitoring exercise carried out by TfL, it is found that the Service Provider’s performance is lower than reported, and on the basis of the

sample used in such exercise, the Service Provider has not met one or more of the Acceptable Service Levels:

4.4.1 the performance level for the month shall be adjusted accordingly; and

4.4.2 the level of Service Failure Points which would have accrued shall be calculated and the difference between this figure and the amount of Service Failure Points actually applied shall be calculated and any corresponding Action shall be implemented in the then current month.

4.5 The Service Provider shall be responsible for ensuring that all data required to accurately produce Performance Indicator Reports is provided. Any absence of data from reports may at TfL's discretion be deemed a maximum accrual of Service Failure Points for all Performance Indicators which are affected. In such cases, where the Service Provider believes there are mitigating circumstances, the Service Provider may present to TfL reasons why this data is unavailable, what actions shall be taken to ensure it shall be available in future, and provide evidence that the Services were not adversely affected during the period of lost data. TfL may, at its absolute discretion and without prejudice to its other rights under this Contract:

4.5.1 consider all reasonable requests;

4.5.2 use reports from Other Service Providers to validate the information supplied by the Service Provider; and/or

4.5.3 agree a reduced level of required performance in relation to such data for the duration that it was lost or reject such requests.

5. **Changes to Performance Indicators**

5.1 TfL and the Service Provider may at any time request a change to any part or all of the Performance Management Regime set out in this Schedule including, without limitation to the generality of the foregoing, to the Performance Indicators, the Acceptable Service Levels, the bands set out in Table 1, the Service Failure Points, the Start Point and/or the End Point of a particular transaction measured against a Performance Indicator. Any such amendments to the Performance Management Regime, including without limitation, to the Service Levels or PIs, shall be implemented in accordance with the Change Control Request Procedure.

6. **Further Details Relating to the PIs**

6.1 The following clarification and additional obligation on the Service Provider relates to the PIs referred to in Table 1. Any reference to the date on which an item is received refers to the date an item is received in the mail room of the Service Provider or the date on which an email or website enquiry form is received in the Service Provider's mailbox. The Service Provider shall ensure that any and all items received in the mail room are processed, with the time and date recorded, on the day of receipt. Any failure by the Service Provider to do so shall be deemed, in respect of the relevant item, a Band 3 failure for the purpose of calculating Service Failure Points in respect of that item.

7. The Service Levels

PI 1 Contract compliance

- PI 1.1 The Service Provider shall at all times comply fully with this Contract.
- PI 1.2 This PI shall apply from the Commencement Date.
- PI 1.2 A “High Severity” or “Band 3” breach of this PI is defined as:
- (A) a breach of this Contract which results in a critical element of the Services being likely to be prevented from functioning or being performed; or
 - (B) a breach of this Contract which results or is likely to result in a severe impact on the public or TfL, as determined by TfL (acting reasonably); or
 - (C) a failure by the Service Provider to rectify any Medium Severity breach (as defined below) (and the causes of such breach) within ten (10) Business Days; or
 - (D) eleven (11) or more incidents of non-compliance of Schedule 2 (Statement of Requirements) over a month
 - (E) a severe breach of any Law applicable to the Services, as defined by TfL.
- PI 1.3 A “Medium Severity” or “Band 2” breach of this PI is defined as:
- (A) a breach of this Contract which results in Services still functioning with a workaround, however the functionality or performance is or is likely to be materially impacted by the breach; or
 - (B) a breach of this Contract which results or is likely to result in a material impact on the public or on TfL, as determined by TfL (acting reasonably); or
 - (C) a failure by the Service Provider to rectify any Low Severity breach (as defined below) (and the causes of such breach) within ten (10) Business Days; or
 - (D) between six (6) up to and including ten (10) incidents of non-compliance of Schedule 2 (Statement of Requirements) over a month.
- PI 1.4 A “Low Severity” or “Band 1” breach of this PI is defined as:
- (A) a breach of this Contract which results in Services still functioning, however there is or is likely to be a minor functionality or performance impact, as determined by TfL (acting reasonably); or

(B) up to and including five (5) incidents of non-compliance of Schedule 2 (Statement of Requirements) over a month.

PI 1.5 In the event that PI 1 is breached as described in PI 1.2 and/or PI 1.3 and/or PI 1.4 above, and the event giving rise to such breach also results or has resulted in Service Failure Points being accrued under any other PI or PIs in the same month, then, in relation to such breach, only the Service Failure Points accruing in relation to those other PIs shall apply and no additional Service Failure Points shall accrue in respect of PI 1 in that month.

PI 2A Correspondence (Timeliness of issue)

PI 2A.1 The Service Provider shall issue 100.0% of Correspondence within the timescales specified in Paragraph 5.1.2 of Schedule 2 (Statement of Requirements). This PI measures actual timeliness of issue compared to the required timeliness.

PI 2A.2 The Start Point shall be the date on which the item of Correspondence is due to be issued.

PI 2A.3 The End Point shall be the date on which the item of Correspondence is provided to an appropriate electronic reply or; postal service; or on the date on which the Correspondence is delivered by the Service Provider by hand to the Person Liable.

PI 2A.4 The PI measure shall be based upon all items with an End Point in the month.

PI 2B Correspondence (Accuracy)

PI 2B.1 The Service Provider shall ensure that 100.0% of Correspondence is issued accurately by the Service Provider (as determined by TfL) in accordance with all Law, Schedule 2 (Statement of Requirements) and TfL EDR Business Rules

PI 2B.2 This PI shall be monitored by TfL using the monthly reports submitted by the Service Provider. Further checks may be completed onsite if required from time to time.

PI 3 Timely, Complete and Correct Provision of Reports

PI 3.1 The Service Provider shall provide complete and correct Reports in accordance with the timescales agreed under or in accordance with the Contract or as otherwise expressly agreed in writing by the Parties.

PI 3.2 For recurring Reports (e.g. daily, weekly or monthly), each instance of a Report delivered on its due date shall be deemed to be a unique Report. TfL shall determine the list of recurring Reports against which this PI shall be measured.

PI 3.3 For the avoidance of doubt, Service Failure Points will be applied

individually to each instance a Report is late, incomplete or inaccurate.

PI 3.4 The Start Point shall be the date and time a Report is due or an error is identified.

PI 3.5 The End Point shall be the date and time a Report is delivered or corrected.

PI 3.6 The PI measure shall be based upon all Reports with an End Point during the month.

PI 4A Telephone Contact Centre Availability

PI 4A.1 The Service Provider shall ensure that the Service Provider's telephone contact centre is available to receive and respond to calls from Persons Liable during Business Hours.

PI 4A.2 Availability is defined as the proportion of time over the month that the Service Provider's telephone contact centre is available to receive and respond to calls.

PI 4A.3 The Acceptable Service Level for the Service Provider's telephone contact centre availability is 99.9%.

PI 4B Telephone Contact Centre Performance

PI 4B.1 90.0% of calls into the Service Provider's telephone contact centre shall be answered by the Service Provider Personnel within thirty (30) seconds post the call being received in the queue at the Service Provider's telephone contact centre.

PI 4B.2 The length of time taken to deliver the data protection message and first level IVR system message shall not be included in the PI calculation. Where calls are queued from the IVR system, when a Person Liable chooses to redirect the call to a member of the Service Provider Personnel or where Persons Liable are automatically redirected to a member of the Service Provider Personnel by the IVR system, the period measured shall be from the moment the Person Liable redirects the call using the relevant IVR option or the moment the IVR system automatically redirects the call.

PI 4B.3 The Start Point shall be the date and time the call is received in the queue at the Service Provider's telephone contact centre.

PI 4B.4 The End Point shall be the date and time the call is answered by a member of the Service Provider Personnel.

PI 4B.5 The PI measure shall be based upon all calls with an End Point in the month.

PI 5A Timely Resolutions of Customer Complaints

- PI 5A.1 The Service Provider shall ensure that 100.0% of Upheld Customer Complaints (as defined below) are resolved within 14 days, or such other time as may be agreed with TfL in writing.
- PI 5A.2 The Start Point will be the date at which TfL determines that a complaint is an Upheld Customer Complaint (as defined below).
- PI 5A.3 The End Point will be the date the Upheld Customer Complaint (as defined below) has been successfully resolved, where “successfully” means to TfL’s satisfaction.
- PI 5A.4 The PI measure shall be based upon all complaints with an End Point in the month.

PI 5B Upheld Customer Complaints

- PI 5B.1 An “**Upheld Customer Complaint**” means a complaint by a Person Liable to the Service Provider, TfL, the GLA, the Mayor of London’s office, the London Transport Users’ Committee or the Local Government Ombudsman regarding an aspect of the Service Provider’s performance that TfL has determined, in its absolute discretion, to be a valid complaint. Upheld Customer Complaints shall include, without limitation, complaints arising from:
- (A) the provision of incorrect information;
 - (B) failure to take account of relevant matters in coming to a decision;
 - (C) offensive or insensitive behaviour;
 - (D) malice, bias or unfair discrimination; or
 - (E) failure to respond to the Person Liable, by the Service Provider or its Personnel.
- PI 5B.2 The complaint types that will be included in the measurement of this PI shall, for the avoidance of doubt, include Stage 2 Complaints and Stage 3 Complaints in accordance with Schedule 2 (Statement of Requirements) and TfL EDR Business Rules.
- PI 5B.3 The PI measure shall be based upon all Upheld Customer Complaints received during the month. Further checks may be completed onsite if required.

PI 6A Website Availability (Daily availability)

- PI 6A.1 The Service Provider shall ensure that its website to be provided in accordance with Paragraph 6.2 of Schedule 2 (Statement of Requirements) shall not be unavailable to users for more than nine (9)

minutes either in aggregate during Premium Hours per day or during any single incident.

- PI 6A.2 Availability shall be determined on the performance of a sample of web pages, as specified by TfL, using Industry Standard Automated System Performance Reports, to be provided by the Service Provider and made available to TfL. Website availability excludes periods for scheduled downtime in accordance with Paragraph 6.1.4 of Schedule 2 (Statement of Requirements and failure of systems outside of the control of the Service Provider.
- PI 6A.3 The web pages included in the sample may be varied from time to time with the written agreement of both TfL and the Service Provider.
- PI 6A.4 PI 6A and PI 6B shall apply independently provided that once a breach of PI 6B has occurred in the relevant month, without prejudice to such Service Failure Points already accrued under PI 6A prior to breach of PI 6B, PI 6B shall apply and PI 6A shall cease to apply for that month.

PI 6B Website Availability (monthly availability)

- PI 6B.1 The Service Provider shall ensure that the availability of the website to be provided in accordance with Paragraph 6.2 of Schedule 2 (Statement of Requirements) to users shall be greater than 99% of the total available minutes during Premium Hours per month.
- PI 6B.2 Availability shall be determined on the performance of a sample of web pages, as specified by TfL, using Industry Standard Automated System Performance Reports, to be provided by the Service Provider and made available to TfL. Website availability excludes periods for scheduled downtime in accordance with Paragraph 6.1.4 of Schedule 2 (Statement of Requirements) and failure of systems outside of the control of the Service Provider.
- PI 6B.3 The web pages included in the sample may be varied from time to time with the written agreement of both TfL and the Service Provider.

PI 7 Quality Monitoring

- PI 7.1 The Service Provider shall perform a quality monitoring regime across the Service Provider's business each month which shall include, but is not limited to:
 - Accuracy of data in Correspondence e.g. PCN references, dates of Contravention, emission data, Registered Keeper and Person Liable details.
- PI 7.2 This PI shall be monitored by TfL using the monthly reports submitted by the Service Provider, TfL shall review random selected items over certain periods of time as determined by TfL (monthly, Quarterly etc). Further checks may be completed onsite if required.

PI 8 Timely Representations Processing

- PI 8.1 98.0% of Representations received via any channel except telephone shall be processed in accordance with Paragraph 3.1 of Schedule 2 (Statement of Requirements) within fifteen (15) Business Days.
- PI 8.2 The Start Point shall be the date the Representation is received.
- PI 8.3 The End Point shall be the date and time the response is dispatched.
- PI 8.4 The PI measure shall be based upon all Representations with an End Point in the month.
- PI 8.7 The PI measure shall be based upon all Representations with an End Point in the month.

PI 9A Timely Processing of Penalty Charge Notices and Warning Notices

- PI 9A.1 100.0% of Penalty Charge Notices (PCNs) shall be issued within two (2) Business Days of receiving the Registered Keeper details back from the country of origin Vehicle Licensing Authority.
- PI 9A.2 Where appropriate a Warning Notice may replace the PCN in accordance with the TfL EDR Business Rules. 100.0% of these shall be issued within two (2) Business Days of receiving the Registered Keeper details back from the country of origin Vehicle Licensing Authority.
- PI 9A.3 The Start Point shall be the date and time of receipt of a Vehicle Licensing Authorities response containing Registered Keeper details; and

The End Point shall be the date and time postage is confirmed.
- PI 9A.4 The PI measure shall be based upon all PCNs issued with an End Point in the month.

PI 9B Timely Issue of Enforcement Documentation

- PI 9B.1 100.0% of Enforcement Documentation (as defined below) shall be issued within one (1) Business Day of the day they become due in accordance with Schedule 2 (Statement of Requirements).
- PI 9B.2 "**Enforcement Documentation**" includes Statutory Notices and Warning Notices.
- PI 9B.3 The Start Point shall be the date the Enforcement Documentation (as defined above) is due.
- PI 9B.4 The End Point shall be the date and time postage is confirmed.
- PI 9B.5 The PI measure shall be based upon all items with an End Point in the month.

**Annex A to Schedule 5
Table 1 - Performance Indicators**

Ref	Performance Indicator title	Start Point	End Point	Acceptable Service Level	Band 1	Band 2	Band 3
PI 1	Contract compliance	00:00:01 on the Commencement Date and thereafter the first day of the month	23:59:59 on the last day of the month	0 breaches	Low Severity 250 points per incident or day of non-compliance, as appropriate	Medium Severity 500 points per incident or day of non-compliance, as appropriate	High Severity 1000 points per incident or day of non-compliance, as appropriate
PI 2A	Correspondence (Timeliness of issue)	Date on which the item of Correspondence is due to be issued	The date Correspondence is issued by the Service Provider (see PI 2.B)	100% within timescales specified in Schedule 2: Statement of Requirements	1 Business Day late 5 points per item of Correspondence	2- 5 Business Days late 10 points per item of Correspondence	5 Business Days late 20 points per item of Correspondence
PI 2B	Correspondence (Accuracy)	N/A	N/A	100% of Correspondence is issued accurately.	<100.0 – 95.0% of Correspondence is issued accurately 50 points in total	<95.0% - 90.0% of Correspondence is issued accurately 100 points in total	<90.0% of Correspondence is issued accurately 200 points in total
PI 3	Timely, Complete and Correct Provision of Reports	Date and time report is due or an error is identified	Date and time report is delivered or corrected	0 reports late, incomplete or inaccurate	1 - 2 Business Days late 20 points per Report	3 - 6 Business Days late 30 points per Report	>6 Business Days late 50 points per Report
PI 4A	Telephone Contact Centre Availability	N/A	N/A	99.9%	<99.9% - 98% 300 points in total	<98% - 85% 400 points in total	85% 500 points in total

Ref	Performance Indicator title	Start Point	End Point	Acceptable Service Level	Band 1	Band 2	Band 3
PI 4B	Telephone Contact Centre Performance	Date and time the call is received in the queue at the telephone contact centre	Date and time the call is answered by Service Provider	90% of all calls must be answered within 30 seconds per month.	<90.0% - 80.0% answered within 30 seconds. 100 points in total	<80.0% - 70.0% answered within 30 seconds. 200 points in total	<70.0% answered within 30 seconds. 300 points in total
PI5 A	Timely Resolution of Customer Complaints	The date and time at which TfL determines that a complaint is an Upheld Customer Complaint	The date and time at which the Upheld Customer Complaint is resolved	100.0% of Upheld Customer Complaints are resolved within 14 days (or such other period agreed with TfL).	1 Business Day late 50 points per Upheld Customer Complaint	2 – 5 Business Days late 75 points per Upheld Customer Complaint	>5 Business Days late 100 points per Upheld Customer Complaint
PI 5B	Upheld Customer Complaints	The date and time at which TfL determines that a complaint is an Upheld Customer Complaint	The date and time at which the Upheld Customer Complaint is resolved	Up to 5 Upheld Customer Complaints in total per month.	6 -10 Upheld Customer Complaints 50 points per complaint identified as falling into this band	11-15 Upheld Customer Complaints 75 points per complaint identified as falling into this band	> 15 Upheld Customer Complaints 100 points per complaint identified as falling into this band
PI 6A	Website Availability (Daily)	07:59:59 on each day	21:59:59 on each day	9 minutes or less	20 points per minute above 9 minutes up to a maximum of 1,000 points per day		
PI 6B	Website Availability (monthly)	07:59:59 on the first day of the month	21:59:59 on the last day of the month	>99%	99% - 98% 50 points per 0.1% of unacceptable outage.	98% - 95% 60 points per 0.1% of unacceptable outage.	<95% 2000 points per month of unacceptable outage.
PI 7	Quality Monitoring	00:00:01 on the Commencement Date and thereafter the first day of the month	23:59:59 on the last day of the month	100.0% of items monitored meet quality standard	<100.0% - 95.0% 50 points in total	<95.0% - 90.0% 100 points in total	<90.0% 200 points in total

Ref	Performance Indicator title	Start Point	End Point	Acceptable Service Level	Band 1	Band 2	Band 3
PI 8	Timely Representations Processing (all channels except telephone)	Date and time of receipt	Date and time the response is dispatched	100.0% - 98% within 15 Business Days	1 - 2 Business Days late 20 points per Report	3 - 6 Business Days late 30 points per Report	>6 Business Days late 50 points per Report
PI 9A	Timely Processing of Penalty Charge Notices and Warning Notices	Date of the details returned from the Vehicle Licensing Authority.	Date postage is confirmed	100.0% within 2 Business Days	1 - 2 Business Days late 20 points per Report	3 - 6 Business Days late 30 points per Report	>6 Business Days late 50 points per Report
PI 9B	Timely issue of Enforcement Documentation	Date of the details returned from the Vehicle Licensing Authority.	Date postage is confirmed	100.0% within 1 Business Day	1 - 2 Business Days late 20 points per Report	3 - 6 Business Days late 30 points per Report	>6 Business Days late 50 points per Report

SCHEDULE 6
SECURITY POLICY

1. SCOPE AND PURPOSE

1.1 The purpose of this Schedule is to:

1.1.1 set out the principles of protective security to be applied by the Service Provider in its delivery of the Services;

1.1.2 set out the Service Provider's wider security obligations relating to the Services;

1.1.3 set out the Service Provider's requirements to test and audit the Services including any Information Security Management System, to ensure compliance with the security requirements set out in this Contract;

1.1.4 set out the Service Provider's obligations in the event of a Security Incident;

1.1.5 set out the principles for the Service Provider's development, implementation, operation, maintenance and continual improvement of the Security Management Plan;

1.1.6 set out the principles for the Service Provider's development, implementation, operation, maintenance and continual improvement of the Information Security Management System;

1.1.7 set out any Service Provider obligation for certification against the Services such as, ISO/IEC 27001, the Cyber Essentials Scheme or HMG Information Security Assurance Standards;

1.1.8 set out any Service Provider requirements to deliver the Services or Service Assets in accordance with the CESG Commercial Product Assurance (CPA) Scheme; and

1.1.9 set out the requirements on the Service Provider when delivering the Service(s), which are aligned with the 10 Steps to Cyber security set out by the Government (see Annex 3).

1.1.10 the Supplier's obligation to comply with the Operations Technology Cyber Security Standards (see Annex 3).

2. SECURITY PRINCIPLES

2.1 The Service Provider acknowledges that security, data protection and confidentiality are of fundamental importance in relation to its provision of the Services and TfL's ability to retain public confidence. The Service Provider

shall at all times comply with the security principles set out in Paragraph 3 in the delivery of the Services.

- 2.2 In recognition of the importance that TfL places on security, data protection and confidentiality, the Service Provider shall ensure that a director or relevant individual, as agreed by TfL, is made aware of the risks set out in the Security Management Plan and is assigned overall responsibility for ensuring that:
 - 2.2.1 appropriate members of Service Provider Personnel and the Service Provider's management team take responsibility for managing the different levels of security risk and promoting a risk management culture;
 - 2.2.2 a Security Risk Register is produced and maintained and that all Security Risks are documented in an appropriate manner and is included in any contract risk register if one is in place. This Security Risk Register must be available for audit when reasonably required by TfL as set out in Paragraph 7 of this Schedule.
 - 2.2.3 an Information Asset Register is produced and maintained and that all assets are documented in an appropriate manner in the Information Asset Register and shall identify the criticality of the relevant Service Assets in the delivery of the Services. This register must be available for audit when reasonably required by TfL as stated in Paragraph 7 of this Schedule and when a Security Incident occurs.
 - 2.2.4 supporting policies are implemented (where relevant) and communicated with the Service Provider Personnel.
- 2.3 The Service Provider shall, and procure that its sub-contractors shall, at all times ensure that:
 - 2.3.1 security threats to the Services are minimised and mitigated;
 - 2.3.2 the Services shall fully comply at all times with:
 - 2.3.2.1 any security policies and standards set out in Annex 3;
 - 2.3.2.2 the agreed Risk Management Processes and approach set out in Annex 2; and
 - 2.3.2.3 Good Industry Practice.
- 2.4 The Service Provider must notify TfL of any instances where software, applications, services or processes are hosted or run from the Cloud that are not part of the Contract, and that host, process or connect with any of TfL Operational Technology or IT technology, Data and TfL Networks or handle any Data. The Service Provider is responsible for ensuring that any such Cloud services comply with this Schedule.

3. ACCESS CONTROLS AND SECURE CONFIGURATION OF SYSTEMS

- 3.1 The Service Provider shall comply with all obligations relating to the patching and configuration management of Service Assets as set out in the Security Patching Standard (Annex 3). In addition to complying with the specific cyber security policies and standards set out in Annex 3, the Service Provider shall ensure that:
- 3.1.1 security patches are applied to Service Assets as soon as possible in line with vendor recommendations in accordance with overall risk management;
 - 3.1.2 account management and configuration control processes are implemented to ensure that access to Service Assets by Service Provider Personnel is limited to the extent required for them to fulfil their roles in supporting the delivery of the Services;
 - 3.1.3 when the Service's Provider Personnel change roles or no longer support the delivery of the Services access rights are revoked or reviewed;
 - 3.1.4 any system administration functionality is strictly controlled and restricted to the Service's Provider Personnel who need to have access to such functionality and that the ability of the Service Provider Personnel to change the configuration of the Services is appropriately limited and fully auditable;
 - 3.1.5 Service Provider Personnel are informed of what constitutes acceptable access of Operational Technology or IT technology, Data and TfL Networks and the consequences of non-compliance;
 - 3.1.6 any preconfigured passwords delivered with any Service Assets are changed prior to their implementation for use in the Services;
 - 3.1.7 the Services have appropriate devices, tools or applications in place to filter traffic or separate connections, such as industry standard firewalls and Malicious Software protection, to all public or private networks which are not controlled by or on behalf of TfL;
 - 3.1.8 all wireless functionality is secure; and
 - 3.1.9 software upgrades and patching must be managed appropriately and access to any software shall be granted using the principle of least privilege.

5. SERVICE PROVIDER PERSONNEL

- 5.1 The Service Provider shall, appoint a member of Service Provider Personnel to be the security manager who shall be responsible for the development, monitoring, enforcement, maintenance and enhancement of all security

measures set out in this Contract (the "**Security Manager**"). The Security Manager shall be a member of the Key Personnel

- 5.2 The Service Provider shall ensure that all of the Service Provider Personnel are security screened or vetted appropriate to the Data and shall provide TfL within five (5) Business Days of the Contract Commencement Date, and every twelve (12) months thereafter, written confirmation that this obligation has been complied with.
- 5.3 The Service Provider shall immediately notify TfL if it becomes aware of any security clearance issues in relation to the Service Provider Personnel and the Service Provider shall undertake any action requested by TfL in relation to mitigating the impact of any such security clearance issues.
- 5.4 The Service Provider shall not remove or replace the Security Manager unless:
 - 5.4.1 requested to do so by TfL;
 - 5.4.2 the Security Manager concerned resigns, retires or dies or is on maternity, paternity, adoption or long-term sick leave;
 - 5.4.3 the Security Manager's employment or contractual arrangement with the Service Provider or a sub-contractor is terminated for material breach of contract by that person; or
 - 5.4.4 the Service Provider obtains TfL's prior written consent (such consent not to be unreasonably withheld or delayed) and the role is not left vacant.
- 5.5 The Service Provider shall:
 - 5.5.1 notify TfL promptly of the absence of the Security Manager (other than for short-term sickness or holidays of three (3) weeks or less, in which case the Service Provider shall ensure appropriate temporary cover for Security Manager);
 - 5.5.2 ensure that Security Manager role is not vacant for any longer than fifteen (15) Business Days;
 - 5.5.3 give as much notice to TfL as is reasonably practicable (and in any event twenty (20) Business Days' notice) of any intention to remove or replace Security Manager except in the cases of death, unexpected ill health or a material breach by the Security Manager of his or her employment contract;
 - 5.5.4 ensure that all arrangements for planned changes in the Security Manager provide adequate periods during which incoming and outgoing Security Manager work together to transfer responsibilities and ensure that such change does not have an adverse impact on the performance of the Services; and

5.5.5 ensure that any replacement for the Security Manager:

5.5.5.1 is only employed or engaged with TfL's prior written consent (such consent not to be unreasonably withheld or delayed);

5.5.5.2 has a level of qualifications and experience appropriate for a Security Manager; and

5.5.5.3 is fully competent to carry out the tasks of a Security Manager whom he or she has replaced.

6. TRAINING

6.1 The Service Provider shall ensure that all of the Service Provider Personnel have undergone suitable security awareness training prior to their deployment and such security awareness training shall cover, as a minimum; account usage, Malicious Software, home and mobile working, use of removable media, audit and inspection and Security Incident reporting and data handling. The Service Provider shall implement an up-to-date on-going programme of security awareness training for the Service Provider Personnel throughout the Term.

6.2 The Service Provider shall provide additional training to the Service Provider Personnel, which may be required following a Security Incident, the application of a patch or update, or any relevant Change.

6.3 The Service Provider shall ensure that all of the Service Provider Personnel are familiar with their responsibilities under applicable Law and policies including, as a minimum, the Data Protection Legislation, the Security Policies set out in Paragraph 1 of this Schedule and policies in relation to the handling of protectively marked materials both during their employment and following the termination of or change to the terms of their employment.

7. TESTING & AUDIT

7.1 The Service Provider shall conduct regular automated vulnerability scans of the Services, as agreed in the Risk Management Process (Annex 2) and ensure that any identified vulnerabilities are appropriately mitigated or patched in line with the TfL Security Patching standard (Annex 3), taking into consideration the risk posed to TfL and the Services.

7.2 The Service Provider shall conduct security tests, including ethical hacking and penetration tests, to assure compliance with the Security Incident Management Process, the security provisions in this Contract and the Security Management Plan. The Service Provider shall conduct security testing in accordance with the Security Management Plan. The Service Provider shall conduct such security tests, as a minimum, every twelve (12) months from the Contract Commencement Date and shall include security penetration testing of the Services and the associated technical infrastructure. Wherever the Services are accessible from the internet or other such public

network, the Service Provider shall carry out security penetration tests from the internet or the public network.

7.3 The Service Provider shall, within one (1) week of completion of the security tests carried out in accordance with Paragraph 7.2, provide a report to TfL setting out:

7.3.1 the outcome of such security tests including all identified vulnerabilities;

7.3.2 the Service Provider plans to remedy each such identified vulnerability as soon as possible, provided that any such remediation must be implemented in accordance with this Contract including the Change Control Request Procedure.

7.4 The Service Provider shall implement its plans to each identified vulnerability in accordance with the report delivered pursuant to Paragraph 7.3 save to the extent directed by TfL in writing.

7.5 The Service Provider shall, upon request by TfL, following a Security Incident, carry out such additional security testing over and above the obligations set out in Paragraph 7.2 as TfL requires.

7.6 TfL shall be entitled to send a member of TfL Personnel to witness the conduct of any audit or security tests carried out by or on behalf of the Service Provider. The Service Provider shall provide TfL with the results of such audits (in a form agreed with TfL in advance) as soon as practicable after the completion of each audit or test.

7.7 In addition to complying with the PCI DSS requirements where applicable and other relevant industry standards and Good Industry Practice, the Service Provider shall at least once during each twelve (12) month period starting from the Service Commencement Date, engage an appropriately skilled third party to conduct a formal audit of the Services against the then current versions of the following:

7.7.1 the security controls, processes and procedures required pursuant to this Contract;

7.7.2 the Data Protection Legislation (using BS10012 or another standard as agreed with TfL), where applicable; and

7.7.3 the Security Management Plan,

and shall, within five (5) Business Days of becoming aware of actual or potential security issues which impact or could impact the Services, the Service Provider shall inform TfL of each such issue and shall keep TfL up-to-date as the Service Provider investigates the nature and impact of such issue. Within five (5) Business Days of the finalisation of the audit findings, the Service Provider shall provide to TfL a copy of all such findings which are relevant to the Services.

- 7.8 Without prejudice to any other right of audit or access granted to TfL pursuant to this Contract or Law, TfL and/or its representatives may carry out such audits in relation to security matters as are reasonably required to assess the Service Provider's compliance with the Information Security Management System and the Security Management Plan.
- 7.9 If any test or audit carried out pursuant to this Paragraph 7 reveals any non-compliance with this Contract or vulnerability (and, in the case of a TfL audit, TfL has informed the Service Provider thereof), the Service Provider shall, as soon as reasonably practicable, provide TfL with a written plan to remedy each such identified vulnerability as soon as possible, provided that any such remediation must be implemented in accordance with this Contract including the Change Control Request Procedure. The Service Provider shall implement its plans to remedy each identified vulnerability in accordance with such report save to the extent directed by TfL in writing.

8. SECURITY INCIDENT MANAGEMENT PROCESS

- 8.1 The Service Provider shall, and shall procure that its sub-contractors shall:
- 8.1.1 establish, document and share with TfL a process (the "**Security Incident Management Process**") to identify and respond to Security Incidents and mitigate the impact of such Security Incidents on the Services, including in relation to assigning clearly defined roles and responsibilities to specific Service Provider Personnel;
 - 8.1.2 record each Security Incident and corresponding severity level in the ISMS; and
 - 8.1.3 without limitation to the other provisions of this Contract, follow TfL's reasonable instructions in relation to the identification and resolution of any Security Incident.
- 8.2 The Service Provider shall notify and ensure TfL is aware as soon as possible and in any event no later than within one (1) hour upon becoming aware of any Security Incident or any potential Security Incident.
- 8.3 In addition to the requirements in paragraph 8.2 the Service Provider will additionally provide written notice with all relevant details reasonably available of any actual or suspected breach of security in relation to Data including unauthorised or unlawful access or Processing of, or accidental loss, destruction or damage of any Data belonging to the Authority Group.
- 8.4 If a Security Incident occurs, the Service Provider shall, within the framework of the Security Incident Management Process:
- 8.4.1 immediately take steps to assess the scope of the Data and user accounts compromised or affected including, but not limited to, the amount of Data affected;

- 8.4.2 immediately take the steps necessary to remedy or protect the integrity of the Services against any such Security Incident;
- 8.4.3 securely collect and preserve evidence, including logs, to support the Security Incident Management Process and share with TfL such evidence via secure channels as requested by TfL;
- 8.4.4 handle any information pertaining to the Security Incident according to the handling requirements for TfL RESTRICTED information defined in TfL's Information Security Classification Standard (Annex 3);
- 8.4.5 promptly escalate the Security Incident to a person or governance forum with a level of seniority within the Service Provider's organisation as TfL may reasonably require;
- 8.4.6 as requested by TfL:
 - 8.4.6.1 provide such information in relation to the Security Incident (including, if necessary, by collating such information from its and its sub-contractors' systems and the Service Provider Personnel);
 - 8.4.6.2 provide relevant TfL Personnel with supervised access (or, if the Parties agree, direct access) to any relevant systems, Service Provider Sites and Service Provider Personnel in order to investigate the Security Incident; and
 - 8.4.6.3 follow TfL's directions in relation to the steps necessary or desirable to remedy or protect the integrity of the Services; and
- 8.4.7 as soon as reasonably practicable develop and provide TfL with a copy of its remediation plan for the Security Incident which sets out full details of the steps taken and to be taken by the Service Provider to:
 - 8.4.7.1 correct, make good, reinstate, replace and remediate all deficiencies and vulnerabilities, loss and/or damage to the Service Assets, Data, and/or Services in connection with the Security Incident; and
 - 8.4.7.2 perform or re-perform any security tests or alternative tests relating to the security of the Service Assets and/or Services as appropriate and within the timescales specified by TfL, to assure TfL that the Security Incident has been addressed and its effects mitigated,

provided that any such remediation must be implemented in accordance with this Agreement including the Change Control Request Procedure. The Service Provider shall fully implement and comply with such remediation plan save to the extent directed by TfL in writing.

8.5 The Service Provider shall provide a detailed report to TfL within two (2) Business Days of the resolution of the Security Incident, such report to detail:

8.5.1 the nature of the Security Incident;

8.5.2 the causes and consequences of the Security Incident;

8.5.3 the actions undertaken and length of time taken by the Service Provider to resolve the Security Incident; and

8.5.4 the actions undertaken by the Service Provider to prevent recurrence of the Security Incident.

8.6 If there is a suspected security event up to and including a Security Incident, the Service Provider shall to the extent requested by the TfL Chief Information Security Officer (or any duly authorised delegate):

8.6.1 provide information in relation to the Services which is relevant collating, if necessary, relevant information from sub-contractors' systems and the Service Provider Personnel;

8.6.2 provide relevant TfL Personnel with supervised access (or, if the Parties agree, direct access) to any relevant systems, Service Provider Sites and Service Provider Personnel in order to investigate the security event; and

8.6.3 follow TfL's directions in relation to the steps necessary or desirable to remedy or protect the integrity of the Services; and

8.6.4 work with TfL to identify any lessons learnt which could mitigate any gaps in process, policy or controls,

and TfL shall reimburse the Service Provider's reasonable, demonstrable costs and expenses in relation to the Service Provider's compliance with such request.

9. SECURITY LOGGING AND MONITORING

9.1 The Service Provider shall ensure that the Security Management Plan sets out its monitoring strategy to monitor its own performance of its obligations under this Schedule. The Service Provider shall update its monitoring strategy as necessary throughout the term of this Contract in response to:

9.1.1 changes to applicable Laws, regulations and standards;

9.1.2 changes to Good Industry Practice;

9.1.3 any relevant Changes;

9.1.4 any Security Incident; and

9.1.5 any reasonable request by TfL.

- 9.2 The monitoring strategy should include, as a minimum, processes for monitoring and logging (as appropriate):
- 9.2.1 networks and host systems to detect attacks originating both on an internal private network or from public networks (e.g. internet);
 - 9.2.2 instances of misuse of the Services, Service Provider systems used in the delivery of the Services and access to TfL RESTRICTED Data by TfL Personnel and the Service Provider Personnel, including attempts at such misuse;
 - 9.2.3 wireless access points to ensure that all wireless networks are secure and no unauthorised access points are available;
 - 9.2.4 Malicious Software on: (i) the Service Provider systems used in the delivery of the Services and, (ii) the Services;
 - 9.2.5 access to and movement of TFL RESTRICTED Data, including internal access to such Data; and
 - 9.2.6 traffic for unusual or malicious incoming and outgoing activity that could be indicative of an attempt or actual attack.
- 9.3 The Service Provider shall ensure that access to system logs and monitoring information is strictly restricted to those of the Service Provider Personnel who need to access these items to ensure the delivery and integrity of the Services.
- 9.4 The Service Provider shall ensure that any monitoring process complies with the monitoring strategy developed in accordance with Paragraphs 9.1 and 9.2 and all of its legal and regulatory obligations pursuant to any applicable Law.
- 9.5 The Service Provider shall maintain a log of:
- 9.5.1 all instances of the Service Provider Personnel accessing TfL Personal Data;
 - 9.5.2 all TfL Personnel and Service Provider Personnel's' logon attempts, successful and failed, to the Services or any elements of the Services requiring authentication;
 - 9.5.3 all actions taken by TfL Personnel or Service Provider Personnel with administrative privileges;
 - 9.5.4 all instances of accounts being created for TfL Personnel or Service Provider Personnel and their relevant privileges;
 - 9.5.5 all records of formal staff induction or certification required by Service Provider Personnel to operate systems and handle TFL RESTRICTED Data (where required);

- 9.5.6 all instances of accounts for TfL Personnel, or Service Provider Personnel being deleted;
 - 9.5.7 Service Provider Personnel system access group memberships in relation to relevant Service Assets;
 - 9.5.8 Group privilege changes against each of the system resources;
 - 9.5.9 unauthorised use of input and output devices and removable media; and
 - 9.5.10 all access to log files and audit systems.
- 9.6 The logs required in paragraph 9.5 above must be raw logs, which are provided in a structured text format and the schema for such logs will need to be provided.
- 9.7 The Service Provider shall implement recording mechanisms to identify TfL Personnel and Service Provider Personnel and their actions when cases of misuse are being investigated and shall ensure that any such recording mechanisms are protected against manipulation and disruption.
- 9.8 The Service Provider shall regularly review logs to identify: (i) anomalies; (ii) suspicious activity; and (iii) suspected Security Incidents. The Service Provider shall notify TfL of such findings in accordance with Paragraph 8.2.
- 9.9 The Service Provider shall provide copies of any log data collected by the Service Provider during its delivery of the Services (system audit log data) at TfL's request in a human readable electronic format such as comma-separated value or Microsoft Excel.

10. MALICIOUS SOFTWARE

- 10.1 The Service Provider shall throughout the Term, use the latest versions of anti-malware solutions and software available from an industry accepted vendor (unless otherwise agreed in writing between the Parties) to check for, contain the spread of, and minimise the impact of Malicious Software in the Services (or as otherwise agreed by the parties).
- 10.2 Notwithstanding Paragraph 10.1, if Malicious Software is detected within the Services, the Service Provider shall ensure the effect of the Malicious Software is mitigated and, particularly if Malicious Software causes loss of operational efficiency or loss or corruption of Data, restore the Services to their desired operating efficiency.
- 10.3 Any cost arising out of the actions of the Parties taken in compliance with the provisions of Paragraph 10.2 shall be borne by the Parties as follows:
- 10.3.1 by the Service Provider if the Malicious Software originates from the Services, any software used or supplied by the Service Provider (including the Interfaces) or TfL Data (whilst TfL Data was under the

control of the Service Provider) unless the Service Provider can demonstrate that such Malicious Software was present and not quarantined or otherwise identified by TfL when provided to the Service Provider; and

10.3.2 otherwise by TfL.

11. REMOVABLE MEDIA

- 11.1 The Service Provider may only use Removable Media to support its delivery of the Services if it has obtained prior written consent of TfL and has implemented appropriate controls to ensure that the use of any input or output devices and removable media is restricted strictly to that needed to supply and support delivery of the Services.
- 11.2 If removable media is approved for use by TfL, the Service Provider shall ensure that it deploys suitable anti-virus and anti-malware checking solutions to actively scan for the introduction of Malicious Software onto systems and networks through all Data imports and exports from removable media and that the removable media is encrypted to a suitable standard agreed in advance with TfL in writing.
- 11.3 The Service Provider shall report any loss or interception of Data as a result of the use of Removable Media to TfL in accordance with Paragraph 8 and TfL reserves the right in such instances to rescind its approval in relation to the Service Provider's continued use of removable media.

12. MOBILE AND HOME WORKING

- 12.1 The Service Provider may only use offer mobile and home working to support its delivery of the Services if it has obtained prior written consent of TfL and has implemented appropriate controls to ensure a secure connection.
- 12.2 If such consent is granted but the Service Provider does not have a home and mobile policy for the Service Provider Personnel, TfL's Home and Mobile Working Cyber Security Policy shall apply to the Service Provider and the Service Provider Personnel.
- 12.3 If the Service Provider has a home and mobile working policy in relation to the Service Provider Personnel, the Service Provider shall:

12.3.1 ensure through this policy that:

- 12.3.1.1 Data is protected and suitably encrypted in line with Cyber Security Policy (see Annex 3), when stored outside of the Service Provider Premises;

12.3.1.2 Data is protected when accessed, imported or exported through a connection other than one which is accessed at the Service Provider Premises; and

12.3.1.3 Security Incident management plans acknowledge the increased risk posed by home and mobile working such as theft or loss of Data and TfL Data and/or devices; and

12.4 The Service Provider shall report any loss or interception of Data or TfL Data as a result of home or mobile working to TfL in accordance with Paragraph 8.

13. DISPOSALS

13.1 The Service Provider shall not reuse any Service Asset or Removable Media used in the performance of the Services unless such items have been wiped securely in accordance with a TfL agreed standard.

13.2 The Service Provider shall securely dispose of and delete Data from Service Assets used for the delivery of the Services to a TfL agreed standard upon the termination or expiry of this Agreement or when such Service Assets are no longer required for the delivery of the Services, whichever is sooner, and documented accordingly.

13.3 The Service Provider shall ensure that the disposal of any Service Asset is accurately reflected in the Information Asset Register.

14. SECURITY MANAGEMENT PLAN

14.1 The Outline Security Management Plan as at the Contract Commencement Date is set out at Annex 1 (*Outline Security Management Plan*).

14.2 The Service Provider shall within fifteen (15) Business Days of the Contract Commencement Date submit to TfL for approval, a draft Security Management Plan which a minimum will:

14.2.1 set out the security measures to be implemented and maintained by the Service Provider in relation to all aspects of the Services and all processes associated with the delivery of the Services and shall at all times comply with and specify security measures and procedures which are sufficient to ensure the Services comply with this Schedule;

14.2.2 reference and comply with the security policies and standards set out in Annex 3;

14.2.3 state any other cyber security industry standards over and above those set out in this Schedule which are applicable to the Services;

- 14.2.4 state all applicable Law which relates to the security of the Services;
and
- 14.2.5 how the Service Provider will comply with any other security requirements TfL may reasonably request from time to time.
- 14.3 When the Security Management Plan is approved by TfL the approved plan will replace the Outline Security Management Plan in Annex 1.
- 14.4 The Service Provider shall review and update the Security Management Plan at least annually and as required in response to:
 - 14.4.1 changes to the Cyber Security Standards;
 - 14.4.2 emerging changes in Good Industry Practice;
 - 14.4.3 any relevant Change;
 - 14.4.4 any new perceived or changed security threats; and
 - 14.4.5 any reasonable request by TfL.
- 14.5 The Service Provider shall submit any amendments to the Security Management Plan for Approval by TfL in accordance with the Change Control Request Procedure.

15. INFORMATION SECURITY MANAGEMENT SYSTEM

- 15.1 The Service Provider shall develop, implement, operate, maintain the ISMS and shall within fifteen (15) Business Days of the Contract Commencement Date submit a draft ISMS to TfL to assure. The Service Provider shall ensure that the ISMS includes the Security Incident Management Process, dealing with, among other matters, Security Incident management.
 - 15.2 The ISMS shall, unless otherwise specified by TfL in writing, be designed to protect all aspects of:
 - 15.2.1 the Services;
 - 15.2.2 all processes associated with the delivery of the Services; and
 - 15.2.3 TfL Sites, the Interfaces and any information and Data (including Confidential Information and TfL Data) to the extent used by TfL or the Service Provider in connection with this Contract.
 - 15.3 The Service Provider shall make any document referenced in the ISMS available to TfL upon request.
 - 15.4 If the investigation of a Security Incident reveals weaknesses or flaws in the ISMS, then any change to the ISMS to remedy the weakness or flaw shall be submitted to TfL for approval in accordance with the Change Control Request Procedure set out in this Contract. For the avoidance of doubt, if a change
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needs to be made to the ISMS to address an instance of non-compliance with the Security Management Plan or security requirements, the change to the ISMS shall be at no cost to TfL.

- 15.5 The ISMS will be fully reviewed in accordance with ISO/IEC 27001 by the Service Provider at least annually, or from time to time as agreed with TfL, in response to:

15.5.1 changes to Good Industry Practice;

15.5.2 any relevant Changes or proposed Changes;

15.5.3 any new perceived or changed security threats; and

15.5.4 any reasonable request by TfL.

- 15.6 The Service Provider shall provide the results of such reviews to TfL (together with such related information as TfL may reasonably request) as soon as reasonably practicable after their completion. The results of the review should include, without limitation:

15.6.1 suggested improvements to the effectiveness of the ISMS;

15.6.2 updates to the risk assessments;

15.6.3 proposed modifications to the procedures and controls that affect the ability to respond to events that may impact on the ISMS; and

15.6.4 suggested improvements in measuring the effectiveness of controls.

16. COMPLIANCE WITH ISO/IEC 27001

- 16.1 The Service Provider shall obtain certification from a UKAS registered organisation of the ISMS to ISO/IEC 27001 for any aspects of the business that is necessary to support the Services. The Service Provider shall obtain such certification within twelve (12) months of the Contract Commencement Date and shall maintain such certification throughout the Term.

- 16.2 If certain parts of the ISMS do not conform to Good Industry Practice, or controls as described in ISO/IEC 27001 the Service Provider shall promptly notify TfL of this.

- 16.3 Without prejudice to any other audit rights set out in this Contract TfL may carry out, or appoint an independent auditor to carry out, such regular security audits as may be required in accordance with Good Industry Practice in order to ensure that the ISMS maintains compliance with the principles and practices of ISO/IEC 27001.

- 16.4 If on the basis of evidence provided by such audits, TfL, acting reasonably, considers that compliance with the principles and practices of ISO/IEC 27001 is not being achieved by the Service Provider, then TfL shall notify the Service

Provider of the same and the Service Provider shall, as soon as reasonably practicable, provide TfL with a written plan to remedy each such non-compliance as soon as possible, provided that any such remediation must be implemented in accordance with this Contract.

17. APPROVED PRODUCTS

- 17.1 The Service Provider shall ensure that all Service Assets providing security enforcing functionality are certified under the CESG Commercial Product Assurance (CPA) Scheme, to the appropriate grade, as defined in [INSERT NAME OF POLICY] (Annex 3) provided that relevant certified products are available in the market.
- 17.2 If a product is not assured under the CPA scheme, TfL reserves the right to require bespoke assurance of that product under a recognised scheme such as CESG Tailored Assurance Service (CTAS).

SCHEDULE 7

Information Compliance

1 **General**

Without prejudice to the provisions of Clause 20 (Compliance with Policies and Law), and the other provisions of this Schedule:

- 1.1 the Service Provider shall in relation to this Contract comply with the Data Protection Legislation the Privacy and Electronic Communications (EC Directive) Regulations 2003 (hereafter "**PECR**") and the Computer Misuse Act 1990 and all relevant, subordinate or successor legislation relating to each of them.
- 1.2 As set out in clause 35 of the Contract, the Service Provider acknowledges that TfL will rely upon the Service Provider to enable TfL to comply with its obligations under the Freedom of Information Act 2000 (hereafter the "**FOIA**"), the Environmental Information Regulations 2004 (hereafter the "**EIRs**") in relation to the Services and this Contract and that the processes and procedures set out in this Schedule with which the Service Provider is required to comply are important for the purposes of ensuring such compliance;
- 1.3 where there is dispute over what is required for compliance with the Data Protection Legislation and the other named Acts and Regulations, the Service Provider will comply with written instructions from TfL's legal advisers, except where it is illegal for the Service Provider to do so; and
- 1.4 the Service Provider agrees to provide all reasonable additional information and co-operate fully with any investigations by TfL in relation to complaints under the Data Protection Legislation, FOIA, EIRs, PECR and Computer Misuse Act 1990, including investigations relating to complaints by the Information Commissioner's Office, the Information Tribunal and the courts.
- 1.5 With respect to the Parties' rights and obligations under the Contract, the Parties acknowledge that:
 - 1.5.1 In relation to the TfL Personal Data, TfL is a Data Controller solely responsible for determining the purposes and manner in which TfL Personal Data is to be Processed, and that the Service Provider is a Data Processor. The parties agree that paragraphs 1.5 to 1.19 below shall apply in relation to such TfL Personal Data; and
 - 1.5.2 in relation to the Service Provider Data, the Service Provider is a Data Controller and in particular:
 - 1.5.2.1 The Service Provider shall solely determine the purposes and manner in which Service Provider Data is Processed;

- 1.5.2.2 paragraphs 1.5 to 1.19 below shall not apply in relation to Service Provider Data; and
 - 1.5.2.3 the Service Provider shall Process the Service Provider Data in accordance with the Data Protection Legislation
 - 1.5.3 to the extent that there is any Personal Data subsisting in both the Service Provider Data and TfL personal Data which is the same or the same in all material respects (“**Common Personal Data**”) then:
 - 1.5.3.1 TfL and the Service Provider shall both be Controllers in respect of Common Personal Data – each processing the same or the same Common Personal Data in the manner and for the purposes that they each separately determine; and
 - 1.5.3.2 Paragraphs 1.5 to 1.19 below shall not apply in relation to Common Personal Data;
- 1.6 Details of the TfL Personal Data to be Processed by the Service Provider and the purposes of such Processing are as follows:
 - 1.6.1 The TfL Personal Data to be Processed by the Service Provider (if any) concerns the following categories of Data Subject:
 - 1.6.1.1 a Registered Keeper of a vehicle identified by TfL as being liable for enforcement of a Penalty Charge Notice;
 - 1.6.1.2 Other Individuals who have been identified as being liable for enforcement of a Penalty Charge Notice; and
 - 1.6.1.3 Representatives of the individual being pursued for Payment.
 - 1.6.2 The TfL Personal Data to be Processed includes the following types of Personal Data and/or Sensitive Personal Data:
 - 1.6.2.1 Vehicle registration marker;
 - 1.6.2.2 Individual’s name;
 - 1.6.2.3 Previous names or known aliases of the individual;
 - 1.6.2.4 Current and previous addresses or place of business (including email address);
 - 1.6.2.5 Type of traffic contravention for which a Penalty Charge Notice has been issued;

- 1.6.2.6 Penalty Charge Notice reference number;
 - 1.6.2.7 Location, date and time of traffic contravention;
 - 1.6.2.8 Amount of monies owed by the individual to TfL;
 - 1.6.2.9 Correspondence or other documents related to the enforcement of the debt owed by the individual; and
 - 1.6.2.10 Proofs of vehicle hire or vehicle lease documentation.
- 1.6.3 The TfL Personal Data is to be Processed for the following purpose(s):
- 1.6.3.1 The Service Provider is enforcing Penalty Charge Notice issued for a traffic contravention on the TfL road network or has not paid to drive within the applicable road charging zone or Scheme.
- 1.6.4 The subject matter of the TfL Personal Data to be Processed is:
- 1.6.4.1 The Personal Data sent to the Service Providers are vehicle registration markers who have contravened within the TfL road network or has not paid to drive within the applicable road charging zone or scheme.
- 1.6.5 The duration of the Processing is:
- 1.6.5.1 For the duration of the Contract as set out in Schedule 1 (Key Contract Information), unless terminated in accordance with the Contract terms.
- 1.6.6 The nature of the Processing is:
- 1.6.6.1 To pass vehicle registration markers data that has contravened within the TfL road network or has not paid to drive within the applicable road charging zone or scheme to identify the country or origin, accessing the person liable data in order to issue a Penalty Charge Notice, Charge Certificate or any other Warning Notices; and
 - 1.6.6.2 The Service Provider may match or combine Personal Data with other data already held by them or with data from other external sources where it is necessary in order to assist recovery of the monies owed to TfL.

1.7 Without prejudice to the generality of Clause 32, the Service Provider shall:

- 1.7.1 process the TfL Personal Data only in accordance with written instructions from TfL to perform its obligations under the Contract;
- 1.7.2 use its reasonable endeavours to assist TfL in complying with any obligations under Data Protection Legislation and shall not perform its obligations under this Contract in such a way as to cause TfL to breach any of its obligations under Data Protection Legislation to the extent the Service Provider is aware, or ought reasonably to have been aware, that the same would be a breach of such obligations;
- 1.7.3 notify TfL without undue delay if it determines or is notified that an instruction to Process Personal Data issued to it by TfL is incompatible with any obligations under Data Protection Legislation to the extent the Service Provider is aware, or ought reasonably to have been aware, that the same would be a breach of such obligations;
- 1.7.4 maintain, and make available to TfL on its request, documentation which describes the Processing operations for which it is responsible under this Contract including:
 - 1.7.4.1 the purposes for which TfL Personal Data is Processed;
 - 1.7.4.2 the types of Personal Data and categories of Data Subject involved;
 - 1.7.4.3 the source(s) of the Personal Data;
 - 1.7.4.4 any recipients of the Personal Data;
 - 1.7.4.5 the location(s) of any overseas Processing of TfL Personal Data;
 - 1.7.4.6 records of the mechanisms and safeguards in place to ensure that any International transfer of TfL Personal Data is carried out in compliance with the Data Protection Legislation;
 - 1.7.4.7
 - 1.7.4.8 retention periods for different types of TfL Personal Data; and
 - 1.7.4.9 where possible a general description of the security measures in place to protect TfL Personal Data;
- 1.7.5 where requested to do so by TfL, assist TfL in carrying out a Data Protection Impact Assessment in accordance with guidance issued from time to time by the Information Commissioner (and any relevant

requirements detailed in Data Protection Legislation) and make the results of such an assessment available to TfL;

- 1.7.6 without prejudice to any cyber security and/or payment card industry data security standard obligations in this Contract, take appropriate technical and organisational security measures which are appropriate to protect against unauthorised or unlawful Processing of TfL Personal Data and against accidental loss, destruction of, or damage to such TfL Personal Data which the TfL may reasonably reject (but failure to reject shall not amount to approval by TfL of the adequacy of the measures);
- 1.7.7 without prejudice to any cyber security and/or payment card industry data security standard obligations in this Contract, provide TfL with such information as TfL may from time to time require to satisfy itself of compliance by the Service Provider (and/or any authorised sub-contractor) with paragraphs 1.7.6 and 1.7.8, including, protocols, procedures, guidance, training and manuals. For the avoidance of doubt, this shall include a full report recording the results of any privacy or security audit carried out at the request of the Service Provider itself or TfL;
- 1.7.8 notify TfL without undue delay and in any event within 24 hours by written notice with all relevant details reasonably available of any actual or suspected breach of this Paragraph1, including the unauthorised or unlawful Processing of TfL Personal Data, or its accidental loss, destruction or damage;
- 1.7.9 having notified TfL of a breach in accordance with Paragraph 1.7.8, keep TfL properly and regularly informed in writing until the breach has been resolved to the satisfaction of TfL;
- 1.7.10 fully cooperate as TfL requires with any investigation or audit in relation to TfL Personal Data and/or its Processing including allowing access to premises, computers and other information systems, records, documents and agreements as may be reasonably necessary (whether in relation to Processing pursuant to the Contract, in relation to compliance with Data Protection Legislation or in relation to any actual or suspected breach), whether by TfL (or any agent acting on its behalf), any relevant regulatory body, including the Information Commissioner, the police and any other statutory law enforcement agency, and shall do so both during the Contract and after its termination or expiry (for so long as the Party concerned retains and/or Processes TfL Personal Data);
- 1.7.11 notify TfL within two (2) Business Days if it, or any sub-contractor, receives:
 - 1.7.11.1 from a Data Subject (or third party on their behalf):

- 1.7.11.1.1 a Subject Request (or purported Subject Request); or
 - 1.7.11.1.2 any other request, complaint or communication relating to TfL's obligations under Data Protection Legislation;
 - 1.7.11.2 any communication from the Information Commissioner or any other regulatory TfL in connection with TfL Personal Data; or
 - 1.7.11.3 a request from any third party for disclosure of TfL Personal Data where compliance with such request is required or purported to be required by Law;
- 1.7.12 provide TfL with full cooperation and assistance (within the timescales reasonably required by TfL) in relation to any complaint, communication or request made as referred to in paragraph 1.7.11, including by promptly providing:
- 1.7.12.1 TfL with full details and copies of the complaint, communication or request; and
 - 1.7.12.2 where applicable, such assistance as is reasonably requested by TfL to enable it to comply with the Subject Request within the relevant timescales set out in Data Protection Legislation;
- 1.7.13 when notified in writing by TfL, supply a copy of, or information about, any TfL Personal Data. The Service Provider shall supply such information or data to TfL within such time and in such form as specified in the request (such time to be reasonable) or if no period of time is specified in the request, then within two (2) Business Days from the date of the request;
- 1.7.14 when notified in writing by TfL, comply with any agreement between TfL and any Data Subject in relation to any Processing which causes or is likely to cause substantial and unwarranted damage or distress to such Data Subject, or any court order requiring the rectification, blocking, erasure or destruction of any TfL Personal Data; and
- 1.7.15 if required to do so by Data Protection Legislation, appoint a designated Data Protection Officer.
- 1.8 The Service Provider shall not share TfL Personal Data with any sub-contractor without prior written consent from TfL. The Service Provider shall provide TfL with such information regarding the proposed sub-contractor as TfL may reasonably require. The Service Provider shall only share TfL Personal Data with a sub-contractor where there is a written contract in place

between the Service Provider and the sub-contractor which requires the sub-contractor to:

- 1.8.1 only Process TfL Personal Data in accordance with TfL's written instructions to the Service Provider; and
- 1.8.2 comply with the same obligations which the Service Provider is required to comply with under this Paragraph 1 (and in particular Clauses 20.1, 24.1, 24.2, 26, 29.2, 32 and 34).

1.9 The Service Provider shall, and shall procure that any sub-contractor shall:

1.9.1 only Process TfL Personal Data in accordance with TfL's written instructions to the Service Provider and as reasonably necessary to perform the Contract in accordance with its terms;

1.9.2 not Process TfL Personal Data for any other purposes (in whole or part) and specifically, but without limitation, reproduce or refer to it in training materials, training courses, commercial discussions and negotiations with third parties or in relation to proposals or tenders with TfL;

1.9.3 not Process TfL Personal Data in such a way as to:

1.9.3.1 place TfL in breach of Data Protection Legislation;

1.9.3.2 expose TfL to the risk of actual or potential liability to the Information Commissioner or Data Subjects;

1.9.3.3 expose TfL to reputational damage including adverse publicity;

1.9.4 not allow Service Provider Personnel to access TfL Personal Data unless such access is necessary in connection with the provision of the Services;

1.9.5 take all reasonable steps to ensure the reliability and integrity of all Service Provider Personnel who can access TfL Personal Data;

1.9.6 ensure that all Service Provider Personnel who can access TfL Personal Data:

1.9.6.1 are informed of its confidential nature;

1.9.6.2 are made subject to an explicit duty of confidence;

1.9.6.3 understand and comply with any relevant obligations created by either this Contract or Data Protection Legislation; and

- 1.9.6.4 receive adequate training in relation to the use, care, protection and handling of Personal Data on an annual basis.
 - 1.9.7 not disclose or transfer TfL Personal Data to any third party without the Service Provider having obtained the prior written consent of TfL (save where such disclosure or transfer is specifically authorised under this Contract);
 - 1.9.8 without prejudice to Paragraph 1.7.6, wherever the Service Provider uses any mobile or portable device for the transmission or storage of TfL Personal Data, ensure that each such device encrypts TfL Personal Data in a level that is appropriate to the nature of the Personal Data; and
 - 1.9.9 comply during the course of the Contract with any written retention and/or deletion policy or schedule provided by TfL to the Service Provider from time to time.
- 1.10 The Service Provider shall not, and shall procure that any sub-contractor shall not, Process or otherwise transfer any TfL Personal Data in or to any Restricted Countries unless instructed to do so by TfL, or when TfL gives prior written consent and the conditions set out in paragraph 2.8 of this Schedule are addressed. The Parties agree that the consent given by TfL may be subject to additional conditions imposed by TfL.
- 1.11 If, after the Service Commencement Date, the Service Provider or any sub-contractor wishes to Process and/or transfer any TfL Personal Data in or to any Restricted Countries, the following provisions shall apply:
- 1.11.1 the Service Provider shall submit a written request to TfL setting out details of the following:
 - 1.11.1.1 the TfL Personal Data which will be transferred to and/or Processed in any Restricted Countries;
 - 1.11.1.2 the Restricted Countries which the TfL Personal Data will be transferred to and/or Processed in;
 - 1.11.1.3 any sub-contractors or other third parties who will be Processing and/or receiving TfL Personal Data in Restricted Countries;
 - 1.11.1.4 how the Service Provider shall ensure an adequate level of protection and adequate safeguards in respect of the TfL Personal Data that will be Processed in and/or transferred to Restricted Countries so as to ensure TfL's compliance with Data Protection Legislation;

- 1.11.2 in preparing and evaluating such a request, the Parties shall refer to and comply with applicable policies, procedures, guidance and codes of practice produced by the Parties and/or the Information Commissioner in connection with the Processing of Personal Data in (and/or transfer of Personal Data to) any Restricted Countries;
- 1.11.3 the Service Provider shall comply with any written instructions and shall carry out such actions as TfL may notify in writing when providing its consent to such Processing or transfers, including:
 - 1.11.3.1 incorporating standard and/or model clauses (which are approved by the European Commission as offering adequate safeguards under the Data Protection Legislation) into this Contract or a separate data processing agreement between the Parties; and
 - 1.11.3.2 procuring that any sub-contractor or other third party who will be Processing and/or receiving or accessing the TfL Personal Data in any Restricted Countries enters into a data processing agreement with the Service Provider on terms which are equivalent to those agreed between TfL and the Service Provider in connection with the Processing of TfL Personal Data in (and/or transfer of TfL Personal Data to) any Restricted Countries, and which may include the incorporation of the clauses referred to in Paragraph 1.11.3.1.
- 1.12 The Service Provider and any sub-contractor (if any), acknowledge:
 - 1.12.1 the importance to Data Subjects and TfL of safeguarding TfL Personal Data and Processing it only in accordance with TfL's written instructions and the Contract;
 - 1.12.2 the loss and damage TfL is likely to suffer in the event of a breach of the Contract or negligence in relation to TfL Personal Data;
 - 1.12.3 any breach of any obligation in relation to TfL Personal Data and/or negligence in relation to performance or non performance of such obligation shall be deemed a material breach of Contract;
 - 1.12.4 notwithstanding Clause 39.1.1, if the Service Provider has committed a material breach under Paragraph 1.12.3 on two or more separate occasions, TfL may at its option:
 - 1.12.4.1 withdraw authorisation for Processing by a specific sub-contractor by immediate written notice; or
 - 1.12.4.2 terminate the Contract in whole or part with immediate written notice to the Service Provider.

- 1.13 Compliance by the Service Provider with this Paragraph 1 shall be without additional charge to TfL.
- 1.14 The Service Provider shall remain fully liable for all acts or omissions of any sub-contractor.
- 1.15 Following termination or expiry of this Contract, howsoever arising, the Service Provider:
- 1.15.1 may Process TfL Personal Data only for so long and to the extent as is necessary to properly comply with its non-contractual obligations arising under Law and will then comply with paragraph 1.15.3;
 - 1.15.2 where paragraph 1.15.1 does not apply, may Process TfL Personal Data only for such duration as agreed in paragraph 1.6.5 above and following this will then comply with paragraphs 1.15.3 and 1.15.4;
 - 1.15.3 subject to paragraph 1.15.1, shall on written instructions from the TfL either securely destroy or securely and promptly return to the TfL or a recipient nominated by TfL (in such usable format as and to the extent TfL may reasonably require) TfL Personal Data; or
 - 1.15.4 in the absence of instructions from TfL after 12 months from the expiry or termination of the Contract securely destroy TfL Personal Data.
- 1.16 TfL Personal Data may not be Processed following termination or expiry of the Contract save as permitted by paragraph 1.15.
- 1.17 For the avoidance of doubt, and without prejudice to paragraph 1.15, the obligations in this paragraph 1 shall apply following termination or expiry of the Contract to the extent the Party concerned retains or Processes TfL Personal Data.
- 1.18 The indemnity for any breach of this Schedule in Clause 26 shall apply to any breach of paragraph 1 and shall survive termination or expiry of the Contract.
- 1.19 The Parties' liability in respect of any breach of Clause 32.1 and this paragraph 1 insofar as they relate to fines, court awards, settlements and legal costs shall be unlimited.

2 Privacy and Electronic Communications (EC Directive) Regulations 2003

The Service Provider shall, and shall procure that its sub-contractors and Service Provider Personnel shall, comply with PECR in all contact with Registered Keepers or Person(s) Liable.

SCHEDULE 8

Charging

1 Scope

1.1 In this Schedule the following matters are dealt with:

1.1.1 the Operational Charges are to be invoiced to TfL for the Services provided and the amounts of any Liquidated Damages;

1.1.2 the method by which the Service Provider must issue invoices in respect of the Operational Charges; and

1.1.3 the format in which invoices should be submitted.

2 Operational Charges

2.1 The process for calculating the Operational Charges payable to the Service Provider for the provision of Services during the Operational Phase and the mechanism for changing the basis on which the Operational Charges are calculated is set out in Schedule 9 (Operational Pricing).

3 Service Provider's Account

3.1 Payments by TfL to the Service Provider in accordance with this Schedule shall be made to the following account:

[REDACTED]

4 Milestones and Liquidated Damages

4.1 TfL shall not pay the Service Provider for any such Milestone delivered as detailed in Table 1 below.

4.2 In the circumstances set out in Clause 6 (Consequences of Delay in achieving Milestones), Liquidated Damages shall be payable by the Service Provider to TfL on demand for each day or part day on which the achievement of that Milestone is delayed beyond the relevant Milestone Date, from and including the relevant Milestone Date to but excluding the date on which TfL issues a Milestone Notice in respect of the Milestone, as specified in Table 2 below.

4.3 If additional Milestones are agreed as part of the Change Control Request Procedure, Liquidated Damages shall be payable by the Service Provider to TfL in respect of delay in achieving those Milestones in such amounts (such amounts to represent a genuine pre-estimate of the loss which TfL would

suffer as a result of the Service Provider failing to achieve the relevant Milestone by the relevant Milestone Date and the consequent delay in achieving such Milestone) and on such basis as is agreed as part of the Change Control Request Procedure.

4.4 Any dispute as to the quantum of Liquidated Damages payable shall be referred to the Dispute Resolution Procedure.

4.5

Milestones
(1) Planning Complete
(2) Ready for Testing with the Core Service Provider
(3) Testing with the Core Service Provider Complete / Ready for Operational Commencement Date
(4) Operations Review

Table 1 - Milestones

4.6

Milestone	Amount of Liquidated Damages per day applicable where there is a delay in achieving a Milestone
(1) Planning Complete	£500
(2) Ready for Testing with the Core Service Provider	£500
(3) Testing with the Core Service Provider Complete / Ready for Operational Commencement Date	£500
(4) Operations Review	£0

Table 2 – Liquidated Damages

5 Operational Charges and other sums due

- 5.1 TfL shall pay to the Service Provider each month during the Operational Phase the total of all:
- 5.1.1 Operational Charges due for the relevant month in accordance with Schedule 9 (Operational Pricing);
- less:
- 5.1.2 Service Failure Deductions accrued and outstanding in respect of that month;
 - 5.1.3 any Service Failure Deductions accrued but not deducted from Operational Charges paid in any earlier month, for whatever reason (except where the application of such Service Failure Deductions has been waived by TfL in its absolute discretion), or otherwise due in accordance with Schedule 5 (Service Level Agreement) (including without limitation to the generality of the foregoing because the data provided by the Service Provider in respect of any earlier month was incorrect); and
 - 5.1.4 any other deductions due in accordance with this Contract, including but not limited to the amounts of any overpayments made by TfL to the Service Provider.
- 5.2 The Operational Charges shall be subject to adjustments on each anniversary of the Commencement Date as follows:
- 5.2.1 the Operational Charges as set out in Schedule 9 (Operational Pricing)) will be adjusted in accordance with the following formula:

$$P_n = P_o \left(1 + \frac{\{N_n - N_o\}}{\{N_o\}} \right)$$

where:

P_n = new PCN collected in full charge (all rank prices)

P_o = previous PCN charge (all rank prices)

N_n = the index figures six months prior to the date from which the price review shall take effect

N_o = the index figures for the same month as N_n in the previous year.

6 Charges For Changes

6.1 For the avoidance of doubt any charges arising from the application of the Change Control Request Procedure are to be either:

6.1.1 Only Operational Charges; and/or

6.1.2 Changes requested by TfL or the Service Provider.

as may be agreed through the Change Control Request Procedure.

7 Nature Of Invoices

7.1 The Service Provider shall raise invoices:

7.1.1 Operational Charges and deductions due in accordance with this Schedule 8 (Charging) and Schedule 9 (Operational Pricing) in the format set out in Annex A to this Schedule.

8 Currency Requirement

8.1 In the event of the introduction of the Euro, on the basis of the Protocol on Certain Provisions Relating to the United Kingdom and Northern Ireland attached to the Treaty on European Union, within the UK or any part thereof, the Service Provider shall ensure that all invoices shall contain all amounts in both pounds Sterling and Euros as may be required by TfL.

8.2 The Service Provider shall incorporate protocols for dealing with rounding and currency conversion between pounds Sterling and Euros and vice versa, such protocols to be subject to the written agreement of TfL.

9 Presentation of Invoices

9.1 Invoices shall be presented to TfL on a monthly basis. The invoice for a particular month shall be received no later than five (5) Business Days after the date of the Performance Indicator Reports for the relevant month or by such other date as TfL shall specify.

9.2 The invoices must be addressed and delivered to:

Accounts Payable
Financial Services Centre
Transport for London
PO Box 50626
SW6 1YS

10 Supporting Documentation

10.1 Each invoice provided to TfL will be supported by any required documentation detailing performance and volumes during the month in accordance with

Schedule 11 (Contract Management and Reporting Procedure) and Schedule 5 (Service Level Agreement).

10.2 The amounts set out in each invoice will be fully reconcilable with the supporting documentation.

11 Examples

For the purpose of clarification and illustration only, worked examples of monthly charging are provided in Annex A of this Schedule. In the event that there is conflict between the examples and any other paragraphs in this Schedule or any other part of the Contract, the other paragraphs of this Schedule and the other parts of the Contract shall prevail, in accordance with Clause 1.7 (Precedence).

ANNEX A

Invoice [Operational Charge Example]

TfL	Invoice Date:	20/07/2010
Address	Invoice Number:	XXXXXX
	Authority Purchase	
	Order Ref:	TfL XXX

Schedule of Charges [Example]

Reference – Schedule 8

Monthly Operational Charge

Period From 01/06/2010 To: 30/06/2010

		Amount Sterling	£	Amount Sterling	£
Monthly Operational Charges [Note 2]		£ 20,000.00		£ 20,000.00	
Total Charges for the Month Excluding VAT				£ 20,000.00	
Total VAT				£ 3,500.00	
Total Amount Payable				£ 23,500.00	

Note 2: Amount to be supported by attached variable calculation report

SCHEDULE 9

Operational Pricing

1 Scope

This Schedule describes the process for calculating the monthly price payable to the Service Provider for the provision of the Services.

2 Operational Pricing

2.1 The Service Provider will be paid a variable monthly amount (the “**Operational Charge**”) calculated in accordance with Paragraph 2.4 below based on:

2.1.1 the volumes of the Processes listed and defined in Annex A of this Schedule carried out by Service Provider as part of the Services in accordance with the terms of this Contract (the “**Priced Processes**”); and

2.1.2 the volume of PCNs (regardless of Scheme) sent to the Service Provider which the Service Provider has successfully collected, paid and remitted in accordance with this Contract (the “**Commission Payments**”).

2.2 Annex A to this Schedule sets out the price which will be paid to the Supplier per Process completed each month.

2.3 Annex B to this Schedule sets out the price payable each month per PCN successfully paid and remitted to TfL. The price per PCN will vary depending on the percentage of PCNs successfully sent and Paid in Full each month from the Contract Commencement Date. The Price per PCN will also be pro-rated to the actual amount collected for any PCN for which only part Payment is received.

2.4 The Operational Charge due each for each month shall be calculated as the sum of:

2.4.1 The price for each Priced Process, multiplied by the number of relevant Priced Processes processed by the Service Provider in the relevant month (the “**Monthly Priced Process Charge**”); and

(i) The applicable Rank price per PCN successfully Paid in Full multiplied by the number of Payments in Full; and

(ii) the pro-rated Rank price for each PCN for which part Payment has been received (in accordance with Paragraph 2.4.3 below) multiplied by the relevant number of part Payments,

remitted to TfL (the “**Monthly Commission Charge**”) SAVE THAT, for the avoidance of doubt:

(A) if a Payment in Full is remitted to TfL in relation to a PCN in respect of which a pro-rated amount has become payable to the Service Provider pursuant to Paragraph 2.4.3, then the price

per PCN payable shall be reduced by such amount as has become payable pursuant thereto; and

- (B) if a Payment in Full is remitted to TfL in relation to a PCN in respect of which TfL has (pursuant to Paragraph 2.7 below) already agreed to pay the Service Provider the full price per PCN then no further amount shall be payable by TfL to the Service Provider in relation to such Penalty Charge pursuant to this paragraph 2.4.2(B);

2.4.2 (without prejudice to the obligations of the Service Provider set out in Clause 7.1 (Revenue Collection and Operational Charges) and Paragraph 4 of Schedule 12 (Revenue Collection and Payment)) where Payment in Full is not remitted to TfL in respect of any PCN, the price per PCN shall be pro-rated according to the actual amount remitted to TfL against the full value of the PCN (subject to Paragraph 2.5 and subject to there being no double recovery under paragraphs 2.4.2(A) and/or 2.4.2(B), of this Paragraph 2.4.3 and/or Paragraph 2.7);

2.5 The worked example set out in Paragraph 2.6 below shows, by way of example only, how the Operational Charge is calculated.

2.6 **Worked Example**

Monthly Commission Charge

If 200 PCNs are sent by the Service Provider in any one month, and 14 are paid in full the percentage of PCNs paid in full = $(14/200 \times 100) = 7\%$. 7% is Rank price 1 per PCN (i.e. **£TBC** per PCN).

Therefore, for the PCNs paid in full the Service Provider would receive:

Rank Price 1 (£TBC) x number of PCNs paid in full (14) = **£TBC**.

For partly paid PCNs:

If a Payment of £90 was remitted to TfL against a PCN with a value of £120, the price for this PCN would be calculated as follows:

$(1 \times (90/120)) \times \text{Rank Price 1} = \mathbf{£TBC}$.

If the remaining 185 Payments were Payments of £100 remitted to TfL against Penalty Charges of £130, the price for each of these PCNs would be calculated as follows:

$(10 \times (185/130)) \times \text{Rank Price 1} = \mathbf{£TBC}$.

In this scenario the total Monthly Commission Charge would be **£TBC**.

Monthly Priced Process Charge

If there was 50 Emission Registrations during the relevant month this would be $50 \times \text{£TBC} = \text{£TBC}$. If there was 40 Translations during the relevant month this would be $40 \times \text{£TBC} = \text{£TBC}$. If there were 5 Representations managed to completion in the relevant month this would be $5 \times \text{£TBC} = \text{£TBC}$. If there were 120 Enquiries received during the relevant month this would be $120 \times \text{£TBC} = \text{£TBC}$. In total this would be **£TBC**.

Total monthly Operational Charge

In the above example the total monthly Operational Charge would be: £TBC (total Monthly Commission Charge) + £TBC (total Monthly Priced Process Charge) = **£TBC**

- 2.7 If, without prejudice to the obligations of the Service Provider set out in Clause 7.1 (Revenue Collection and Operational Charges) and Paragraph 4 of Schedule 12 (Revenue Collection and Payment), a Payment which is not Payment in Full has been remitted to TfL pursuant thereto due to an error or omission of the relevant Person Liable or a third party or otherwise and the Service Provider notifies TfL of the same and provides all such information in relation thereto as TfL may request and requests that, for the purposes of this Schedule 9, such Payment constitutes Payment In Full, then TfL may (in its absolute discretion) notify the Service Provider that TfL agrees to the Service Provider being paid the full price for that PCN (and not the pro-rated element thereof pursuant to Paragraph 2.4.3 above), less any amount (if any) as has already been paid to the Service Provider in relation to the relevant PCN pursuant to paragraph 2.4.3, save that, for the avoidance of doubt, the Service Provider shall only cease Recovery Action in relation to the relevant PCN (as otherwise required in accordance with the terms of this Contract) if TfL agrees, in writing, to the same.
- 2.8 Where any price per PCN (or, pursuant to paragraph 2.4.3, pro rated element thereof) has been paid to the Service Provider and the relevant Payment in respect of which such price per PCN (or pro rated element of such price per PCN) relates has been refunded to a Person Liable, then the Service Provider shall reimburse the relevant price per PCN (or pro rated element thereof) to TfL within thirty (30) days of such Person Liable receiving such refund.

3 Operational Pricing Review

- 3.1 TfL shall be entitled to review the Operational Charges once during each year of the Term at any Strategic Review meeting, during which TfL reserves the right to negotiate a reduction in any part of the Operational Charges with the Service Provider.
- 3.2 Notwithstanding paragraph 3.1 above, in the event that the Service Provider remits to TfL Payment in Full for 25% or more of all PCNs sent to the Service Provider during any year of the Term, TfL may reduce the Price per PCN (as set out in Annex B to this Schedule) at any Strategic Review meeting following such year of the Term. Any such reduction in the Price per PCN shall become effective from the date of the Strategic Review meeting.

Annex A

Table 1 - Priced Processes

Process	Price per process
<p>Emission Registration Charge: being a charge for every LEZ compliance registration and ULEZ compliance registration processed via the Service Provider's website during the previous month (as detailed in Paragraph 6.3 and 6.4 of the Statement of Requirements).</p> <p>This fee is per registration processed and not per vehicle. Therefore bulk uploads will only be applicable to one charge and not per VRM.</p>	<p>██████████</p>
<p>Translation Service Charge: being the charge for all inbound and outbound enquiry correspondence TfL or the CSP requiring translation from the previous month, as set out in but not limited to paragraph 5.2 of the Statement of Requirements.</p> <p>The Translation Service Charge will charged at £TBC per word translated. If there are more than fifty (50) words in length, the charge for the translation of each such enquiry shall be a maximum of £TBC (i.e. if the document was only fifty (50) words in length).</p> <p>This charge shall not be applicable for any PCNs, notices or any outbound templates already agreed and translated by the Service Provider.</p> <p>This charge shall also not be applicable to representations, please see below for a description of this charge.</p>	<p>████████████████████</p> <p>████████████████████</p>
<p>Representation Charge: being a charge per Representation against a Penalty Charge Notice that has been fully dealt with and closed by the Service Provider during the previous month, as detailed in Paragraph 3.1 of the Statement of Requirements. This will be charged at £TBC per case, regardless of word length.</p>	<p>██████████</p>
<p>Enquiry Charge: being a charge per enquiry received which may be in relation to a PCN, LEZ or ULEZ registration submission, or the schemes, received and worked to closure by the Service Provider in the previous month (pursuant to this Contract) charged at £TBC per case, regardless of word length. Set out but not limited to the Statement of Requirements section 5.</p>	<p>██████████</p>

This charge will be per enquiry, regardless of the number of responses and/or follow up enquiries received from any person following their original enquiry.	
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Annex B

Table 2 – Commission Value per percentage of PCNs successfully remitted

Rank Number	Percentage of PCNs paid in full per month	Price per PCN paid in full
1	0 to 9.99%	████████
2	10 to 14.99%	████████
3	15 to 24.99%	████████
4	25% to 44.99%	████████
5	45% >	████████

SCHEDULE 10

Change Control Request Procedure and Changes

1 Introduction

1.1 This Schedule sets out:

1.1.1 the processes for requesting, considering and implementing Changes;

1.1.2 the types and categories of Change;

1.1.3 the basis of funding Changes made as a result of a Change in Law; and

1.1.4 the form to be used when ordering Additional Services.

2 Change Manager

2.1 TfL and the Service Provider shall each appoint a person to manage and act as the single point of contact for the other Party in relation to Changes and the Change Control Request Procedure (the “**Change Manager**”).

2.2 The Service Provider shall ensure that it makes available sufficient resources in order to respond promptly to TfL’s Change Control Requests in accordance with this Contract.

2.3 The Service Provider shall maintain adequate resources in order to support any requested or required Change at its own cost.

3 Types of Change, Parameter Change and Additional Services

3.1 Changes to the terms and conditions of this Contract or which impact on the operation of the Services shall be categorised as either:

3.1.1 a General Change, which TfL or the Service Provider shall be entitled to propose in accordance with paragraph 7 or 8 of this Schedule, as applicable; or

3.1.2 a Mandatory Change, which TfL shall be entitled to propose in accordance with paragraph 9 of this Schedule.

3.2 TfL shall be entitled to require the Service Provider to provide Additional Services on occasions. The process for documenting the terms and conditions of the Additional Services to be provided shall be conducted in accordance with the procedure for a General Change, as set out in paragraph 7 of this Schedule, and the other paragraphs of this Schedule shall apply thereto, *mutatis mutandis*,

provided that the Service Provider shall not be entitled to decline to provide such Additional Services, other than in accordance with paragraph 7.4 of this Schedule.

3.3 Changes to be made by the Service Provider to the Services, which have no impact on any of:

3.3.1 the terms and conditions of this Contract;

3.3.2 the delivery of the Services;

3.3.3 TfL;

3.3.4 one or more of the Schemes;

3.3.5 any Other Service Provider; or

3.3.6 any other third party,

("Internal Changes"), shall be subject to the provisions of paragraph 10 of this Schedule.

4 Change Request Process – General Principles

4.1 The Service Provider and TfL shall conduct discussions relating to any proposed Changes in good faith.

4.2 The Service Provider shall ensure that, if requested by TfL, the appointed Change Manager attends every Review Meeting and presents:

4.2.1 a complete list and detailed description of all outstanding, new and anticipated:

4.2.1.1 Change Control Requests which relate to Additional Services and which relate to Changes; and

4.2.1.2 Internal Changes raised by the Service Provider,

together with details as to when each Change Control Request or Change that was issued or is to be issued and their current status; and

4.2.2 a report on resources deployed in relation to Changes during the period since the previous Review Meeting including such detail as TfL may reasonably request.

4.3 The Service Provider shall prioritise Change Control Requests and Internal Changes as TfL may require, acting reasonably, on the basis that any prioritised Change Control Requests and Internal Changes must serve to assist and improve the overall operation of the Services.

- 4.4 The Service Provider will use its reasonable endeavours to suggest Changes on occasions that would result in a benefit to TfL.
- 4.5 Change Control Requests submitted in accordance with this Schedule shall be in the format set out in Annex B (Change Control Request Form).
- 4.6 Impact Assessments submitted in accordance with this Schedule shall be in the format set out in Annex D (Impact Assessment Form).
- 4.7 Until such time an amendment to the Contract is authorised in accordance with the Change Control Request Procedure, the Service Provider and TfL shall, unless otherwise agreed in writing, continue to perform their respective obligations under the Contract as if the Change giving rise to such amendment had not been requested.
- 4.8 Any discussions which take place between TfL and the Service Provider in connection with a Change before the authorisation of a resultant amendment to the Contract shall be without limitation to the obligations, and without prejudice to the rights or remedies of each party under this Contract (and, in the case of rights and remedies, under common law or in equity).
- 4.9 The Service Provider shall not commence any new work in connection with Changes (or any other piece of work) until a Change Authorisation has been issued pursuant to the provisions of this Schedule. The Service Provider agrees that it shall not be relieved of any of its obligations as a result of TfL considering or refusing any Change Control Request nor shall TfL's rights or remedies (under this Contract, under common law or in equity) be prejudiced or affected in any way by such consideration or refusal.
- 4.10 The Service Provider shall not unreasonably withhold or delay its consent to any proposed Change Control Request.
- 4.11 All time periods set out in this Schedule may, in respect of a particular Change Control Request, be changed from time to time if the Service Provider and TfL expressly in writing agree.

5 Milestones, Testing and Payment

- 5.1 TfL shall be entitled to specify in the Change Control Request high level Milestone Achievement Criteria and Milestones, if appropriate, for the proposed Change.
- 5.2 The Service Provider shall provide proposed low level Milestone Achievement Criteria, if appropriate, as part of any relevant Impact Assessment, for approval by TfL.
- 5.3 TfL shall be under no obligation to commence payment in respect of the relevant Change until such time as any required testing has been successfully completed and TfL is satisfied that the Change has been successfully implemented and approved.

6 Charging for Changes

- 6.1 The pricing of any Changes (if applicable) shall be determined in accordance with Annex C to this Schedule.
- 6.2 Subject to paragraphs 5.3, 6.3, 6.4, 6.5, 6.6 and 11 of this Schedule, on issue by TfL of a relevant Change Authorisation and production of an appropriate serially numbered amendment to this Contract in accordance with this Schedule, payment shall be made provided that such payment is not expressly prohibited under this Contract.
- 6.3 Activity associated with the re-configuration of the Service Provider's systems in respect of any or all of the elements set out in Annex A to this Schedule (each a "**Parameterised Change Element**") resulting from, or forming the subject of, a Change, shall not attract any cost unless otherwise expressly agreed by TfL and the Service Provider shall not request any amount for any Parameterised Change Element within the scope set out in that Annex A (or for any other item or thing expressly prohibited under this Contract).
- 6.4 Without prejudice to paragraph 11 (Costs of Changes in Law), any Changes to TfL Business Rules shall not attract any cost unless such changes have a material impact on the Service Provider's costs of performing the Services.
- 6.5 Any changes to templates or standard text to be used for Warrants, information leaflets or Correspondence shall not attract any cost.
- 6.6 The design, development and implementation of the Interfaces shall not attract any cost.

7 General Change Proposed by TFL

- 7.1 TfL shall be entitled to request a General Change in accordance with this paragraph 7. In relation to such requested General Change, unless and until a written Change Authorisation has been executed by the authorised representative of TfL and accepted by the Service Provider in accordance with the provisions of this paragraph 7, the Service Provider shall, unless otherwise expressly agreed in writing, continue to supply the Services in accordance with the existing terms of this Contract.
- 7.2 If TfL wishes to request a General Change, it shall serve on the Service Provider a Change Control Request setting out:
- 7.2.1 TfL's reasons for proposing the General Change;

- 7.2.2 sufficient details of the General Change to enable the Service Provider to provide an Impact Assessment;
 - 7.2.3 the date by which TfL wishes the General Change to be implemented and the dates of proposed Milestones (if any); and
 - 7.2.4 any dates by which a decision or response is critical.
- 7.3 As soon as reasonably practicable and in any event within the periods set out below the Service Provider shall either deliver to TfL:
- 7.3.1 an Impact Assessment in accordance with paragraph 7.7 within twenty (20) Business Days of receipt of the Change Control Request, or
 - 7.3.2 subject to paragraph 7.4, issue a notice setting out in detail the grounds on which the Service Provider objects to the proposed General Change (an “**Objection Notice**”).
- 7.4 The Service Provider shall only be entitled to object to a Change Control Request relating to a General Change to the extent it can demonstrate to TfL’s reasonable satisfaction that the General Change would, if implemented, contravene any law.
- 7.5 Objections shall be dealt with as follows:
- 7.5.1 if TfL disagrees with the objections raised by the Service Provider in the Objection Notice, the Service Provider and TfL shall meet with a view to establishing whether the Service Provider’s objections are valid;
 - 7.5.2 if, within ten (10) Business Days of receipt by TfL of any Objection Notice, the validity or otherwise of the Service Provider’s objections remain to be agreed, the question of validity shall be dealt with in accordance with clause 34 of the Contract (Dispute Resolution); and
 - 7.5.3 if TfL agrees with the objections in the Objection Notice and this is notified to the Service Provider in writing, or it is determined by the procedure set out in clause 34 of the Contract (Dispute Resolution) that the objections in the Objection Notice are valid, the relevant Change Control Request shall be deemed to be withdrawn.
- 7.6 If, following receipt of an Objection Notice, it is agreed in writing by TfL and the Service Provider or determined by the procedure set out in clause 34 of the Contract (Dispute Resolution) that the objections in an Objection Notice are not valid the Service Provider shall deliver to TfL an Impact Assessment in accordance with paragraph 7.7 within twenty (20) Business Days, of the date of such agreement or determination.
- 7.7 The Impact Assessment shall include the following:

- 7.7.1 sufficient details of the Change (including an estimate of the costs or savings of implementing the Change);
- 7.7.2 information and details of any interfaces required in connection with the proposed Change;
- 7.7.3 a detailed cost/benefit and risk/reward analysis of the Change;
- 7.7.4 any amendment required to this Contract as a result of the Change;
- 7.7.5 any impact or possible impact of (including without limitation all risks and possible issues associated with or resulting from) the Change on:
 - 7.7.5.1 the provision of the Services or the Service Provider's ability to comply with its obligations under this Contract;
 - 7.7.5.2 any Milestone Date which will or is likely to be affected;
 - 7.7.5.3 the Operational Commencement Date (if appropriate);
 - 7.7.5.4 the Statement of Requirements; and/or
 - 7.7.5.5 the systems of Other Service Providers and/or third parties, as applicable.
- 7.7.6 confirmation that:
 - 7.7.6.1 the Impact Assessment has been drawn up in accordance with the pricing principles set out in Annex C to this Schedule;
 - 7.7.6.2 there has been no material omission or inaccuracy in the facts and pricing assumptions provided by it, on which any proposed payments are based, and which are set out or referenced in the Impact Assessment; and
 - 7.7.6.3 in estimating the costs on which any proposed payments are based it has complied with best accountancy and financial accounting practice,in each case unless this Contract expressly prohibits any additional costs or expenses for TfL;
- 7.7.7 the proposed timescale for implementation of the Change (having regard to any information provided by TfL pursuant to paragraphs 7.2.3 and 7.2.4) and the steps and measures (in as much detail as practicable in the circumstances) that the Service Provider intends to take in order to implement the Change, including:

- 7.7.7.1 the details of any date or dates by which any decision by TfL is critical;
- 7.7.7.2 an outline of the Service Provider's detailed obligations;
- 7.7.7.3 the programme for implementing the Change and any Milestones;
- 7.7.7.4 the commencement date of the Change; and
- 7.7.7.5 any proposed date for acceptance; and

7.7.8 any Parameterised Change Elements forming part of the Change.

7.8 Following receipt of the Impact Assessment by TfL:

7.8.1 as soon as practicable after TfL receives the Impact Assessment, the Service Provider and TfL shall discuss, further develop and attempt to agree in writing and finalise the Impact Assessment (including pricing and payment if applicable);

7.8.2 in the discussions referred to in paragraph 7.8.1, the Service Provider shall:

7.8.2.1 provide evidence that the Service Provider has used all reasonable endeavours (including, where practicable, the use of competitive quotes) to oblige its sub-contractors to minimise any increase in costs and maximise any reduction in costs;

7.8.2.2 demonstrate how any expenditure to be incurred or avoided is being measured in a cost effective manner, including showing that when such expenditure is incurred, foreseeable changes in Law at that time have been taken into account by the Service Provider; and

7.8.2.3 demonstrate that any expenditure that has been avoided, which was anticipated to be incurred to replace or maintain assets that have been affected by the General Change, has been taken into account in the Impact Assessment;

7.8.3 as a result of the Impact Assessment or discussions, TfL may revise or withdraw the Change Control Request relating to the General Change. Following the receipt of any revised Change Control Request, the Service Provider shall as soon as practicable notify TfL of any revisions to the Impact Assessment; and

7.8.4 if the Service Provider and TfL cannot agree on the contents of the Impact Assessment after a period of twenty (20) Business Days following the date of the first meeting to discuss the Impact Assessment or, if the Service Provider is required to notify TfL of any revisions to the Impact Assessment,

a period of twenty (20) Business Days following the date of receipt by TfL of such notification, the matters in dispute shall be determined in accordance with clause 34 of the Contract (Dispute Resolution).

7.9 Within twenty (20) Business Days of an Impact Assessment being agreed or determined pursuant to paragraph 7.8, TfL shall:

7.9.1 issue to the Service Provider a Change Authorisation requiring the Service Provider to implement the Change in accordance with the Impact Assessment, as so agreed or determined; or

7.9.2 notify the Service Provider that TfL is withdrawing the relevant Change Control Request.

7.10 Upon receipt of the Change Authorisation, the Service Provider shall promptly produce a serially numbered amendment to the Contract, such amendment detailing the terms of the Impact Assessment, as agreed or determined pursuant to paragraph 7.8 (including but not limited to all necessary amendments to the Contract and related documentation required as a result of the implementation of the Change).

7.11 The Service Provider shall as soon as practicable, following issue of the amendment in accordance with paragraph 7.10, implement the relevant General Change in accordance with the terms of the Impact Assessment, as agreed or determined pursuant to paragraph 7.8.

8 General Change Proposed by the Service Provider

8.1 The Service Provider shall be entitled to request General Changes in accordance with this paragraph 8. In relation to each such requested General Change, unless and until a written Change Authorisation has been issued by TfL and accepted by the Service Provider in accordance with the provisions of this paragraph 8, the Service Provider shall, unless otherwise expressly agreed in writing by TfL, continue to supply the Services in accordance with the existing terms of this Contract.

8.2 If the Service Provider wishes to propose a General Change, the Service Provider shall provide to TfL a Change Control Request together with an Impact Assessment relating to such requested General Change. Such Impact Assessment shall contain the detail set out in paragraph 7.7 and unless agreed otherwise by TfL at TfL's absolute discretion, the cost of preparation of such Impact Assessment shall be borne by the Service Provider.

8.3 Upon receipt of a Change Control Request and Impact Assessment from the Service Provider in accordance with paragraph 8.2 above, the provisions of paragraph 7.8 shall apply, *mutatis mutandis*.

8.4 Within twenty (20) Business Days of an Impact Assessment being agreed or determined pursuant to paragraph 8.3, TfL shall:

8.4.1 issue to the Service Provider a Change Authorisation requiring the Service Provider to implement the General Change in accordance with the Impact Assessment, as so agreed or determined; or

8.4.2 notify the Service Provider that it is rejecting the Change Control Request.

8.5 For the avoidance of doubt, TfL shall not be required to pay the Service Provider any amounts (including costs and expenses) which the Service Provider may have incurred in the preparation of the Change Control Request or the Impact Assessment, unless otherwise agreed by TfL at its absolute discretion.

8.6 Upon notice of a Change Authorisation being issued by TfL the provisions of paragraphs 7.10 and 7.11 shall apply in respect of the General Change (*mutatis mutandis*).

9 Mandatory Changes

9.1 TfL shall be entitled to request a Mandatory Change in accordance with this paragraph 9.

9.2 If the Service Provider reasonably believes that a Mandatory Change is required at any time it shall promptly inform TfL in writing.

9.3 Subject to paragraph 9.4:

9.3.1 the provisions of paragraphs 7.2, 7.3, and 7.7 to 7.11 (inclusive) of this Schedule shall apply in respect of any Mandatory Change required as a result of a Change in Law, *mutatis mutandis*, provided always that:

9.3.1.1 the Service Provider shall not be entitled to object to such a Mandatory Change pursuant to paragraph 7.3; and

9.3.1.2 in addition to the matters listed in paragraph 7.8.2, the Service Provider shall be required at the same time to provide evidence to TfL of how the relevant Change in Law has affected prices charged or costs incurred by contractors providing services similar to the Services, including (where relevant) any sub-contractors; and

9.3.2 the provisions of paragraphs 7.2, 7.3, 7.7 and 7.10 to 7.11 (inclusive) of this Schedule shall apply in respect of any Mandatory Change required as a result of an Emergency, *mutatis mutandis*, provided however that:

9.3.2.1 the Service Provider shall have regard to the urgency of the circumstances and the Impact Assessment to be delivered to TfL under paragraph 7.3.1 shall be delivered within two (2) Business Days of receipt of the Change Control Request;

9.3.2.2 within three (3) Business Days of receipt by TfL of the relevant Impact Assessment, the Service Provider and TfL shall discuss, further develop and attempt to agree and finalise on a fair and reasonable basis (including as regards payment unless this Contract expressly prohibits any additional costs or expenses for TfL) the matters set out in that Impact Assessment having regard to any action taken and costs incurred by the Service Provider and any further payments made by TfL since its issue, and when such matters are agreed TfL shall issue to the Service Provider a Change Authorisation requiring the Service Provider to implement the Change in accordance with the Impact Assessment, as so agreed;

9.3.2.3 if the Service Provider and TfL cannot agree the contents of the Impact Assessment within fifteen (15) Business Days of receipt by TfL of the relevant Impact Assessment, TfL may:

- 1) allow the Service Provider and TfL to discuss the matter for a further period of no more than five (5) Business Days to attempt to agree the issues set out in the relevant Impact Assessment; or
- 2) instruct the Service Provider to cease the implementation of the Mandatory Change and notify the Service Provider that TfL is withdrawing the relevant Change Control Request;

9.3.2.4 if the Service Provider and TfL cannot agree the contents of the Impact Assessment during the time period described in paragraph 9.3.2.2 above and TfL does not withdraw the relevant Change Control Request, the matter shall be determined in accordance with clause 34 of the Contract (Dispute Resolution).

9.3.3 the provisions of paragraphs 7.2 to 7.11 (inclusive) of this Schedule shall apply in respect of any other Mandatory Change, *mutatis mutandis*.

9.4 The Service Provider shall at all times promptly carry out the implementation of a Mandatory Change in accordance with TfL's directions, notwithstanding that the price or any other details contained in Impact Assessment have not been agreed or determined pursuant to paragraph 9.3.

10 Internal Changes

10.1 The Service Provider shall provide to TfL at each Review Meeting a complete list of any Internal Changes planned by the Service Provider to be implemented over the four (4) months following that meeting, or more frequently as TfL may require from time to time. If for any reason any Review Meeting is not held, the Service

Provider shall provide such information to TfL on or before the date that the relevant Review Meeting was to have been held.

- 10.2 TfL shall be entitled to require the Service Provider not to implement any or all proposed Internal Changes.
- 10.3 The Service Provider shall comply with all reasonable requests of TfL relating to the prioritisation and/or scheduling of Internal Changes.
- 10.4 The Service Provider shall conduct such tests and shall create all appropriate test reports and other documentation appropriate to confirm the successful implementation and completion of Internal Changes and shall conduct all relevant testing to confirm that Internal Changes are successful. The Service Provider shall promptly produce copies of all documentation referred to in this paragraph to TfL upon request.
- 10.5 All costs associated with the proposal, testing and implementation of Internal Changes shall be borne by the Service Provider.

11 Costs of Changes In Law

The Service Provider shall be responsible for all costs incurred by the parties in complying with their obligations under this Contract as a result of, or in relation to, a Change in Law.

Annex A

Parameterised Change Elements

- 1 Parameterised Change Elements will not be hard-coded into the Service Provider's systems. They will be stored centrally, for example in parameter tables, and be configurable by non-IT personnel. This will allow the Parameterised Change Elements to be varied by value and variety using a parameter driven configuration approach. Wherever reasonably practicable, the Service Provider will make use of Parameterised Change Elements to facilitate future Changes to the Services.
- 2 The Parameterised Change Elements will include but not be limited to:
 - 2.1 monetary amounts;
 - 2.2 percentage values;
 - 2.3 dates;
 - 2.4 times; and
 - 2.5 time periods (provided that any associated work directly arising from changes to such periods, which has a material impact on the Services, shall not be a Parameterised Change Element).

Annex B

Change Control Request Form (CCR) Applicable to All Change Control Requests

CC&TE CHANGE CONTROL REQUEST (please attach any supporting documentation)				
Enforcement Agent's Services Agreement				
TfL Budget Code (allocated by TfL Commercial)		CCR No. (allocated by TfL Ch M)		CCR Version No. (allocated by TfL Ch M)
CHANGE TITLE				
Originating Organisation/Team		Work Area(s) Affected		No. of Attachments
Contract requirement or contract reference amended by this change				
Description of proposed change (assumption, requirement, procedure, programme)				
Acceptance Criteria (factors to be tested at acceptance stage)				
Parties consulted (internal and external individuals / groups)				
Reason for change (drivers, objectives, success criteria)				
Potential Benefits (include cost savings, benefits to other work areas, improved customer satisfaction)				
Date that change is required (provide a calendar date if possible and the effect if this date is not met)				
Alternatives considered (including "do nothing" scenario)				
Impact Assessment Requirements (specific, in addition to cost, programme, technical, operational)				
Agreed Milestone Dates (if any)				
CCR Sign Off (Pre Impact Assessment)	Originator		Date	
	TfL Team Leader		Date	
	TfL Change Man.		Date	
CCR Authorisation (Post Impact Assessment)	IAF Ref. No.		Date	
	TfL Team Leader		Date	
	TfL Commercial		Date	

Annex C

Principles to Apply to the Pricing of Changes to this Contract

This Annex sets out the principles to apply to quotations for Impact Assessments and the determination of any payment to the Service Provider relating to a Change.

1 General Principle

Where any payment to be made by TfL to the Service Provider in respect of the Services is governed or by any law then the amount payable by TfL shall be calculated in accordance with, and shall not exceed any amount prescribed by such law.

2 General – Supporting Documentation

When preparing estimates and/or quotations in respect of Changes the Service Provider shall at all times support such estimates and/or quotations with comprehensive and detailed figures and records, including disclosure of the assumptions underlying such estimates and/or quotations. Without prejudice to the generality of the foregoing, the extent of such disclosure shall be sufficient for TfL to verify to its own reasonable satisfaction that the costs to be incurred are relevant and necessary.

ANNEX D

Impact Assessment Form (IAF) Applicable to All Change Control Requests

IMPACT ASSESSMENT FORM (please attach any supporting documentation)			
Enforcement Agent's Services Agreement			
CCR No. (allocated by TfL ChM)		CCR Version No. (allocated by TfL ChM)	
		IAF Version No. (allocated by TfL ChM)	
Assessing Team		No. of Attachments	
IMPACTS (All impacts)			
Programme Impact (anticipated delivery timescales)			
Cost Impact (including lump sum, periodic payments and / or percentage of revenue)			
Technical Impact (including change type: application, operational, contract)			
Operational Impact (including any factors relating to testing / acceptance regime)			
Impact on LEZ			
Any Other Impacts And / Or Risks (including mitigations for any risks identified)			
Documents (Identify all changes to Contract and / or Design documents)			
Dependencies And Assumptions			
Recommendation (to be completed by Service Provider) Accept and proceed to IAF / Reject / Defer			
Signed (Assessor)		Dated (Assessor)	
Signed (Team Leader)		Dated (Team Leader)	
Logged By (TfL Ch M)		Dated (TfL Ch M)	

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SCHEDULE 11

Contract Management and Reporting Procedure

1. Scope and Definitions

1.1 This Schedule sets out:

1.1.1 contract management procedures; and

1.1.2 the reporting requirements with which the Service Provider shall comply.

1.2 The objective of this Schedule is to ensure that a successful working relationship is maintained that will enable:

1.2.1 the implementation of the Services in a timely manner and in any event in accordance with the timescales required under this Contract; and

1.2.2 TfL to monitor the Service Provider's performance of the Services.

2. Representatives

2.1 The Service Provider shall appoint a contract manager, with prime responsibility for the Service Provider's provision of the Services and the management of the Contract (the "**Service Provider's Contract Manager**").

2.2 TfL shall appoint a project manager who shall be responsible for administering the Contract on behalf of TfL during the Implementation Phase and who may delegate his or her duties as he or she deems appropriate ("**TfL's Project Manager**").

2.3 TfL shall appoint a contract manager who shall be responsible for administering the Agreement on behalf of TfL during the Operational Phase and who may delegate his or her duties as he or she deems appropriate ("**TfL's Contract Manager**").

2.4 The name and contact details of TfL's Project Manager, the Service Provider's Contract Manager and TfL's Contract Manager as at the Contract Commencement Date are set out in Schedule 1 (Key Contract Information).

2.5 The Service Provider shall not change the Service Provider's Contract Manager without first obtaining TfL's written consent to the proposed replacement, such consent not to be unreasonably withheld or delayed. If such approval is given, the Service Provider shall replace such person with a person of at least equal skill and experience.

3. Project Management

3.1 A project review group will be set up consisting of the Service Provider's Contract Manager, TfL's Project Manager and such other persons as may be agreed between the Service Provider and TfL from time to time (the "**Project Review Group**").

3.2 The Project Review Group's responsibilities will include, but not be limited to:

- 3.2.1 review of the Incident Log and resolution of Escalated Incidents;
 - 3.2.2 review of the risks and issues register and the resolution of issues and mitigation of risks;
 - 3.2.3 monitoring of progress against the Implementation Plan; and
 - 3.2.4 reviewing the level of the Service Provider's resources.
- 3.3 The Project Review Group will meet weekly in London during the Implementation Phase or at such other period or venue as may be agreed between the Service Provider and TfL (each such meeting being a "**Project Review Meeting**"). Minutes will be taken by TfL and circulated for review. The minutes shall include an action log detailing actions for either the Service Provider or TfL as agreed at the Project Review Meeting. Such actions shall only be deemed closed when the parties have agreed them to be closed at a Project Review Meeting or expressly in writing.
- 3.4 In the event that the Service Provider's Contract Manager is unable to attend a Project Review Group Meeting, such meeting shall be attended by a representative of the Service Provider:
- 3.4.1 who shall be an equivalent of, or more senior member of, the Service Provider Personnel than the Service Provider's Contract Manager; and
 - 3.4.2 whose identity shall be communicated to, and agreed by, TfL prior to the meeting.
- 3.5 Unless expressly agreed in writing to the contrary by TfL and the Service Provider, the decisions taken by, actions of and any failure to act by, the Project Review Group shall not in any way relieve the Service Provider of any of its obligations under this Contract nor shall they constitute a Change or grounds for a Change Request or make TfL responsible for any additional cost or expense or create any liability on TfL.
4. **Review Meetings**
- 4.1 Within 5 Business Days after the end of each month following the Operational Commencement Date, or such other period as may be agreed between the parties, a review meeting shall be held between TfL's Contract Manager and the Service Provider's Contract Manager (each such meeting being a "**Review Meeting**") to:
- 4.1.1 review the most recent Reports, including the Performance Indicator Report;
 - 4.1.2 review the Service Provider's performance of the Services against the Acceptable Service Levels;
 - 4.1.3 review the complaints log and seek to determine any outstanding complaints;
 - 4.1.4 review the Incident Log, resolve any Escalated Incidents and identify any measures required by TfL to prevent the re-occurrence of any Incidents which arose or occurred in the period since the previous Review Meeting;

- 4.1.5 identify any measures required by TfL to improve the Service Provider's performance of the Services; and
 - 4.1.6 in accordance with Clause 38 (Dispute Resolution Procedure), to identify any disputes between the parties and to seek to resolve them.
- 4.2 TfL's Contract Manager shall chair each Review Meeting and all decisions reached and actions agreed at each Review Meeting shall be recorded in writing by the TfL's Contract Manager, issued to the Service Provider's Contract Manager within 48 hours of the Review Meeting and signed by both parties.
5. **Strategic Review**
- 5.1 Strategic review meetings (each such meeting being a "**Strategic Review Meeting**") shall be held between the Service Provider and TfL. The frequency of the Strategic Review Meetings may be varied by mutual agreement subject to a minimum requirement of one Strategic Review Meeting within every six (6) months throughout the Term.
- 5.2 Strategic Review Meetings shall be the forum for, but not limited to, the review by the Service Provider and TfL at the senior operational management level of:
- 5.2.1 Escalated Incidents;
 - 5.2.2 Escalated risks;
 - 5.2.3 major business Changes;
 - 5.2.4 significant commercial, legal and media issues; and
 - 5.2.5 opportunities for improvement in the delivery of the Services.
- 5.3 The Strategic Review meetings will be attended by:
- 5.3.1 the Service Provider Personnel with overall responsibility for this Contract;
 - 5.3.2 the Service Provider's operations lead;
 - 5.3.3 TfL's operations lead;
 - 5.3.4 the Service Provider's Contract Manager;
 - 5.3.5 TfL's Project Manager or Contract Manager (as appropriate); and
 - 5.3.6 such other persons as the parties may agree or TfL shall reasonably require.
- 5.4 Strategic Review Meetings shall:
- 5.4.1 take place at TfL's offices unless otherwise agreed in advance; and
 - 5.4.2 be minuted by TfL.
- 5.5 The minutes of each Strategic Review Meeting shall:

- 5.5.1 include an action log detailing actions to be undertaken by the Service Provider and TfL as agreed at the Strategic Review Meeting. Such actions shall only be deemed closed when the parties have agreed them to be closed at a Strategic Review Meeting or expressly in writing; and
- 5.5.2 be provided by TfL's Project Manager or Contract Manager (as appropriate) to the Service Provider within five (5) Business Days of the relevant meeting. The minutes of the preceding Strategic Review Meeting shall be agreed and signed on behalf of both the Service Provider and TfL at each Strategic Review Meeting.

5.6 At each Strategic Review Meeting, the Service Provider shall provide and present information, reports and documents (with such content and in such format and style as TfL may require) relating to the provision of the Services.

6. **Performance Indicator Reporting**

6.1 The Service Provider shall provide a Performance Indicator Report each month to TfL at or before the Review Meeting in accordance with the Report Specifications as approved by TfL.

6.2 The Performance Indicator Report shall report on the following:

6.2.1 the Service Provider's performance in respect of the Performance Indicators set out in Schedule 5 (Service Level Agreement); and

6.2.2 the Service Provider's performance in respect of any additional Performance Indicators as may be required from time to time pursuant to Schedule 5 (Service Level Agreement) and/or Schedule 10 (Change Control Request Procedure and Changes).

6.3 If TfL or the Service Provider identifies any errors, omissions or discrepancies in the Performance Indicator Report the Service Provider shall promptly correct such errors, omissions or discrepancies and republish the Performance Indicator Report within two (2) Business Days of such errors, omissions or discrepancies being identified, or such other period as the parties may expressly in writing agree.

7. **Incident Reporting**

7.1 The Service Provider shall promptly:

7.1.1 identify all Incidents that come to its attention, whether raised by the Service Provider Personnel, by the Core Service Provider or by TfL, as a result of or in connection with Testing and/or during the provision of the Services;

7.1.2 record the Incident in the Incident Log (which, in the case of a Security Incident, shall be no later than four (4) hours after it came to the Service Provider's attention) and prepare an Incident report in relation thereto in such format as TfL may require from time to time; and

7.1.3 classify any Incident arising (whether raised by TfL or the Service Provider) as one of the categories set out in paragraph 7.2 and record this classification in the Incident Log.

- 7.2 Incidents shall be classified as either:
- 7.2.1 An Error, which shall be logged in the Incident Log and shall identify the Severity Level applicable to it and shall be resolved by the Service Provider at its cost; or
 - 7.2.2 a Service Issue, which shall be logged in the Incident Log, shall identify the relevant Severity Level applicable to it and which shall be resolved by the Service Provider at its cost; or
 - 7.2.3 a Security Incident, which shall be logged in the Incident Log, shall identify the relevant Severity Level applicable to it and which shall be resolved by the Service Provider at its cost; or
 - 7.2.4 an incident which does not fall within paragraphs 7.2.1 to 7.2.3 and therefore should be closed.
- 7.3 The Service Provider shall follow TfL's reasonable instructions in relation to the identification and resolution of Incidents (including the classification of an Incident and the classification of the Severity Level in respect of an Error, Security Incident or Service Issue, as appropriate) and the recording of Incidents.

8. **Other Reporting Requirements**

- 8.1 The Service Provider shall provide the reports detailed under this paragraph 8.
- 8.2 The Service Provider shall also provide TfL with any other ad hoc reports required upon request from TfL and at no additional cost to TfL. This will only apply where part or all of the data required is not available in the reports detailed under this paragraph 8.
- 8.3 The Service Provider shall deliver new ad hoc reports to TfL within forty eight (48) hours of TfL's request for the same, unless otherwise agreed with TfL (for example where an urgent ad hoc report is required more quickly or where the Service Provider can reasonably demonstrate that due to the complexity of the ad hoc report it requires more time for delivery).
- 8.4 The Service Provider shall produce functional specifications for each of the reports detailed under this paragraph 8. The Service Provider shall ensure that the proposed features and specifications are approved by TfL prior to being implemented and when submitting these for approval shall include explanations of how the reports are constructed, including:
- 8.4.1 the source of the data used within the report;
 - 8.4.2 the logic and approach used to obtain the data used within the report;
 - 8.4.3 any constraints or exclusions applied to the data used within the report;
 - 8.4.4 any transformation applied to the data used within the report, including calculations and business rules applied to the data;
 - 8.4.5 the presentation of the data used in the report;
 - 8.4.6 the process and tools used to generate the report; and

- 8.4.7 any input parameters to the report and report frequency if generated automatically.
- 8.5 Upon request by TfL, the Service Provider shall provide the underlying data and detailed calculations used to produce any Report.
- 8.6 The Service Provider shall provide a monthly report to TfL on contact centre efficiency (the "**Monthly Contact Centre Report**"), including:
- 8.6.1 number of calls received;
 - 8.6.2 number of calls answered;
 - 8.6.3 a breakdown of calls received by category (e.g. enquiry, payment, etc.);
 - 8.6.4 average call answering times, including a breakdown of system answering times and call operative answering times; and
 - 8.6.5 average call handling times, by category.
- 8.7 The Service Provider shall provide a weekly report to TfL on case progression (the "**Weekly Paid Case Report**"), including:
- 8.7.1 total Cases received by Scheme;
 - 8.7.2 total Cases where there has been Payment in Full by Scheme;
 - 8.7.3 total Cases where there has been Payment but which is not Payment in Full by Scheme;
 - 8.7.4 total Cases Returned, by Scheme;
 - 8.7.5 total Cases withdrawn by Scheme; and
- 8.8 The Service Provider shall provide a weekly report on Escalations (the "**Weekly Escalation Report**"), including:
- 8.8.1 a list of all cases that have been Escalated, including the reasons for Escalation; and
 - 8.8.2 a list of all cases currently under dispute which are likely to be Escalated.
- 8.9 The Service Provider shall provide a monthly report on complaints received (the "**Monthly Complaint Report**"), including:
- 8.9.1 total number of complaints received by month/year;
 - 8.9.2 total number of complaints received by Notice stage;
 - 8.9.3 details of the outcome of complaints;
 - 8.9.4 details of action taken to resolve complaints; and
 - 8.9.5 details of action planned or taken to prevent future complaints of a similar nature; and

8.9.6 details of the Service Providers own quality checks on the accuracy of the Correspondence being sent back to Person(s) Liable. The accuracy should reflect answering the Person(s) Liable's queries and complaints. For the avoidance of doubt, the details should reflect the number of Correspondence found to be insufficient in answering queries and complaints.

8.10 The Service Provider shall provide a monthly Paid Cases report (the "**Monthly Paid Cases Report**"), including:

8.10.1 total Cases collected, by month/year and Scheme;

8.10.2 total Cases collected at stage of the Notice Processing Procedure, by month/year and Scheme;

8.10.3 any overpayments received by the Service Provider, by month/year and Scheme; and

8.10.4 any Unallocated Payments linked to TfL cases or debt.

8.11 The Service Provider shall provide a monthly On Hold report (the "**Monthly On Hold Report**"), including:

8.11.1 all Cases On Hold;

8.11.2 total number of days all Cases that are On Hold.

8.12 The Service Provider shall provide a quarterly settlement report on certain cases selected by TfL which shall be sent by the CSP or TfL for reconciliation purposes (the "**Quarterly Case Settlement Report**"). Once in receipt of the Quarterly Case Settlement Report for each quarter the Service Provider shall confirm the following details with either a yes or a no:

8.12.1 case status displayed on the Non UK Electronic Interface (i.e. Payment in Full, part Payment, part Payment more expected, value remitted; and

8.12.2 case open or closed.

8.13 The Service Provider shall provide a weekly escalation report detailing all cases that have been escalated to TfL in accordance with Annex B (TfL Business Rules of Schedule 2 (Statement of Requirements) only (the "**Weekly Business Rules Escalation Report**") which shall include the following:

8.13.1 PCN number;

8.13.2 Person Liable's name;

8.13.3 make and model of vehicle;

8.13.4 dates of all Correspondence; and

8.13.5 reason category for the escalation,

9. **Health and Safety Reporting Requirements**

9.1 The Supplier shall provide health and safety performance data in accordance with

the requirements and timescales notified by the TfL. This information may include, but not be limited to the following:

- 9.1.1 Number and details of incidents;
- 9.1.2 Number of hours worked by individuals; and
- 9.1.3 Results of monitoring activities relating to their own organisation and any sub-contractors employed.

SCHEDULE 12

Revenue Collection and Payment

1 Scope

1.1 This Schedule sets out:

1.1.1 the controls and reconciliations that the Service Provider shall perform to ensure the receipt by TfL of all Revenue due; and

1.1.2 the financial reporting requirements.

2 Daily Remittance to TfL of Revenue

2.1 TfL requires all Revenue to be placed in TfL's bank accounts by direct bank transfer in an efficient and secure manner in accordance with Good Industry Practice (each such transfer being a "**Remittance**").

3 Control and Reconciliation

3.1 **Details of Remittances**

Daily Reporting

3.1.1 The Service Provider shall provide a daily report to the CSP with details of each Remittance in respect of Congestion Charging, LEZ Penalty Charges, ULEZ and Traffic Enforcement Penalty Charges and any future enforcement schemes.

These reports shall be provided as Excel spreadsheets or in such other format as TfL may require from time to time. The information to be provided in each such report shall include but not be limited to:

3.1.1.1 date of the report;

3.1.1.2 sum of the Remittance;

3.1.1.3 the Remittance broken down into individual receipts from Persons Liable and in respect of each individual receipt:

3.1.1.3.1 the amount of the Payment;

3.1.1.3.2 details of the Payment method;

3.1.1.3.3 the number(s) and date(s) of the Penalty Charge Notice(s) to which the receipt relates;

3.1.1.3.4 receipt type by Scheme (e.g. Congestion Charge, LEZ, ULEZ and Traffic Enforcement type Scheme); and

3.1.1.3.5 The relevant VRM.

3.1.2 The Service Provider shall provide a summary of the information described in paragraph 3.1.1 to TfL containing such detail as TfL reasonably requires before 9 a.m. on the next Business Day.

Four Weekly (Reconciliation Period) Reporting

3.1.3 Within one (1) Business Day of the end of each four (4) weekly period commencing on the Operational Commencement Date (each a "**Reconciliation Period**"), the Service Provider shall provide to TfL and CSP a report setting out, in respect of Congestion Charge Penalty Charges, LEZ Penalty, ULEZ, Traffic Enforcement Penalty Charges and any other future enforcement schemes:

3.1.3.1 all amounts due to TfL at the start of that Reconciliation Period;

3.1.3.2 all Revenue recovered by the Service Provider during the Reconciliation Period (whether or not paid to TfL during such period);

3.1.3.3 all Remittances made to TfL during that Reconciliation Period;

3.1.3.4 all amounts (if any) due to TfL at the end of the Reconciliation Period;

3.1.3.5 the amount due to TfL in respect of all outstanding Penalty Charges at the end of that Reconciliation Period in sufficient detail to enable TfL's auditors to fulfil their statutory duties in relation thereto, and to enable TfL to make an informed judgement as to whether to write the Debt off;

3.1.3.6 all reversed payments and amounts reimbursed or refunded by the Service Provider and the reasons in each case therefore;

3.1.3.7 all waived amounts and the reasons therefore;

3.1.3.8 the amounts of overpayments received in the Reconciliation Period.

- 3.1.4 Within one (1) Business Day of the end of each four (4) weekly period commencing on the Operational Commencement Date (each a "**Reconciliation Period**"), the Service Provider shall provide to TfL and the TESP a report setting out, in respect of Traffic Enforcement Penalty Charges only:
- 3.1.4.1 all amounts due to TfL at the start of that Reconciliation Period;
 - 3.1.4.2 all Revenue recovered by the Service Provider during the Reconciliation Period (whether or not paid to TfL during such period);
 - 3.1.4.3 all Remittances made to TfL during that Reconciliation Period;
 - 3.1.4.4 all amounts (if any) due to TfL at the end of the Reconciliation Period;
 - 3.1.4.5 the amount due to TfL in respect of all outstanding Penalty Charges at the end of that Reconciliation Period in sufficient detail to enable TfL's auditors to fulfil their statutory duties in relation thereto, and to enable TfL to make an informed judgement as to whether to write the Debt off;
 - 3.1.4.6 all reversed payments and amounts reimbursed or refunded by the Service Provider and the reasons in each case therefore;
 - 3.1.4.7 all waived amounts and the reasons therefore;
 - 3.1.4.8 the amounts of overpayments received in the Reconciliation Period.
- 3.1.5 Partial Payments, as identified in the reconciliation at the end of each Reconciliation Period, shall be supported by a statement setting out for each of the corresponding receipts:
- 3.1.5.1 the date of the transaction;
 - 3.1.5.2 the amount;
 - 3.1.5.3 the name and appropriate details of the person; and
 - 3.1.5.4 the Penalty Charge Notice numbers and vehicle registration mark to which they relate.

- 3.2 The Service Provider shall maintain, in relation to each Payment transaction made by a Person Liable, accounting records for and on behalf of TfL to a standard equivalent to the requirements of sections 386 to 389 of the Companies Act 2006.
- 3.3 The Service Provider shall make available in printable and electronically transferable form copies of all reconciliations as detailed in paragraph 3.1 of this Schedule. The electronically transferable copy shall be in SAP format and shall comply with TfL's requirements in all respects.
- 3.4 The Service Provider shall, in respect of any Remittance in respect of which it has failed to provide all information as required by this paragraph 3, provide such missing information to TfL within five (5) Business Days of receipt of the relevant sum.
- 3.5 Within one (1) Business Day of the end of TfL's financial year the Service Provider shall provide to TfL a financial report providing cumulative details for the year of the information required under paragraph 3.1.
- 3.6 The Service Provider shall ensure that there is consistency between all Reports provided to TfL, resolving any variations prior to sending the reports to TfL.

4 Currency

- 4.1 All Revenue shall be paid to TfL in pounds Sterling unless:
 - 4.1.1 TfL specifies that Revenue shall also be in, or replaced by, Euros and has given the Service Provider at least four (4) weeks' notice of this; or
 - 4.1.2 the Service Provider is required by Law to pay the Revenue in Euros.
- 4.2 If a Person Liable, by way of a single payment, makes Payment in Full in the relevant alternative (to Sterling) currency but when converted into Sterling (and, where applicable, after any bank charges or fees have been charged in relation thereto) the amount so paid by the Person Liable is less than such Sterling amount as is required to constitute Payment in Full under the relevant PCN, then the Service Provider shall be obliged to increase the amount received by it from such Person Liable (before remitting it to TfL) in order to ensure that the amount received by TfL is equal to such amount under the relevant PCN as constituting Payment in Full in Sterling.
- 4.3 For the avoidance of doubt, the Service Provider shall be liable for any and all bank charges and/or fees which it is charged or incurs in relation to any amounts paid by a Person Liable in relation to a Debt and the Service Provider shall not deduct such charges and/or fees from any amounts which it is obliged to remit to TfL pursuant to this Contract.

5 Financial Reporting

- 5.1 Where TfL requires the Service Provider to provide reports to TfL in relation to this Schedule, such reports shall, without limitation to any other details required to be included by TfL in accordance with this Contract, be provided in accordance with the provisions of Annex A to this Schedule.

ANNEX A

Financial Reporting

The Service Provider shall comply with the following provisions in relation to reports relating to, or to be provided in accordance with, this Schedule 12 (Revenue Collection and Payment):

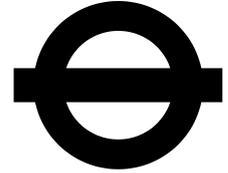
- 1 Financial management information may be required by TfL in both hard copy and electronic format. Where required by TfL, the electronic format shall be provided to TfL in SAP file format.
- 2 The process for agreeing the format for the reports to be provided under this Schedule will be for the Service Provider to supply TfL with a prototype of each report for approval by TfL prior to each report being used.
- 3 The reports shall be compiled in accordance with UK GAAP accounting standards and accounting policies.
- 4 The Service Provider will comply with all changes in accounting standards which are applicable to the Schemes. Examples of a change in accounting standards include but are not limited to:
 - 4.1.1 changes in Law;
 - 4.1.2 changes in financial reporting standards;
 - 4.1.3 changes in Chartered Institute of Public Finance and Accountancy (CIPFA) guidelines;
 - 4.1.4 changes in reporting requirements set out by the Department of Communities and Local Government, the GLA or any successor bodies; and
 - 4.1.5 changes in any other code of practice that is recognised by the Accounting Standards Board as a statement of recommended practice.
- 5 Compliance will be in accordance with timescales laid down in the relevant Accounting Standard.
- 6 The Service Provider will comply with requests from TfL for changes in accounting policies at no cost to TfL. A change in accounting policy is defined as any change in accounting treatment that does not result from a change in an accounting standard. Compliance with any such request shall not constitute a Change.

- 7 The Service Provider shall maintain, in relation to each transaction, accounting records for and on behalf of TfL to a standard equivalent to the requirements of sections 386 to 389 of the Companies Act 2006.

SCHEDULE 13

TfL: Supplier Diversity Definitions

Transport for London



TfL Supplier Diversity Definitions

Issue Date: February 2010
Effective: February 2010

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1. Document Outline

1.1 Background

Encouraging a diverse base of supplier forms a part of the GLA Group Responsible Procurement Policy. The TfL Supplier Diversity Definitions ensure consistency across Supplier Diversity activities across TfL. These definitions form a basis for the TfL Supplier Diversity Policy and act as a basis for alignment in the measurement of diverse suppliers.

1.2 Version Control

Version Date	Author	Notes
26 February 2010	C Cottam	Turnover/Balance Sheet Amendment
02 February 2009	C Cottam	SME definition update
31 January 2008	J Gall	Ownership categorisation
8 th May 2006	J Gall	EU definitions
19 th October 2005	J Gall	Updates/clarifications

2. Diverse Suppliers

For the purposes of TfL's Procurement Supplier Diversity Programme, "**Diverse Suppliers**" comprise the following four subsets:

2.1 Small and Medium Enterprises (SMEs)

2.2 Black, Asian and Minority Ethnic (BAME) businesses

2.3 Suppliers from other under-represented or protected groups

2.4 Suppliers demonstrating a diverse workforce composition

The more detailed explanations of the four above subsets are given in the sections below.

3. **Small and Medium Enterprises (SMEs)**

3.1 A Small Enterprise⁵ is a business which has both the following:

- i) 0-49 Full Time Equivalent employees¹;

AND EITHER

- ii) Turnover² per annum of no more than £5.6 million net (or £6.72 million gross); in the last financial year;

OR

- iii) Balance sheet total⁴ of no more than £2.8 million net (£3.36 million gross).

3.2 A Medium Enterprise⁵ is a business which has both the following:

- i) 50-249 Full Time Equivalent employees¹;

AND EITHER

- ii) Turnover² per annum of no more than £22.8 million net (or £27.36 million gross) in the last financial year;

OR

- iii) Balance sheet total⁴ of no more than £11.4 million net (or £13.68 million gross).

3.3 A Large Enterprise⁵ is a business which has both the following:

- i) 250 and over Full Time Equivalent employees¹;

AND EITHER

- ii) Turnover² per annum over £22.8 million net (or £27.36 million gross) in the last financial year;

OR

- iii) Balance sheet total⁴ of over £11.4 million net (or £13.68 gross).

¹ Full Time equivalent employees is defined in Section 7.1

² Turnover is defined in Section 7.3

⁴ Balance Sheet Total is defined in Section 7.5

⁵ Further explanation is outlined in Section 7.7 (Definition of Size) & 7.8 (Ownership Categorisation)

4. **Black, Asian and Minority Ethnic (BAME) owned businesses**

A Black, Asian and Minority Ethnic (BAME) owned business is a business which is 51% or more owned by members of one or more Black, Asian or Minority ethnic groups.

Minority ethnic groups are all people including those who have classified themselves as members of ethnic groups other than 'White British'.

The minority ethnic classification groups used by TfL for monitoring purposes are:

<u>Ethnic group</u>	<u>Racial origin</u>
White	Irish Any other White background
Mixed	White & Black Caribbean White & Black African White & Asian Any other Mixed background
Asian or Asian British	Indian Pakistani Bangladeshi Any other Asian background
Black or Black British	Caribbean African Any other Black background
Chinese or other Ethnic Group	Chinese Any other Ethnic Group

5. Suppliers from other under-represented groups or protected groups

5.1 A Supplier from an under-represented group is one which is 51% or more owned by members of one or more of the following groups (where not covered by previous definitions):

5.1.1 Women (gender)

5.1.2 Disabled people with physical and sensory impairments, learning difficulties and mental health requirements;

5.1.3 Lesbians, Gay men, Bisexual and Transgender people (sexual orientation); and

5.1.4 Older people (aged 60 or over), young people (aged 24 or under) (age)

5.2 A Supplier from a protected group is one which is 51% or more owned by members of a group for which protection is provided by anti-discriminatory legislation and which is not already covered by the above (such as religious, faith or belief groups, or alternatively, ownership by a social enterprise or a voluntary/community organisation).

6. Suppliers demonstrating a diverse workforce composition

This relates to Full Time Equivalent employees in the supplier's workforce who may be from one or more minority ethnic groups, and/or under-represented groups and/or protected groups as listed in II and III above.

7. Other Definitions & Information

7.1 Full-Time Equivalent Employees

Where employee numbers are used, these refer to Full-Time Equivalents (FTEs) expressed in **Annual Work Units** (see below). Staff headcount should include full-time, part-time and seasonal staff and includes the following:

- Employees
- Persons working for the enterprise being subordinated to it and considered to be employees under national law
- Owner managers
- Partners engaged in regular activity in the enterprise and benefiting from financial advantages from the enterprise.

Full-time workers are expressed as hours worked per week. TfL refer to standard UK hours of work as full time workers – i.e. those who work 35 hours a week and 52 weeks a year (including annual leave).

7.2 Annual Work Units

Refer to anyone who worked, over the past year, full-time within your enterprise, or on its behalf, during the entire reference year counts as one unit. You treat part-time staff, seasonal workers and those who did not work the full year as fractions of one unit.

7.3 Turnover

Turnover is in line with that defined in the Companies Act 1985:

The amounts derived from the provision of goods and services falling within the company's ordinary activities, after deduction of:

- i) trade discounts
- ii) value added tax

Please refer to Section 7.8 regarding ownership categorisation to understand how to interpret ownership, where an enterprise is part of a parent organisation.

7.4 Financial Year

Financial Year relates to 1st April – 31st March or any other 12 month period as defined by the company.

All data must be relating to the last approved accounting period and calculated on an annual basis. In the case of newly-established enterprises whose accounts have not yet been approved, the data to apply shall be derived from a reliable estimate made in the course of the financial year.

7.5 Balance Sheet Total

The annual balance sheet total refers to the value of your company's main assets.

7.6 Ownership

Individual or those in named control holding capital or voting rights - either through private or shared ownership - of any given business entity.

7.7 Definition of Size

Where headcount and turnover and/or balance sheet conditions apply to different size definitions, headcount acts as the more predominant aspect, in defining size.

An organisation does not need to satisfy both turnover and balance sheet total, only one of the conditions and may exceed one of them without losing its status. This is illustrated by an organisation which has 30 employees, a turnover of £12 million and a balance sheet total of £10 million. The number of employees figure would class the

organisation as a small organisation, however the turnover and balance sheet total define the organisation as medium. In this case, the headcount would be used to define the classification of the organisation. This organisation would be classed as a small organisation.

To illustrate this, the following scenarios have been mapped for the different characteristics of supplier diversity definitions (based on information from the Department for Trade & Industry (*now Department for Business Enterprise & Regulatory Reform*)):

		Turnover/Balance Sheet Total		
		£5.6m net(up to)/ £2.8m net (up to)	£22.8m net(up to/incl.)/ £11.4m net (up to/incl.)	£22.8m net(over)/ £11.4m net (over)
Employees	0-49	✓	<i>Employees more predominant</i>	<i>Employees more predominant</i>
	50-249	<i>Employees more predominant</i>	✓	<i>Employees more predominant</i>
	250+	<i>Employees more predominant</i>	<i>Employees more predominant</i>	✓

7.8 Ownership Categorisation

EU Commission Definition on Enterprise Ownership Categorisation

The European Commission’s Guidance published in 2005 “The New SME Definition: User Guide and Model Declaration”⁶, outlines parameters for defining an organisation’s ownership categorisation and whether an organisation is autonomous, partner or linked.

7.8.1 Autonomous

This is the most common category of ownership.

An organisation is autonomous if:

- It is totally independent, i.e. there is no participation in other enterprises and no enterprise has a participation.
- It has a holding of less than 25% of the capital or voting rights (whichever is the higher) in one or more other enterprises and/or outsiders do not have a stake of 25% or more of the capital or voting rights (whichever is the higher) in your enterprise.

If an organisation is autonomous, it means that it is not a partner or linked to another enterprise

7.8.2 Partner

An enterprise is a partner enterprise if:

-It has a holding equal to or greater than 25%, of the capital or voting rights in another enterprise and/or another enterprise has a holding equal to or greater than 25% in the other.

It is not linked to another enterprise. This means, among other things, that voting rights in the other enterprise (or vice versa) do not exceed 50%.

7.8.3 Linked

Enterprises formed as a **group** through the direct or indirect control of the majority of voting rights. An enterprise owned by another or through the ability to exercise a **dominant influence** on another enterprise.

Two or more enterprises are linked when they have any of the following relationships:
-One enterprise holds a majority of the shareholders' or members' voting rights in another.

-One enterprise is entitled to appoint or remove a majority of the administrative, management or supervisory body of another.

-A contract between the enterprises, or a provision in the memorandum or articles of association of one of the enterprises, enables one to exercise a dominant influence over the other.

-One enterprise is able, by agreement, to exercise sole control over a majority of shareholders' or members' voting rights in another.

⁶Refer directly to the EU Commission Definitions for more guidance:

http://ec.europa.eu/enterprise/enterprise_policy/sme_definition/sme_user_guide.pdf

8. **Document Owner & Contact Details**

For further information, please contact Carina Cottam, Programme Team, Group Procurement, Finance, Transport for London via email: [REDACTED]

SCHEDULE 14

Skills and Employment Strategy

A copy of the TfL Skills and Employment Strategy can be obtained from:

<https://www.tfl.gov.uk/cdn/static/cms/documents/skills-and-employment-strategy.pdf>

A copy of the Transport Infrastructure Skills Strategy can be obtained from:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/495900/transport-infrastructure-strategy-building-sustainable-skills.pdf

A copy of the Transport Infrastructure Skills Strategy (TISS) – One Year On - can be obtained from:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/627255/strategic-transport-apprenticeship-taskforce-1-yr-on.pdf

A copy of the Transport Infrastructure Skills Strategy (TISS) – Two Years On - can be obtained from:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/727052/transport-infrastructure-skills-strategy-two-years-on.pdf

SCHEDULE 15

Unable to approve SNLT Plan due to the Covid-19 situation. To be provided and agreed during post-contract.

EPC - Initial Agreed SLNT

Title – SLNT Activity Breakdown

Please complete the following table outlining how you intend to meet your SLNT commitments.

Table 1:

SLNT Activity Area	Priority Output	Year 1	Year 2	Year 3	Year 4	Year 5	Total	Cross Check	
								SLNT Value	SLNT Totals
Apprenticeship Job Starts									
New Entrant - Level 2-3 (FTE)	Y								
New Entrant - Level 4+ (FTE)	Y								
Social Mobility Level 2-3 (FTE)	Y								
Social Mobility Level 4+ (FTE)	Y								
Existing Employee Level 2-3 (FTE)	Y								
Existing Employee Level 4+ (FTE)	Y								
Apprenticeship Success									
Completion (FTE)									
Job Creation									
Social Mobility (FTE)									
Educational/Career Support									
Targeted Placement Positions (Days)									
Placement Positions (Days)									
Educational Engagement (Days)									
Equivalent Contract Value							Total SLNT Activity		0
Services	£ 0						Priority Activities		0
Construction / Manufacturing	£ 0								

NOTE: As a result of the COVID 19 crisis all forecasted numbers have been reduced from our initial draft due to existing and expected future reduction in volume of work and activity we will manage as a result. At this stage it is extremely difficult to project the number of apprentice positions and career development / educational days we will be able to offer.

Strategic Labour Needs and Training Method Statement

A) Delivery of SLNT Activity Breakdown

Referring to the SLNT Activity Breakdown outlined in Table 1, provide a method statement of how you will undertake activities in each of the SLNT areas.

Any areas where you are not proposing to undertake activity should be left blank.

You may use up to [250] words in each of the following boxes.

Apprentice Job Start – New Entrant

Method statement shall include:

- Attraction and Recruitment
- Apprenticeship Frameworks & Standards
- Training Provider
- Funding
- Apprentice welfare – Terms, Conditions and Benefits

Content:

Attraction and Recruitment

We will work closely with TfL's Supplier Skills Team to identify ways in which we can collaborate to recruit apprentices.

To *attract* the right apprentices, we will:

- Offer competitive wages – e.g. we currently pay all London-based apprentices are 57% more than the Apprentice Minimum Wage.
- Clearly advertise/explain how we can help apprentices gain skills/qualifications.

We will *promote* apprenticeships through:

- Engaging with local schools and youth/community centres, running workshops and events/presentations.
- Attending other apprenticeship fairs (e.g. annual TfL Apprenticeship Recruitment Fair)
- Advertising on EPC/Verra Mobility website, social media, recruitment agencies (e.g.

Adecco), and through our partner Training Providers.

To *recruit* apprentices:

- We will XX

Apprenticeship Frameworks & Standards

Key knowledge, skills and behaviours will be subject to a series of 'on-programme' assessments, followed by the End Point Assessment (EPA), which grades the Standards that apprentice has achieved. Assessments will be conducted by a qualified apprenticeship Assessor.

Training Provider

XX

Funding

XX

Terms, Conditions and Benefits

As described in 'Social Mobility' box below.

Apprentice Job Start – Social Mobility

Method statement shall include:

- Attraction and Recruitment
- Apprenticeship Frameworks & Standards
- Training Provider
- Funding
- Apprentice welfare – Terms, Conditions and Benefits
- Engagement with charities and referral partners

Content:

Attraction and Recruitment

- XX

Apprenticeship Frameworks & Standards

As described in 'New Entrant' box above.

Training Provider

As described in 'New Entrant' box above.

Funding

As described in box above.

Terms, Conditions and Benefits

- Pay over the national apprenticeship minimum wage
- Training for a minimum of 12 months
- Support provided will provide the opportunity to gain knowledge/skills they need to pass their assessment (*see example of our 'Employer Commitment' right*)
- Same conditions as other employees (e.g. paid holidays, sick pay and benefits including gym allowance and discount vouchers).

Engagement with charities/referral partners

XX

Apprentice Start – Existing Staff

Method statement shall include:

- Generating interest in the existing workforce
- Apprenticeship Frameworks & Standards
- Training Provider
- Funding

Content:

Generating Interest in the Existing Workforce

We will proactively develop and promote new apprenticeship opportunities internally within our business. This is particularly the case with apprenticeships Level 3 and above, where opportunities arise and our staff who already hold Level 2 qualifications can further develop their skillset/careers with us.

To generate interest in such opportunities amongst our existing workforce, we will advertise new apprenticeship opportunities via our internal intranet and group emails (*see example below of a junior position; apprenticeships are circulated in a similar format*).

Opportunities will also be discussed at company briefings and during monthly staff one-to-ones with their respective line manager. Regarding the latter, line managers will discuss with the individual whether they are potentially suitable for the given opportunity, what the new apprenticeship placement may entail/require, and how this would aid their career development.

Apprenticeship Frameworks & Standards

As described in 'New Entrant' box

Training Provider

As described in 'New Entrant' box

Funding

As described in 'New Entrant' box

Apprentice Success – Completion

Method statement shall include:

- Support provided to ensure timely completion of the Apprenticeship
- Career pathways and opportunities available for successful Apprentices
- How Apprentices that are not retained are supported into work upon completion of the Apprenticeship

Content:

Support to ensure timely completion

Each apprentice will receive three phases of development from JBW and LSP/AC:

1. On-the-job learning
2. Off-the-job learning
3. Coaching and mentoring.

The progress of each individual will be monitored against benchmarked timeframes by both their respective LSP/AC Tutor and JEPC mentor/line-manager, ensuring they reach development milestones in-line with expectations.

Past apprentices are 'buddies' for current apprentices to support them in their role. For example, XX

Career pathways/opportunities for Apprentices

We have developed clear career-progression pathways for successful apprentices within each EPC department, and our HR team will hold six-monthly reviews to review/refine these, ensuring attainable opportunities. Evidencing our success:

- XX

How Apprentices not retained are supported

We will signpost these individuals to relevant organisations (e.g. Princes Trust) and guidance (e.g. www.youthemployment.org.uk) to help them obtain work elsewhere.

EPC mentors will continue to support individuals for up to 3 months after completion.

We will retain the individual's details, where agreed, on our database, informing them when suitable opportunities arise.

Job Start - Social Mobility

Method statement shall include:

- Target groups or priorities
- Possible job roles available
- Training and support to retain the job start
- Charities and partner engagement to find suitable candidates

Content:

Target groups or priorities

For new positions created during the new contract, we will use the IMD index to prioritise recruitment from areas with high-levels of deprivation and NOMIS to identify areas with high unemployment and/or low pay. Target cohorts will include, for example:

- Unemployed
- BAME residents
- Lone parents
- NEET residents.

We will collaborate with local Chambers of Commerce, Local Enterprise Partnerships, Councils to understand localised economic and social priorities and needs.

Possible job roles available

We will have a wide range of new vacancies to work for EPC over the duration of the new TfL contract. Roles will be available across numerous departments, including XX. **In total, we anticipate recruiting over XX new staff by 2025**

Training/support to retain the job start

XX

Charities/partner engagement

XX

Targeted Placement Positions

Method statement shall include:

- The target group(s) and the method of finding the candidates
- Placement objectives
- Typical length and type of placement

Content:

The target group(s) and the method of finding the candidates

Target groups for work placements will include BAME and NEET individuals and Care Leavers. To encourage social mobility and attract placement candidates from underprivileged backgrounds, we will use the IMD index to map areas with high levels of deprivation (e.g. Lansbury and Mile End in London), and target specific apprentice recruitment campaigns within these.

We will:

- Engage with local schools in these areas and coordinate presentations and parent events to promote placements
- Advertise work placements and conduct 'taster' days at local youth and community centres.
- Offer to and/or subsidise the travel of potential placement candidates to our offices, to encourage application of target groups
- Coordinate targeted social media campaigns.

Placement objectives

Key objectives of our targeted 8-week work placements will be to:

- Gain a detailed understanding of the debt recovery industry, our business and how

we operate – all placement individuals undertake our 2-day City & Guilds-accredited induction training

- Obtain experience of working in an office-based environment and communicating with a variety of stakeholders
- Develop integral skills such as time management and attention to detail
- Develop valuable industry contacts that could lead to future career opportunities.

Typical length and type of placement

We commit to offering work placements for a total of 5 young residents each year across our offices nationwide (e.g. XX). These will be for a duration of **8 weeks** and successful participants will be considered for trainee positions and apprenticeships.

Placement Positions

Method statement shall include:

- The target group(s) and the method of finding the candidates
- Placement objectives
- Typical length and type of placement

Content:

The target group(s) and the method of finding the candidates

Target groups for general work placements will be young school/college pupils who are hoping to gain work experience. We will engage with local secondary schools and colleges, coordinating presentations and parent events to promote placements.

Placement objectives

Key objectives of our general 1-week work placements will be to:

- Gain an overview of the debt recovery industry, our business and how we operate
- Obtain experience of working in an office-based environment and communicating with a variety of stakeholders
- Develop integral skills such as time management and attention to detail.

Typical length and type of placement

We commit to offering work placements for a total of 5 young residents each year across our offices nationwide (e.g. in XX). These will be for a duration of **1 week**.

Educational Engagement

Method statement shall include:

- The target educational establishments
- Objectives of engagement
- Engagement activities

Content:

The target educational establishments

We will develop relationships with secondary schools and colleges in areas throughout

England and Wales, and have already established XX

Objectives of engagement

- A)** To promote career/learning opportunities at EPC and within the debt recovery industry.
- B)** To provide valuable sessions on various skills that will aid young people in career and personal development.

Engagement activities

We will conduct pupil presentations and parent events at schools/colleges, promoting work placement and apprenticeship opportunities at EPC Plc.

We will also coordinate a series of at least 20 'Educational Engagement' days each year at schools throughout England and Wales. These will entail, for example:

- Workshops on CV development and interview and employment skills
- Workshops on Life-Skills (e.g. managing finances and budgeting, time management, and Employability).

SCHEDULE 16

Initial/Agreed SLNT Plan

Unable to approve SNLT Plan due to the Covid-19 situation. To be provided and agreed during post-contract.

SCHEDULE 17

SLNT Implementation Plan

Unable to approve SNLT Plan due to the Covid-19 situation. To be provided and agreed during post-contract.

SCHEDULE 18

Quarterly SLNT Monitoring Report Template

Sheet 1

SLNT Reporting Table								
Organisation								
TfL Contract / Project								
Date								
SLNT Reporting Period (Quarter)								
SLNT Activity Area	Priority Output	Annual Target	Annual Forecast	Outputs this Period	Total Outputs to date	Cross Check		Additional Detail / Information
						SLNT Value	SLNT	
Apprentices (monitoring data to be provided on Sheet 3)								
New Entrant - Level 2-3 (FTE)	Y					1	0	
New Entrant - Level 4+ (FTE)	Y					1.5	0	
Social Mobility - Level 2-3 (FTE)	Y					1	0	
Social Mobility - Level 4+ (FTE)	Y					1.5	0	
Existing Employee - Level 2-3 (FTE)	Y					1	0	
Existing Employee - Level 4+ (FTE)	Y					1.5	0	
Apprenticeship Success (monitoring data to be provided on Sheet 2)								
Completion (FTE)						1	0	
Job Creation (monitoring data for placements to be provided on Sheet 2)								
Social Mobility (FTE)						1	0	
Job Creation (monitoring data to be provided on Sheet 2)								
Targeted Placement Position (Days)						10	0	
Placement Positions (Days)						20	0	
Educational Engagement (Days)						20	0	
						Total SLNT Activity	0	
						Priority Activities	0	
Highlights: Please provide further information on the activities undertaken in this reporting period. This could include a summary of the apprenticeships/job starts delivered, key partners/organisations that you have engaged with, schools/career fairs attended and placements offered.								
Issues / Concerns / Risks: Please highlight any issues that have impacted your SLNT delivery.								

Sheet 4 – Help & Guidance

What is meant by an apprenticeship?

An apprenticeship combines practical experience in a job with study. Apprentices will work alongside experienced staff and gain job-specific skills. They earn a wage, get holiday pay and in some cases study towards a related qualification. Most apprenticeships take between 1 and 3 years to complete, depending on their level. Some can take longer. Apprentices must be enrolled on and working towards an approved Apprenticeship Standard or Framework. For frameworks, an apprentice will be working towards the selected knowledge and competence qualification/s listed on the framework, and complete their apprenticeship when they have completed the qualifications. For standards, an apprentice will be working towards the competencies set out in the end point assessment, and will complete when they have passed this assessment. It is important to remember that apprenticeships can cover a number of levels, ages and experience – it is not simply about school leavers. Up-skilling existing staff is also important, provided this is carried out using an approved Apprenticeship Standard or Framework.

What is meant by workless?

An individual who is economically inactive is classified as 'workless'. They could be in receipt of benefits but this is not essential. Someone who is in full or part time work or education, or who is moving from education into employment after the summer holidays, would not be classified as workless. As a guide, we would expect an individual to be workless for a minimum of 30 days prior to starting work to be reported as 'workless'.

How will this data be used?

The apprenticeship data on this template will be shared with DfT (Department for Transport). The Unique Identifier code (D.O.B and post code region) is only used to enable DfT to distinguish between unique individuals so that (i) DfT does not duplicate reports from the same source; and (ii) DfT can determine the number of unique individuals. If this ID code is collected together with other information which could identify an individual when combined, DfT remove the UI code to prevent this from occurring. The data contained within this template is used to provide high level statistical analysis and the data is anonymised. DfT will not disclose any information that would allow the individual to be identified.

SHEET 2: SLNT MONITORING FORM - Guidance on what is required for each field

Employer Name
Enter the name of the company the apprentice is employed with.
Supplier Tier in Supply Chain. Select from list
Confirm if the employer is a Tier 1 supplier. If not, select 'other supplier'
SLNT Output Type
Please select from the drop down list the SLNT output type that the individual is being reported as.
Start Date
Please state the start date of the individual.
Job Title
Please state the job title of the individual. If they are completing a placement, please state what role they are shadowing/interested in, or what department they are working in e.g Civil Engineering Placement. For graduates, please state what graduate scheme they are on e.g. Planning Graduate.
Duration
This field only needs to be completed for placement outputs. Please state the duration of the placement e.g. 2 weeks, or 1 day per week for 3 months.
Workless
Confirm if the individual was unemployed prior to starting work. See definition above.
Ethnicity
Select from the drop down list
Gender
Select from the drop down list
Disability
Select from the drop down list
Criminal Conviction
Select from the drop down list
Date of Birth
Input the individual's full date of birth

Home post code (first section only e.g. CB12)
Input the first half of the individual's home post code
Unique identifier (self calculating field) NOTE: Highlighted pink indicates apprentice is duplicated
Nothing needed in this field - populates automatically

SHEET 3: APPRENTICE MONITORING FORM - Guidance on what is required for each field

Employer Name
Enter the name of the company the apprentice is employed with.
Supplier Tier in Supply Chain. Select from list
Confirm if the employer is a Tier 1 supplier. If not, select 'other supplier'
Proposed start date of each apprenticeship
Enter the apprentice enrollment date.
Proposed end date of each apprenticeship
Enter the expected apprenticeship completion date.
Apprenticeship Standard - select from following link https://www.gov.uk/government/collections/apprenticeship-standards
If the apprentice is enrolled on an apprenticeship standard, use the link https://www.gov.uk/government/collections/apprenticeship-standards to select the relevant approved standard that the apprentice is working towards and include the full apprenticeship title.
Apprenticeship Framework - select from following link http://www.afo.sscalliance.org/frameworks-library/
If the apprentice is enrolled on an apprenticeship framework, use the link http://www.afo.sscalliance.org/frameworks-library/ to select the relevant approved framework that the apprentice is working towards and include the full apprenticeship title including the pathway title.
Level of apprenticeship. Select from list
Select the level of the apprenticeship from the drop down list. Equivalence qualifications have been listed as examples.
Level 2 - (equivalent to GCSE [A* to C], NVQ level 2)
Level 3 - (equivalent to AS and A level NVQ level 3)

Level 4 - (equivalent to Certificate of Higher Education, NVQ level 4)
Level 5 - (equivalent to Higher National Diploma, NVQ level 4)
Level 6 - (equivalent to Bachelors Degree)
Level 7 - (equivalent to Postgraduate Diploma, Master's Degree)
Level 8 - (equivalent to PhD)
Occupation of apprenticeship (SOC code). Select from list
Select the most relevant job title/role from the drop down list. If your apprentice occupation is a back office support function or not listed then select none of the above.
Workless
Confirm if the apprentice was unemployed prior to starting their apprenticeship. See definition above.
Ethnicity
Select the apprentice's ethnicity from the list, or select 'prefer not to say'.
Gender
Select from the drop down list
Disability
Select from the drop down list
Criminal Conviction
Select from the drop down list
Date of Birth of apprentice
Input the apprentice's full date of birth
Home post code of apprentice (first section only e.g. CB12)
Input the first half of the apprentice's home post code
Completed? Select from list
This selection is to measure the number of completed apprenticeships and is used for supplier monitoring and reporting
Unique identifier (self calculating field) NOTE: Highlighted pink indicates apprentice is duplicated
This field identifies if there are any duplicate entries when information is collated by TfL and the DfT.

SCHEDULE 19

ETHICAL SOURCING: THE ETI BASE CODE

1.1 EMPLOYMENT IS FREELY CHOSEN

- 1.1.1 There is no forced, bonded or involuntary prison labour.
- 1.1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.
- 1.2 Not used

1.3 WORKING CONDITIONS ARE SAFE AND HYGIENIC

- 1.3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- 1.3.2 Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- 1.3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- 1.3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- 1.3.5 The company observing the code shall assign responsibility for health and safety to a senior management representative.

1.4 CHILD LABOUR SHALL NOT BE USED

- 1.4.1 There shall be no new recruitment of child labour.
- 1.4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.
- 1.4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- 1.4.4 These policies and procedures shall conform to the provisions of the relevant ILO standards.

1.5 LIVING WAGES ARE PAID

- 1.5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

1.5.2 All workers shall be provided with written and understandable Information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

1.5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

1.6 WORKING HOURS ARE NOT EXCESSIVE

1.6.1 Working hours comply with at least UK national laws and benchmark industry standards, whichever affords greater protection.

1.6.2 Not used.

1.7 NO DISCRIMINATION IS PRACTISED

1.7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

1.8 REGULAR EMPLOYMENT IS PROVIDED

1.8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

1.8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub- contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

1.9 NO HARSH OR INHUMANE TREATMENT IS ALLOWED

1.9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

SCHEDULE 20

FORM OF PARENT COMPANY GUARANTEE

TFL RESERVE THE RIGHT TO REQUEST THE PCG AT ANOTHER POINT IN TIME AS CONFIRMED BY EPC IN THEIR SSQ RESPONSE.

SCHEDULE 20

FORM OF PARENT COMPANY GUARANTEE

(Letterhead of Parent Company)

To: [insert name and address of the Authority]

Date:

Dear Sir/Madam

We, [insert name of Guarantor] ("**the Guarantor**"), understand that you have agreed to enter into Contract No [insert contract number] ("**the Contract**") with [insert name of Service Provider] ("**the Service Provider**") in respect of [briefly describe nature of contract] on the condition that the obligations of the Service Provider under the Contract be guaranteed by a Guarantor.

We are [recite the relationship of the Guarantor to the Service Provider], and we warrant to you that this description of our relationship with/to the Service Provider is true and accurate in all material respects.

WE HEREBY AGREE AND UNDERTAKE with you as follows:-

(a) We unconditionally guarantee on demand:

- (i) the proper, complete and punctual performance by the Service Provider of any and all its obligations, undertakings and responsibilities under the Contract and we shall forthwith make good any default thereunder on the part of the Service Provider; and
- (ii) the due and punctual payment by the Service Provider of all sums, liabilities, awards, losses, damages, costs, charges and expenses that may be or become due and payable to you under or arising out of the Contract in accordance with its terms or otherwise by reason or in consequence of any such default on the part of the Service Provider,

when and as the same shall become due for performance or payment (as the case may be).

(b) As a separate and primary obligation we unconditionally guarantee to you that in the case of default by the Service Provider in making any of the payments or in performing any of the obligations, undertakings and responsibilities set out in paragraph (a) above, we shall on demand pay all sums and observe and perform any or all of such obligations, undertakings and responsibilities as if we instead of the Service Provider were the primary obligor. Any payment under this Guarantee shall be made by us in pounds sterling or in any currency which may from time to time replace pounds sterling.

- (c) This Guarantee shall be a continuing security and shall remain in full force and effect until all obligations to be performed or observed by the Service Provider under or arising out of the Contract have been duly and completely performed and observed and the Service Provider shall have ceased to be under any actual or contingent liability to you thereunder.
- (d) Any demand or other notice made by you under this Guarantee shall be duly made if sent by first class recorded delivery post to us.
- (e) You shall be entitled to enforce this Guarantee without first notifying the Service Provider of any default or taking any proceedings or demanding upon, enforcing or exhausting any right or remedy against the Service Provider or any other person or taking any action to enforce any other security, bond or guarantee held by you or making or filing any claim in a bankruptcy, liquidation, administration or insolvency of the Service Provider or any person.
- (f) If any sum due or purportedly due under this Guarantee is not or would not be recoverable under a guarantee for any reason whatsoever, whether or not known to you, such sum shall still be recoverable from us as a sole principal debtor upon the terms of this Guarantee.

PROVIDED THAT:

- 1. We shall be under no greater obligation or greater liability under this Guarantee than we would have been under the Contract if we had been named as the Service Provider in the Contract.
- 2. Our obligations hereunder are those of primary obligor and shall remain in full force and effect and shall not be terminated, reduced, discharged or otherwise affected by:
 - (a) any alteration or variation to the terms of the Contract made by agreement between you and the Service Provider (including, without limitation, any increase in the Service Provider's obligations under the Contract or any alteration in the extent or nature or sequence or method or timing of the Services to be carried out under the Contract) or any novation of the Contract (in whole or in part); or
 - (b) any time being given to the Service Provider or any other indulgence, waiver, concession, forbearance or forgiveness to the Service Provider (whether express or by conduct) or any other thing done, omitted or neglected to be done under the Contract; or
 - (c) any other bond, security or guarantee now or hereafter held by you for all or any part of the obligations of the Service Provider under the Contract; or
 - (d) the release or waiver of any such bond, security or guarantee referred to in paragraph 2(c) above; or

- (e) any amalgamation, reconstruction or dissolution including, without limitation, winding-up of the Service Provider; or
 - (f) the winding-up, bankruptcy, administration, receivership or insolvency of the Service Provider; or
 - (g) any legal limitation, disability or incapacity relating to the Service Provider or discharge by operation of law or any change in the constitution, name or style of the Service Provider or any other person (whether or not known to you); or
 - (h) any total or partial invalidity in, irregularity affecting or unenforceability of any of the obligations of the Service Provider under the Contract; or
 - (i) the termination or partial termination of the Contract or the cessation of any Services for any reason or the making of any variation to the Services in accordance with the Contract; or
 - (j) any claim or enforcement of payment from the Service Provider or any other person;
 - (k) any act or omission which would not have discharged or affected the liability of a sole principal debtor instead of a guarantor or any act or omission, matter or thing which, but for this provision, might operate to exonerate, discharge, reduce or extinguish our liability under this Guarantee.
3. So long as we remain under any actual or contingent liability under this Guarantee, we shall not exercise any right of subrogation or any other right or remedy which we may have against the Service Provider in respect of any payment made by or sum recovered from us pursuant to or in connection with this Guarantee or prove in any liquidation of the Service Provider in competition with you for any sums or liabilities owing or incurred to us by the Service Provider in respect of any such payment by or recovery from us or take or hold any security from the Service Provider in respect of any liability of ours hereunder. We shall hold any monies recovered or security taken or held in breach of this provision in trust for you.
4. Except where prevented from doing so by law, we waive and agree not to enforce or claim the benefit of any and all rights we have or may from time to time have as guarantor under any applicable law which is or may be inconsistent with any of the provision of this Guarantee.
5. This Guarantee is irrevocable.
6. This Guarantee, executed and delivered as a deed, is governed by and shall be construed in accordance with the law of England and Wales. The courts of England shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Guarantee except that you have the right in your absolute discretion to enforce a judgment and/or to take

proceedings in any other jurisdiction in which we are incorporated or in which any of our assets may be situated. You and we agree to submit to that jurisdiction.

For non-UK resident Guarantors only:

7. For the purposes of this Guarantee we hereby appoint of [*to be a London address*] to accept service of process on our behalf, and service on the said at the said address shall be deemed to be good service on us; and we hereby irrevocably agree not to revoke or terminate such appointment.]
8. You will be entitled to assign the benefit of this Guarantee in whole or in part but we may not assign the benefit and/or delegate the burden of this Guarantee in whole or in part or enter into any transaction which would result in any of those benefits and/or burdens passing to another person.
9. If any provision (in whole or in part) of this Guarantee is found by any court, tribunal, administrative body or authority of competent jurisdiction to be wholly or partly illegal, invalid or unenforceable then that provision shall, to the extent required, be severed from this Guarantee and shall be ineffective, without, so far as is possible, modifying any other provision of this Guarantee and this shall not affect any other provisions of this Guarantee which shall remain in full force and effect.

Executed as a Deed and delivered the day and year written above.

Executed as a Deed by) _____
[*Parent Company*]) Director
acting by a Director and the) _____
Secretary or by two Directors) _____
Director/Secretary

OR

The common seal of) _____
[*Parent Company*]) Director
was affixed in the presence of:) _____
Director/Secretary

SCHEDULE 21

FORM OF LEGAL OPINION FOR USE WITH GUARANTEE

To: [insert name and address of the Authority]

Date:

Dear Sir/Madam

I am counsel to and I am giving this legal opinion in connection with the making by of the Guarantee (as defined below) in your favour.

1. I have examined the Deed of Guarantee (the "**Guarantee**") dated made between..... (the "**Guarantor**") and [insert name of Authority] (the "**Authority**"). Terms defined in or for the purpose of the Guarantee have the same meanings in this opinion.
2. Having considered the Guarantee and examined any other document, resolution or certificate I deemed necessary to enable me to give the opinion contained herein and having regard to all applicable laws of..... I am pleased to advise that in my opinion:
 - (a) the Guarantor was incorporated in on as a [company with limited liability] and validly exists under the laws of as a separate legal entity possessing the capacity to sue or be sued in its own name. To the best of my knowledge having carried out [DESCRIBE APPLICABLE SEARCHES] today, no steps have been, or are being, taken to appoint a receiver or liquidator (or similar encumbrancer or officer) over, or to wind up, the Guarantor;
 - (b) the Guarantor has the necessary power and authority, and all necessary corporate and other action (including, without limitation, approvals and consents of members, stockholders, debenture holders or governmental or other regulatory authorities) has been taken to enable the Guarantor to enter into the Guarantee and to perform the obligations of the Guarantor and the transactions contemplated thereby; and
 - (c) The entry into and performance of the Guarantee and the transactions contemplated thereby will not cause:
 - (i) any limit on the Guarantor or its directors (whether imposed by the documents constituting the Guarantor, statute, regulation, agreement or otherwise) to be exceeded;
 - (ii) any law or order or constitutional document in respect of the Guarantor to be contravened;
 - (iii) any default under, or give rise to an obligation to create or impose any security interest of any nature whatsoever

pursuant to, any agreement or other instrument or any judgment or other requirement known to us after due enquiry to which the Guarantor is a party or by which it or any of its assets is bound. Further, no event has occurred that, with the giving of notice, lapse of time, determination of materiality or other conditions might constitute a default under or in respect of such agreement, instrument or judgment;

- (d) the Guarantee has been properly signed and delivered on behalf of the Guarantor and the obligations on the part of the Guarantor contained in the Guarantee, assuming them to be valid and binding according to English law by which they are expressed to be governed, are valid, legally binding on and enforceable against the Guarantor under the laws of and in the courts of
- (e) the signature, delivery and performance of the Guarantee by the Guarantor constitute private and commercial acts by it rather than public or governmental acts;
- (f) all authorisations, approvals, consents, licences, exemptions, filings, registrations, notarisations and other requirements of governmental, judicial and public bodies and authorities of or in [COUNTRY] required or advisable in connection with the entry into, performance, validity and enforceability of the Guarantee and the transactions contemplated thereby have been obtained or effected and are in full force and effect;
- (g) the obligations of the Guarantor under the Guarantee rank at least equally and rateably (pari passu) in point of priority and security with any and all other unsecured obligations of the Guarantor;
- (h) all amounts payable by the Guarantor under the Guarantee may be made free and clear of, and without deduction for, or on account of, any taxes imposed, assessed or levied by [COUNTRY] or any authority of or in [COUNTRY];
- (i) there are no registration, stamp or other taxes or duties of any kind payable in in connection with the Guarantor including its signature, performance or enforcement by legal proceedings;
- (j) The Authority will not violate any law or regulation in nor become liable to tax in by reason of entering into the Guarantee or performing its obligations thereunder. It is not necessary to establish a place of business in in order to enforce any provisions of the Guarantee;

- (k) the choice of English law to govern the Guarantee will be upheld as a valid choice of law in any action in respect of the Guarantee in the Courts;
- (l) the consent to the jurisdiction by the Guarantor contained in the Guarantee is valid and binding on the Guarantor and not subject to revocation;
- (m) any judgment obtained in the courts of England against the Guarantor would be recognised and accepted by the courts without re-trial or re-examination of the merits of the case;
- (n) neither the Guarantor nor any of its assets enjoys any right or immunity from set-off, suit or execution in respect of its obligations under the Guarantee;
- (o) so far as I am aware after due enquiry, no litigation, arbitration or administrative proceedings are at present current, pending or threatened that might, if adversely determined, have a material effect on the business, assets or financial condition of the Guarantor.

3. I do not purport to be expert on and do not purport to be generally familiar with or qualified to express legal opinions based on any law other than the laws of and accordingly express no legal opinion herein based upon any law other than the laws of

Signed
