DATED 2023

(1) SECRETARY OF STATE FOR WORK AND PENSIONS

and

(2) SERCO LIMITED

AGREEMENT

relating to

THE FUNCTIONAL ASSESSMENT SERVICE

LOT 3 (South West England)

CONTENTS

SECTION A – PRELIMINARIES 13
1 DEFINITIONS AND INTERPRETATION 13
2 DUE DILIGENCE 15
3 WARRANTIES 16
SECTION B – THE SERVICES 18
4 TERM 18
5 SERVICES 19
6 IMPLEMENTATION 25
7 PERFORMANCE LEVELS AND VOLUME CLEARANCE TARGETS 26
8 SERVICES IMPROVEMENT 30
9 EQUIPMENT AND MAINTENANCE 31
SECTION C – PAYMENT, TAXATION AND VALUE FOR MONEY PROVISIONS 31
10 FINANCIAL AND TAXATION MATTERS 31
SECTION D – CONTRACT GOVERNANCE 33
11 GOVERNANCE 33
12 RECORDS, REPORTS, AUDITS, OPEN BOOK DATA AND PAT REVIEWS 33
13 CHANGE 34
SECTION E – SUPPLIER PERSONNEL AND SUPPLY CHAIN 34
14 SUPPLIER PERSONNEL 34
15 SUPPLY CHAIN RIGHTS AND PROTECTIONS 38
SECTION F – INTELLECTUAL PROPERTY, DATA AND CONFIDENTIALITY 47
16 INTELLECTUAL PROPERTY RIGHTS 47
17 TRANSFER AND LICENCES GRANTED BY THE SUPPLIER 48
18 LICENCES GRANTED BY THE AUTHORITY 51
19 IPRs INDEMNITY 52
20 OPEN SOURCE PUBLICATION 53
21 AUTHORITY DATA AND SECURITY REQUIREMENTS 53
22 CONFIDENTIALITY 55
23 TRANSPARENCY AND FREEDOM OF INFORMATION 57
24 PROTECTION OF PERSONAL DATA 58
25 PUBLICITY AND BRANDING 65
SECTION G – LIABILITY, INDEMNITIES AND INSURANCE 66
26 LIMITATIONS ON LIABILITY AND LIQUIDATED DAMAGES 66
27 INSURANCE 76
SECTION H – REMEDIES AND RELIEF 77
28 RECTIFICATION PLAN PROCESS 77
29 NO DOUBLE RELIEF 79
30 Not Used 79
31 REMEDIAL ADVISER 79
32 STEP-IN RIGHTS 81
33 AUTHORITY CAUSE 83
34 FORCE MAJEURE 85
SECTION I – TERMINATION AND EXIT MANAGEMENT 88
35 TERMINATION RIGHTS 88
36 CONSEQUENCES OF EXPIRY OR TERMINATION 90
SECTION J – MISCELLANEOUS AND GOVERNING LAW 92
37 COMPLIANCE 92

38 ASSIGNMENT AND NOVATION 95
39 WAIVER AND CUMULATIVE REMEDIES 96
40 RELATIONSHIP OF THE PARTIES 96
41 PREVENTION OF FRAUD AND BRIBERY AND CONFLICTS OF INTEREST 96
42 SEVERANCE 98
43 FURTHER ASSURANCES 98
44 ENTIRE AGREEMENT 99
45 THIRD PARTY RIGHTS 99
46 NOTICES 99
47 DISPUTES 101
48 GOVERNING LAW AND JURISDICTION 101
49 COUNTERPARTS 102

SCHEDULES

1. Definitions

2. Service Requirements
2.1 Services Description
2.2 Performance Levels
2.3 Standards
2.4 Security Management
2.5 Insurance Requirements

3. Authority Responsibilities

4. Supplier Matters
4.1 Supplier Solution
4.2 Commercially Sensitive Information
4.3 Notified Key Sub-contractors
4.4 Third Party Contracts

5. Not used

6. Implementation
6.1 Implementation Related Plans
6.2 Not Used

7. Financial Matters
7.1 Charges and Invoicing
7.2 Payments on Termination
7.3 Not Used
7.4 Financial Distress
7.5 Financial Reports and Audit Rights
7.6 Not Used

8. Governance
8.1 Governance
8.2 Change Control Procedure
8.3 Dispute Resolution Procedure
8.4 Management Information and Records Provisions
8.5 Exit Management
8.6 Service Continuity Plan and Corporate Resolution Planning
8.7 Conduct of Claims

9. Employment
9.1 Staff Transfer
9.2 Key Personnel

10. Guarantee

11. Processing Personal Data

12. Welsh Language Requirements

13. Code of Conduct

14. Life Chances

15. Estates and Assets
15.1 Estates

15.2 Authority Assets
16. Not Used
17. Not Used
18. Information Technology Services
19. Not Used
20. Health Assessment Service Related Services
21. Provider Assurance Team
22. Contingency
23. Apprenticeships and Skills Requirement
24. Social Value

INDEX OF EMBEDDED DOCUMENTS

The list below sets out an index of the embedded files that can be found in this Agreement. Copies of these embedded files can be found at BravoSolution. These embedded files are incorporated in and form part of the Agreement.

Number	Description	Reference	Type
1.	[REDACTED]	Schedule 4.1, Paragraph 1.1	Word document
2.	[REDACTED]	Schedule 4.1, Paragraph 1.1	Excel spreadsheet
3.	[REDACTED]	Schedule 4.1, Paragraph 1.1	Word document
4.	[REDACTED]	Schedule 4.1, Paragraph 1.1	PDF
5.	[REDACTED]	Schedule 4.1, Paragraph 1.1	PDF
6.	[REDACTED]	Schedule 4.1, Paragraph 1.1	PDF
7.	[REDACTED]	Schedule 4.1, Paragraph 1.1	PDF
8.	[REDACTED]	Schedule 4.1, Paragraph 1.1	PDF
9.	[REDACTED]	Schedule 4.1, Paragraph 1.2	Word document
10.	[REDACTED]	Schedule 4.1, Paragraph 2.1	Word document
11.	[REDACTED]	Schedule 4.1, Paragraph 2.1	Word document
12.	[REDACTED]	Schedule 4.1, Paragraph 2.1	Excel spreadsheet
13.	[REDACTED]	Schedule 4.1, Paragraph 2.1	Word document
14.	[REDACTED]	Schedule 4.1, Paragraph 2.1	Word document
15.	[REDACTED]	Schedule 4.1, Paragraph 2.1	Word document
16.	[REDACTED]	Schedule 4.1, Paragraph 2.1	Word document
17.	[REDACTED]	Schedule 4.1, Paragraph 2.1	Word document
18.	[REDACTED]	Schedule 4.1, Paragraph 2.2	Word document
19.	[REDACTED]	Schedule 4.1, Paragraph 2.2	Word document
20.	[REDACTED]	Schedule 4.1, Paragraph 2.3	Word document

21.	[REDACTED]	Schedule 4.1, Paragraph 3.1	Word document
22.	[REDACTED]	Schedule 4.1, Paragraph 4.1	Word document
23.	[REDACTED]	Schedule 4.1, Paragraph 5.1	Word document
24.	[REDACTED]	Schedule 4.1, Paragraph 6.1	Word document
25.	[REDACTED]	Schedule 4.1, Paragraph 7.1	Word document
26.	[REDACTED]	Schedule 4.1, Paragraph 7.1	Excel spreadsheet
27.	[REDACTED]	Schedule 4.1, Paragraph 7.1	Excel spreadsheet
28.	[REDACTED]	Schedule 4.1, Paragraph 8.1	Word document
29.	[REDACTED]	Schedule 4.1, Paragraph 8.1	Word document
30.	[REDACTED]	Schedule 4.1, Paragraph 9.1	Word document
31.	[REDACTED]	Schedule 4.1, Paragraph 10.1	Word document
32.	[REDACTED]	Schedule 4.1, Paragraph 10.1	Excel spreadsheet
33.	[REDACTED]	Schedule 4.1, Paragraph 10.1	Excel spreadsheet
34.	[REDACTED]	Schedule 4.1, Paragraph 11.1	Word document
35.	[REDACTED]	Schedule 4.1, Paragraph 12	Word document
36.	[REDACTED]	Schedule 4.1, Commercially Sensitive Information	Word document
37.	[REDACTED]	Schedule 4.1, Jaggaer Profile	Excel spreadsheet
38.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	Excel spreadsheet
39.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF

40.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
41.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
42.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
43.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	Word document
44.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
45.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
46.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
47.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
48.	[REDACTED]	Schedule 4.1, Information	PDF

		Security Questionnaire & Related Documentation	
49.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
50.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	Word document
51.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	Word document
52.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
53.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
54.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
55.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
56.	[REDACTED]	Schedule 4.1, Information Security Questionnaire &	PDF

		Related Documentation	
57.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
58.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
59.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
60.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
61.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
62.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
63.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	Word document
64.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF

65.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
66.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
67.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
68.	[REDACTED]	Schedule 4.1, Information Security Questionnaire & Related Documentation	PDF
69.	[REDACTED]	Schedule 6.1, Annex 1	Excel spreadsheet
70.	[REDACTED]	Schedule 6.1, Annex 2	Excel spreadsheet
71.	[REDACTED]	Schedule 6.1, Annex 3	Excel spreadsheet
72.	[REDACTED]	Schedule 7.1, Paragraph 37.1	Word document
73.	[REDACTED]	Schedule 7.1, Paragraph 37.1	Word document
74.	[REDACTED]	Schedule 7.1, Paragraph 38.9	PowerPoint
75.	[REDACTED]	Schedule 7.1, Paragraph 39.6	Excel spreadsheet
76.	[REDACTED]	Schedule 7.1, Paragraph 40.6	Excel spreadsheet
77.	[REDACTED]	Schedule 7.1, Paragraph 42.6	Excel spreadsheet
78.	[REDACTED]	Schedule 7.1, Paragraph 42.7	Excel spreadsheet
79.	[REDACTED]	Schedule 7.1, Paragraph 42.10	PowerPoint
80.	[REDACTED]	Schedule 7.1, Paragraph 45.4	Word document
81.	[REDACTED]	Schedule 7.1, Annex 4	Excel spreadsheet

82.	[REDACTED]	Schedule 7.1, Annex 6	PowerPoint
83.	[REDACTED]	Schedule 7.1, Annex 7	Word document
84.	[REDACTED]	Schedule 8.1, Annex 2	Word document

THIS AGREEMENT is made on 20

BETWEEN:

(1) **THE SECRETARY OF STATE FOR WORK AND PENSIONS** of Caxton House, Tothill Street, London, SW1H 9DA (the "**Authority**"); and

(2) **SERCO LIMITED** a company registered in England and Wales under company number 00242246 whose registered office is at Serco House, 16 Bartley Wood Business Park, Bartley Way Hook, Hampshire, RG27 9UY (the "**Supplier**")

(each a "**Party**" and together the "**Parties**").

INTRODUCTION

(A) ***The Authority delivers, for itself and (in relation to certain benefits) on behalf of other government departments, a number of benefit services to support people with disabilities and health conditions (including Personal Independence Payments, Employment and Support Allowance and Universal Credit) and other smaller specialist benefits. In the vast majority of cases, entitlement and/or support offer for these benefits is determined through functional health assessments. The Authority wishes to move toward a more efficient service for Claimants by bringing together a single contracted approach with a single supplier for all services in a geographic area, and a platform to grow the new Health Assessment Service ahead of national expansion from 2029. The Agreement supports wider policy reform and includes a level of flexibility to support service changes.***

(B) ***On 12 November 2021 the Authority advertised on the UK's Find a Tender service (reference 2021/S 000-028407), inviting prospective suppliers to submit proposals for provision of functional health assessments services on behalf of the Authority.***

(C) ***The Supplier is a leading provider of outsourcing services to government and has experience in the delivery of the Services required by this Agreement.***

(D) ***On the basis of the Supplier's response to the advertisement and a subsequent tender process, the Authority selected the Supplier as its preferred supplier and the Supplier undertakes to provide the Services on the terms and conditions set out below.***

In this Agreement (which is executed as a deed) **IT IS AGREED** as follows:

SECTION A – PRELIMINARIES

1 DEFINITIONS AND INTERPRETATION

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

1.2 Terms defined in these terms and conditions and the Schedules (including their Annexes) shall, unless the context otherwise requires, have the same meanings when used elsewhere in this Agreement.

1.3 In this Agreement, unless the context otherwise requires:

(a) the singular includes the plural and vice versa;

(b) reference to a gender includes the other gender and the neuter;

(c) references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Central Government Body;

(d) a reference to any Law includes a reference to that Law as amended, extended, consolidated , replaced or re-enacted (including as a consequence of the Retained EU Law (Revocation and Reform) Act 2023) from time to time;

(e) any reference in this Agreement which immediately before IP Completion Day (or such later date when relevant EU law ceases to have effect pursuant to Section 1A of the European Union (Withdrawal) Act 2018) is a reference to (as it has effect from time to time):

(i) any EU regulation, EU decision, EU tertiary legislation or provision of the European Economic Area ("**EEA**") agreement ("**EU References**") which is to form part of domestic law by application of section 3 of the European Union (Withdrawal) Act 2018 shall be read on and after Exit Day as a reference to the EU References as they form part of domestic law by virtue of section 3 of the European Union (Withdrawal) Act 2018 as modified by domestic law from time to time; and

(ii) any EU institution or EU authority or other such EU body shall be read on and after IP Completion Day as a reference to the UK institution, authority or body to which its functions were transferred;

(f) the words "**including**", "**other**", "**in particular**", "**for example**" and similar words shall not limit the generality of the preceding words and shall be construed as if they were immediately followed by the words "without limitation";

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

(h) the headings are for ease of reference only and shall not affect the interpretation or construction of this Agreement;

(i) unless otherwise provided and save for references in Schedule 10 (*Guarantee*), references to Clauses and Schedules are references to the clauses and schedules of this Agreement and references in any Schedule to Paragraphs, Parts and Annexes are, unless otherwise provided, references to the paragraphs, parts and annexes of the Schedule or the Part of the Schedule in which the references appear; and

(j) references to this Agreement are references to this Agreement as amended from time to time.

1.4 Where a standard, policy or document is referred to in this Agreement by reference to a hyperlink, then if the hyperlink is changed or no longer provides access to the relevant standard, policy or document, the Supplier shall notify the Authority and the Parties shall update this Agreement with a reference to the replacement hyperlink.

1.5 If there is any conflict between the Clauses and the Schedules and/or any Annexes to the Schedules, the conflict shall be resolved in accordance with the following order of precedence:

(a) the Clauses and Schedule 1 (*Definitions*);

(b) Schedules 2.1 (*Services Description*) and 2.2 (*Performance Levels*) and their Annexes;

(c) any other Schedules and their Annexes (other than Schedule 4.1 (*Supplier Solution*) and its Annexes); and

(d) Schedule 4.1 (*Supplier Solution*) and its Annexes (if any).

1.6 The Schedules, their Annexes and any embedded files in them form part of this Agreement.

1.7 In entering into this Agreement the Authority is acting as part of the Crown.

2 DUE DILIGENCE

2.1 The Supplier acknowledges that, subject to the Allowable Assumptions:

(a) the Authority has delivered or made available to the Supplier all of the information and documents that the Supplier considers necessary or relevant for the performance of its obligations under this Agreement;

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

(c) it has satisfied itself (whether by inspection or having raised all relevant due diligence questions with the Authority before the Effective Date) of all relevant details relating to:

(i) the Authority Requirements;

(ii) the suitability of the existing and (to the extent that it is defined or reasonably foreseeable at the Effective Date) future Operating Environment;

(iii) the operating processes and procedures and the working methods of the Authority;

(iv) the ownership, functionality, capacity, condition and suitability for use in the Services of the Authority Assets;

(v) the IT Services Agreements; and

(vi) the existing contracts (including any licences, support, maintenance and other agreements relating to the Operating Environment) referred to in the Due Diligence Information which may be novated to, assigned to or managed by the Supplier under this Agreement and/or which the Supplier will require the benefit of for the provision of the Services; and

(d) it has advised the Authority in writing of:

(i) each aspect, if any, of the Operating Environment that is not suitable for the provision of the Services;

(ii) the actions needed to remedy each such unsuitable aspect; and

(iii) a timetable for and, to the extent that such costs are to be payable to the Supplier, the costs of those actions,

and such actions, timetable and costs are fully reflected in this Agreement, including the Services Description and/or Authority Responsibilities as applicable.

2.2 The Supplier shall not be excused from the performance of any of its obligations under this Agreement on the grounds of, nor, subject to Clause 2.3, shall the Supplier be entitled to recover any additional costs or charges, arising as a result of:

(a) any unsuitable aspects of the Operating Environment;

(b) any misinterpretation of the Authority Requirements; and/or

(c) any failure by the Supplier to satisfy itself as to the accuracy and/or adequacy of the Due Diligence Information.

2.3 The Parties shall comply with the provisions of Paragraphs 7.2 and 7.3 of Part A of Schedule 7.1 (*Charges and Invoicing*) in relation to the verification of any Allowable Assumptions.

3 WARRANTIES

3.1 The Authority represents and warrants that:

(a) it has full capacity and authority to enter into and to perform this Agreement;

(b) this Agreement is executed by its duly authorised representative;

(c) there are no actions, suits or proceedings or regulatory investigations before any court or administrative body or arbitration tribunal pending or, to its knowledge, threatened against it that might affect its ability to perform its obligations under this Agreement; and

its obligations under this Agreement constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms subject to applicable bankruptcy, reorganisation, insolvency, moratorium or similar Laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or law).

3.2 The Supplier represents and warrants that:

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

(b) it has full capacity and authority to enter into and to perform this Agreement;

(c) this Agreement is executed by its duly authorised representative;

(d) it has all necessary consents and regulatory approvals to enter into this Agreement;

(e) it has notified the Authority in writing of any actions, suits or proceedings or regulatory investigations before any court or administrative body or arbitration tribunal pending or, to its knowledge, any threatened against it or any of its Affiliates that might affect its ability to perform its obligations under this Agreement;

(f) its execution, delivery and performance of its obligations under this Agreement will not constitute a breach of any Law or obligation applicable to it and will not cause or result in a default under any agreement by which it is bound;

(g) its obligations under this Agreement constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms subject to applicable bankruptcy, reorganisation, insolvency, moratorium or similar Laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or law);

(h) all written statements and representations in any written submissions made by the Supplier as part of the procurement process, including without limitation its response to the selection questionnaire and ITT (if applicable), its tender and any other documents submitted remain true and accurate except to the extent that such statements and representations have been superseded or varied by this Agreement or to the extent that the Supplier has otherwise disclosed to the Authority in writing prior to the date of this Agreement;

(i) it has notified the Authority in writing of any Occasions of Tax Non-Compliance and any litigation in which it is involved that is in connection with any Occasion of Tax Non-Compliance;

(j) it has all necessary rights in and to the Third Party IPRs, the Supplier Background IPRs and any other materials made available by the Supplier (and/or any Sub-contractor) to the Authority which are necessary for the performance of the Supplier's obligations under this Agreement and/or the receipt of the Services by the Authority;

(k) the Contract Cost Register is a true and accurate reflection of the Costs and Target Fee Percentage Margin forecast by the Supplier and the Supplier does not have any other internal financial model in relation to the Services inconsistent with the Payment Model Construct;

(l) it is not subject to any contractual obligation, compliance with which is likely to have a material adverse effect on its ability to perform its obligations under this Agreement;

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

(n) within the previous 12 months, no Financial Distress Events have occurred or are subsisting (or any events that would be deemed to be Financial Distress Events under this Agreement had this Agreement been in force) and there are currently no matters that it is aware of that could cause a Financial Distress Event to occur or subsist, except for those events and

matters (if any) the details of which the Supplier has provided to the Authority in writing prior to the Effective Date and the Authority has confirmed it is satisfied will not affect delivery of the Services.

3.3 The representations and warranties set out in Clause 3.2 shall be deemed to be repeated by the Supplier on the Implementation Services Commencement Date (if later than the Effective Date) by reference to the facts then existing.

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

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

3.6 For the avoidance of doubt, the fact that any provision within this Agreement is expressed as a warranty shall not preclude any right of termination which the Authority may have in respect of breach of that provision by the Supplier.

3.7 Except as expressly stated in this Agreement, all warranties and conditions whether express or implied by statute, common law or otherwise are hereby excluded to the extent permitted by Law.

SECTION B – THE SERVICES

4 TERM

4.1 This Agreement shall:

(a) subject to Clause 4.5, come into force on the Effective Date; and

(b) unless terminated at an earlier date by operation of Law or in accordance with Clause 35 (*Termination Rights*), terminate:

(i) at the end of the Initial Term; or

(ii) if extended under Clause 4.2(a), at the end of the Extension Period; or

(iii) if extended under Clause 4.2(b), at the end of the first Extension Period or, where applicable, the second Extension Period.

4.2 The Authority shall have the right to request that the Term be extended for:

(a) one (1) Extension Period of up to two (2) years by giving the Supplier at least six (6) months' written notice before the end of the Initial Term; or

(b) two (2) Extension Periods of up to one (1) year each up to a maximum overall extension of two (2) years, by giving the Supplier at least six (6) months' written notice before the end of the Initial Term (in relation to the first instance of an extension under this Clause 4.2(b)) and by giving the Supplier at least three (3) months' notice before the end of the first Extension Period (in relation to the second instance of an extension under this Clause 4.2(b)).

4.3 The Supplier shall not unreasonably withhold or delay its consent to any request to extend the Term made by the Authority under Clause 4.2, provided that the Parties shall agree the Charges for each applicable Extension Period using the Change Control Procedure and such Charges are based on the Charges in effect immediately prior to that Extension Period with such reasonable adjustments as are necessary to take account of relevant market changes (for example, changes in market salaries for Health Professionals where these are evidenced and agreed).

4.4 Save as agreed otherwise pursuant to Clause 4.3, the provisions of this Agreement shall continue to apply throughout any Extension Period.

Condition Precedent

4.5 Save for Clauses 1 (*Definitions and Interpretation*), 3 (*Warranties*), 4 (*Term*), 21 (*Authority Data and Security Requirements*), 22 (*Confidentiality*), 23 (*Transparency and Freedom of Information*), 24 (*Protection of Personal Data*), 25 (*Publicity and Branding*), 26 (*Limitations on Liability*), 39 (*Waiver and Cumulative Remedies*), 40 (*Relationship of the Parties*), 42 (*Severance*), 44 (*Entire Agreement*), 45 (*Third Party Rights*), 46 (*Notices*), 47 (*Disputes*) and 48 (*Governing Law and Jurisdiction*), all of which shall be binding and enforceable as between the Parties from the Effective Date, this Agreement is conditional upon delivery to the Authority of: (i) the validly executed Guarantee; (ii) a certified copy of the board minutes of the Guarantor approving the execution of the Guarantee; and (iii) where the Guarantor is an overseas company, a legal opinion satisfactory to the Authority from a qualified lawyer in the jurisdiction where the Guarantor is incorporated, confirming that the Guarantee is properly executed and enforceable against the Guarantor (the "**Condition Precedent**"). The Authority may in its sole discretion at any time agree to waive compliance with the Condition Precedent by giving the Supplier notice in writing.

4.6 The Supplier shall satisfy, or procure the satisfaction of, the Condition Precedent on or about the Effective Date. In the event that the Condition Precedent is not satisfied within 20 Working Days after the Effective Date then, unless the Condition Precedent is waived by the Authority in accordance with Clause 4.5:

(a) this Agreement shall automatically cease and shall not come into effect; and

(b) neither Party shall have any obligation to pay any compensation to the other Party as a result of such cessation.

4.7 The Supplier shall consult with the Authority in relation to the steps it takes to satisfy the condition set out in Clause 4.5 and shall keep the Authority fully informed of its progress in satisfying the condition and of any circumstances which are likely to result in the condition not being satisfied by the date set out in Clause 4.6.

5 SERVICES

Standard of Services

5.1 The Supplier shall provide the Services in respect of Lot 3 (South West England) in accordance with the terms of this Agreement.

5.2 The Supplier shall provide:

(a) the Implementation Services from (and including) the Implementation Services Commencement Date; and

(b) the Operational Services from (and including) the Operational Service Commencement Date.

5.3 The Supplier shall ensure that:

(a) the Services:

(i) comply in all respects with the Services Description; and

(ii) are supplied in accordance with the Supplier Solution and the provisions of this Agreement; and

(b) where:

(i) the Operational Services to be provided from any Operational Service Commencement Date are broadly similar to services that the Authority was receiving immediately prior to that Operational Service Commencement Date (such broadly similar services being "**Preceding Services**"); and

(ii) the standard and level of service received by the Authority in respect of any of the Preceding Services in the 12 month period immediately prior to that Operational Service Commencement Date have been disclosed to the Supplier in the Due Diligence Information (such preceding services being "**Relevant Preceding Services**"),

the Operational Services to be provided from the relevant Operational Service Commencement Date that are similar to the Relevant Preceding Services are in each case provided in accordance with the requirements of this Agreement and to a standard and level of service which is better than the standard and level of service received by the Authority in respect of the Relevant Preceding Services in the 12 month period immediately prior to the relevant Operational Service Commencement Date.

5.4 The Supplier shall:

(a) perform its obligations under this Agreement, including in relation to the supply of the Services in accordance with:

(i) all applicable Law;

(ii) Good Industry Practice;

(iii) the Standards;

(iv) Schedule 2.4 (*Security Management*);

(v) the Quality Plans; and

(vi) the Supplier's own established procedures and practices to the extent the same do not conflict with the requirements of Clauses 5.4(a)(i) to 5.4(a)(v); and

(b) deliver the Services using efficient business processes and ways of working having regard to the Authority's obligation to ensure value for money.

5.5 In the event that the Supplier becomes aware of any inconsistency between the requirements of Clauses 5.4(a)(i) to 5.4(a)(v), the Supplier shall immediately notify the Authority Representative in writing of such inconsistency and the Authority Representative shall, as soon as practicable, notify the Supplier which requirement the Supplier shall comply with.

Supplier covenants

5.6 The Supplier shall:

(a) at all times allocate sufficient resources with the appropriate technical expertise to supply the Deliverables and to provide the Services in accordance with this Agreement;

(b) save to the extent that obtaining and maintaining the same are Authority Responsibilities and subject to Clause 13 (*Change*), obtain, and maintain throughout the duration of this Agreement, all the consents, approvals, licences and permissions (statutory, regulatory contractual or otherwise) it may require and which are necessary for the provision of the Services;

(c) ensure that:

(i) it shall continue to have all necessary rights in and to the Third Party IPRs, the Supplier Background IPRs and any other materials made available by the Supplier (and/or any Sub-contractor) to the Authority which are necessary for the performance of the Supplier's obligations under this Agreement and/or the receipt of the Services by the Authority;

(ii) any products or services recommended or otherwise specified by the Supplier for use by the Authority in conjunction with the Deliverables and/or the Services shall enable the Deliverables and/or Services to meet the Authority Requirements; and

(iii) the Supplier System and Assets used in the performance of the Services will be free of all encumbrances (except as agreed in writing with the Authority) and will be Euro Compliant;

(d) minimise any disruption to the Services, the IT Environment and/or the Authority's operations when carrying out its obligations under this Agreement;

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

(f) co-operate with any Other Supplier notified to the Supplier by the Authority from time to time by providing:

(i) reasonable information (including any Documentation);

(ii) advice; and

(iii) reasonable assistance,

in connection with the Services to any such Other Supplier to enable such Other Supplier to create and maintain technical or organisational interfaces with the Services and, on the expiry or termination of this

Agreement for any reason, to enable the timely transition of the Services (or any of them) to the Authority and/or to any Replacement Supplier in accordance with the following collaborative working principles:

(A) proactively leading on, mitigating and contributing to the resolution of problems or issues irrespective of its contractual obligations, acting in accordance with the principle of "fix first, settle later";

(B) being open, transparent and responsive in sharing relevant and accurate information with such Other Suppliers;

(C) where reasonable, adopting common working practices, terminology, standards and technology and a collaborative approach to service development and resourcing with such Other Suppliers;

(D) providing reasonable cooperation, support, information and assistance to such Other Suppliers in a proactive, transparent and open way and in a spirit of trust and mutual confidence; and

(E) identifying, implementing and capitalising on opportunities to improve deliverables and deliver better solutions and performance throughout the relationship lifecycle;

(g) to the extent it is legally able to do so, hold on trust for the sole benefit of the Authority, all warranties and indemnities provided by third parties or any Sub-contractor in respect of any Deliverables and/or the Services and, where any such warranties are held on trust, at its cost enforce such warranties in accordance with any reasonable directions that the Authority may notify from time to time to the Supplier;

(h) unless it is unable to do so, assign to the Authority on the Authority's written request and at the cost of the Supplier any such warranties and/or indemnities as are referred to in Clause 5.6(g);

(i) provide the Authority with such assistance as the Authority may reasonably require during the Term in respect of the supply of the Services;

(j) gather, collate and provide such information and co-operation as the Authority may reasonably request for the purposes of ascertaining the Supplier's compliance with its obligations under this Agreement;

(k) notify the Authority in writing as soon as reasonably possible and in any event within 1 month of any change of Control of the Supplier, the Guarantor or any Key Sub-contractor taking place;

(l) notify the Authority in writing within 10 Working Days of their occurrence, of any actions, suits or proceedings or regulatory investigations before any court or administrative body or arbitration tribunal pending or, to its knowledge, threatened against it that might affect its ability to perform its obligations under this Agreement;

(m) ensure that neither it, nor any of its Affiliates, embarrasses the Authority or otherwise brings the Authority into disrepute by engaging in any act or

omission which is reasonably likely to diminish the trust that the public places in the Authority, regardless of whether or not such act or omission is related to the Supplier's obligations under this Agreement, provided that the Supplier will not be liable under this Clause 5.6(m) to the extent that the Authority has expressly instructed the Supplier or its Affiliates in writing to engage in such acts or omissions;

(n) manage closure or termination of Services and end of life of assets to take account of the Authority's disposal requirements, including recycling and scope for re-use, and all applicable Standards; and

(o) comply with the terms set out in Schedule 13 (*Code of Conduct*) and Schedule 24 (*Social Value*).

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

5.8 Without prejudice to Clauses 19.2 and 19.3 (*IPRs Indemnity*) and any other rights and remedies of the Authority howsoever arising, the Supplier shall:

(a) remedy any breach of its obligations in Clauses 5.6(b) to 5.6(d) inclusive within 3 Working Days of becoming aware of the breach or being notified of the breach by the Authority where practicable or within such other time period as may be agreed with the Authority (taking into account the nature of the breach that has occurred);

(b) remedy any breach of its obligations in Clause 5.6(a) and Clauses 5.6(e) to 5.6(j) inclusive within 20 Working Days of becoming aware of the breach or being notified of the breach by the Authority; and

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

and any failure of the Supplier to comply with its obligations under Clause 5.8(a) or Clause 5.8(b) within the specified or agreed timeframe shall constitute a Notifiable Default.

Continuing obligation to provide the Services

5.9 The Supplier shall continue to perform all of its obligations under this Agreement and shall not suspend the supply of the Services, notwithstanding:

(a) any withholding, forfeiture and/or repayment of the Target Fee Achieved and/or Target Fee pursuant to Paragraphs 13 and/or 14 of Part A of Schedule 7.1 (*Charges and Invoicing*), any deduction made pursuant to Clause 7.4 (*Serious Performance Failure*) in respect of Compensation for Serious Performance Failure, any adjustment to the Monthly Available Target Fee pursuant to Paragraph 12 of Part A of Schedule 7.1 (*Charges and Invoicing*) and/or the application of any Specialist Benefit Performance Credits by the Authority;

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

(c) any failure by the Authority to pay any Charges,

unless the Supplier is entitled to terminate this Agreement under Clause 35.3(a) (*Termination by the Supplier*) for failure to pay undisputed Charges.

Optional Services

5.10 The Authority may require the Supplier to provide any or all of the Optional Services at any time. The Supplier acknowledges that the Authority is not obliged to accept any Optional Services from the Supplier and that nothing shall prevent the Authority from receiving services that are the same as or similar to the Optional Services (including in relation to any pilot initiatives) from any other FAS Lot Supplier, any third party or from its own resources.

5.11 The Authority may require the Supplier to provide HAS Testing and/or HAS Rollout in accordance with the Specialised Change Control Procedure.

5.12 The Authority may require the Supplier to provide Contingency Services in accordance with the Change Control Procedure, subject to the following:

(a) the Supplier shall provide the Contingency Services on the same terms that apply to the provision of the Services under this Agreement subject to any changes that are agreed between the Parties pursuant to the Change Control Procedure;

(b) the Supplier shall develop an Optional Services Implementation Plan and provide it to the Authority by a date agreed in writing between the Parties, with each Party acting reasonably and promptly taking into account the urgency of the Authority's requirement for such Contingency Services;

(c) the Authority shall implement and test the relevant Optional Services in accordance with the Optional Services Implementation Plan; and

(d) the Supplier shall, from the date agreed in the Optional Services Implementation Plan (or, if later, the date of Achievement of any Milestones associated with the commencement of the relevant Optional Services (if any)), provide the relevant Optional Services:

(i) to meet or exceed the applicable Target Performance Level in respect of all applicable Performance Levels; and

(ii) to achieve the Volume Clearance Targets in each Service Delivery Year and the Monthly Volume Clearance Targets in each Service Period of each Service Delivery Year,

in each case, applicable to the Optional Services (and where applicable as agreed or determined pursuant to the Change Control Procedure).

Power of attorney

5.13 By way of security for the performance of its obligations under Clauses 5.6(g) and 5.6(h) (*Supplier covenants*) the Supplier hereby irrevocably appoints the Authority as its agent and attorney to act with full power and authority in the Supplier's name and on its behalf to do all such acts and execute all such documents as may be necessary or desirable to enforce any such warranties and/or effect any such assignment as are referred to in such Clauses and to delegate one or more of the powers conferred on it by this Clause 5.13 (other than the power to delegate) to officer(s) appointed for that purpose by the Authority and may vary or revoke such delegation at any time.

Information Technology Services

5.14 The Parties shall comply with the provisions of Schedule 15.2 (*Authority Assets*) and Schedule 18 (*Information Technology Services*).

Authority Responsibilities

5.15 The Authority shall comply with its responsibilities set out in Schedule 3 (*Authority Responsibilities*).

Services in Wales

5.16 The Supplier shall comply with the provisions of Schedule 12 (*Welsh Language Requirements*) where the Services are provided in Wales.

5.17 Where the Services are provided in Wales, the Supplier shall provide on at least an annual basis (or other frequency as reasonably specified by the Authority) reports detailing its compliance with the Welsh Language Act in a format specified by the Authority.

6 IMPLEMENTATION

Quality Plans

6.1 The Supplier shall develop, within 20 Working Days of the Implementation Services Commencement Date, quality plans that ensure that all aspects of the Services are the subject of quality management systems and are consistent with BS EN ISO 9001 or any equivalent standard which is generally recognised as having replaced it ("**Quality Plans**").

6.2 The Supplier shall obtain the Authority Representative's written approval of the Quality Plans before implementing them, which approval shall not be unreasonably withheld or delayed. The Supplier acknowledges and accepts that the Authority's approval shall not act as an endorsement of the Quality Plans and shall not relieve the Supplier of its responsibility for ensuring that the Services are provided to the standard required by this Agreement.

6.3 Following the approval by the Authority of the Quality Plans:

(a) the Supplier shall design and deliver all Deliverables in accordance with the Quality Plans; and

(b) any Changes to the Quality Plans shall be agreed in accordance with the Change Control Procedure.

Implementation Plan and Delay

6.4 The Parties shall comply with the provisions of Schedule 6.1 (*Implementation Related Plans*) in relation to the agreement and maintenance of the Detailed Implementation Plan.

6.5 The Supplier shall:

(a) comply with the Implementation Plan; and

(b) ensure that each Milestone is Achieved on or before its Milestone Date.

6.6 If the Supplier fails to Achieve the Final Delivery Milestone by the Final Delivery Milestone Date:

(a) it shall:

(i) notify the Authority in accordance with Clause 28 (*Rectification Plan Process*); and

(ii) comply with the Rectification Plan Process in order to address the impact of the Delay or anticipated Delay; and

(iii) use all reasonable endeavours to eliminate or mitigate the consequences of any Delay or anticipated Delay.

Achievement of Final Delivery Milestone

6.7 The Parties shall comply with the provisions of Schedule 6.1 (*Implementation Related Plans*) in relation to the procedures to determine whether the Final Delivery Milestone has been Achieved.

7 PERFORMANCE LEVELS AND VOLUME CLEARANCE TARGETS

7.1 The Supplier shall:

(a) provide the Operational Services in such a manner so as to:

(i) meet or exceed the Target Performance Levels in respect of each Measurement Period from the Operational Service Commencement Date; and

(ii) achieve the Volume Clearance Targets in each Service Delivery Year and the Monthly Volume Clearance Targets in each Service Period of each Service Delivery Year; and

(b) comply with the provisions of Schedule 2.2 (*Performance Levels*) in relation to the monitoring and reporting on its performance against the Target Performance Levels, the Volume Clearance Targets and the Monthly Volume Clearance Targets in respect of each Measurement Period.

Performance Failures

7.2 If in any Service Period:

(a) a TPL Failure occurs in respect of:

(i) a PIP/WCA Performance Level, the provisions of Paragraphs 2.3(a) and 2.4 of Part A of Schedule 2.2 (*Performance Levels*) shall apply to determine the amount (if any) of the Financial Incentives that the Supplier shall be entitled to accrue in respect of the relevant Service Period in accordance with Paragraph 12 of Part A of Schedule 7.1 (*Charges and Invoicing*); or

(ii) a Specialist Benefit Performance Level in respect of which Specialist Benefit Performance Credits apply (subject to Clause 7.6(c) (*Changes to Performance Level weighting and other adjustments*), as referred to in Paragraph 2.2 of Part A of Schedule 2.2 (*Performance Levels*)), the provisions of Paragraph 2.3(b) of Part A of Schedule 2.2 (*Performance Levels*) shall apply to determine the Specialist Benefit Performance Credit to be applied by the Authority in respect of the relevant Service Period pursuant to Paragraph 21 of Part A of Schedule 7.1 (*Charges and Invoicing*);

(b) the Supplier fails to achieve the Monthly Volume Clearance Target for PIP and/or WCA, the Authority shall be entitled to withhold (which includes any amount forfeited by the Supplier pursuant to Paragraph 13.7.3 of Part A of

Schedule 7.1 (*Charges and Invoicing*)) the whole or the relevant proportion (as the case may be) of the Target Fee Achieved pursuant to Paragraph 13 of Part A of Schedule 7.1 (*Charges and Invoicing*) and the provisions of Paragraph 14 of Part A of Schedule 7.1 (*Charges and Invoicing*) shall apply; and/or

(c) a TPL Failure and/or a Service Regression Failure occurs, the Supplier shall comply with the Rectification Plan Process (in addition to any adjustment to the Financial Incentives and/or any Specialist Benefit Performance Credits applied in accordance with Clause 7.2(a) and/or any withholding (including any forfeiture) made by and/or repayment of the Target Fee Achieved and/or Target Fee to the Authority pursuant to Paragraphs 13 and 14 of Part A of Schedule 7.1 (*Charges and Invoicing*) in accordance with Clause 7.2(b) (as the case may be)).

7.3 The Financial Incentive regime, Specialist Benefit Performance Credits and the Withheld Target Fee that the Supplier has forfeited and/or has been required to repay pursuant to Paragraphs 13 and/or 14 of Part A of Schedule 7.1 (*Charges and Invoicing*) shall be the Authority's exclusive financial remedy for a TPL Failure and/or Service Regression Failure except where:

(a) the Supplier has over the previous 12 month period accrued Service Credits in excess of the Target Fee for that 12 month period;

(b) the TPL Failure and/or Service Regression Failure:

(i) has arisen due to the wilful Default, theft, negligence or fraud by the Supplier or any Supplier Personnel; or

(ii) results in:

(A) the corruption or loss of any Authority Data (in which case the remedies under Clause 21.7 (*Authority Data and Security Requirements*) shall also be available); and/or

(B) the Authority being required to make a compensation payment to one or more third parties;

(C) damage to the reputation of the Authority (provided that if the Authority makes a claim against the Supplier in relation to such circumstances, it will give financial credit, in the amount of the Service Credits accrued, against any damages recovered by it in respect of the same breach);

(D) an inability for the Authority to comply with its statutory obligations or Law in general; and/or

(E) the Authority being unable to report to stakeholder departments;

(c) the Supplier has fraudulently misreported its performance against any Performance Level and/or any Volume Clearance Target and/or any Monthly Volume Clearance Target;

(d) the Authority is otherwise entitled to or does terminate the relevant Services or this Agreement pursuant to Clause 35.1(b) (*Termination by the Authority*);

(e) the provisions of Clause 7.10 (*Supplier failure to comply with Authority processes and procedures*) apply;

(f) the provisions of Clause 26.14 (*Liquidated Damages*) apply; and/or

(g) the provisions of Clause 7.4 (*Serious Performance Failure*) apply.

Serious Performance Failure

7.4 If in any Service Period a Serious Performance Failure occurs, the Authority shall (subject to the Service Credit Cap set out in Clause 26.4(c) (*Financial and other limits*)) be entitled to deduct the amount from the Target Cost or Actual Target Cost (as the case may be) (as calculated in accordance with Paragraph 25 of Part A of Schedule 7.1 (*Charges and Invoicing*)) in respect of the Service Period in which the Serious Performance Failure occurs ("**Compensation for Serious Performance Failure**") PROVIDED THAT the operation of this Clause 7.4 shall be without prejudice to any right which the Authority may have to terminate this Agreement, to appoint a Remedial Adviser pursuant to Clause 31 (*Remedial Adviser*) and/or to claim damages from the Supplier as a result of the occurrence and/or continuance of the circumstances giving rise to such Serious Performance Failure.

7.5 The Supplier:

(a) agrees that the application of Clause 7.4 is commercially justifiable where a Serious Performance Failure occurs; and

(b) acknowledges that it has taken legal advice on the application of Clause 7.4 and has had the opportunity to price for that risk when calculating the Charges.

Changes to Performance Level weighting and other adjustments

7.6 Not more than once in each Service Delivery Year the Authority may, on giving the Supplier at least 6 months' notice:

(a) change the weighting that applies in respect of one or more PIP/WCA Performance Levels to which Financial Incentives apply (as such weightings are set out in Tables 2 and 3 of Annex 1 to Schedule 2.2 (*Performance Levels*));

(b) change the percentages allocated to the categories of Serious Performance Failures referred to in Paragraph 25.3 of Part A of Schedule 7.1 (*Charges and Invoicing*);

(c) change the Specialist Benefit Performance Levels (and/or any SBs (as defined in the Glossary of Terms in Schedule 2.2 (*Performance Levels*)) comprised within such Specialist Benefit Performance Levels) in respect of which Specialist Benefit Performance Credits may be applied (as such Specialist Benefit Performance Levels (including their constituent SBs) are (as at the Effective Date) referred to in Paragraph 2.2 of Part A of Schedule 2.2 (*Performance Levels*)); and/or

(d) change the profile of the Monthly Volume Clearance Targets for PIP and/or WCA in respect of any one or more Service Delivery Years.

7.7 The Authority shall only be entitled to implement changes made by the Authority under Clause 7.6 that meet the following criteria:

(a) in respect of the changes referred to in Clause 7.6(a), the overall weighting allocated to Performance Levels attracting Financial Incentives in respect of Assessments for PIP does not exceed 50% of the Monthly Available Target Fee and the overall weighting allocated to Performance Levels attracting Financial Incentives in respect of Assessments for UC and ESA (as defined in the Glossary of Abbreviations in Schedule 2.1 (*Services Description*)) does not exceed 50% of the Monthly Available Target Fee;

(b) in respect of the changes referred to in Clause 7.6(b), the percentage cap referred to in Paragraph 25 of Part A of Schedule 7.1 (*Charges and Invoicing*) does not exceed six (6%);

(c) in respect of the changes referred to in Clause 7.6(c), the total number of SBs (as defined in the Glossary of Terms in Schedule 2.2 (*Performance Levels*) and against which the Supplier's performance may be assessed to determine whether any Specialist Benefit Performance Credits may be due) does not exceed the number of such SBs as at the Effective Date;

(d) in respect of the changes referred to in Clause 7.6(d), such change would not give rise to a Target Cost Review pursuant to Schedule 7.1 (*Charges and Invoicing*);

(e) the principal purpose of the change is to reflect changes in the Authority's business requirements and/or priorities or to reflect changing industry standards; and

(f) there is no change to the Service Credit Cap.

Multi-Lot Suppliers, HAS Testing, HAS Rollout and Contingency Services

7.8 Where the Supplier is appointed (on or around the Effective Date) to deliver services equivalent to the Services under a Separate Lot Agreement, the services to be delivered under the Lot to which that Separate Lot Agreement relates shall, for the avoidance of doubt but subject always to limb(s) of the definition of Supplier Termination Event, be subject to the provisions of that Separate Lot Agreement and shall not form part of, be taken into account and/or be subsumed within the Services performed under the Lot to which this Agreement relates for any purpose, including for the purpose of monitoring, reporting and/or assessing the Supplier's performance as against the Performance Levels and/or the Volume Clearance Targets and/or the Monthly Volume Clearance Targets for this Lot.

7.9 Where the Supplier is required to provide any Optional Services, notwithstanding that such Optional Services may form part of or be subsumed within the Services performed under the Lot to which this Agreement relates in accordance with the relevant Change, the Supplier acknowledges and agrees that the Authority may require the Supplier's performance of such Optional Services to be monitored, reported and/or assessed independently and the provisions of this Agreement (including as set out in Schedule 2.2 (*Performance Levels*) and Schedule 7.1 (*Charges and Invoicing*)) that apply in respect of the monitoring, reporting and/or assessment of the Supplier's performance of the Services shall be construed accordingly.

Supplier failure to comply with Authority processes and procedures

7.10 Where, notwithstanding that the Supplier may have achieved the Target Performance Levels, the Monthly Volume Clearance Targets and/or the Volume Clearance Targets:

(a) the Supplier fails to comply with any processes and/or procedures expressly referred to in Schedule 2.1 (Services Description) and/or Schedule 2.2 (Performance Levels) (including any failure to take any required steps in connection with such processes and/or procedures and/or to take such steps in the required sequence) in connection with the performance of the Services and/or the monitoring and/or measurement of the Supplier's performance of them (including in connection with the outcome of such monitoring and/or measurement); and

(b) such failure to comply results in any Losses being suffered or incurred by the Authority (including, any Losses suffered or incurred by the Authority in mitigating and/or rectifying such failure to comply and/or the consequences of such failure to comply (including the Authority retaking (or procuring others to retake) any required steps)),

then the Supplier shall indemnify (and keep indemnified) the Authority from and against all such Losses.

8 SERVICES IMPROVEMENT

8.1 The Supplier shall have an ongoing obligation throughout the Term to identify new or potential improvements to the Services in accordance with this Clause 8, pursuant to which it shall regularly review with the Authority the Services and the manner in which it is providing the Services with a view to: (i) reducing the Authority's costs; and (ii) improving the quality and efficiency of the Services. In particular, the Supplier shall submit to the Authority a Continuous Improvement Plan and update such plan in accordance with Paragraph 45 of Schedule 2.1 (*Services Description*).

8.2 As part of its obligations under this Clause 8, the Supplier shall identify and report to the Programme Board once every 6 months on:

(a) the emergence of new and evolving relevant technologies of which the Supplier has become aware which could improve the IT Environment and/or the Services, and those technological advances potentially available to the Supplier and the Authority which the Parties may wish to adopt;

(b) new or potential improvements to the Services including the quality, responsiveness, procedures, likely performance mechanisms and customer support services in relation to the Services;

(c) new or potential improvements to the interfaces or integration of the Services with other services provided by third parties or the Authority which might result in efficiency or productivity gains or in reduction of operational risk;

(d) changes in business processes and ways of working that would enable the Services to be delivered at lower cost and/or with greater benefits to the Authority; and/or

(e) changes to the IT Environment, business processes and ways of working that would enable reductions in the total energy consumed in the delivery of the Services.

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

8.4 If the Authority wishes to incorporate any improvement identified by the Supplier the Authority shall send the Supplier a Change Request in accordance with the Change Control Procedure.

8.5 The Supplier acknowledges that the activities set out in Clauses 8.1 to 8.4 may include identifying opportunities that involve other providers of similar services (including any other FAS Lot Suppliers) and the Supplier will work with the Authority and providers of similar services (including any other FAS Lot Suppliers) to trial new processes and share best practice as requested by the Authority pursuant to Clause 8.4.

9 EQUIPMENT AND MAINTENANCE

Supplier Equipment

9.1 The Supplier shall be solely responsible for the cost of carriage of any Supplier Equipment to the Sites and to the Authority Premises, including its off-loading, removal of all packaging and all other associated costs. Likewise on termination or expiry of this Agreement the Supplier shall be responsible for the removal and safe disposal of all relevant Supplier Equipment from the Sites and the Authority Premises, including the cost of packing, carriage and making good the Sites and/or the Authority Premises following removal, and taking account of any sustainability requirements, including safe removal of data and recycling requirements.

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

9.3 Subject to any express provision of the Service Continuity Plan to the contrary, the loss or destruction for any reason of any Supplier Equipment shall not relieve the Supplier of its obligation to supply the Services in accordance with this Agreement, including to achieve the Target Performance Levels, the Monthly Volume Clearance Targets and/or the Volume Clearance Targets.

Estates

9.4 The Parties shall comply with the provisions of Schedule 15.1 (*Estates*).

SECTION C – PAYMENT, TAXATION AND VALUE FOR MONEY PROVISIONS

10 FINANCIAL AND TAXATION MATTERS

Charges and Invoicing

10.1 In consideration of the Supplier carrying out its obligations under this Agreement, including the provision of the Services, the Authority shall pay the Charges to the Supplier in accordance with the pricing and payment profile and the invoicing procedure specified in Schedule 7.1 (*Charges and Invoicing*).

10.2 Except as otherwise provided, each Party shall each bear its own costs and expenses incurred in respect of compliance with its obligations under Clauses 6.7 (*Achievement of Final Delivery Milestone*), 12 (*Records, Reports, Audits, Open Book Data and PAT Reviews*), 23 (*Transparency and Freedom of Information*), 24 (*Protection of Personal Data*) and, to the extent specified therein, Clause 31 (*Remedial Adviser*) and Clause 32 (*Step-In Rights*).

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

VAT

10.4 The Charges are stated exclusive of VAT, which shall be added at the prevailing rate as applicable and paid by the Authority following delivery of a valid VAT invoice.

10.5 The Supplier shall indemnify the Authority on a continuing basis against any liability, including any interest, penalties or costs incurred, that is levied, demanded or assessed on the Authority at any time in respect of the Supplier's failure to account for or to pay any VAT relating to payments made to the Supplier under this Agreement. Any amounts due under this Clause 10.5 shall be paid in cleared funds by the Supplier to the Authority not less than five Working Days before the date upon which the tax or other liability is payable by the Authority.

Set-off and Withholding

10.6 The Authority may set off any amount owed by the Supplier to the Crown or any part of the Crown (including the Authority) against any amount due to the Supplier under this Agreement or under any other agreement between the Supplier and the Authority, now or in the future.

10.7 If the Authority wishes to set off any amount owed by the Supplier to the Crown or any part of the Crown (including the Authority) against any amount due to the Supplier pursuant to Clause 10.6 it shall give notice to the Supplier within thirty (30) days of receipt of the relevant invoice, setting out the Authority's reasons for withholding or retaining the relevant Charges.

Not Used

10.8 Not Used

Financial Distress

10.9 The Parties shall comply with the provisions of Schedule 7.4 (*Financial Distress*) in relation to the assessment of the financial standing of the Supplier and other specified entities and the consequences of a change to that financial standing.

Promoting Tax Compliance

10.10 If, at any point during the Term, an Occasion of Tax Non-Compliance occurs, the Supplier shall:

(a) notify the Authority in writing of such fact within 5 Working Days of its occurrence; and

(b) promptly provide to the Authority:

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

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

SECTION D – CONTRACT GOVERNANCE

11 GOVERNANCE

11.1 The Parties shall comply with the provisions of Schedule 8.1 (*Governance*), as updated from time to time by the Authority, in relation to the management and governance of this Agreement.

Representatives

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

11.3 The initial Supplier Representative shall be the person named as such in Schedule 9.2 (*Key Personnel*). Any change to the Supplier Representative shall be agreed in accordance with Clause 14 (*Supplier Personnel*).

11.4 The Authority shall notify the Supplier of the identity of the initial Authority Representative within 20 Working Days of the Implementation Services Commencement Date (and if the Supplier has not received such notification by such date, it shall inform the Authority and the Authority shall notify the Supplier of the identity of the initial Authority Representative as soon as reasonably practicable thereafter). The Authority may, by written notice to the Supplier, revoke or amend the authority of the Authority Representative or appoint a new Authority Representative.

12 RECORDS, REPORTS, AUDITS, OPEN BOOK DATA AND PAT REVIEWS

12.1 The Supplier shall comply with the provisions of:

(a) Schedule 8.4 (*Management Information and Records Provisions*) in relation to the provision, maintenance and retention of Records; and

(b) Part A of Schedule 7.5 (*Financial Reports and Audit Rights*) in relation to the maintenance of Open Book Data.

12.2 The Parties shall comply with the provisions of:

(a) Part B of Schedule 7.5 (*Financial Reports and Audit Rights*) in relation to the provision of the Financial Reports; and

(b) Part C of Schedule 7.5 (*Financial Reports and Audit Rights*) in relation to the exercise of the Audit Rights by the Authority or any Audit Agents.

12.3 Without prejudice to any of the Authority's other rights under the Agreement or at law, the Supplier shall comply with its obligations set out in Schedule 21 (*Provider Assurance Team*) and co-operate with the Authority in respect of any PAT Review undertaken by the Authority from time to time.

13 CHANGE

Change Control Procedure

13.1 Any requirement for a Change shall be subject to the Change Control Procedure.

Change in Law

13.2 The Supplier shall neither be relieved of its obligations to supply the Services in accordance with the terms and conditions of this Agreement nor be entitled to an increase in the Charges as the result of:

(a) a General Change in Law; or

(b) a Specific Change in Law where the effect of that Specific Change in Law on the Services is reasonably foreseeable at the Effective Date.

13.3 If a Specific Change in Law or material change in Service Guidance occurs or will occur during the Term (other than as referred to in Clause 13.2(b)), the Supplier shall:

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

(i) whether any Change is required to the Services, the Charges or this Agreement; and

(ii) whether any relief from compliance with the Supplier's obligations is requested, including any obligation to Achieve a Milestone and/or to achieve the Target Performance Levels; and

(b) provide the Authority with evidence:

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

(ii) as to how the Specific Change in Law or material change in Service Guidance has affected the cost of providing the Services; and

(iii) demonstrating that any expenditure that has been avoided, for example which would have been required under the provisions of Clause 8 (*Services Improvement*), has been taken into account in amending the Charges.

13.4 Any variation in the Charges or relief from the Supplier's obligations resulting from a Specific Change in Law (other than as referred to in Clause 13.2(b)) shall be implemented in accordance with the Change Control Procedure.

SECTION E – SUPPLIER PERSONNEL AND SUPPLY CHAIN

14 SUPPLIER PERSONNEL

14.1 The Supplier shall:

(a) provide in advance of any admission to Authority Premises a list of the names of all Supplier Personnel requiring such admission, specifying the

capacity in which they require admission and giving such other particulars as the Authority may reasonably require;

(b) ensure that all Supplier Personnel:

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

(ii) are vetted in accordance with Good Industry Practice and, where applicable, the security requirements (if any) set out in Schedule 2.1 (*Services Description*) and Schedule 2.4 (*Security Management*) prior to their involvement in the provision of the Services; and

(iii) comply with all reasonable requirements of the Authority concerning conduct at the Authority Premises, including the security requirements as set out in Schedule 2.4 (*Security Management*);

(c) subject to Schedule 9.1 (*Staff Transfer*), retain overall control of the Supplier Personnel at all times so that the Supplier Personnel shall not be deemed to be employees, agents or contractors of the Authority;

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

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

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

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

(h) procure that the Supplier Personnel shall vacate the Authority Premises immediately upon the termination or expiry of this Agreement;

(i) use all reasonable endeavours to ensure that each member of the Supplier Personnel provides a statement confirming that they are not unlawfully claiming any social security benefit (including where payment of that social security benefit is precluded due to earnings);

(j) use all reasonable endeavours to ensure that its Supplier Personnel who are not UK nationals are legally entitled to be resident in the UK and have a work permit, where applicable. The Supplier shall promptly take all reasonable steps to ensure compliance with this Clause 14.1(j);

(k) where the Supplier is delivering other services to the Authority pursuant to a separate agreement with the Authority:

(i) refrain from soliciting, enticing or in any other way encouraging any personnel engaged by the Supplier on those agreements to transfer their engagement to the Services being delivered under this Agreement;

(ii) refrain from recruiting personnel to the Services being delivered under this Agreement from the pool of Supplier personnel engaged in other services for the Authority; and

(l) promptly notify the Authority with full details of any Supplier Personnel previously engaged on other services for the Authority that have transferred or commenced engagement with the Supplier on the Services except where the time period between cessation of the previous engagement and the commencement of the engagement of the Services is more than six (6) months.

14.2 If the Authority reasonably believes that any of the Supplier Personnel are unsuitable to undertake work in respect of this Agreement, it may:

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

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

Key Personnel

14.3 The Supplier shall ensure that the Key Personnel fulfil the Key Roles at all times during the Term. Schedule 9.2 (*Key Personnel*) lists the Key Roles and names of the persons who the Supplier shall appoint to fill those Key Roles at the Implementation Services Commencement Date.

14.4 The Authority may identify any further roles as being Key Roles and, following agreement to the same by the Supplier, the relevant person selected to fill those Key Roles shall be included on the list of Key Personnel. The Authority may also update the role description of any Key Role from time to time and notify the Supplier of any such updates.

14.5 The Supplier shall not remove or replace any Key Personnel (including when carrying out Exit Management) unless:

(a) requested to do so by the Authority;

(b) the person concerned resigns, retires or dies or is on maternity leave, paternity leave or shared parental leave or long-term sick leave;

(c) the person's employment or contractual arrangement with the Supplier or a Sub-contractor is terminated for material breach of contract by the employee; or

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

14.6 The Supplier shall:

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

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

(c) give as much notice as is reasonably practicable of its intention to remove or replace any member of Key Personnel and, except in the cases of death, unexpected ill health or a material breach of the Key Personnel's employment contract, this will mean at least 60 Working Days' notice;

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

(e) ensure that any replacement for a Key Role:

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

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

Employment Indemnity

14.7 The Parties agree that:

(a) the Supplier shall both during and after the Term indemnify the Authority against all Employee Liabilities that may arise as a result of any claims brought against the Authority by any person where and to the extent that such claim arises from any act or omission of the Supplier or any Supplier Personnel; and

(b) the Authority shall both during and after the Term indemnify the Supplier against all Employee Liabilities that may arise as a result of any claims brought against the Supplier by any person where and to the extent that such claim arises from any act or omission of the Authority or any of the Authority's employees, agents, consultants and contractors (other than the Supplier and its Sub-contractors).

Income Tax and National Insurance Contributions

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

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

(b) indemnify the Authority against any income tax, national insurance and social security contributions and any other liability, deduction, contribution, assessment or claim arising from or made in connection with the provision of the Services by the Supplier or any Supplier Personnel.

Staff Transfer

14.9 The Parties agree that:

(a) where the commencement of the provision of the Services or any part of the Services results in one or more Relevant Transfers, Schedule 9.1 (*Staff Transfer*) shall apply as follows:

(i) where the Relevant Transfer involves the transfer of Transferring Authority Employees, Part A and Part D of Schedule 9.1 (*Staff Transfer*) shall apply;

(ii) where the Relevant Transfer involves the transfer of Transferring Former Supplier Employees, Part B and Part D of Schedule 9.1 (*Staff Transfer*) shall apply;

(iii) where the Relevant Transfer involves the transfer of Transferring Authority Employees and Transferring Former Supplier Employees, Parts A, B and D of Schedule 9.1 (*Staff Transfer*) shall apply; and

(iv) Part C of Schedule 9.1 (*Staff Transfer*) shall not apply;

(b) where commencement of the provision of the Services or a part of the Services does not result in a Relevant Transfer, Part C of Schedule 9.1 (*Staff Transfer*) shall apply, Part D of Schedule 9.1 (*Staff Transfer*) may apply and Parts A and B of Schedule 9.1 (*Staff Transfer*) shall not apply; and

(c) Part E of Schedule 9.1 (*Staff Transfer*) shall apply on the expiry or termination of the Services or any part of the Services.

15 SUPPLY CHAIN RIGHTS AND PROTECTIONS

Advertising Sub-contract Opportunities

15.1 The Supplier shall:

(a) subject to Clauses 15.3 and 15.4, advertise on Contracts Finder all Sub-contract opportunities arising from or in connection with the provision of the Services above a minimum threshold of £25,000 that arise during the Term;

(b) within ninety (90) days of awarding a Sub-contract to a Sub-contractor, update the notice on Contracts Finder with details of the successful Sub-contractor;

(c) monitor the number, type and value of the Sub-contract opportunities placed on Contracts Finder advertised and awarded in its supply chain during the Term;

(d) provide reports on the information at Clause 15.1(c) to the Authority in the format and frequency as reasonably specified by the Authority; and

(e) promote Contracts Finder to its suppliers and encourage those organisations to register on Contracts Finder.

15.2 Each advert referred to in Clause 15.1 above shall provide a full and detailed description of the Sub-contract opportunity with each of the mandatory fields being completed on Contracts Finder by the Supplier.

15.3 The obligation at Clause 15.1 shall only apply in respect of Sub-contract opportunities arising after the Effective Date.

15.4 Notwithstanding Clause 15.1 the Authority may, by giving its prior written approval, agree that a Sub-contract opportunity is not required to be advertised on Contracts Finder.

Appointment of Sub-contractors

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

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

(b) comply with its obligations under this Agreement in the delivery of the Services; and

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

15.6 Prior to sub-contracting any of its obligations under this Agreement, the Supplier shall notify the Authority in writing of:

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

(b) the scope of any Services to be provided by the proposed Sub-contractor; and

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

15.7 If requested by the Authority within 10 Working Days of receipt of the Supplier's notice issued pursuant to Clause 15.6, the Supplier shall also provide:

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

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

15.8 Without prejudice to the Authority's rights set out in Clauses 15.24 to 15.26 (*Competitive Terms*), the Authority may, within 10 Working Days of receipt of the Supplier's notice issued pursuant to Clause 15.6 (or, if later, receipt of any further information requested pursuant to Clause 15.7), object to the appointment of the relevant Sub-contractor if it considers that:

(a) the appointment of a proposed Sub-contractor may prejudice the provision of the Services and/or may be contrary to the interests of the Authority;

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

(c) the proposed Sub-contractor employs unfit persons; and/or

(d) the proposed Sub-contractor should be excluded in accordance with Clause 15.23 (*Termination of sub-contracts*);

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

15.9 If:

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

(i) the Supplier's notice issued pursuant to Clause 15.6; and

(ii) any further information requested by the Authority pursuant to Clause 15.7; and

(b) the proposed Sub-contract is not a Key Sub-contract (which shall require the written consent of the Authority in accordance with Clause 15.10 (*Appointment of Key Sub-contractors*)),

the Supplier may proceed with the proposed appointment and, where the Sub-contract is entered into exclusively for the purpose of delivery of the Services, may notify the Authority that the relevant Sub-contract shall constitute a Third Party Contract for the purposes of Schedule 4.4 (*Third Party Contracts*) provided always that the Supplier shall ensure that each such Sub-contract shall include:

(i) provisions which will enable the Supplier to discharge its obligations under this Agreement, including but not limited to adherence to Service Levels; and

(ii) obligations no less onerous on the Sub-contractor than those imposed on the Supplier under this Agreement in respect of:

(A) data protection requirements set out in Clauses 21 (*Authority Data and Security Requirements*) and 24(*Protection of Personal Data*);

(B) FOIA requirements set out in Clause 23 (*Transparency and Freedom of Information*);

(C) the obligation not to embarrass the Authority or otherwise bring the Authority into disrepute set out in Clause 5.6(m) (*Supplier covenants*);

(D) the keeping of records in respect of the services being provided under the Sub-contract, including the maintenance of Open Book Data; and

(E) the conduct of Audits set out in Part C of Schedule 7.5 (*Financial Reports and Audit Rights*).

Appointment of Key Sub-contractors

15.10 Where the Supplier wishes to enter into a Key Sub-contract or replace a Key Sub-contractor, it must obtain the prior written consent of the Authority, such consent (subject to the Authority's rights set out in Clauses 15.24 to 15.26 (*Competitive Terms*)) not to be unreasonably withheld or delayed. For these purposes, the

Authority may withhold its consent to the appointment of a Key Sub-contractor if it reasonably considers that:

(a) the appointment of a proposed Key Sub-contractor may prejudice the provision of the Services or may be contrary to the interests of the Authority;

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

(c) the proposed Key Sub-contractor employs unfit persons; and/or

(d) the proposed Key Sub-contractor should be excluded in accordance with Clause 15.23 (*Termination of sub-contracts*).

15.11 The Authority consents to the appointment of the Key Sub-contractors listed in Schedule 4.3 (*Notified Key Sub-contractors*).

15.12 Except where the Authority has given its prior written consent, the Supplier shall ensure that each Key Sub-contract shall include:

(a) provisions which will enable the Supplier to discharge its obligations under this Agreement, including but not limited to adherence to Service Levels;

(b) a right under CRTPA for the Authority to enforce any provisions under the Key Sub-contract which are capable of conferring a benefit upon the Authority;

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

(d) a provision enabling the Supplier to assign, novate or otherwise transfer any of its rights and/or obligations under the Key Sub-contract to the Authority or any Replacement Supplier without restriction (including any need to obtain any consent or approval) or payment by the Authority;

(e) obligations no less onerous on the Key Sub-contractor than those imposed on the Supplier under this Agreement in respect of:

(i) data protection requirements set out in Clauses 21 (Authority *Data and Security Requirements*) and 24 (*Protection of Personal Data*);

(ii) FOIA requirements set out in Clause 23 (*Transparency and Freedom of Information*);

(iii) the obligation not to embarrass the Authority or otherwise bring the Authority into disrepute set out in Clause 5.6(m) (*Supplier covenants*);

(iv) the keeping of records in respect of the services being provided under the Key Sub-contract, including the maintenance of Open Book Data; and

(v) the conduct of Audits set out in Part C of Schedule 7.5 (*Financial Reports and Audit Rights*);

(f) provisions enabling the Supplier to terminate the Key Sub-contract on notice on terms no more onerous on the Supplier than those imposed on

the Authority under Clauses 35.1(a) (*Termination by the Authority*) and 36.4 (*Payments by the Authority*) and Schedule 7.2 (*Payments on Termination*) of this Agreement;

(g) a provision restricting the ability of the Key Sub-contractor to sub-contract all or any part of the services provided to the Supplier under the Key Sub-contract without first seeking the written consent of the Authority;

(h) a provision enabling the Supplier or the Authority to appoint a Remedial Adviser on substantially the same terms as are set out in Clause 31 (*Remedial Adviser*);

(i) a provision enabling the Supplier, the Authority or any other person on behalf of the Authority to step-in on substantially the same terms as are set out in Clause 32 (*Step-in Rights*);

(j) a provision requiring the Key Sub-contractor to participate in, and if required by the Authority in the relevant Multi-Party Procedure Initiation Notice to procure the participation of all or any of its Sub-contractors in, the Multi-Party Dispute Resolution Procedure; and

(k) a provision requiring the Key Sub-contractor to:

(i) promptly notify the Supplier and the Authority in writing of any of the following of which it is, or ought to be, aware:

(A) the occurrence of a Financial Distress Event in relation to the Key Sub-contractor; or

(B) any fact, circumstance or matter of which it is aware which could cause the occurrence of a Financial Distress Event in relation to the Key Sub-contractor,

and in any event, provide such notification within 10 Working Days of the date on which the Key Sub-contractor first becomes aware of such); and

(ii) co-operate with the Supplier and the Authority in order to give full effect to the provisions of Schedule 7.4 (*Financial Distress*), including meeting with the Supplier and the Authority to discuss and review the effect of the Financial Distress Event on the continued performance and delivery of the Services, and contributing to and complying with the Financial Distress Remediation Plan, and providing such information as the Supplier may require to enable the Supplier to comply with its obligations under paragraph 3.2(b) of Schedule 7.4 (*Financial Distress*).

15.13 The Supplier shall not terminate or materially amend the terms of any Key Sub-contract without the Authority's prior written consent, which shall not be unreasonably withheld or delayed.

Supply Chain Protection

15.14 The Supplier shall ensure that all Sub-contracts (which in this Clause 15.14 means any contract in the Supplier's supply chain entered into after the Effective Date made wholly or substantially for the purpose of performing or contributing to the performance of the whole or any part of this Agreement) contain provisions:

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

(b) requiring the Supplier or other party receiving goods or services under the Sub-contract to consider and verify invoices under that Sub-contract in a timely fashion;

(c) that if the Supplier or other party fails to consider and verify an invoice in accordance with Clause 15.14(b), the invoice shall be regarded as valid and undisputed for the purpose of Clause 15.14(d) after a reasonable time has passed;

(d) requiring the Supplier or other party to pay any undisputed sums which are due from it to the Sub-contractor within a specified period not exceeding thirty (30) days of verifying that the invoice is valid and undisputed;

(e) giving the Authority a right to publish the Supplier's compliance with its obligation to pay undisputed invoices within the specified payment period; and

(f) requiring the Sub-contractor to include a clause to the same effect as this Clause 15.14 in any contracts it enters into wholly or substantially for the purpose of performing or contributing to the performance of the whole or any part of this Agreement.

15.15 The Supplier shall take reasonable endeavours to ensure that all Sub-contracts (which in this Clause 15.15 means any contract in the Supplier's supply chain entered into before the Effective Date made wholly or substantially for the purpose of performing or contributing to the performance of the whole or any part of this Agreement) contain provisions:

(a) giving the Supplier a right to terminate the Sub-contract if the Sub-contractor fails to comply in the performance of the Sub-contract with legal obligations in the fields of environmental, social or labour Law;

(b) requiring the Supplier or other party receiving goods or services under the Sub-contract to consider and verify invoices under that Sub-contract in a timely fashion;

(c) that if the Supplier or other party fails to consider and verify an invoice in accordance with Clause 15.15(b), the invoice shall be regarded as valid and undisputed for the purpose of Clause 15.15(d) after a reasonable time has passed;

(d) requiring the Supplier or other party to pay any undisputed sums which are due from it to the Sub-contractor within a specified period not exceeding thirty (30) days of verifying that the invoice is valid and undisputed;

(e) giving the Authority a right to publish the Supplier's compliance with its obligation to pay undisputed invoices within the specified payment period; and

(f) requiring the Sub-contractor to include a clause to the same effect as this Clause 15.15 in any contracts it enters into wholly or substantially for the purpose of performing or contributing to the performance of the whole or any part of this Agreement.

15.16 The Supplier shall:

(a) pay any undisputed sums which are due from it to a Sub-contractor within thirty (30) days of verifying that the invoice is valid and undisputed;

(b) include within the Balanced Scorecard Report produced by it pursuant to Schedule 2.2 (*Performance Levels*) a summary of its compliance with Clause 15.16(a), such data to be certified each Quarter by a director of the Supplier as being accurate and not misleading.

15.17 Without prejudice to Clause 15.16(a), the Supplier shall:

(a) pay any sums which are due from it to any Sub-contractor or Unconnected Sub-contractor pursuant to any invoice (or other notice of an amount for payment) on the earlier of:

(i) the date set out for payment in the relevant Sub-contract or Unconnected Sub-contract; or

(ii) the date that falls sixty (60) days after the day on which the Supplier receives an invoice (or otherwise has notice of an amount for payment); and

(b) include within the Balanced Scorecard Report produced by it pursuant to Schedule 2.2 (*Performance Levels*) a summary of its compliance with Clause 15.17(a), such data to be certified every six months by a director of the Supplier as being accurate and not misleading.

15.18 If any Balanced Scorecard Report shows that in either of the last two six month periods the Supplier failed to pay 95% or above of all Sub-contractor or Unconnected Sub-contractor invoices (or other notice of an amount for payment) within sixty (60) days of receipt, the Supplier shall provide to the Authority within 15 Working Days following submission of the latest Balanced Scorecard Report an action plan (the "**Action Plan**") for improvement. The Action Plan shall include, but not be limited to, the following:

(a) identification of the primary causes of failure to pay 95% or above of all Sub-contractor or Unconnected Sub-contractor invoices (or other notice of an amount for payment) within sixty (60) days of receipt;

(b) actions to address each of the causes set out in Clause 15.18(a); and

(c) mechanism for and commitment to regular reporting on progress to the Supplier's Board.

15.19 The Action Plan shall be certificated by a director of the Supplier and the Action Plan or a summary of the Action Plan shall be published on the Supplier's website within 10 Working Days following the date on which the Action Plan is provided to the Authority in accordance with Clause 15.18.

15.20 Where the Supplier fails to pay any sums due to any Sub-contractor or Unconnected Sub-contractor in accordance with the terms set out in the relevant Sub-contract or Unconnected Sub-contract, the Action Plan shall include details of the steps the Supplier will take to address this.

15.21 The Supplier shall comply with the Action Plan or any similar action plan connected to the payment of Sub-contractors or Unconnected Sub-contractors which is required to be submitted to the Authority as part of the procurement process and such action plan

shall be included as part of the Supplier Solution (to the extent it is not already included).

15.22 Notwithstanding any provision of Clauses 22 (*Confidentiality*) and 25 (*Publicity and Branding*), if the Supplier notifies the Authority (whether in a Balanced Scorecard Report or otherwise) that the Supplier has failed to pay a Sub-contractor's undisputed invoice within thirty (30) days of receipt or that it has failed to pay 95% or above of its Sub-Contractors or Unconnected Sub-contractors within sixty (60) days after the day on which the Supplier receives an invoice or otherwise has notice of an amount for payment, or the Authority otherwise discovers the same, the Authority shall be entitled to publish the details of the late or non-payment (including on government websites and in the press).

Termination of Sub-contracts

15.23 The Authority may require the Supplier to terminate:

(a) a Sub-contract where:

(i) the acts or omissions of the relevant Sub-contractor have caused or materially contributed to the Authority's right of termination pursuant to Clause 35.1(b) (*Termination by the Authority*);

(ii) the relevant Sub-contractor or any of its Affiliates have embarrassed the Authority or otherwise brought the Authority into disrepute by engaging in any act or omission which is reasonably likely to diminish the trust that the public places in the Authority, regardless of whether or not such act or omission is related to the Sub-contractor's obligations in relation to the Services or otherwise, provided that the Supplier will not be required to terminate such Sub-contract pursuant to this Clause 15.23(a)(ii) where the Authority has expressly instructed the Supplier or its Affiliates in writing to engage in such acts or omissions;

(iii) the relevant Sub-contractor has failed to comply in the performance of its Sub-contract with legal obligations in the fields of environmental, social or labour law; and/or

(iv) the Authority has found grounds for exclusion of the Sub-contractor in accordance with Clause 15.28 (*Exclusion of Sub-contractors*); and

(b) a Key Sub-contract where there is a change of Control of the relevant Key Sub-contractor, unless:

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

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

Competitive Terms

15.24 If the Authority is able to obtain from any Sub-contractor or any other third party (on a like-for-like basis) more favourable commercial terms with respect to the supply of any goods, software or services used by the Supplier or the Supplier Personnel in the supply of the Services, then the Authority may:

(a) require the Supplier to replace its existing commercial terms with that person with the more favourable commercial terms obtained by the Authority in respect of the relevant item; or

(b) enter into a direct agreement with that Sub-contractor or third party in respect of the relevant item.

15.25 If the Authority exercises either of its options pursuant to Clause 15.24, then the Charges shall be reduced by an amount that is agreed in accordance with the Change Control Procedure.

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

(a) the Authority making the relevant item available to the Supplier where this is necessary for the Supplier to provide the Services; and

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

Retention of Legal Obligations

15.27 Notwithstanding the Supplier's right to sub-contract pursuant to this Clause 15, the Supplier shall remain responsible for all acts and omissions of its Sub-contractors and the acts and omissions of those employed or engaged by the Sub-contractors as if they were its own. In respect of any element of the Services delivered by Supplier Personnel and/or which are sub-contracted by the Supplier, an obligation on the Supplier to do or to refrain from doing any act or thing under this Agreement, shall include an obligation on the Supplier to procure that the Supplier Personnel and the Sub-contractor also do or refrain from doing such act or thing in their delivery of those elements of the Services.

Exclusion of Sub-contractors

15.28 Where the Authority considers whether there are grounds for the exclusion of a Sub-contractor under Regulation 57 of the Public Contracts Regulations 2015, then:

(a) if the Authority finds there are compulsory grounds for exclusion, the Supplier shall replace or shall not appoint the Sub-contractor; or

(b) if the Authority finds there are non-compulsory grounds for exclusion, the Authority may require the Supplier to replace or not to appoint the Sub-contractor and the Supplier shall comply with such a requirement.

Reporting SME/VCSE Sub-contracts

15.29 In addition to any other Management Information requirements set out in this Agreement, the Supplier agrees that it shall, at no charge, provide timely, full, accurate and complete Supply Chain Transparency Reports to the Authority thirty (30) days prior to the end of financial year by providing all of the information described in the Supply Chain Transparency Information Template in the format set out in Annex 8 to Schedule 8.4 (*Management Information and Records Provisions*) and in accordance with any guidance issued by the Authority from time to time.

15.30 The Authority may update the Supply Chain Transparency Information Template from time to time (including the data required and/or format) by issuing a replacement

version with at least thirty (30) days' notice and specifying the date from which it must be used.

SECTION F – INTELLECTUAL PROPERTY, DATA AND CONFIDENTIALITY

16 INTELLECTUAL PROPERTY RIGHTS

16.1 Except as expressly set out in this Agreement:

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

(i) the Supplier Software;

(ii) the Third Party Software;

(iii) the Third Party IPRs; and

(iv) the Supplier Background IPRs;

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

(i) the Authority Software;

(ii) the Authority Data;

(iii) the IT System; and

(iv) the Authority Background IPRs;

(c) Project Specific IPRs (except for any Know-How, trade secrets or Confidential Information contained therein) shall be the property of the Authority.

16.2 Where either Party acquires, by operation of law, title to Intellectual Property Rights that is inconsistent with the allocation of title set out in Clause 16.1, it shall assign in writing such Intellectual Property Rights as it has acquired to the other Party on the request of the other Party (whenever made).

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

16.4 Unless the Authority otherwise agrees in advance in writing:

(a) any software element of Project Specific IPRs shall be created in a format, or able to be converted into a format, which is suitable for publication by the Authority as Open Source software; and

(b) where any software element of Project Specific IPRs are written in a format that requires conversion before publication as Open Source software, the Supplier shall also provide the converted format to the Authority.

16.5 Where the Authority agrees that any software element of Project Specific IPRs should be excluded from Open Source publication, the Supplier shall as soon as reasonably practicable provide written details of the impact that such exclusion will have on the

Authority's ability to publish other Open Source software under Clause 20 (*Open Source Publication*).

17 TRANSFER AND LICENCES GRANTED BY THE SUPPLIER

Project Specific IPRs

17.1 Subject to Clause 17.15 (*Patents*) the Supplier hereby agrees to transfer to the Authority, or shall procure the transfer to the Authority of, all rights (subject to Clause 16.1(a) (*Intellectual Property Rights*)) in the Project Specific IPRs,

but not including any Know-How, trade secrets or Confidential Information.

17.2 The Supplier:

(a) shall:

(i) inform the Authority of any element of Project Specific IPRs that constitutes a modification or enhancement to Supplier Software or Third Party Software; and

(ii) promptly deliver to the Authority the software element of Project Specific IPRs in both Source Code and Object Code forms together with relevant Documentation following the creation of such software, in each case on media that is reasonably acceptable to the Authority; and

(iii) without prejudice to Clause 17.11 (*Third Party IPRs*), provide full details to the Authority of any Supplier Background IPRs or Third Party IPRs which are embedded in or which are an integral part of any element of Project Specific IPRs;

(b) acknowledges and agrees that the ownership of the media referred to in Clause 17.2(a)(ii) shall vest in the Authority upon their receipt by the Authority; and

(c) shall execute all such assignments as are required to ensure that any rights in the Project Specific IPRs are properly transferred to the Authority.

Supplier Background IPRs

17.3 The Supplier hereby grants to the Authority:

(a) subject to the provisions of Clause 17.15 (*Patents*) and Clause 36.1 (*Consequences of expiry or termination*), perpetual, royalty-free and non-exclusive licences to use (including but not limited to the right to load, execute, store, transmit, display and copy (for the purposes of archiving, backing-up, loading, execution, storage, transmission or display)) the Supplier Background IPRs for any purpose relating to the Services (or substantially equivalent services) or for any purpose relating to the exercise of the Authority's (or any other Central Government Body's) business or function; and

(b) a perpetual royalty-free non-exclusive licence to use without limitation any Know-How, trade secrets or Confidential Information contained within the Project Specific IPRs.

17.4 Subject to Clause 17.6, at any time during the Term or following termination or expiry of this Agreement, the Supplier may terminate the licence granted in respect of the Supplier Background IPRs under Clause 17.3(a) by giving thirty (30) days' notice in writing (or such other period as agreed by the Parties) if the Authority or any person to whom the Authority grants a sub-licence pursuant to Clause 17.7 (*Authority's right to sub-license*) commits any material breach of the terms of Clause 17.3(a) or 17.7(a)(ii) (as the case may be) which, if the breach is capable of remedy, is not remedied within 20 Working Days after the Supplier gives the Authority written notice specifying the breach and requiring its remedy.

17.5 In the event the licence of the Supplier Background IPRs is terminated pursuant to Clause 17.4, subject to Clause 17.6 the Authority shall:

(a) immediately cease all use of the Supplier Background IPRs (as the case may be);

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

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

17.6 The rights granted under Clause 17.3 shall survive the termination or expiry of any licence or this Agreement to the extent that the Supplier Background IPRs and/or any Know-How, trade secrets or Confidential Information contained within the Project Specific IPRs are embedded in, or form an integral part of, any Deliverables and continued use of such Deliverables post termination or expiry is deemed by the Authority to be required for any purpose relating to the Services (or substantially equivalent services) or for any purpose relating to the exercise of the Authority's (or any other Central Government Body's) business or function.

Authority's right to sub-license

17.7 Subject to Clause 17.15 (*Patents*) the Authority may sub-license:

(a) the rights granted under Clause 17.3(a) (*Supplier Background IPRs*) to a third party (including for the avoidance of doubt, any Replacement Supplier) provided that:

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

(ii) the sub-licence authorises the third party to use the rights licensed in Clause 17.3(a) (*Supplier Background IPRs*) only for purposes relating to the Services (or substantially equivalent services) or for any purpose relating to the exercise of the Authority's (or any other Central Government Body's) business or function; and

(iii) the sub-licensee shall have executed a confidentiality undertaking in favour of the Supplier in or substantially in the form set out in Annex 1 to Schedule 18 (*Information Technology Services*); and

(b) the rights granted under Clause 17.3(a) (*Supplier Background IPRs*) to any Approved Sub-Licensee to the extent necessary to use and/or obtain the benefit of the Project Specific IPRs provided that:

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

(ii) the Supplier has received a confidentiality undertaking in its favour in or substantially in the form set out in Annex 1 to Schedule 18 (*Information Technology Services*) duly executed by the Approved Sub-Licensee.

Authority's right to assign/novate licences

17.8 The Authority may assign, novate or otherwise transfer its rights and obligations under the licences granted pursuant to Clause 17.3(a) (*Supplier Background IPRs*) to:

(a) A Central Government Body; or

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

17.9 Any change in the legal status of the Authority which means that it ceases to be a Central Government Body shall not affect the validity of any licence granted in Clause 17.3 (*Supplier Background IPRs*). If the Authority ceases to be a Central Government Body, the successor body to the Authority shall still be entitled to the benefit of the licence granted in Clause 17.3 (*Supplier Background IPRs*).

17.10 If a licence granted in Clause 17.3 (*Supplier Background IPRs*) is novated under Clause 17.8 or there is a change of the Authority's status pursuant to Clause 17.9, the rights acquired on that novation or change of status shall not extend beyond those previously enjoyed by the Authority.

Third Party IPRs

17.11 The Supplier shall use its reasonable endeavours to obtain any licences, permissions or consents in connection with any Third Party IPRs required by the Supplier and the Authority for use of the Deliverables (such licences, permissions or consents to be in writing, copies of which the Supplier shall provide to the Authority on request). In addition, and without prejudice to Clause 19 (*IPRs Indemnity*) the Supplier warrants that the provision, and the Authority's use as anticipated under this Agreement, of the Services and the Deliverables does not and will not infringe any third party's Intellectual Property Rights.

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

Termination and Replacement Suppliers

17.13 For the avoidance of doubt, the termination or expiry of this Agreement shall not of itself result in any termination of any of the licences granted by the Supplier or relevant third party pursuant to or as contemplated by this Clause 17.

17.14 The Supplier shall, if requested by the Authority in accordance with Schedule 8.5 (*Exit Management*) and at the Supplier's cost grant (or procure the grant) to any Replacement Supplier of a licence to use any Supplier Background IPRs or any Third Party IPR's required by the Replacement Supplier for use of the Deliverables on a royalty-free basis to the Replacement Supplier and on terms no less favourable than those granted to the Authority in respect of the relevant IPRs pursuant to or as contemplated by this Clause 17 subject to receipt by the Supplier of a confidentiality undertaking in its favour in or substantially in the form set out in Annex 1 to Schedule 18 (*Information Technology Services*) duly executed by the Replacement Supplier.

Patents

17.15 Where a patent owned by the Supplier is necessarily infringed by the use of the Project Specific IPRs by the Authority or any Replacement Supplier, the Supplier hereby grants to the Authority and the Replacement Supplier a non-exclusive, irrevocable, royalty-free, worldwide patent licence to use the infringing methods, materials or software solely for the purpose for which they were delivered under this Agreement.

18 LICENCES GRANTED BY THE AUTHORITY

18.1 The Authority hereby grants to the Supplier a royalty-free, non-exclusive, non-transferable licence during the Term to use the Authority Software, the Authority Background IPRs, the Project Specific IPRs and the Authority Data solely to the extent necessary for performing the Services in accordance with this Agreement, including (but not limited to) the right to grant sub-licences to Sub-contractors provided that:

(a) any relevant Sub-contractor has entered into a confidentiality undertaking with the Supplier on the same terms as set out in Clause 22 (*Confidentiality*); and

(b) the Supplier shall not, without the Authority's prior written consent, use the licensed materials for any other purpose or for the benefit of any person other than the Authority.

18.2 Without prejudice to the provisions of Schedule 18 (*Information Technology Services*), the Authority hereby grants the Supplier a royalty-free and non-exclusive licence for the Supplier to use the IT System solely to the extent necessary for performing the Services in accordance with this Agreement, including the right to grant sub-licences to Sub-contractors provided that:

(a) any relevant Sub-contractor has entered into a confidentiality undertaking with the Supplier on the same terms as set out in Clause 22 (*Confidentiality*); and

(b) the Supplier shall not use the IT System for any other purpose or for the benefit of any person other than the Authority.

18.3 In the event of the termination or expiry of this Agreement, the licences granted pursuant to Clause 18.1 and Clause 18.2 and any sub-licence granted by the

Supplier in accordance with Clause 18.1 and Clause 18.2 shall terminate automatically on the date of such termination or expiry and the Supplier shall:

(a) immediately cease all use of the Authority Software, the Authority Background IPRs, the IT System and the Authority Data (as the case may be);

(b) at the discretion of the Authority, return or destroy documents and other tangible materials that contain any of the Authority Software, the Authority Background IPRs, the IT System and the Authority Data, provided that if the Authority has not made an election within 6 months of the termination of the licence, the Supplier may destroy the documents and other tangible materials that contain any of the Authority Software, the Authority Background IPRs, the IT System and the Authority Data (as the case may be); and

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

19 IPRs INDEMNITY

19.1 The Supplier shall at all times, during and after the Term, on written demand indemnify the Authority and each other Indemnified Person, and keep the Authority and each other Indemnified Person indemnified, against all Losses incurred by, awarded against or agreed to be paid by an Indemnified Person arising from an IPRs Claim.

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

(a) procure for the Authority or other relevant Indemnified Person the right to continue using the relevant item which is subject to the IPRs Claim; or

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

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

(ii) the replaced or modified item does not have an adverse effect on any other services or the IT Environment;

(iii) there is no additional cost to the Authority or relevant Indemnified Person (as the case may be); and

(iv) the terms and conditions of this Agreement shall apply to the replaced or modified Services.

19.3 If the Supplier elects to procure a licence in accordance with Clause 19.2(a) or to modify or replace an item pursuant to Clause 19.2(b), but this has not avoided or resolved the IPRs Claim, then:

(a) the Authority may terminate this Agreement (if subsisting) with immediate effect by written notice to the Supplier; and

(b) without prejudice to the indemnity set out in Clause 19.1, the Supplier shall be liable for all reasonable and unavoidable costs of the substitute items and/or services including the additional costs of procuring, implementing and maintaining the substitute items.

20 OPEN SOURCE PUBLICATION

20.1 The Supplier agrees that the Authority may at its sole discretion publish as Open Source software any software element, including Source Code, of the Project Specific IPRs after the Operational Service Commencement Date.

20.2 The Supplier hereby warrants and undertakes that any software element of the Project Specific IPRs:

(a) are suitable for release as Open Source and that any release will not allow a third party to use the Open Source software to in any way compromise the operation, running or security of the Project Specific IPRs or the Authority System;

(b) shall not cause any harm or damage to any party using anything published as Open Source and that the Project Specific IPRs do not contain any Malicious Software;

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

(d) do not contain any IPR owned or claimed to be owned by any third party which is found, or alleged to be found, in the Project Specific IPRs ("**Non-Party IPRs**"); and

(e) will be supplied in a format suitable for publication as Open Source (the "**Open Source Publication Material**") no later than the Operational Service Commencement Date.

20.3 The Supplier shall ensure that the Open Source Publication Material provided to the Authority does not include any Supplier Software or Supplier Background IPRs save that which the Supplier is willing to allow to be included in any Open Source publication. In such a case, the Supplier hereby acknowledges that any such Supplier Software or Supplier Background IPRs will become Open Source and will be licensed and treated as such following publication by the Authority and any third party that uses the Open Source Publication Materials on the terms of the Open Source licence used by the Authority when publishing as Open Source.

20.4 The Supplier hereby indemnifies the Authority against all claims in which the Authority is, or is threatened to be, a party for any alleged infringement of any Non-Party IPRs arising from publication of any software element of the Project Specific IPRs as Open Source under Clause 20.1.

21 AUTHORITY DATA AND SECURITY REQUIREMENTS

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

21.2 The Supplier shall not store, copy, disclose, or use the Authority Data except as necessary for the performance by the Supplier of its obligations under this Agreement or as otherwise expressly authorised in writing by the Authority.

21.3 To the extent that Authority Data is held and/or processed by the Supplier, the Supplier shall supply that Authority Data to the Authority as requested by the Authority in the format specified in Schedule 2.1 (*Services Description*).

21.4 The Supplier shall preserve the integrity of Authority Data and prevent the corruption or loss of Authority Data at all times that the relevant Authority Data is under its control or the control of any Sub-contractor.

21.5 To the extent that Authority Data is under the control of the Supplier, the Supplier shall perform secure back-ups of all Authority Data and shall ensure that up-to-date back-ups are stored off-site in accordance with the Service Continuity Plan. The Supplier shall ensure that such back-ups are available to the Authority (or to such other person as the Authority may direct) at all times upon request and are delivered to the Authority upon request (via a secured encrypted method.

21.6 The Supplier shall ensure that any system on which the Supplier holds any Authority Data, including back-up data, is a secure system that complies with the requirements of Schedule 2.4 (*Security Management*).

21.7 If the Authority Data is corrupted, lost or sufficiently degraded as a result of the Supplier's Default so as to be unusable, the Authority may:

(a) require the Supplier (at the Supplier's expense) to restore or procure the restoration of Authority Data to the extent and in accordance with the requirements specified in Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*) and the Supplier shall do so as soon as practicable but not later than 5 Working Days from the date of receipt of the Authority's notice; and/or

(b) itself restore or procure the restoration of Authority Data, and shall be repaid by the Supplier any reasonable expenses incurred in doing so to the extent and in accordance with the requirements specified in Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*).

21.8 If at any time the Supplier suspects or has reason to believe that Authority Data under its control or the control of any Sub-Contractor has or may become corrupted, lost or sufficiently degraded in any way for any reason, then the Supplier shall notify the Authority immediately and inform the Authority of the remedial action the Supplier proposes to take.

21.9 The Supplier shall comply with the requirements of Schedule 2.4 (*Security Management*).

21.10 The Authority shall notify the Supplier of any changes or proposed changes to the requirements of Schedule 2.4 (*Security Management*).

21.11 If the Supplier believes that a change or proposed change to the requirements of Schedule 2.4 (*Security Management*) will have a material and unavoidable cost implication to the Services it may submit a Change Request. In doing so, the Supplier must support its request by providing evidence of the cause of any increased costs and the steps that it has taken to mitigate those costs. Any change to the Charges shall then be agreed in accordance with the Change Control Procedure.

21.12 Until and/or unless a change to the Charges is agreed by the Authority pursuant to Clause 21.11 the Supplier shall continue to perform the Services in accordance with its existing obligations.

22 CONFIDENTIALITY

22.1 For the purposes of this Clause 22, the term "**Disclosing Party**" shall mean a Party which discloses or makes available directly or indirectly its Confidential Information and "**Recipient**" shall mean the Party which receives or obtains directly or indirectly Confidential Information.

22.2 Except to the extent set out in this Clause 22 or where disclosure is expressly permitted elsewhere in this Agreement, the Recipient shall:

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

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

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

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

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

(a) the Recipient is required to disclose the Confidential Information by Law, provided that Clause 23 (*Transparency and Freedom of Information*) shall apply to disclosures required under the FOIA or the EIRs;

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

(i) any legal challenge or potential legal challenge against the Authority arising out of or in connection with this Agreement;

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

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

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

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

22.5 The Supplier may disclose the Confidential Information of the Authority on a confidential basis only to:

(a) Supplier Personnel who are directly involved in the provision of the Services and need to know the Confidential Information to enable performance of the Supplier's obligations under this Agreement;

(b) its auditors; and

(c) its professional advisers for the purposes of obtaining advice in relation to this Agreement.

Where the Supplier discloses Confidential Information of the Authority pursuant to this Clause 22.5, it shall notify the recipients of the Confidential Information of the confidential nature of that information and, in the case of its auditors and professional advisers, shall require such auditors and professional advisers to enter into a confidentiality agreement with the Supplier or implement such other measures as are necessary to maintain the confidentiality of that Confidential Information. In any event, the Supplier shall remain responsible at all times for compliance with the confidentiality obligations set out in this Agreement by the persons to whom disclosure has been made.

22.6 The Authority may disclose the Confidential Information of the Supplier:

(a) on a confidential basis to any Central Government Body for any proper purpose of the Authority or of the relevant Central Government Body;

(b) to Parliament and Parliamentary Committees or if required by any Parliamentary reporting requirement;

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

(d) on a confidential basis to a professional adviser, consultant, supplier or other person engaged by any of the entities described in Clause 22.6(a)) for any purpose relating to or connected with:

(i) this Agreement; and/or

(ii) any benefits referred to in Schedule 2.1 (*Services Description*);

(e) on a confidential basis for the purpose of the exercise of its rights under this Agreement, including the Audit Rights, its step-in rights pursuant to Clause 32 (*Step-In Rights*), its rights to appoint a Remedial Adviser pursuant to Clause 31 (*Remedial Adviser*) and Exit Management rights;

(f) on a confidential basis to the Independent Assessment Assurance Provider; or

(g) on a confidential basis to a proposed Successor Body in connection with any assignment, novation or disposal of any of its rights, obligations or liabilities under this Agreement,

and for the purposes of the foregoing, references to disclosure on a confidential basis shall mean disclosure subject to a confidentiality agreement or arrangement containing terms no less stringent than those placed on the Authority under this Clause 22.

22.7 Nothing in this Clause 22 shall prevent a Recipient from using any techniques, ideas or know-how gained during the performance of this Agreement in the course of its normal business to the extent that this use does not result in a disclosure of the Disclosing Party's Confidential Information or an infringement of Intellectual Property Rights.

23 TRANSPARENCY AND FREEDOM OF INFORMATION

23.1 The Parties acknowledge that:

(a) the Transparency Reports;

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

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

(ii) Commercially Sensitive Information; and

(c) the Publishable Performance Information

(together the "**Transparency Information**") are not Confidential Information.

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

23.3 The Supplier shall assist and co-operate with the Authority to enable the Authority to publish the Transparency Information, including the preparation of the Transparency Reports in accordance with Paragraph 5 of Schedule 8.4 (*Management Information and Records Provisions*).

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

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

23.6 The Supplier agrees that any Information it holds that is not included in the Transparency Reports but is reasonably relevant to or that arises from the provision of the Services shall be provided to the Authority on request unless the cost of doing so would exceed the appropriate limit prescribed under section 12 of the FOIA. The Authority may disclose such information under the FOIA and the EIRs and may (except for Commercially Sensitive Information, Confidential Information (subject to Clause 22.6(c) (*Confidentiality*)) and Open Book Data) publish such Information. The Supplier shall provide to the Authority within five (5) Working Days (or such other period as the Authority may reasonably specify) any such Information requested by the Authority.

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

(a) provide all necessary assistance and cooperation as reasonably requested by the Authority to enable the Authority to comply with its obligations under the FOIA and EIRs;

(b) transfer to the Authority all Requests For Information relating to this Agreement that it receives as soon as practicable and in any event within 2 Working Days of receipt;

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

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

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

24 PROTECTION OF PERSONAL DATA

Status of the Controller

24.1 The Parties acknowledge that for the purposes of the Data Protection Legislation, the nature of the activity carried out by each of them in relation to their respective obligations under this Agreement will determine the status of each Party under the Data Protection Legislation. A Party may act as:

(a) "Controller" (where the other Party acts as the "Processor");

(b) "Processor" (where the other Party acts as the "Controller");

(c) "Joint Controller" (where both Parties are considered to jointly control the same Personal Data);

(d) "Independent Controller" of the Personal Data where the other Party is also "Controller" of the same Personal Data in its own right (but there is no element of joint control);

and the Parties shall set out in Schedule 11 (*Processing Personal Data*) which scenario or scenarios are intended to apply under this Agreement.

Where one Party is Controller and the other Party its Processor

24.2 Where a Party is a Processor, the only processing that it is authorised to do is listed in Schedule 11 (*Processing Personal Data*) by the Controller.

24.3 The Processor shall notify the Controller immediately if it considers that any of the Controller's instructions infringe the Data Protection Legislation.

24.4 The Processor shall provide all reasonable assistance to the Controller in the preparation of any Data Protection Impact Assessment prior to commencing any processing. Such assistance may, at the discretion of the Controller, include:

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

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

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

(d) the measures envisaged to address the risks, including safeguards, security measures and mechanisms to ensure the protection of Personal Data.

24.5 The Processor shall, in relation to any Personal Data processed in connection with its obligations under this Agreement:

(a) process that Personal Data only in accordance with Schedule 11 (*Processing Personal Data*), unless the Processor is required to do otherwise by Law. If it is so required the Processor shall promptly notify the Authority before processing the Personal Data unless prohibited by Law;

(b) ensure that it has in place Protective Measures, including in the case of the Supplier the measures set out in Clause 21 (*Authority Data and Security Requirements*), which the Controller may reasonably reject (but failure to reject shall not amount to approval by the Controller of the adequacy of the Protective Measures) having taken account of the:

(i) nature of the data to be protected;

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

(iii) state of technological development; and

(iv) cost of implementing any measures;

(c) ensure that:

(i) the Processor Personnel do not process Personal Data except in accordance with this Agreement (and in particular Schedule 11 (*Processing Personal Data*));

(ii) it takes all reasonable steps to ensure the reliability and integrity of any Processor Personnel who have access to the Personal Data and ensure that they:

(A) are aware of and comply with the Processor's duties under this Clause 24, Clause 21 (*Authority Data and Security Requirements*) and Clause 22 (*Confidentiality*);

(B) are subject to appropriate confidentiality undertakings with the Processor or any Sub-processor;

(C) are informed of the confidential nature of the Personal Data and do not publish, disclose or divulge any of the Personal Data to any third party unless directed in writing to do so by the Controller or as otherwise permitted by this Agreement; and

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

(d) not transfer such Personal Data outside of the UK unless the prior written consent of the Controller has been obtained and the following conditions are fulfilled:

(i) the destination country recognised as adequate by the UK government in accordance with Article 45 of the UK GDPR (or section 74A of DPA 2018) and/or the transfer is in accordance with Article 45 of the EU GDPR (where applicable); or

(ii) the Controller and/or the Processor has provided appropriate safeguards in relation to the transfer (whether in accordance with Article 46 of the UK GDPR or DPA 2018 Section 75 and/or Article 46 of the EU GDPR (where applicable)) as determined by the Controller which could include relevant parties entering into:

(A) where the transfer is subject to UK GDPR:

(i) the UK International Data Transfer Agreement as published by the Information Commissioner's Office under section 119A of the DPA 2018 from time to time; or

(ii) the European Commission's Standard Contractual Clauses per decision 2021/914/EU or such updated version of such Standard Contractual Clauses as are published by the European Commission from time to time ("**EU SCCs**"), together with the UK International Data Transfer Agreement Addendum to the EU SCCs (the "**Addendum**") as published by the Information Commissioner's Office from time to time; and/or

(B) where the transfer is subject to EU GDPR, the EU SCCs,

as well as any additional measures determined by the Controller being implemented by the importing party;

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

(iv) the Processor complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the Controller in meeting its obligations); and

(v) the Processor complies with any reasonable instructions notified to it in advance by the Controller with respect to the processing of the Personal Data; and

(e) at the written direction of the Controller, delete or return Personal Data (and any copies of it) to the Controller on termination of the Agreement unless the Processor is required by Law to retain the Personal Data.

24.6 Subject to Clause 24.7, the Processor shall notify the Controller immediately if it:

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

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

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

(d) receives any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data processed under this Agreement;

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

(f) becomes aware of a Data Loss Event.

24.7 The Processor's obligation to notify under Clause 24.6 shall include the provision of further information to the Controller in phases, as details become available.

24.8 Taking into account the nature of the processing, the Processor shall provide the Controller with reasonable assistance in relation to either Party's obligations under Data Protection Legislation and any complaint, communication or request made under Clause 24.6 (and insofar as possible within the timescales reasonably required by the Controller) including by promptly providing:

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

(b) such assistance as is reasonably requested by the Controller to enable it to comply with a Data Subject Request within the relevant timescales set out in the Data Protection Legislation;

(c) the Controller, at its request, with any Personal Data it holds in relation to a Data Subject;

(d) assistance as requested by the Controller following any Data Loss Event; and/or

(e) assistance as requested by the Controller with respect to any request from the Information Commissioner's Office or any other regulatory authority, or any consultation by the Controller with the Information Commissioner's Office or any other regulatory authority.

24.9 The Processor shall maintain complete and accurate records and information to demonstrate its compliance with this Clause 24. This requirement does not apply where the Processor employs fewer than 250 staff, unless:

(a) the Controller determines that the processing is not occasional;

(b) the Controller determines the processing includes special categories of data as referred to in Article 9(1) of the UK GDPR or Personal Data relating to criminal convictions and offences referred to in Article 10 of the UK GDPR; or

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

24.10 The Processor shall allow for audits of its Data Processing activity by the Controller or the Controller's designated auditor.

24.11 The Parties shall designate a Data Protection Officer if required by the Data Protection Legislation.

24.12 Before allowing any Sub-processor to process any Personal Data related to this Agreement, the Processor must:

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

(b) obtain the written consent of the Controller;

(c) enter into a written agreement with the Sub-processor which gives effect to the terms set out in this Clause 24 such that they apply to the Sub-processor; and

(d) provide the Controller with such information regarding the Sub-processor as the Controller may reasonably require.

24.13 The Processor shall remain fully liable for all acts or omissions of any of its Sub-processors.

24.14 The Authority may, at any time on not less than 30 Working Days' notice, revise this Clause 24 by replacing it with any applicable controller to processor standard clauses or similar terms forming part of an applicable certification scheme (which shall apply when incorporated by attachment to this Agreement).

24.15 The Parties agree to take account of any guidance issued by the Information Commissioner's Office or any other relevant regulatory authority. The Authority may on not less than 30 Working Days' notice to the Supplier amend this Agreement to ensure that it complies with any guidance issued by the Information Commissioner's Office or any other relevant regulatory authority.

Where the Parties are Independent Controllers of Personal Data

24.16 With respect to Personal Data provided by one Party to another Party for which each Party acts as Controller but which is not under the Joint Control of the Parties, each Party undertakes to comply with the applicable Data Protection Legislation in respect of their processing of such Personal Data as Controller.

24.17 Each Party shall process the Personal Data in compliance with its obligations under the Data Protection Legislation and not do anything to cause the other Party to be in breach of it.

24.18 Where a Party has provided Personal Data to the other Party in accordance with Clause 24.16, the recipient of the Personal Data will provide all such relevant documents and information relating to its data protection policies and procedures as the other Party may reasonably require.

24.19 The Parties shall be responsible for their own compliance with Articles 13 and 14 of the UK GDPR in respect of the processing of Personal Data for the purposes of this Agreement.

24.20 The Parties shall only provide Personal Data to each other:

(a) to the extent necessary to perform the respective obligations under this Agreement;

(b) in compliance with the Data Protection Legislation (including by ensuring all required fair processing information has been given to affected Data Subjects);

(c) where the provision of Personal Data from one Party to another involves transfer of such data to outside the UK, if the prior written consent of the non-transferring Party has been obtained and the following conditions are fulfilled:

(i) the destination country has been recognised as adequate by the UK government is in accordance with Article 45 of the UK GDPR or DPA 2018 Section 74A and/or the transfer is in accordance with Article 45 of the EU GDPR (where applicable); or

(ii) the transferring Party has provided appropriate safeguards in relation to the transfer (whether in accordance with Article 46 of the UK GDPR or DPA 2018 Section 75 and/or Article 46 of the EU GDPR (where applicable)) as determined by the non-transferring Party which could include the relevant parties entering into:

(A) where the transfer is subject to UK GDPR:

(i) the UK International Data Transfer Agreement (the "**IDTA**") as published by the Information Commissioner's Office or such updated version of such IDTA as is published by the Information Commissioner's Office under section 119A(1) of the DPA 2018 from time to time;

(ii) the EU SCCs together with the Addendum as published by the Information Commissioner's Office from time to time; and/or

(B) where the transfer is subject to EU GDPR, the EU SCCs,

as well as any additional measures determined by the Controller being implemented by the importing party;

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

(iv) the transferring Party complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the non-transferring Party in meeting its obligations); and

(v) the transferring Party complies with any reasonable instructions notified to it in advance by the non-transferring Party with respect to the processing of the Personal Data; and

(d) where it has recorded it in Schedule 11 (*Processing Personal Data*).

24.21 Taking into account the state of the art, the costs of implementation and the nature, scope, context and purposes of processing as well as the risk of varying likelihood and severity for the rights and freedoms of natural persons, each Party shall, with respect to its processing of Personal Data as independent Controller, implement and maintain appropriate technical and organisational measures to ensure a level of security appropriate to that risk, including, as appropriate, the measures referred to in Article 32(1)(a), (b), (c) and (d) of the UK GDPR, and the measures shall, at a minimum, comply with the requirements of the Data Protection Legislation, including Article 32 of the UK GDPR.

24.22 A Party processing Personal Data for the purposes of this Agreement shall maintain a record of its processing activities in accordance with Article 30 of the UK GDPR and shall make the record available to the other Party upon reasonable request.

24.23 Where a Party receives a request by any Data Subject to exercise any of their rights under the Data Protection Legislation in relation to the Personal Data provided to it by the other Party pursuant to this Agreement (the "**Request Recipient**"):

(a) the other Party shall provide any information and/or assistance as reasonably requested by the Request Recipient to help it respond to the request or correspondence, at the cost of the Request Recipient; or

(b) where the request or correspondence is directed to the other party and/or relates to the other party's Processing of the Personal Data, the Request Recipient will:

(i) promptly, and in any event within five (5) Working Days of receipt of the request or correspondence, inform the other party that it has received the same and shall forward such request or correspondence to the other party; and

(ii) provide any information and/or assistance as reasonably requested by the other party to help it respond to the request or correspondence in the timeframes specified by Data Protection Legislation.

24.24 Each party shall promptly notify the other Party upon it becoming aware of any Data Loss Event relating to Personal Data provided by the other party pursuant to this Agreement and shall:

(a) do all such things as reasonably necessary to assist the other Party in mitigating the effects of the Data Breach;

(b) implement any measures necessary to restore the security of any compromised Personal Data;

(c) work with the other Party to make any required notifications to the Information Commissioner's Office or any other regulatory authority and affected Data Subjects in accordance with the Data Protection Legislation (including the timeframes set out therein); and

(d) not do anything which may damage the reputation of the other Party or that Party's relationship with the relevant Data Subjects, save as required by Law.

24.25 Personal Data provided by one Party to the other Party may be used exclusively to exercise rights and obligations under this Agreement as specified in Schedule 11 (*Processing Personal Data*).

24.26 Personal Data shall not be retained or processed for longer than is necessary to perform each Party's obligations under this Agreement which is specified in Schedule 11 (*Processing Personal Data*).

24.27 Notwithstanding the general application of Clauses 24.2 to 24.15 (*Where one Party is Controller and the other Party its Processor*) to Personal Data, where the Supplier is required to exercise its regulatory and/or legal obligations in respect of Personal Data, it shall act as an Independent Controller of Personal Data in accordance with Clauses 24.16 to 24.26.

25 PUBLICITY AND BRANDING

25.1 The Supplier shall not:

(a) make any press announcements or publicise this Agreement or its contents in any way (including on or through any social media platform); or

(b) use the Authority's name or brand in any promotion or marketing or announcement of orders;

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

25.2 Each Party acknowledges to the other that nothing in this Agreement either expressly or by implication constitutes an endorsement of any products or services of the other Party (including the Services, the Supplier System and the Authority System) and each Party agrees not to conduct itself in such a way as to imply or express any such approval or endorsement.

SECTION G – LIABILITY, INDEMNITIES AND INSURANCE

26 LIMITATIONS ON LIABILITY AND LIQUIDATED DAMAGES

Unlimited liability

26.1 Neither Party limits its liability for:

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

(b) fraud or fraudulent misrepresentation by it or its employees;

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

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

26.2 The Supplier's liability in respect of the indemnities in Clause 10.5 (*VAT*), Clause 14.7 (*Employment Indemnity*), Clause 14.8 (*Income Tax and National Insurance Contributions*), Clause 19 (*IPRs Indemnity*), Schedule 9.1 (*Staff Transfer*) and the Annexes to Schedule 9.1 (*Staff Transfer*) shall be unlimited.

26.3 The Authority's liability in respect of the indemnities in Clause 14.7 (*Employment Indemnity*), Schedule 9.1 (*Staff Transfer*) and the Annexes to Schedule 9.1 (*Staff Transfer*) shall be unlimited.

Financial and other limits

26.4 Subject to Clauses 26.1 and 26.2 (*Unlimited Liability*) and Clauses 26.7 (*Consequential losses*):

(a) the Supplier's aggregate liability in respect of loss of or damage to the Authority Premises or other property or assets of the Authority (including technical infrastructure, assets or equipment but excluding any loss or damage to the Authority's Data or any other data) that is caused by Defaults of the Supplier shall in no event exceed:

(i) in relation to Defaults occurring in the period commencing on the Effective Date and ending at the end of the Implementation Period, £20 million; and

(ii) in relation to Defaults occurring in each Service Delivery Year, £20 million;

(b) the Supplier's aggregate liability in respect of loss of or damage to Authority Data or Losses incurred by the Authority due to breach of Data Protection Legislation that is caused by Defaults of the Supplier shall in no event exceed:

(i) in relation to Defaults occurring in the period commencing on the Effective Date and ending at the end of the Implementation Period, an amount equal to 100% of the Implementation Plan Costs;

(ii) in relation to Defaults occurring in Service Delivery Year 1, an amount equal to 100% of the Estimated Year 1 Charges;

(iii) in relation to Defaults occurring during any subsequent Service Delivery Year, an amount equal to 100% of the Charges paid and/or

due to be paid to the Supplier under this Agreement in the Service Delivery Year immediately preceding the occurrence of the Default; and

(iv) in relation to Defaults occurring after the end of the Term, an amount equal to 100% of the Charges paid and/or due to be paid to the Supplier in the 12 month period immediately prior to the last day of the Term;

(c) the Supplier's aggregate liability in respect of all:

(i) Service Credits; and

(ii) Compensation for Serious Performance Failure,

incurred in any Service Delivery Year shall be subject to the Service Credit Cap; and

(d) the Supplier's aggregate liability in respect of all other Losses incurred by the Authority under or in connection with this Agreement as a result of Defaults by the Supplier shall in no event exceed:

(i) in relation to Defaults occurring in the period commencing on the Effective Date and ending at the end of the Implementation Period, an amount equal to 100% of the Implementation Plan Costs;

(ii) in relation to Defaults occurring in Service Delivery Year 1, an amount equal to 100% of the Estimated Year 1 Charges;

(iii) in relation to Defaults occurring during any subsequent Service Delivery Year, an amount equal to 100% of the Charges paid and/or due to be paid to the Supplier under this Agreement in the Service Delivery Year immediately preceding the occurrence of the Default; and

(iv) in relation to Defaults occurring after the end of the Term, an amount equal to 100% of the Charges paid and/or due to be paid to the Supplier in the 12 month period immediately prior to the last day of the Term

provided that where any Losses referred to in this Clause 26.4(d) have been incurred by the Authority as a result of the Supplier's abandonment of this Agreement or the Supplier's wilful default, wilful breach of a fundamental term of this Agreement or wilful repudiatory breach of this Agreement, the references in such Clause to 100% shall be deemed to be references to 150%.

26.5 Deductions from Charges shall not be taken into consideration when calculating the Supplier's liability under Clause 26.4(d).

26.6 Subject to Clauses 26.1 and 26.3 (*Unlimited Liability*) and Clause 26.7 (*Consequential Losses*) and without prejudice to the Authority's obligation to pay the Charges as and when they fall due for payment:

(a) the Authority's total aggregate liability in respect of all Losses incurred by the Supplier under or in connection with this Agreement as a result of early termination of this Agreement by the Authority pursuant to Clause 35.1(a) (*Termination by the Authority*) or by the Supplier pursuant to Clause 35.3(a)

(*Termination by the Supplier*) shall in no event exceed the following amounts (but subject always to Clauses 35.6 and 35.7 (*Partial Termination*) in respect of Partial Termination):

(i) in relation to the Breakage Costs Payment, the amounts as to be calculated in accordance with Paragraph 3 of Schedule 7.2 (*Payments on Termination*); and

(ii) in relation to the Compensation Payment, the amount to be calculated in accordance with Paragraph 6 of Schedule 7.2 (*Payments on Termination*); and

(b) the Authority's aggregate liability in respect of all Losses incurred by the Supplier under or in connection with this Agreement as a result of Defaults of the Authority shall in no event exceed:

(i) in relation to Defaults occurring in the period commencing on the Effective Date and ending at the end of the Implementation Period, an amount equal to 100% of the Implementation Plan Costs;

(ii) in relation to Defaults occurring in Service Delivery Year 1, an amount equal to 100% of the Estimated Year 1 Charges;

(iii) in relation to Defaults occurring during any subsequent Service Delivery Year, an amount equal to 100% of the Charges paid and/or due to be paid to the Supplier under this Agreement in the Service Delivery Year immediately preceding the occurrence of the Default; and

(iv) in relation to Defaults occurring after the end of the Term, an amount equal to 100% of the Charges paid and/or due to be paid to the Supplier in the 12 month period immediately prior to the last day of the Term.

Consequential Losses

26.7 Subject to Clauses 26.1, 26.2 and 26.3 (*Unlimited Liability*) and Clause 26.8, neither Party shall be liable to the other Party for:

(a) any indirect, special or consequential Loss; or

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

26.8 Notwithstanding Clause 26.7 but subject to Clause 26.4 (*Financial and other limits*), the Supplier acknowledges that the Authority may, amongst other things, recover from the Supplier the following Losses incurred by the Authority to the extent that they arise as a result of a Default by the Supplier:

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

(b) any wasted expenditure or charges;

(c) the additional cost of procuring Replacement Services for the remainder of the Term and/or replacement Deliverables, which shall include any incremental costs associated with such Replacement Services and/or

replacement Deliverables above those which would have been payable under this Agreement;

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

(e) any fine or penalty incurred by the Authority pursuant to Law and any costs incurred by the Authority in defending any proceedings which result in such fine or penalty; and

(f) any anticipated savings identified in Schedule 7.6 (*Anticipated Savings*).

Conduct of indemnity claims and Authority Sensitive Claims

26.9 Where under this Agreement:

(a) one Party indemnifies the other Party, subject always to the provisions of Part B of Schedule 8.7 (Conduct of Claims) the Parties shall comply with the provisions of Part A and Part C of Schedule 8.7 (Conduct of Claims) in relation to the conduct of claims made by a third person against the Party having (or claiming to have) the benefit of the indemnity; or

(b) an Authority Sensitive Claim arises, the Parties shall comply with the provisions of Part B and Part C of Schedule 8.7 (Conduct of Claims).

Mitigation

26.10 Each Party shall use all reasonable endeavours to mitigate any loss or damage suffered arising out of or in connection with this Agreement, including any Losses for which the relevant Party is entitled to bring a claim against the other Party pursuant to the indemnities in this Agreement.

Claimants

26.11 Neither Party shall be liable for any personal injury, disease or death, or loss or damage whatsoever, caused by any act or omission of a Claimant, except to the extent (if any) that it was also caused or contributed to by the negligent act or omission or wilful Default of some other person acting as a servant or agent of that Party.

26.12 The Authority shall not be liable for any claims arising out of:

(a) its decision to classify a Claimant as demonstrating Unacceptable Claimant Behaviour, or failing to classify a Claimant as demonstrating Unacceptable Claimant Behaviour;

(b) notification of or failure by the Authority to notify the Supplier of such a decision; or

(c) provision of or failure by the Authority to provide information relating to Unacceptable Claimant Behaviour to the Supplier.

26.13 The Supplier shall indemnify the Authority against all claims, proceedings, actions, damages, costs, expenses (including but not limited to legal costs and disbursements on a solicitor and client basis) and any other liabilities in respect of any personal injury or damage arising from or incurred by reason of the use of the Services by any Claimant or their companions and where due to an act or omission of the Supplier.

Liquidated Damages

26.14 The Parties agree that, without prejudice to any of, and in addition to, the Authority's rights under this Agreement or otherwise, if:

(a) the Supplier is in Default of any of its obligations under any of the provisions set out in the first column of Table 1 below;

(b) the Authority considers, acting reasonably, that such Default is capable of remedy; and

(c) such Default is not remedied within 5 Working Days (or such longer period as the Authority may specify in each case) after the Authority notifies the Supplier of the Default and the remedy required

then, in respect of each and every such Default, the Supplier shall, subject to Clause 26.15, pay the Authority, as Liquidated Damages, an amount equal to the Liquidated Damages amount set out in the third column of Table 1 below in respect of the relevant Default (exclusive of VAT) for each full or partial Working Day's delay either in: (i) remedying the Default following the period set out in Clause 26.14(c) above; or (ii) in agreeing a Revised Deadline in accordance with Clause 26.15 in respect of such Default following the period set out in Clause 26.14(c) above.

For the avoidance of doubt, and by way of illustration only, if the period set for remedy of a Default pursuant to Clause 26.14(c) above is 5 Working Days and the Supplier remedies such Default within 7 Working Days, Liquidated Damages would be payable, on a daily basis, in respect of 2 Working Days (assuming that a Revised Deadline has not been agreed in accordance with Clause 26.15). If, however, the Supplier and the Authority have agreed a Revised Deadline of 7 Working Days for remedying the Default, no Liquidated Damages would be payable provided that the Supplier remedies the Default by the end of the 7th Working Day.

Table 1

Provision	Brief Description*	Liquidated Damages
Paragraph 3.1 of Schedule 6.1 (*Implementation Related Plans*)	Failure by the Supplier to submit a draft of the Detailed Implementation Plan to the Authority for approval within 20 Working Days of the Implementation Services Commencement Date.	[REDACTED]
Paragraph 3.6 of Schedule 6.1 (*Implementation Related Plans*)	Failure by the Supplier to re-submit a revised draft Detailed Implementation Plan to the Authority for the Authority's approval within 10 Working Days of the date of the Authority's notice of rejection.	[REDACTED]

Provision	**Brief Description***	**Liquidated Damages**
Paragraph 4.1 of Schedule 6.1 (*Implementation Related Plans*)	Failure by the Supplier to submit a revised draft Detailed Implementation Plan to the Authority on the dates required.	[REDACTED]
Clause 23.6 (*Transparency and Freedom of Information*)	Failure by the Supplier to provide to the Authority within five (5) Working Days (or such other period as the Authority may reasonably specify) any Information it holds that is not included in the Transparency Reports but which is requested by the Authority.	[REDACTED]for each request for Information pursuant to Clause 23.6, provided that the maximum Liquidated Damages payable on this basis shall not exceed [REDACTED] in the aggregate in any one week (regardless of how many requests for Information are made in that week).
Clause 23.7 (*Transparency and Freedom of Information*)	Failure by the Supplier to transfer to the Authority all Requests for Information relating to this Agreement that it receives within 2 Working Days of receipt.	[REDACTED]for each failure to transfer a Request For Information pursuant to Clause 23.7, provided that the maximum Liquidated Damages payable on this basis shall not exceed [REDACTED] in the aggregate in any one week (regardless of how many Requests For Information are made in that week).
Clause 23.7 (*Transparency and Freedom of Information*)	Failure by the Supplier to provide the Authority with a copy of all Information held on behalf of the Authority which is requested in a Request For Information and which is in its possession or control in the form that the Authority requires within 5 Working Days (or such other period as the Authority may reasonably specify) of the Authority's request for such Information.	[REDACTED]for each failure to provide the Authority with Information held by the Supplier which is subject to a Request For Information pursuant to Clause 23.7, provided that the maximum Liquidated Damages payable on this basis shall not exceed [REDACTED] in the aggregate in any one week (regardless of how many Requests For Information are made in that week).

Provision	**Brief Description***	**Liquidated Damages**
Paragraph 1.1(b) of Part B of Schedule 7.5 (*Financial Reports and Audit Rights*)	Failure by the Supplier to provide a Final Reconciliation Report within six (6) months after the end of the Term.	[REDACTED]
Schedule 8.4 (*Management Information and Records Provisions*)	For Material MI Reports only: Failure by the Supplier to provide a Material MI Report (as such MI Report shall be designated by the Authority from time to time, acting reasonably) as and at the time required pursuant to Schedule 8.4 (*Management Information and Record Provisions*). For MI Reports (other than Material MI Reports): Failure by the Supplier to provide any such MI Report as required pursuant to Schedule 8.4 (*Management Information and Record Provisions*) by the times set out below: • for any MI Report due to be delivered on a monthly or quarterly basis: failure to provide that MI Report within 1 month of its due date for delivery; • for any MI Report due to be delivered on a 6-monthly basis: failure to provide that MI Report within 2 months of its due date for delivery; • for any MI Report due to be delivered on an annual basis: failure to provide that MI Report	[REDACTED] for each failure to provide a Material MI Report or repeated failure to provide any MI Report provided that the maximum Liquidated Damages payable on this basis shall not exceed [REDACTED]in the aggregate in any one week.

Provision	Brief Description*	Liquidated Damages
	within 3 months of its due date for delivery; • for any MI Report required to be delivered monthly or more regularly than on a monthly basis: failure to provide that MI Report on its due date for delivery twice or more in any rolling 6 month period; or • for any MI Report required to be delivered quarterly: failure to provide that MI Report on its due date for delivery twice or more in any rolling twelve (12) month period.	
Paragraph 2.1 of Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*)	Failure by the Supplier to deliver to the Authority a draft Service Continuity Plan within 40 Working Days from the Implementation Services Commencement Date.	[REDACTED]
Paragraph 2.4(b) of Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*)	Failure by the Supplier to re-submit a revised draft Service Continuity Plan to the Authority for the Authority's approval within 20 Working Days of the date of the Authority's notice of rejection.	[REDACTED]
Paragraph 7.1 of Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*)	Failure by the Supplier to review and update the Service Continuity Plan when required by Paragraph 7.1.	[REDACTED]
Paragraph 7.2 of Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*)	Failure by the Supplier to provide a Review Report within 20 Working Days following the conclusion of each review of the Service Continuity Plan.	[REDACTED]

Provision	Brief Description*	Liquidated Damages
Paragraph 7.4(b) of Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*)	Failure by the Supplier to re-submit a revised Review Report and/or revised Supplier's Proposals to the Authority for the Authority's approval within 20 Working Days of the date of the Authority's notice of rejection.	[REDACTED]
Paragraph 8.5 of Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*)	Failure by the Supplier to provide to the Authority a report within 20 Working Days of the conclusion of a test of the Service Continuity Plan.	[REDACTED]
Paragraph 2.10 of Annex 1 of Schedule 2.3 (*Standards*)	Failure by the Supplier to produce a Sustainable Development Plan within six (6) months following the Operational Service Commencement Date or annually thereafter.	[REDACTED]
Paragraph 2.2 of Schedule 8.2 (*Change Control Procedure*)	Failure by the Supplier to appoint the Supplier Change Manager, and notify the Authority of that appointment, within 3 months of the Implementation Services Commencement Date.	[REDACTED]
Paragraph 14.1 of Schedule 8.2 (*Change Control Procedure*)	Failure by the Supplier to comply with the processes set out in Schedule 8.2 (*Change Control Procedure*) in respect of a Change despite such failure already having been escalated in accordance with Paragraph 14.1 of that Schedule.	[REDACTED]
Paragraph 2.3 of Schedule 8.5 (*Exit Management*)	Failure by the Supplier to appoint the Supplier's Exit Manager, and notify the Authority of that appointment, within 3	[REDACTED]

Provision	Brief Description*	Liquidated Damages
	months of the Implementation Services Commencement Date.	
Paragraph 5.1 of Schedule 8.5 (*Exit Management*)	Failure by the Supplier to deliver to the Authority an Exit Plan which complies with Paragraph 5.1 within 3 months after the Implementation Services Commencement Date.	[REDACTED]
Paragraph 5.5 of Schedule 8.5 (*Exit Management*)	Failure by the Supplier to update the Exit Plan as required by Paragraph 5.5.	[REDACTED]
Paragraph 5.6 of Schedule 8.5 (*Exit Management*)	Failure by the Supplier to submit for the Authority's approval the Exit Plan in a final form that could be implemented immediately within 20 Working Days after service of a Termination Notice by either Party or 6 months prior to the expiry of the Agreement.	[REDACTED]
Paragraph 3.2 of Schedule 14 (*Life Chances*)	Failure by the Supplier to provide the Diversity and Equality Delivery Plan within 6 months after the Operational Service Commencement Date or annually thereafter.	[REDACTED]
Paragraph 3.6 of Schedule 14 (*Life Chances*)	Failure by the Supplier to provide the Life Chances Workforce Monitoring Template within 6 months after the Operational Service Commencement Date or annually thereafter.	[REDACTED]
Paragraph 12.4 of Schedule 21 (*Provider Assurance Team*)	Failure by the Supplier to take the remedial action in accordance with the PAT Action Plan which may include deploying the required additional	[REDACTED]

Provision	Brief Description*	Liquidated Damages
	resources by the date specified by the Authority.	
Paragraphs 4.3 and 4.4 of Schedule 24 (*Social Value*)	Failure to remedy a Social Value Failure by the end of the applicable CAN Period	[REDACTED]

*The Brief Description is an overview only. The Parties should refer to the relevant provision to ascertain whether the Supplier is in Default or not.

26.15 Notwithstanding Clause 26.14, the Parties may agree in writing a revised deadline for remedying any Default referred to in Clause 26.14 (the "**Revised Deadline**") and, failing such agreement, the Authority may in its own discretion but acting reasonably determine a Revised Deadline. Where a Revised Deadline is agreed or determined in accordance with this Clause 26.15, the Supplier shall not be required to pay Liquidated Damages unless and until it fails to remedy the relevant Default by the Revised Deadline, in which case Liquidated Damages will be payable on a daily basis for each full or partial Working Day from the Revised Deadline until the relevant Default is remedied.

26.16 The Supplier shall pay Liquidated Damages under Clause 26.14 on demand or the Authority may deduct such Liquidated Damages from its payments to the Supplier.

26.17 The Parties confirm that these Liquidated Damages are reasonable, proportionate and enforceable to protect the Authority's legitimate interest in the performance of this Agreement by the Supplier.

26.18 Clause 26.14 is subject to Clauses 26.1 to 26.4.

27 INSURANCE

27.1 The Supplier shall comply with the provisions of Schedule 2.5 (*Insurance Requirements*) in relation to obtaining and maintaining insurance.

SECTION H – REMEDIES AND RELIEF

28 RECTIFICATION PLAN PROCESS

28.1 In the event that:

(a) the Supplier fails to Achieve the Final Delivery Milestone by the Final Delivery Milestone Date; and/or

(b) in any Service Period there has been:

(i) a TPL Failure;

(ii) a Service Regression Failure;

(iii) a failure by the Supplier to achieve the Monthly Volume Clearance Target for PIP and/or WCA; and/or

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

(d) the circumstances referred to in Paragraph 27.14 of Part B of Schedule 2.1 (*Services Description*) occur,

(each a "**Notifiable Default**"), the Supplier shall notify the Authority of the Notifiable Default as soon as practicable but in any event within 3 Working Days of becoming aware of the Notifiable Default, detailing the actual or anticipated effect of the Notifiable Default and, unless the Notifiable Default also constitutes a Rectification Plan Failure or other Supplier Termination Event, the Authority may not terminate this Agreement in whole or in part on the grounds of the Notifiable Default without first following the Rectification Plan Process.

Notification

28.2 If:

(a) the Supplier notifies the Authority pursuant to Clause 28.1 that a Notifiable Default has occurred; or

(b) the Authority notifies the Supplier that it considers that a Notifiable Default has occurred (setting out sufficient detail so that it is reasonably clear what the Supplier has to rectify),

then, unless the Notifiable Default also constitutes a Supplier Termination Event and the Authority serves a Termination Notice, the Supplier shall comply with the Rectification Plan Process.

28.3 The "**Rectification Plan Process**" shall be as set out in Clauses 28.4 (*Submission of the draft Rectification Plan*) to 28.10 (*Agreement of the Rectification Plan*).

Submission of the draft Rectification Plan

28.4 The Supplier shall, subject to Clause 28.5, submit a draft Rectification Plan to the Authority for it to review as soon as possible and in any event within 10 Working Days (or such shorter period as may be required by the Authority where the Authority, acting reasonably, deems the situation to be urgent) after the original notification

pursuant to Clause 28.2 (*Notification*). The Supplier shall submit a draft Rectification Plan even if the Supplier disputes that it is responsible for the Notifiable Default.

28.5 Where, in respect of a Notifiable Event referred to in Clause 28.1(b)(ii) or 28.1(b)(iii), there is already a Rectification Plan subsisting in relation to a TPL Failure the Performance Level in respect of which is the same as the Performance Level giving rise to the Notifiable Event referred to in Clause 28.1(b)(ii) or a failure to achieve a Monthly Volume Clearance Target (as the case may be):

(a) the Supplier shall, following the occurrence of the Notifiable Event referred to in Clause 28.1(b)(ii) or 28.1(b)(iii) (as the case may be), update such subsisting Rectification Plan to address the matters referred to in Clause 28.6 (to the extent that such matters have altered as a result of the Notifiable Event referred to in Clause 28.1(b)(ii) or 28.1(b)(iii) (as the case may be); and

(b) reference to the draft Rectification Plan in Clause 28.4 and in Clauses 28.6 to 28.9 (inclusive) and to the Rectification Plan in Clause 28.10 shall be deemed to refer to such subsisting Rectification Plan as required to be updated in accordance with Clause 28.5(a), including as such terms are used in limbs (a), (b), (d) and (f) of the definition of Rectification Plan Failure.

28.6 The draft Rectification Plan shall set out:

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

(b) the actual or anticipated effect of the Notifiable Default; and

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

28.7 The Supplier shall promptly provide to the Authority any further documentation that the Authority reasonably requires to assess the Supplier's root cause analysis. If the Parties do not agree on the root cause set out in the draft Rectification Plan, either Party may refer the matter to be determined by an expert in accordance with Paragraph 6 of Schedule 8.3 (*Dispute Resolution Procedure*).

Agreement of the Rectification Plan

28.8 The Authority may reject the draft Rectification Plan in whole or in part by notice to the Supplier if, acting reasonably, it considers that the draft Rectification Plan is inadequate, for example (but not limited to) because the draft Rectification Plan:

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

(b) will take too long to complete (given the nature of the Services as statutory services);

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

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

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

28.10 If the Authority consents to the Rectification Plan:

(a) the Supplier shall immediately start work on the actions set out in the Rectification Plan; and

(b) the Authority may no longer terminate this Agreement in whole or in part on the grounds of the relevant Notifiable Default;

save in the event of a Rectification Plan Failure or other Supplier Termination Event.

29 NO DOUBLE RELIEF

29.1 If circumstances arise where the Supplier becomes entitled to relief from (or to an adjustment to) its obligations under this Agreement due to more than one cause at the same time, then those causes shall be treated as a single cause together and the Supplier shall not be entitled to any greater relief than if only one cause had arisen.

30 Not Used

31 REMEDIAL ADVISER

31.1 If:

(a) any of the Intervention Trigger Events occur; or

(b) the Authority reasonably believes that any of the Intervention Trigger Events are likely to occur,

(each an "**Intervention Cause**"), the Authority may give notice to the Supplier (an "**Intervention Notice**") giving reasonable details of the Intervention Cause and requiring:

(i) a meeting between the Authority Representative and the Supplier Representative to discuss the Intervention Cause; and/or

(ii) the appointment as soon as practicable by the Supplier of a Remedial Adviser, as further described in this Clause 31.

For the avoidance of doubt, if the Intervention Cause is also a Supplier Termination Event, the Authority has no obligation to exercise its rights under this Clause 31.1 prior to or instead of exercising its right to terminate this Agreement.

31.2 If the Authority gives notice that it requires the appointment of a Remedial Adviser:

(a) the Remedial Adviser shall be:

(i) a person selected by the Supplier and approved by the Authority; or

(ii) if none of the persons selected by the Supplier have been approved by the Authority (or no person has been selected by the

Supplier) within 10 Working Days following the date on which the Intervention Notice is given, a person identified by the Authority;

(b) the terms of engagement and start date agreed with the Remedial Adviser must be approved by the Authority; and

(c) any right of the Authority to terminate this Agreement pursuant to Clause 35.1(b) (*Termination by the Authority*) for the occurrence of that Intervention Cause shall be suspended for 60 Working Days from (and including) the date of the Intervention Notice (or such other period as may be agreed between the Parties)(the "**Intervention Period**").

31.3 The Remedial Adviser's overall objective shall be to mitigate the effects of, and (to the extent capable of being remedied) to remedy, the Intervention Cause and to avoid the occurrence of similar circumstances in the future. In furtherance of this objective (but without diminishing the Supplier's responsibilities under this Agreement), the Parties agree that the Remedial Adviser may undertake any one or more of the following actions:

(a) observe the conduct of and work alongside the Supplier Personnel to the extent that the Remedial Adviser considers reasonable and proportionate having regard to the Intervention Cause;

(b) gather any information the Remedial Adviser considers relevant in the furtherance of its objective;

(c) write reports and provide information to the Authority in connection with the steps being taken by the Supplier to remedy the Intervention Cause;

(d) make recommendations to the Authority and/or the Supplier as to how the Intervention Cause might be mitigated or avoided in the future; and/or

(e) take any other steps that the Authority and/or the Remedial Adviser reasonably considers necessary or expedient in order to mitigate or rectify the Intervention Cause.

31.4 The Supplier shall:

(a) work alongside, provide information to, co-operate in good faith with and adopt any reasonable methodology in providing the Services recommended by the Remedial Adviser;

(b) ensure that the Remedial Adviser has all the access it may require in order to carry out its objective, including access to the Assets;

(c) submit to such monitoring as the Authority and/or the Remedial Adviser considers reasonable and proportionate in respect of the Intervention Cause;

(d) implement any reasonable recommendations made by the Remedial Adviser that have been approved by the Authority within the timescales given by the Remedial Adviser; and

(e) not terminate the appointment of the Remedial Adviser prior to the end of the Intervention Period without the prior consent of the Authority (such consent not to be unreasonably withheld).

31.5 The Supplier shall be responsible for:

(a) the costs of appointing, and the fees charged by, the Remedial Adviser; and

(b) its own costs in connection with any action required by the Authority and/or the Remedial Adviser pursuant to this Clause 31.

31.6 If:

(a) the Supplier:

(i) fails to perform any of the steps required by the Authority in an Intervention Notice; and/or

(ii) is in Default of any of its obligations under Clause 31.4; and/or

(b) the relevant Intervention Trigger Event is not rectified by the end of the Intervention Period,

(each a "**Remedial Adviser Failure**"), the Authority shall be entitled to terminate this Agreement pursuant to Clause 35.1(b) (*Termination by the Authority*).

32 STEP-IN RIGHTS

32.1 On the occurrence of a Step-In Trigger Event, the Authority may serve notice on the Supplier (a "**Step-In Notice**") that it will be taking action under this Clause 32 (*Step-in Rights*), either itself or with the assistance of a third party (provided that the Supplier may require any third parties to comply with a confidentiality undertaking equivalent to Clause 22 (*Confidentiality*)). The Step-In Notice shall set out the following:

(a) the action the Authority wishes to take and in particular the Services that it wishes to control (the "**Required Action**");

(b) the Step-In Trigger Event that has occurred and whether the Authority believes that the Required Action is due to the Supplier's Default;

(c) the date on which it wishes to commence the Required Action;

(d) the time period which it believes will be necessary for the Required Action;

(e) whether the Authority will require access to the Supplier's premises and/or the Sites; and

(f) to the extent practicable, the impact that the Authority anticipates the Required Action will have on the Supplier's obligations to provide the Services during the period that the Required Action is being taken.

32.2 Following service of a Step-In Notice, the Authority shall:

(a) take the Required Action set out in the Step-In Notice and any consequential additional action as it reasonably believes is necessary to achieve the Required Action;

(b) keep records of the Required Action taken and provide information about the Required Action to the Supplier;

(c) co-operate wherever reasonable with the Supplier in order to enable the Supplier to continue to provide the Services in relation to which the Authority is not assuming control; and

(d) act reasonably in mitigating the cost that the Supplier will incur as a result of the exercise of the Authority's rights under this Clause 32.

32.3 For so long as and to the extent that the Required Action is continuing, then:

(a) the Supplier shall not be obliged to provide the Services to the extent that they are the subject of the Required Action unless advised by the Authority to do so;

(b) where the reason for the Required Action arises under limb (c) or (d) of the definition of a Step-In Trigger Event or under limb (e) or (f) of the definition of a Step-in Trigger Event (insofar as the primary cause of the Authority serving the Step-In Notice is identified as not being the result of the Supplier's Default), no Deductions shall be applicable in relation to Charges in respect of Services that are the subject of the Required Action and the provisions of Clause 32.4 shall apply to Deductions from Charges in respect of other Services; and

(c) the Authority shall pay to the Supplier the Charges after subtracting any applicable Deductions and the Authority's costs of taking the Required Action.

32.4 If the Supplier demonstrates to the reasonable satisfaction of the Authority that the Required Action has resulted in:

(a) the degradation of any Services not subject to the Required Action; or

(b) failure to Achieve a Milestone by its Milestone Date,

beyond that which would have been the case had the Authority not taken the Required Action, then the Supplier shall be entitled to an agreed adjustment of the Charges.

32.5 Before ceasing to exercise its step in rights under this Clause 32 the Authority shall deliver a written notice to the Supplier (a "**Step-Out Notice**"), specifying:

(a) the Required Action it has actually taken; and

(b) the date on which the Authority plans to end the Required Action (the "**Step-Out Date**") subject to the Authority being satisfied with the Supplier's ability to resume the provision of the Services and the Supplier's plan developed in accordance with Clause 32.6.

32.6 The Supplier shall, following receipt of a Step-Out Notice and not less than 20 Working Days prior to the Step-Out Date, develop for the Authority's approval a draft plan (a "**Step-Out Plan**") relating to the resumption by the Supplier of the Services, including any action the Supplier proposes to take to ensure that the affected Services satisfy the requirements of this Agreement.

32.7 If the Authority does not approve the draft Step-Out Plan, the Authority shall inform the Supplier of its reasons for not approving it. The Supplier shall then revise the draft Step-Out Plan taking those reasons into account and shall re-submit the revised plan to the Authority for the Authority's approval. The Authority shall not withhold or delay its approval of the draft Step-Out Plan unnecessarily.

32.8 The Supplier shall bear its own costs in connection with any step-in by the Authority under this Clause 32, provided that the Authority shall reimburse the Supplier's reasonable additional expenses incurred directly as a result of any step-in action taken by the Authority under:

(a) limbs (c) or (d) of the definition of a Step-In Trigger Event; or

(b) limbs (e) and (f) of the definition of a Step-in Trigger Event (insofar as the primary cause of the Authority serving the Step-In Notice is identified as not being the result of the Supplier's Default).

33 AUTHORITY CAUSE

33.1 Notwithstanding any other provision of this Agreement, if the Supplier has failed to:

(a) Achieve a Milestone by its Milestone Date;

(b) provide the Operational Services to achieve the Minimum Performance Levels and/or Service Regression Failure Performance Levels (where applicable), the Target Performance Levels and/or the Monthly Volume Clearance Target for PIP and/or WCA; and/or

(c) comply with its obligations under this Agreement,

(each a "**Supplier Non-Performance**"),

and can demonstrate with evidence that the Supplier Non-Performance would not have occurred but for an Authority Cause, then (subject to the Supplier fulfilling its obligations in this Clause 33):

(i) the Supplier shall not be treated as being in breach of this Agreement to the extent the Supplier can demonstrate that the Supplier Non-Performance was caused by the Authority Cause;

(ii) the Authority shall not be entitled to exercise any rights that may arise as a result of that Supplier Non-Performance:

(A) to terminate this Agreement pursuant to Clause 35.1(b) (*Termination by the Authority*); or

(B) to take action pursuant to Clauses 31 (*Remedial Adviser*) or 32 (*Step-In Rights*);

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

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

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

(iv) where the Supplier Non-Performance constitutes a TPL Failure and/or the Supplier fails to achieve the Monthly Volume Clearance

Target for PIP and/or WCA and/or a Service Regression Failure occurs:

(A) the impact of such Authority Cause shall (where applicable in the context of the Supplier Non-Performance in question) be taken into account in the calculation of that part of the Financial Incentive that would otherwise have accrued had the TPL Failure the subject of the Supplier Non-Performance in question not occurred, such that the Supplier shall be entitled to accrue such part of the Financial Incentive that it would otherwise have accrued, but for the Supplier Non-Performance in question;

(B) the Supplier shall not (where applicable in the context of the Supplier Non-Performance in question) be liable to accrue Specialist Benefit Performance Credits;

(C) the Authority shall not (where applicable in the context of the Supplier Non-Performance in question) be entitled to withhold the whole or the relevant proportion (as the case may be) of the Target Fee Achieved pursuant to Paragraph 13 of Part A of Schedule 7.1 (*Charges and Invoicing*);

(D) the Authority shall not (where applicable in the context of the Supplier Non-Performance in question) be entitled to withhold and retain any Compensation for Serious Performance Failure pursuant to Clause 7.4 (*Serious Performance Failure*);

(E) any Service Regression Failure shall be deemed not to have occurred; and

(F) without double counting in respect of any Financial Incentive accrued pursuant to Clause 33.1(c)(iv)(A), the Supplier shall be entitled to invoice for the Charges for the relevant Operational Services affected by the Authority Cause,

in each case, to the extent that the Supplier can demonstrate with evidence that the TPL Failure and/or the failure to achieve the Monthly Volume Clearance Target for PIP and/or WCA and/or the Service Regression Failure was caused by the Authority Cause.

33.2 In order to claim any of the rights and/or relief referred to in Clause 33.1, the Supplier shall as soon as reasonably practicable (and in any event within 10 Working Days) after becoming aware that an Authority Cause has caused, or is reasonably likely to cause, a Supplier Non-Performance, give the Authority notice (a "**Relief Notice**") setting out details of:

(a) the Supplier Non-Performance;

(b) the Authority Cause and its effect, or likely effect, on the Supplier's ability to meet its obligations under this Agreement;

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

(d) the relief and/or compensation claimed by the Supplier.

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

33.4 The Supplier shall use all reasonable endeavours to eliminate or mitigate the consequences and impact of an Authority Cause, including any Losses that the Supplier may incur and the duration and consequences of any Delay or anticipated Delay.

33.5 Without prejudice to Clause 5.9 (*Continuing obligation to provide the Services*), if a Dispute arises as to:

(a) whether a Supplier Non-Performance would not have occurred but for an Authority Cause; and/or

(b) the nature and/or extent of the relief and/or compensation claimed by the Supplier,

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

33.6 Any Change that is required to the Implementation Plan or to the Charges pursuant to this Clause 33 shall be implemented in accordance with the Change Control Procedure.

34 FORCE MAJEURE

34.1 Subject to the remaining provisions of this Clause 34 (and, in relation to the Supplier, subject to its compliance with its obligations in Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*)), a Party may claim relief under this Clause 34 from liability for failure to meet its obligations under this Agreement for as long as and only to the extent that the performance of those obligations is directly affected by a Force Majeure Event. Any failure or delay by the Supplier in performing its obligations under this Agreement which results from a failure or delay by an agent, Sub-contractor or supplier shall be regarded as due to a Force Majeure Event only if that agent, Sub-contractor or supplier is itself impeded by an event of force majeure from complying with an obligation to the Supplier.

34.2 The Affected Party shall as soon as reasonably practicable issue a Force Majeure Notice, which shall include details of the Force Majeure Event, its effect on the obligations of the Affected Party and any action the Affected Party proposes to take to mitigate its effect.

34.3 If the Supplier is the Affected Party, it shall not be entitled to claim relief under this Clause 34 to the extent that consequences of the relevant Force Majeure Event:

(a) are capable of being mitigated, but the Supplier has failed to do so;

(b) should have been foreseen and prevented or avoided by a prudent provider of services similar to the Services, operating to the standards required by this Agreement; or

(c) are the result of the Supplier's failure to comply with its Service Continuity Plan (except to the extent that such failure is also due to a Force Majeure Event that affects the execution of the Service Continuity Plan).

34.4 Subject to Clause 34.5, as soon as practicable after the Affected Party issues the Force Majeure Notice, and at regular intervals thereafter, the Parties shall consult in good faith and use reasonable endeavours to agree any steps to be taken and an appropriate timetable in which those steps should be taken, to enable continued provision of the Services affected by the Force Majeure Event.

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

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

(a) an Affected Party fails to perform its obligations in accordance with this Agreement, then during the continuance of the Force Majeure Event:

(i) the other Party shall not be entitled to exercise any rights to terminate this Agreement in whole or in part as a result of such failure other than pursuant to Clause 35.1(c) (*Termination by the Authority*) or Clause 35.3(b) (*Termination by the Supplier*); and

(ii) neither Party shall be liable for any Default arising as a result of such failure;

(b) the Supplier fails to perform its obligations in accordance with this Agreement:

(i) the Authority shall not be entitled:

(A) during the continuance of the Force Majeure Event to declare that a Service Regression Failure has occurred and/or exercise its rights under Clause 31 (*Remedial Adviser*) and/or Clause 32 (*Step-in Rights*) as a result of such failure;

(B) Not Used; and

(C) to receive Specialist Benefit Performance Credits, to withhold the whole or the relevant proportion (as the case may be) of the Target Fee Achieved pursuant to Paragraph 13 of Part A of Schedule 7.1 (*Charges and Invoicing*) or withhold and retain any Compensation for Serious Performance Failure pursuant to Clause 7.4 (*Serious Performance Failure*) to the extent that a TPL Failure and/or failure to achieve the Monthly Volume Clearance Target has been caused by the Force Majeure Event; and

(ii) the Supplier shall be entitled to receive payment of the Charges (or a proportional payment of them, including any Financial Incentive) only to the extent that the Services (or relevant part of the Services) continue to be performed in accordance with the terms of this Agreement during the occurrence of the Force Majeure Event.

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

34.8 Relief from liability for the Affected Party under this Clause 34 shall end as soon as the Force Majeure Event no longer causes the Affected Party to be unable to comply with its obligations under this Agreement and shall not be dependent on the serving of notice under Clause 34.7.

SECTION I – TERMINATION AND EXIT MANAGEMENT

35 TERMINATION RIGHTS

Termination by the Authority

35.1 The Authority may terminate this Agreement by issuing a Termination Notice to the Supplier:

(a) for convenience at any time;

(b) if a Supplier Termination Event occurs;

(c) if a Force Majeure Event endures for a continuous period of more than ninety (90) days; or

(d) if the Agreement has been substantially amended to the extent that the Public Contracts Regulations 2015 require a new procurement procedure,

and this Agreement shall terminate on the date specified in the Termination Notice.

35.2 Where the Authority:

(a) is terminating this Agreement under Clause 35.1(b) due to the occurrence of either limb (b), (h) and/or (i) of the definition of Supplier Termination Event, it may rely on a single material Default or on a number of Defaults or repeated Defaults (whether of the same or different obligations and regardless of whether such Defaults are cured) which taken together constitute a material Default; and/or

(b) has the right to terminate this Agreement under

(i) Clause 35.1(a) ;or

(ii) Clause 35.1(b) or Clause 35.1(c),

it may, prior to or instead of terminating the whole of this Agreement, serve a Termination Notice requiring the Partial Termination of this Agreement.

Termination by the Supplier

35.3 The Supplier may, by issuing a Termination Notice to the Authority, terminate:

(a) this Agreement if the Authority fails to pay an undisputed sum due to the Supplier under this Agreement which in aggregate exceeds an amount equal to one sixth of the total Target Fee as defined in Annex 5 to Schedule 7.1 (*Charges and Invoicing*) and such amount remains outstanding 40 Working Days after the receipt by the Authority of a notice of non-payment from the Supplier; or

(b) any Services that are materially impacted by a Force Majeure Event that endures for a continuous period of more than 90 days,

and this Agreement or the relevant Services (as the case may be) shall then terminate on the date specified in the Termination Notice (which shall not be less than 20 Working Days from the date of the issue of the Termination Notice). If the operation of Clause 35.3(b) would result in a Partial Termination, the provisions of Clause 35.4 (*Partial Termination*) shall apply.

Partial Termination

35.4 Subject to Clause 35.6, the Parties shall agree the effect of any Change necessitated by a Partial Termination in accordance with the Change Control Procedure, including the effect the Partial Termination may have on any other Services and the Charges, provided that:

(a) the Supplier shall not be entitled to an increase in the Charges in respect of the Services that have not been terminated if the Partial Termination arises due to the occurrence of a Supplier Termination Event;

(b) any adjustment to the Charges (if any) shall be calculated in accordance with the target costs review mechanism in Schedule 7.1 (*Charges and Invoicing*) and must be reasonable;

(c) where any payment is made or is due to be made pursuant to Clause 35.6, such payment shall be taken into account when agreeing any adjustment to the Charges in accordance with Clause 35.4(b); and

(d) the Supplier shall not be entitled to reject the Change.

35.5 If the Supplier notifies the Authority pursuant to Clause 35.3(b) (*Termination by the Supplier*) that it intends to terminate this Agreement in part and the Authority, acting reasonably, believes that the effect of such Partial Termination is to render the remaining Services incapable of meeting a significant part of the Authority Requirements, then the Authority shall be entitled to terminate the remaining part of this Agreement by serving a Termination Notice to the Supplier within 1 month of receiving the Supplier's Termination Notice. For the purpose of this Clause 35.5, in assessing the significance of any part of the Authority Requirements, regard shall be had not only to the proportion of that part to the Authority Requirements as a whole, but also to the importance of the relevant part to the Authority.

35.6 Where a Partial Termination by the Authority pursuant to Clause 35.1(a) (by operation of Clause 35.2(b)) relates to the termination of either the PIP Services in their entirety or the WCA Services in their entirety (such terminated Services being the "**Partial Termination Services**"), the Authority shall pay the Supplier (as the Supplier's sole remedy in respect of such Partial Termination) the Breakage Costs Payment and the Compensation Payment in accordance with Clause 36.3 in respect of the Partial Termination Services only and, in calculating the Breakage Costs Payment and the Compensation Payment pursuant to Schedule 7.2 (*Payments on Termination*), references to termination of the Agreement and similar phrases shall be deemed to be references to Partial Termination of the Agreement.

35.7 The Authority shall not be obliged to pay the Breakage Costs Payment and the Compensation Payment in accordance with Clause 36.3 in respect of any Partial Termination other than in the circumstances set out in Clause 35.6. The consequences of any other type of Partial Termination shall be managed as a Change in accordance with Clause 35.4. For the avoidance of doubt, Channel Mix Changes, HAS Changes and Volume Pivots shall not be deemed to be Partial Termination and shall be managed through the Specialised Change Control Procedure.

36 CONSEQUENCES OF EXPIRY OR TERMINATION

General Provisions on Expiry or Termination

36.1 The provisions of Clauses 10.4 and 10.5 (*VAT*), 10.6 and 10.7 (*Set-off and Withholding*), 12 (*Records, Reports, Audits, Open Book Data and PAT Reviews*), 14.7 (*Employment Indemnity*), 14.8 (*Income Tax and National Insurance Contributions*), 16 (*Intellectual Property Rights*), 17 (*Transfer and Licences Granted by the Supplier*), 19.1 (*IPRs Indemnity*), 22 (*Confidentiality*), 23 (*Transparency and Freedom of Information*), 24 (*Protection of Personal Data*), 26 (*Limitations on Liability and Liquidated Damages*), 36 (*Consequences of Expiry or Termination*), 42 (*Severance*), 44 (*Entire Agreement*), 45 (*Third Party Rights*), 47 (*Disputes*) and 48 (*Governing Law and Jurisdiction*), and the provisions of Schedules 1 (*Definitions*), 7.1 (*Charges and Invoicing*), 7.2 (*Payments on Termination*), 7.5 (*Financial Reports and Audit Rights*), 8.3 (*Dispute Resolution Procedure*), 8.4 (Management Information *and Records Provisions*), 8.5 (*Exit Management*), and 9.1 (*Staff Transfer*), shall survive the termination or expiry of this Agreement.

Exit Management

36.2 The Parties shall comply with the provisions of Schedule 8.5 (*Exit Management*) and any current Exit Plan in relation to orderly transition of the Services to the Authority or a Replacement Supplier.

Payments by the Authority

36.3 If this Agreement is terminated by the Authority pursuant to Clause 35.1(a) (*Termination by the Authority*) or by the Supplier pursuant to Clause 35.3(a) (*Termination by the Supplier*) or partially terminated by the Authority pursuant to Clause 35.2(b)(i) (*Termination by the Authority*), the Authority shall pay the Supplier the following payments, apportioned accordingly in the case of partial termination under Clause 35.2(b)(i) (*Termination by the Authority*), (which shall be the Supplier's sole remedy for the termination or partial termination of this Agreement under the circumstances listed in this Clause 36.3):

(a) the Breakage Costs Payment; and

(b) the Compensation Payment, if either of the following periods is less than three hundred and sixty-five (365) days:

(i) the period from (but excluding) the date that the Termination Notice is given by the Authority pursuant to Clause 35.1(a) or Clause 35.2(b)(i)(*Termination by the Authority*)) to (and including) the Termination Date; or

(ii) the period from (and including) the date of the non-payment by the Authority referred to in Clause 35.3(a) (*Termination by the Supplier*) to (and including) the Termination Date.

36.4 If this Agreement is terminated (in part or in whole) by the Authority pursuant to Clauses 35.1(b), 35.1(c), 35.2(a) and/or 35.2(b)(ii) (*Termination by the Authority*), or the Term expires, the only payments that the Authority shall be required to make as a result of such termination (whether by way of compensation or otherwise) are:

(a) payments in respect of any Assets or apportionments in accordance with Schedule 8.5 (*Exit Management*); and

(b) payments in respect of unpaid Charges for Services received up until the Termination Date.

36.5 The costs of termination incurred by the Parties shall lie where they fall if:

(a) either Party terminates or partially terminates this Agreement for a continuing Force Majeure Event pursuant to Clauses 35.1(c) or 35.2(b)(ii) (*Termination by the Authority*) or 35.3(b) (*Termination by the Supplier*); or

(b) the Authority terminates this Agreement under Clause 35.1(d) (*Termination by the Authority*).

Payments by the Supplier

36.6 In the event of termination or expiry of this Agreement, the Supplier shall repay to the Authority all Charges it has been paid in advance in respect of Services not provided by the Supplier as at the date of expiry or termination.

SECTION J – MISCELLANEOUS AND GOVERNING LAW

37 COMPLIANCE

Health and Safety

37.1 The Supplier shall perform its obligations under this Agreement (including those in relation to the Services) in accordance with:

(a) all applicable Law regarding health and safety; and

(b) the Health and Safety Policy whilst at the Authority Premises.

37.2 Each Party shall notify the other as soon as practicable of any health and safety incidents or material health and safety hazards at the Authority Premises of which it becomes aware and which relate to or arise in connection with the performance of this Agreement. Following identification of a material health and safety hazard, the Supplier shall instruct the Supplier Personnel to adopt any necessary associated safety measures in order to manage any such material health and safety hazard. If any such measures are not within the scope of the Health and Safety Policy at clause 37.1(b) or any other relevant Authority guidance, the Supplier may only adopt the measure(s) once it has consulted with, and received approval from, the Authority regarding their adoption.

Employment Law

37.3 The Supplier must perform its obligations meeting the requirements of all applicable Law regarding employment.

Equality and Diversity

37.4 The Supplier shall:

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

(i) all applicable equality Law (whether in relation to race, sex, gender reassignment, age, disability, sexual orientation, religion or belief, pregnancy, maternity or otherwise) and in addition to legal obligations, the Supplier shall support the Authority in fulfilling its public sector equality duty under section 149 of the Equality Act 2010 by ensuring that it fulfils its obligations under this Agreement in a way that seeks to:

(A) eliminate discrimination, harassment or victimisation and any other conduct prohibited by the Equality Act 2010; and

(B) advance equality of opportunity and good relations between those with a protected characteristic (age, disability, gender reassignment, pregnancy and maternity and civil partnership) and those who do not share it;

(ii) the Authority's equality and diversity policy as provided to the Supplier from time to time;

(iii) any other requirements and instructions which the Authority reasonably imposes in connection with any equality obligations

imposed on the Authority at any time under applicable equality Law; and

(iv) the provisions contained in Schedule 14 (*Life Chances*) and Schedule 23 (*Apprenticeships and Skills Requirements*);

(b) take all necessary steps, and inform the Authority of the steps taken, to prevent unlawful discrimination designated as such by any court or tribunal, or the Equality and Human Rights Commission or (any successor organisation); and

(c) with all applicable legislation relating to safeguarding and protecting vulnerable groups, including the Safeguarding Vulnerable Groups Act 2006, the Safeguarding Vulnerable Groups Order (Northern Ireland) 2007 and the Protection of Vulnerable Groups (Scotland) Act 2007 or other relevant or equivalent legislation, or any statutory modification or re-enactment thereof.

Official Secrets Act and Finance Act

37.5 The Supplier shall comply with the provisions of:

(a) the Official Secrets Acts 1911 to 1989; and

(b) section 182 of the Finance Act 1989.

Conflicts of Interest

37.6 The Supplier:

(a) must take action to ensure that neither the Supplier nor the Supplier Personnel are placed in the position of an actual, potential or perceived Conflict of Interest; and

(b) must promptly notify and provide details to the Authority if an actual, potential or perceived Conflict of Interest happens or is expected to happen.

37.7 The Authority will consider whether there are any appropriate measures that can be put in place to remedy an actual, perceived or potential Conflict of Interest. If, in the reasonable opinion of the Authority, such measures do not or will not resolve an actual or potential Conflict of Interest, the Authority may terminate this Agreement immediately by giving notice in writing to the Supplier where there is or may be an actual or potential Conflict of Interest.

Modern Slavery

37.8 The Supplier:

(a) shall not use, nor allow its Sub-contractors to use, forced, bonded or involuntary prison labour;

(b) shall not require any Supplier Personnel or the personnel of any Sub-contractors to lodge deposits or identity papers with their employer and shall ensure that they are free to leave their employer after reasonable notice;

(c) warrants and represents that it has not been convicted of any slavery or human trafficking offences anywhere around the world;

(d) warrants that to the best of its knowledge it is not currently under investigation, inquiry or enforcement proceedings in relation to any allegation of slavery or human trafficking offences anywhere around the world;

(e) shall make reasonable enquires to ensure that its officers, employees and sub-contractors have not been convicted of slavery or human trafficking offences anywhere around the world;

(f) shall have and maintain throughout the Term its own policies and procedures to ensure its compliance with the Modern Slavery Act 2015 and include in its contracts with its Sub-contractors anti-slavery and human trafficking provisions;

(g) shall implement due diligence procedures to ensure that there is no slavery or human trafficking in any part of its supply chain performing obligations under the Agreement;

(h) shall prepare and deliver to the Authority, an annual slavery and human trafficking report setting out the steps it has taken to ensure that slavery and human trafficking is not taking place in any of its supply chains or in any part of its business;

(i) shall not use, nor allow its employees or Sub-contractors to use physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation of its employees or Sub-contractors;

(j) shall not use or allow child or slave labour to be used by its Sub-contractors;

(k) shall report the discovery or suspicion of any slavery, trafficking, forced labour, child labour, involuntary prison labour or labour rights abuses by it or its Sub-contractors to the Authority and the Modern Slavery Helpline and relevant national or local law enforcement agencies;

(l) shall, if the Supplier or the Authority identifies any occurrence of modern slavery connected to this Agreement, comply with any request of the Authority to follow the Rectification Plan Process to submit a remedial action plan which follows the form set out in Annex D of the Tackling Modern Slavery in Government Supply Chains guidance to PPN 02/23 (Tackling Modern Slavery in Government Supply Chains); and

(m) shall comply with any request by the Authority to complete the Modern Slavery Assessment Tool within sixty (60) days of such request.

37.9 If the Supplier is in Default under Clauses 37.8(a) to 37.8(m) the Authority may by notice require the Supplier to remove from performance of the Agreement any Sub-contractor, Supplier Personnel or other persons associated with it whose acts or omissions have caused the Default.

37.10 If the Supplier notifies the Authority pursuant to Clause 37.12 (*Whistleblowing*) it shall respond promptly to the Authority's enquiries, co-operate with any investigation, and

allow the Authority to audit any books, records and/or any other relevant documentation in accordance with the Agreement.

37.11 If the Supplier is in Default under Clause 37.8 the Authority may by notice:

(a) require the Supplier to remove from performance of the Agreement any Sub-Contractor, Supplier Personnel or other persons associated with it whose acts or omissions have caused the Default; or

(b) immediately terminate the Agreement.

Whistleblowing

37.12 As soon as it is aware of it the Supplier and Supplier Personnel must report to the Authority any actual or suspected breach of:

(a) Law;

(b) Clauses 37.1 (*Health and Safety*) to 37.8 (*Modern Slavery*) or 37.13; or

(c) Clause 41 (*Prevention of Fraud and Bribery and Conflicts of Interest*).

37.13 The Supplier must not retaliate against any of the Supplier Personnel who in good faith reports a breach listed in this Clause 37 to the Authority or a Prescribed Person.

38 ASSIGNMENT AND NOVATION

38.1 The Supplier shall not assign, novate or otherwise dispose of or create any trust in relation to any or all of its rights, obligations or liabilities under this Agreement without the prior written consent of the Authority.

38.2 The Authority may at its discretion assign, novate or otherwise dispose of any or all of its rights, obligations and liabilities under this Agreement and/or any associated licences to:

(a) any Central Government Body; or

(b) to a body other than a Central Government Body (including any private sector body) which performs any of the functions that previously had been performed by the Authority,

and the Supplier shall, at the Authority's request, enter into a novation agreement in such form as the Authority shall reasonably specify in order to enable the Authority to exercise its rights pursuant to this Clause 38.2.

38.3 A change in the legal status of the Authority such that it ceases to be a Central Government Body shall not (subject to Clause 38.4) affect the validity of this Agreement and this Agreement shall be binding on any successor body to the Authority.

38.4 If the Authority assigns, novates or otherwise disposes of any of its rights, obligations or liabilities under this Agreement to a body which is not a Central Government Body or if a body which is not a Central Government Body succeeds the Authority (any such body a "**Successor Body**"), the Supplier shall have the right to terminate for an Insolvency Event affecting the Successor Body identical to the right of termination of the Authority under limb (j) of the definition of Supplier Termination Event (as if

references in that limb (j) to the Supplier and the Guarantor were references to the Successor Body).

39 WAIVER AND CUMULATIVE REMEDIES

39.1 The rights and remedies under this Agreement may be waived only by notice and in a manner that expressly states that a waiver is intended. A failure or delay by a Party in ascertaining or exercising a right or remedy provided under this Agreement or by law shall not constitute a waiver of that right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

39.2 Unless otherwise provided in this Agreement, rights and remedies under this Agreement are cumulative and do not exclude any rights or remedies provided by law, in equity or otherwise.

40 RELATIONSHIP OF THE PARTIES

40.1 Except as expressly provided otherwise in this Agreement, nothing in this Agreement, nor any actions taken by the Parties pursuant to this Agreement, shall create a partnership, joint venture or relationship of employer and employee or principal and agent between the Parties, or authorise either Party to make representations or enter into any commitments for or on behalf of any other Party.

41 PREVENTION OF FRAUD AND BRIBERY AND CONFLICTS OF INTEREST

41.1 The Supplier represents and warrants that neither it, nor to the best of its knowledge any Supplier Personnel, have at any time prior to the Implementation Services Commencement Date:

(a) committed a Prohibited Act or been formally notified that it is subject to an investigation or prosecution which relates to an alleged Prohibited Act; and/or

(b) been listed by any government department or agency as being debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for participation in government procurement programmes or contracts on the grounds of a Prohibited Act.

41.2 The Supplier shall not during the term of this Agreement:

(a) commit a Prohibited Act; and/or

(b) do or suffer anything to be done which would cause the Authority or any of the Authority's employees, consultants, contractors, sub-contractors or agents to contravene any of the Relevant Requirements or otherwise incur any liability in relation to the Relevant Requirements.

41.3 The Supplier shall during the term of this Agreement:

(a) establish, maintain and enforce, and require that its Sub-contractors establish, maintain and enforce, policies and procedures which are adequate to ensure compliance with the Relevant Requirements and prevent the occurrence of a Prohibited Act;

(b) have in place reasonable prevention measures (as defined in sections 45(3) and 46(4) of the Criminal Finance Act 2017) to ensure that

Associated Persons of the Supplier do not commit tax evasion facilitation offences as defined under that Act;

(c) ensure that the Supplier and Sub-contractor performance management systems do not encourage Supplier Personnel to make false claims regarding achievement of contract performance levels;

(d) ensure a segregation of duties within the Supplier or Sub-contractor's operation between those directly involved in delivering the Service performance and those reporting achievement of contract performance to the Authority;

(e) co-operate fully with the Authority and assist it in the identification of Claimants who may be unlawfully claiming state benefits. The Authority may from time to time brief the Supplier as to the co-operation and assistance it reasonably requires including the provision of information regarding fraud by Claimants. On receipt of the information, further evidence may be collected by the Authority or other department, office or agency of His Majesty's Government with a view to prosecution;

(f) keep appropriate records of its compliance with its obligations under Clause 41.3(a) and make such records available to the Authority on request; and

(g) take account of any guidance about preventing facilitation of tax evasion offences which may be published and updated in accordance with Section 47 of the Criminal Finances Act 2017.

41.4 The Supplier shall immediately notify the Authority in writing if it becomes aware of any breach of Clause 41.1 and/or 41.2, or has reason to believe that it has or any of the Supplier Personnel have:

(a) been subject to an investigation or prosecution which relates to an alleged Prohibited Act;

(b) been listed by any government department or agency as being debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for participation in government procurement programmes or contracts on the grounds of a Prohibited Act; and/or

(c) received a request or demand for any undue financial or other advantage of any kind in connection with the performance of this Agreement or otherwise suspects that any person or Party directly or indirectly connected with this Agreement has committed or attempted to commit a Prohibited Act.

41.5 If the Supplier makes a notification to the Authority pursuant to Clause 41.4, the Supplier shall respond promptly to the Authority's enquiries, co-operate with any investigation, and allow the Authority to Audit any books, Records and/or any other relevant documentation in accordance with Clause 12 (*Records, Reports, Audits, Open Book Data and PAT Reviews*).

41.6 If the Supplier is in Default under Clauses 41.1 and/or 41.2, the Authority may by notice:

(a) require the Supplier to remove from performance of this Agreement any Supplier Personnel whose acts or omissions have caused the Default; or

(b) immediately terminate this Agreement.

41.7 Any notice served by the Authority under Clause 41.6 shall specify the nature of the Prohibited Act, the identity of the Party who the Authority believes has committed the Prohibited Act and the action that the Authority has elected to take (including, where relevant, the date on which this Agreement shall terminate).

41.8 The Supplier shall take appropriate steps to ensure that neither the Supplier nor any Supplier Personnel are placed in a position where, in the reasonable opinion of the Authority, there is or may be an actual conflict, or a potential conflict, between the pecuniary or personal interests of the Supplier and the duties owed to the Authority under the provisions of this Agreement. The Supplier will disclose to the Authority full particulars of any such conflict of interest which may arise.

41.9 The Authority reserves the right to terminate this Agreement immediately by notice in writing and/or to take such other steps it deems necessary where, in the reasonable opinion of the Authority, there is or may be an actual conflict, or a potential conflict, between the pecuniary or personal interests of the Supplier and the duties owed to the Authority under the provisions of this Agreement. The actions of the Authority pursuant to this Clause 41.9 shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to either Party.

41.10 Clauses 41.8 and 41.9 shall apply during the continuance of this Agreement and for a period of two (2) years after its termination or expiry.

42 SEVERANCE

42.1 If any provision of this Agreement (or part of any provision) is held to be void or otherwise unenforceable by any court of competent jurisdiction, such provision (or part) shall to the extent necessary to ensure that the remaining provisions of this Agreement are not void or unenforceable be deemed to be deleted and the validity and/or enforceability of the remaining provisions of this Agreement shall not be affected.

42.2 In the event that any deemed deletion under Clause 42.1 is so fundamental as to prevent the accomplishment of the purpose of this Agreement or materially alters the balance of risks and rewards in this Agreement, either Party may give notice to the other Party requiring the Parties to commence good faith negotiations to amend this Agreement so that, as amended, it is valid and enforceable, preserves the balance of risks and rewards in this Agreement and, to the extent that is reasonably possible, achieves the Parties' original commercial intention.

42.3 If the Parties are unable to agree on the revisions to this Agreement within 5 Working Days of the date of the notice given pursuant to Clause 42.2, the matter shall be dealt with in accordance with Paragraph 4 of Schedule 8.3 (*Dispute Resolution Procedure*) except that if the representatives are unable to resolve the dispute within 30 Working Days of the matter being referred to them, this Agreement shall automatically terminate with immediate effect. The costs of termination incurred by the Parties shall lie where they fall if this Agreement is terminated pursuant to this Clause 42.3.

43 FURTHER ASSURANCES

43.1 Each Party undertakes at the request of the other, and at the cost of the requesting Party to do all acts and execute all documents which may be reasonably necessary to give effect to the meaning of this Agreement.

44 ENTIRE AGREEMENT

44.1 This Agreement constitutes the entire agreement between the Parties in respect of its subject matter and supersedes and extinguishes all prior negotiations, arrangements, understanding, course of dealings or agreements made between the Parties in relation to its subject matter, whether written or oral.

44.2 Neither Party has been given, nor entered into this Agreement in reliance on, any warranty, statement, promise or representation other than those expressly set out in this Agreement.

44.3 Nothing in this Clause 44 shall exclude any liability in respect of misrepresentations made fraudulently.

45 THIRD PARTY RIGHTS

45.1 The provisions of Clause 19.1 (*IPRs Indemnity*), Paragraphs 2.1, 2.6, 3.1 and 3.3 of Part B, Part D and Paragraphs 1.4, 2.3 and 2.8 of Part E of Schedule 9.1 (*Staff Transfer*) and the provisions of Paragraph 7.9 of Schedule 8.5 (*Exit Management*) (together "**Third Party Provisions**") confer benefits on persons named or identified in such provisions other than the Parties (each such person a "**Third Party Beneficiary**") and are intended to be enforceable by Third Parties Beneficiaries by virtue of the CRTPA.

45.2 Subject to Clause 45.1, a person who is not a Party to this Agreement has no right under the CRTPA to enforce any term of this Agreement but this does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

45.3 No Third Party Beneficiary may enforce, or take any step to enforce, any Third Party Provision without the prior written consent of the Authority, which may, if given, be given on and subject to such terms as the Authority may determine.

45.4 Any amendments or modifications to this Agreement may be made, and any rights created under Clause 45.1 may be altered or extinguished, by the Parties without the consent of any Third Party Beneficiary.

46 NOTICES

46.1 Any notices sent under this Agreement must be in writing.

46.2 Subject to Clause 46.4, the following table sets out the method by which notices may be served under this Agreement and the respective deemed time and proof of service:

Manner of Delivery	Deemed time of service	Proof of service
Jaggaer	9.00am on the first Working Day after sending	Uploaded with any applicable attachment(s) to Jaggaer without any error message

Email	9.00am on the first Working Day after sending	Dispatched as a pdf attachment to an e-mail to the correct e-mail address without any error message.
Personal delivery	On delivery, provided delivery is between 9.00am and 5.00pm on a Working Day. Otherwise, delivery will occur at 9.00am on the next Working Day.	Properly addressed and delivered as evidenced by signature of a delivery receipt
Prepaid, Royal Mail Signed For™ 1st Class or other prepaid, next Working Day service providing proof of delivery.	At the time recorded by the delivery service, provided that delivery is between 9.00am and 5.00pm on a Working Day. Otherwise, delivery will occur at 9.00am on the same Working Day (if delivery before 9.00am) or on the next Working Day (if after 5.00pm).	Properly addressed prepaid and delivered as evidenced by signature of a delivery receipt

46.3 Notices shall be sent to the addresses set out below or at such other address as the relevant Party may give notice to the other Party for the purpose of service of notices under this Agreement:

	Supplier	**Authority**
Contact	[REDACTED]	[REDACTED]
Address	Serco Functional Assessment Services Serco Limited Serco House 16 Bartley Wood Business Park Bartley Way Hook Hampshire RG27 9UY Cc: Serco Limited Legal Department Serco House	Department for Work and Pensions Commercial Directorate Finance Group Third Floor, 1 Hartshead Square Sheffield S1 2FD

	16 Bartley Wood Business Park Bartley Way Hook Hampshire RG27 9UY	
Email	Communication via Jaggaer	Communication via Jaggaer

46.4 The following notices may only be served as an attachment to an email or sent via Jaggaer if the original notice is then sent to the recipient by personal delivery or recorded delivery in the manner set out in the table in Clause 46.2:

(a) Step-In Notices;

(b) Force Majeure Notices;

(c) notices issued by the Supplier pursuant to Clause 35.3 (*Termination by the Supplier*);

(d) Termination Notices; and

(e) Dispute Notices.

46.5 Failure to send any original notice by personal delivery or recorded delivery in accordance with Clause 46.4 shall invalidate the service of the related e-mail transmission or notice issued via Jaggaer. The deemed time of delivery of such notice shall be the deemed time of delivery of the original notice sent by personal delivery or Royal Mail Signed For™ 1st Class delivery (as set out in the table in Clause 46.2) or, if earlier, the time of response or acknowledgement by the other Party to the email attaching the notice or the notice sent via Jaggaer.

46.6 This Clause 46 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution (other than the service of a Dispute Notice under Schedule 8.3 (*Dispute Resolution Procedure*)).

47 DISPUTES

47.1 The Parties shall resolve Disputes arising out of or in connection with this Agreement in accordance with the Dispute Resolution Procedure.

47.2 The Supplier shall continue to provide the Services in accordance with the terms of this Agreement until a Dispute has been resolved.

48 GOVERNING LAW AND JURISDICTION

48.1 This Agreement and any issues, disputes or claims (whether contractual or non-contractual) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of England and Wales.

48.2 Subject to Clause 47 (*Disputes*) and Schedule 8.3 (*Dispute Resolution Procedure*) (including the Authority's right to refer the dispute to arbitration), the Parties agree that the courts of England and Wales shall have exclusive jurisdiction to settle any

dispute or claim (whether contractual or non-contractual) that arises out of or in connection with this Agreement or its subject matter or formation.

49 COUNTERPARTS

49.1 This Agreement may be executed in counterparts each of which when executed and delivered shall constitute an original, but all counterparts together shall constitute one and the same instrument.

49.2 Transmission of the executed signature page of a counterpart of this Agreement by email (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this Agreement. If this method of delivery is adopted, without prejudice to the validity of the Agreement thus made, each Party shall, if requested by the Authority, provide the other with the original of such counterpart as soon as reasonably possible afterwards.

This Agreement has been duly executed as a deed by the Parties and is delivered and takes effect on the date which appears at the head of its page 1.

Executed as a deed by SERCO LIMITED acting by a director, in the presence of:	))
	.....
	Signature of Director
	.....
	Director's name
Signature of witness	.....
Name of witness:	.....
Address of witness:	.....
Occupation of witness:	.....

The corporate seal of the Secretary of State for Work and Pensions is hereunto affixed and authenticated by:	**SEAL OF THE SECRETARY OF STATE FOR WORK AND PENSIONS**
[REDACTED]	
.....	
Authorised Signatory	

SCHEDULE 1

DEFINITIONS

Definitions

1.1 Unless otherwise provided or the context otherwise requires the following expressions shall have the meanings set out below.

"Accounting Reference Date"	means in each year the date to which the Supplier prepares its annual audited financial statements;
"Achieve"	means the completion of a Milestone (including the Final Delivery Milestone) as set out in the Detailed Implementation Plan and "**Achieved**" and "**Achievement**" shall be construed accordingly;
"Affected Party"	the Party seeking to claim relief in respect of a Force Majeure Event;
"Addendum"	has the meaning given in Clause 24.5(d)(ii)(A)(ii) (*Where one Party is Controller and the other Party its Processor*);
"Affiliate"	in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control with, that body corporate from time to time;
"Allowable Assumptions"	the assumptions set out in Annex 2 of Schedule 7.1 (*Charges and Invoicing*);
"Allowable Costs"	has the meaning given in Schedule 7.1 (*Charges and Invoicing*);
"Annual Revenue"	means, for the purposes of determining whether an entity is a Public Sector Dependent Supplier, the audited consolidated aggregate revenue (including share of revenue of joint ventures and Associates) reported by the Supplier or, as appropriate, the Supplier Group in its most recent published accounts, subject to the following methodology: (a) figures for accounting periods of other than 12 months should be scaled pro rata to produce a proforma figure for a 12 month period; and (b) where the Supplier, the Supplier Group and/or their joint ventures and Associates report in a foreign currency, revenue should be converted to British Pound Sterling at the closing exchange rate on the Accounting Reference Date;
"Apprentices"	means people given practical training with study in the form of an apprenticeship which is organised through the National Apprenticeship Service, and

	the term "Apprenticeship" shall be construed accordingly;
"Apprenticeships and Skills Report"	means the report required in accordance with Paragraph 3 of Schedule 23 (*Apprenticeships and Skills Requirement*);
"Approved Sub-Licensee"	any of the following: (a) a Central Government Body; (b) any third party providing services to a Central Government Body; and/or (c) any body (including any private sector body) which performs or carries on any of the functions and/or activities that previously had been performed and/or carried on by the Authority;
"Assessment"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Assessment Channel"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Assessment Report"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Assessment Type"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Assets"	all assets and rights used by the Supplier to provide the Services in accordance with this Agreement but excluding the Authority Assets;
"Associated Person"	has the meaning given to it in Section 44(4) of the Criminal Finances Act 2017;
"Associates"	means, in relation to an entity, an undertaking in which the entity owns, directly or indirectly, between 20% and 50% of the voting rights and exercises a degree of control sufficient for the undertaking to be treated as an associate under generally accepted accounting principles;
"Assurance"	means written confirmation from a Relevant Authority to the Supplier that the CRP Information is approved by the Relevant Authority;
"Audit"	any exercise by the Authority of its Audit Rights pursuant to Clause 12 (*Records, Reports, Audits,*

	Open Book Data and PAT Reviews) and Schedule 7.5 (*Financial Reports and Audit Rights*);
"Audit Agents"	(a) the Authority's internal and external auditors; (b) the Authority's statutory or regulatory auditors; (c) the Comptroller and Auditor General, their staff and/or any appointed representatives of the National Audit Office; (d) HM Treasury or the Cabinet Office; (e) any party formally appointed by the Authority to carry out audit or similar review functions; and (f) successors or assigns of any of the above;
"Audit Quality Assurance"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Audit Rights"	the audit and access rights referred to in Schedule 7.5 (*Financial Reports and Audit Rights*);
"Authority Assets"	the Authority Materials, the Authority infrastructure and any other data, software, assets, equipment or other property owned by and/or licensed or leased to the Authority and which is or may be used in connection with the provision or receipt of the Services, including the IT Equipment;
"Authority Background IPRs"	(a) IPRs owned by the Authority before the Effective Date, including IPRs contained in any of the Authority's Know-How, documentation, processes and procedures; (b) IPRs created by the Authority independently of this Agreement; and/or (c) Crown copyright which is not available to the Supplier otherwise than under this Agreement; but excluding IPRs owned by the Authority subsisting in the Authority Software;
"Authority Cause"	any material breach by the Authority of any of the Authority Responsibilities, except to the extent that such breach is:

(a) the result of any act or omission by the Authority to which the Supplier has given its prior consent; or

(b) caused by the Supplier, any Sub-contractor or any Supplier Personnel;

"Authority Contact Centre Platform" has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);

"Authority Data"

(a) the data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, and which are:

(i) supplied to the Supplier by or on behalf of the Authority; and/or

(ii) which the Supplier is required to generate, process, store or transmit pursuant to this Agreement; or

(b) any Personal Data for which the Authority is the Controller;

"Authority IT Services" has the meaning given in Paragraph 1.1 of Schedule 18 (*Information Technology Services*);

"Authority Materials" the Authority Data together with any materials, documentation, information, programs and codes supplied by the Authority to the Supplier, the IPRs in which:

(a) are owned or used by or on behalf of the Authority; and

(b) are or may be used in connection with the provision or receipt of the Services,

but excluding any Project Specific IPRs, Supplier Software, Third Party Software and Documentation relating to Supplier Software or Third Party Software;

"Authority Premises" premises owned, controlled or occupied by the Authority and/or any Central Government Body which are made available for use by the Supplier or its Sub-contractors for provision of the Services (or any of them);

"Authority Representative" the representative appointed by the Authority pursuant to Clause 11.4 (*Representatives*);

"Authority Requirements"	the requirements of the Authority set out in Schedule 2.1 (*Services Description*), Schedule 2.2 (*Performance Levels*), Schedule 2.3 (*Standards*), Schedule 2.4 (*Security Management*), Schedule 2.5 (*Insurance Requirements*), Schedule 6.1 (*Implementation Related Plans*), Schedule 8.4 (*Management Information and Records Provisions*), Schedule 8.5 (*Exit Management*) and Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*);
"Authority Responsibilities"	the responsibilities of the Authority specified in Schedule 3 (*Authority Responsibilities*);
"Authority Sensitive Claim"	shall have the meaning given in Paragraph 2.1 of Part B of Schedule 8.7 (*Conduct of Claims*);
"Authority Software"	software (excluding the IT System) which is owned by or licensed to the Authority (other than under or pursuant to this Agreement) and which is or will be used by the Supplier for the purposes of providing the Services;
"Authority SoS Representative's Approval"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Authority Sub-Contractor"	a provider of IT or related services to the Authority;
"Authority System"	the Authority's computing environment (consisting of hardware, software and/or telecommunications networks or equipment) used by the Authority or the Supplier in connection with this Agreement which is owned by the Authority or licensed to it by a third party (including the IT System) and which interfaces with the Supplier System or which is necessary for the Authority to receive the Services;
"Balanced Scorecard Report"	has the meaning given in Paragraph 1.1(b) of Part B of Schedule 2.2 (*Performance Levels*);
"Balancing Payment"	has the meaning given in Schedule 7.1 (*Charges and Invoicing*);
"Black and Minority Ethnic"	means a person who identifies themselves as being of non-white descent;
"Board"	means the Supplier's board of directors;
"Breakage Costs Payment"	has the meaning given in Schedule 7.2 (*Payments on Termination*);

"Business Readiness Criteria"	has the meaning given in Schedule 6.1 (*Implementation Related Plans);*
"Cabinet Office Markets and Suppliers Team"	means the UK Government's team responsible for managing the relationship between government and its Strategic Suppliers, or any replacement or successor body carrying out the same function;
"CAN Period"	shall have the meaning set out in Paragraph 4.2 of Schedule 24 (*Social Value*);
"Case Management Information Reports"	the MI Reports required in relation to the Case Management Information;
"Case Management Information"	the Management Information as set out in Annex 1 to Schedule 8.4 (*Management Information and Records Provisions*);
"Central Government Body"	a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics: (a) Government Department; (b) Non-Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal); (c) Non-Ministerial Department; or (d) Executive Agency;
"Change Authorisation Note"	a form setting out an agreed Contract Change which shall be substantially in the form of Annex 2 of Schedule 8.2 (*Change Control Procedure*);
"Change Control Procedure"	the procedure for changing this Agreement set out in Schedule 8.2 (*Change Control Procedure*);
"Change in Law"	any change in Law which impacts on the performance of the Services which comes into force after the Effective Date;
"Change Request"	a written request for a Contract Change substantially in the form of Annex 1 of Schedule 8.2 (*Change Control Procedure*);
"Change"	any change to this Agreement;

"Channel Mix Change"	has the meaning given in Paragraph 1.1 of Schedule 8.2 (*Change Control Procedure*);
"Charges"	the charges for the provision of the Services set out in or otherwise calculated in accordance with Schedule 7.1 (*Charges and Invoicing*), including any Staged Payment;
"Claimant"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Claimant Enquiry Service"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description);*
"Class 1 Transaction"	has the meaning set out in the listing rules issued by the UK Listing Authority;
"Clearance Delivery Payment or CDP"	has the meaning given in Schedule 7.1 (*Charges and Invoicing*);
"Clinical Enquiry Service"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"CNI"	means Critical National Infrastructure;
"Commercially Sensitive Information"	the information listed in Schedule 4.2 (*Commercially Sensitive Information*) comprising the information of a commercially sensitive nature relating to: (a) the pricing of the Services; (b) details of the Supplier's IPRs; and (c) the Supplier's business and investment plans; which the Supplier has indicated to the Authority that, if disclosed by the Authority, would cause the Supplier significant commercial disadvantage or material financial loss;
"Comparable Supply"	the supply of services to another customer of the Supplier that are the same or similar to any of the Services;
"Compensation for Serious Performance Failure"	has the meaning given in Clause 7.4(a) (*Serious Performance Failure*);
"Compensation Payment"	has the meaning given in Schedule 7.2 (*Payments on Termination*);

"Complaint"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description);*
"Condition Precedent"	has the meaning given in Clause 4.5 (*Condition Precedent*);
"Confidential Information"	(a) Information, including all Personal Data, which (however it is conveyed) is provided by the Disclosing Party pursuant to or in anticipation of this Agreement that relates to: (i) the Disclosing Party Group; or (ii) the operations, business, affairs, developments, intellectual property rights, trade secrets, know-how and/or personnel of the Disclosing Party Group; (b) other Information provided by the Disclosing Party pursuant to or in anticipation of this Agreement that is clearly designated as being confidential or equivalent or that ought reasonably to be considered to be confidential (whether or not it is so marked), including the medical records or Personal Data of any Claimant, which comes (or has come) to the Recipient's attention or into the Recipient's possession in connection with this Agreement; (c) discussions, negotiations, and correspondence between the Disclosing Party or any of its directors, officers, employees, consultants or professional advisers and the Recipient or any of its directors, officers, employees, consultants and professional advisers in connection with this Agreement and all matters arising therefrom; and (d) Information derived from any of the above, but not including any Information which: (i) was in the possession of the Recipient without obligation of confidentiality prior to its disclosure by the Disclosing Party; (ii) the Recipient obtained on a non-confidential basis from a third party who is not, to the Recipient's knowledge or belief, bound by a confidentiality agreement with the

Disclosing Party or otherwise prohibited from disclosing the information to the Recipient;

(iii) was already generally available and in the public domain at the time of disclosure otherwise than by a breach of this Agreement or breach of a duty of confidentiality;

(iv) was independently developed without access to the Confidential Information; or

(v) relates to the Supplier's:

(1) performance under this Agreement; or

(2) failure to pay any Sub-contractor as required pursuant to Clause 15.15(a) (*Supply Chain Protection*);

"Conflict of Interest"	a conflict between the financial or personal duties of the Supplier or the Supplier Personnel and the duties owed to the Authority under the Agreement, in the reasonable opinion of the Authority;
"Consultation"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Contingency Services"	has the meaning given in Paragraph 2 of Schedule 22 (*Contingency Services*);
"Continuous Improvement Plan"	means a plan produced by the Supplier setting out a programme of continuous improvement to the Services as further described in Paragraph 45 of Schedule 2.1 (*Services Description*) and including the report referred to in Clause 8.2 (*Services Improvement*);
"Contract Change"	any change to this Agreement other than an Operational Change;
"Contract Cost Register"	has the meaning given in Schedule 7.1 (*Charges and Invoicing)*;
"Contract Management Board"	the contract management board detailed in Schedule 8.1 (*Governance*);
"Contracts Finder"	the online government portal which allows suppliers to search for information about contracts as

	prescribed by Part 4 of the Public Contract Regulations 2015;
"Contract Workforce"	has the meaning given to it in Paragraph 1.4 of Schedule 24 (*Social Value*);
"Control"	the possession by person, directly or indirectly, of the power to direct or cause the direction of the management and policies of the other person (whether through the ownership of voting shares, by contract or otherwise) and "**Controls**" and "**Controlled**" shall be construed accordingly;
"Controller"	has the meaning given in the UK GDPR or the EU GDPR as the context requires;
"Corporate Change Event"	means: (a) any change of Control of the Supplier or a Parent Undertaking of the Supplier; (b) any change of Control of any member of the Supplier Group which, in the reasonable opinion of the Authority, could have a material adverse effect on the Services; (c) any change to the business of the Supplier or any member of the Supplier Group which, in the reasonable opinion of the Authority, could have a material adverse effect on the Services; (d) a Class 1 Transaction taking place in relation to the shares of the Supplier or any Parent Undertaking of the Supplier whose shares are listed on the main market of the London Stock Exchange plc; (e) an event that could reasonably be regarded as being equivalent to a Class 1 Transaction taking place in respect of the Supplier or any Parent Undertaking of the Supplier; (f) payment of dividends by the Supplier or the ultimate Parent Undertaking of the Supplier Group exceeding 25% of the Net Asset Value of the Supplier or the ultimate Parent Undertaking of the Supplier Group respectively in any 12 month period; (g) an order is made or an effective resolution is passed for the winding up of any member of the Supplier Group;

(h) any member of the Supplier Group stopping payment of its debts generally or becoming unable to pay its debts within the meaning of section 123(1) of the Insolvency Act 1986 or any member of the Supplier Group ceasing to carry on all or substantially all its business, or any compromise, composition, arrangement or agreement being made with creditors of any member of the Supplier Group;

(i) the appointment of a receiver, administrative receiver or administrator in respect of or over all or a material part of the undertaking or assets of any member of the Supplier Group; and/or

(j) any process or events with an effect analogous to those in Paragraphs (e) to (g) inclusive above occurring to a member of the Supplier Group in a jurisdiction outside England and Wales;

"Corporate Resolution Planning Information" means, together, the:

(a) Group Structure Information and Resolution Commentary; and

(b) UK Public Sector and CNI Contract Information;

"Corrective Action Notice" shall have the meaning set out in Paragraph 4.1 of Schedule 24 (*Social Value*);

"Costs" the "Allowable Costs" referred to in Schedule 7.1 (*Charges and Invoicing*);

"Critical National Infrastructure" means those critical elements of UK national infrastructure (namely assets, facilities, systems, networks or processes and the essential workers that operate and facilitate them), the loss or compromise of which could result in:

(a) major detrimental impact on the availability, integrity or delivery of essential services – including those services whose integrity, if compromised, could result in significant loss of life or casualties – taking into account significant economic or social impacts; and/or

(b) significant impact on the national security, national defence, or the functioning of the UK;

"Critical Service Contract"	means the overall status of the Services provided under this Agreement as determined by the Authority and specified in Paragraph 1.1 of Part B to Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*);
"Crown Body"	means the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Government and the Welsh Government), including government ministers and government departments and particular bodies, persons, commissions or agencies from time to time carrying out functions on its behalf;
"Crown Copyright"	has the meaning given in the Copyright, Designs and Patents Act 1988;
"CRP Information"	means the Corporate Resolution Planning Information;
"CRTPA"	the Contracts (Rights of Third Parties) Act 1999;
"Data Loss Event"	any event that results, or may result, in unauthorised access to Personal Data held by the Processor under this Agreement, and/or actual or potential loss and/or destruction of Personal Data in breach of this Agreement, including any Personal Data Breach;
"Data Protection Impact Assessment"	an assessment by the Controller carried out in accordance with Article 3 of the UK GDPR and sections 64 and 65 of the DPA 2018;
"Data Protection Legislation"	(a) the UK GDPR, the LED and any applicable national implementing Laws as amended from time to time; (b) the DPA 2018 to the extent that it relates to processing of personal data and privacy; (c) all applicable Law about the processing of personal data and privacy; and (d) (to the extent that it applies) the EU GDPR;
"Data Protection Officer"	has the same meaning as set out in the UK GDPR;
"Data Subject"	has the meaning given to it in the UK GDPR or the EU GDPR as the context requires;

"Data Subject Request"	a request made by, or on behalf of, a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation to their Personal Data;
"Deductions"	all Service Credits, Compensation for Serious Performance Failure or any other deduction which is paid or payable to the Authority under this Agreement;
"Default"	any breach of the obligations of the relevant Party (including abandonment of this Agreement in breach of its terms, repudiatory breach or breach of a fundamental term) or any other default, act, omission, negligence or statement: (a) in the case of the Authority, of its employees, servants, agents; or (b) in the case of the Supplier, of its Sub-contractors or any Supplier Personnel, in connection with or in relation to the subject-matter of this Agreement and in respect of which such Party is liable to the other;
"Delay"	(a) a delay in the Achievement of a Milestone by its Milestone Date; or (b) a delay in the design, development, testing or implementation of a Deliverable by the relevant date set out in the Implementation Plan, and "**Delayed**" shall be construed accordingly;
"Deliverable"	an item or feature delivered or to be delivered by the Supplier, or an action performed or to be performed, at or before a Milestone Date or at any other stage during the performance of this Agreement;
"Dependent Parent Undertaking"	means any Parent Undertaking which provides any of its Subsidiary Undertakings and/or Associates, whether directly or indirectly, with any financial, trading, managerial or other assistance of whatever nature, without which the Supplier would be unable to continue the day to day conduct and operation of its business in the same manner as carried on at the time of entering into this Agreement, including for the avoidance of doubt the provision of the Services in accordance with the terms of this Agreement;

"Detailed Implementation Plan"	the plan developed and revised from time to time in accordance with Paragraphs 3 and 4 of Schedule 6.1 (*Implementation Related Plans*);
"Disabled Person"	means a person who under section 6 and Schedule 1 of the Equality Act 2010 has a physical or mental impairment that has substantial and long-term adverse effect on their ability to do normal daily activities and "Disabled People" shall be construed accordingly;
"Disclosing Party Group"	(a) where the Disclosing Party is the Supplier, the Supplier and any Affiliates of the Supplier; and (b) where the Disclosing Party is the Authority, the Authority and any Central Government Body with which the Authority or the Supplier interacts in connection with this Agreement;
"Disclosing Party"	has the meaning given in Clause 22.1 (*Confidentiality*);
"Dispute Notice"	a written notice served by one Party on the other stating that the Party serving the notice believes that there is a Dispute;
"Dispute Resolution Procedure"	the dispute resolution procedure set out in Schedule 8.3 (*Dispute Resolution Procedure*);
"Dispute"	any dispute, difference or question of interpretation arising out of or in connection with this Agreement, including any dispute, difference or question of interpretation relating to the Services, failure to agree in accordance with the Change Control Procedure or any matter where this Agreement directs the Parties to resolve an issue by reference to the Dispute Resolution Procedure;
"Documentation"	descriptions of the Services, Performance Levels (together with details of the Minimum Performance Levels, Service Regression Failure Performance Levels and Target Performance Levels), Monthly Volume Clearance Targets and Volume Clearance Targets, and all such other documentation as: (a) is required to be supplied by the Supplier to the Authority under this Agreement; (b) would reasonably be required by a competent third party capable of Good Industry Practice contracted by the Authority to develop, configure, build,

	deploy, run, maintain, upgrade and test the individual systems that provide Services; (c) is required by the Supplier in order to provide the Services; and/or (d) has been or shall be generated for the purpose of providing the Services;
"DOTAS"	the Disclosure of Tax Avoidance Schemes rules which require a promoter of tax schemes to tell HMRC of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in Part 7 of the Finance Act 2004 and as extended to national insurance contributions by the National Insurance Contributions (Application of Part 7 of the Finance Act 2004) Regulations 2012, SI 2012/1868) made under section 132A of the Social Security Administration Act 1992;
"DPA 2018"	the Data Protection Act 2018;
"Due Diligence Information"	any information supplied to the Supplier by or on behalf of the Authority prior to the Effective Date;
"EEA"	the European Economic Area;
"Effective Date"	the date of this Agreement (as set out on the front page of this Agreement);
"EIRs"	the Environmental Information Regulations 2004, together with any guidance and/or codes of practice issued by the Information Commissioner or any Central Government Body in relation to such Regulations;
"Emergency Change"	any change to the Authority IT Services which is deemed sufficiently time sensitive by the Authority, acting reasonably, that it must be actioned without time for the discussions referred to in Paragraph 8.3 of Schedule 18 (*Information Technology Services*);
"Employee Liabilities"	all claims, actions, proceedings, orders, demands, complaints, investigations (save for any claims for personal injury which are covered by insurance) and any award, compensation, damages, tribunal awards, fine, loss, order, penalty, disbursement, payment made by way of settlement and costs, expenses and legal costs reasonably incurred in

connection with a claim or investigation related to employment including in relation to the following:

(a) redundancy payments including contractual or enhanced redundancy costs, termination costs and notice payments;

(b) unfair, wrongful or constructive dismissal compensation;

(c) compensation for discrimination on grounds of sex, race, disability, age, religion or belief, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation or claims for equal pay;

(d) compensation for less favourable treatment of part-time workers or fixed term employees;

(e) outstanding employment debts and unlawful deduction of wages including any PAYE and national insurance contributions;

(f) employment claims whether in tort, contract or statute or otherwise; and/or

(g) any investigation relating to employment matters by the Equality and Human Rights Commission or other enforcement, regulatory or supervisory body and of implementing any requirements which may arise from such investigation;

"Employment Experience" means the opportunity for a person to undertake unpaid work as Supplier Personnel used in the performance of the Supplier's obligations under the Agreement to develop their skills, experience a working environment and increase their employability. Employment Experience opportunities must not replace paid jobs in the organisation;

"Employment Regulations" the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended or replaced;

"End User Device" any laptop, desktop computer, or other device specified as such by the Authority, supplied in accordance with Paragraph 1.1 of Schedule 18 (*Information Technology Services*);

"ESA"	has the meaning given in the Glossary of Abbreviations in Schedule 2.1 (*Services Description*);
"Estimated Year 1 Charges"	the estimated Charges payable by the Authority during Service Delivery Year 1, as set out in the Financial Model;
"EU"	the European Union;
"EU GDPR"	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation) as it has effect in EU law;
"EU SCCs"	has the meaning given in Clause 24.5(d)(ii)(A)(ii) (*Where one Party is Controller and the other Party its Processor*);
"Exit Management"	services, activities, processes and procedures to ensure a smooth and orderly transition of all or part of the Services from the Supplier to the Authority and/or a Replacement Supplier, as set out or referred to in Schedule 8.5 (*Exit Management*);
"Exit Plan"	the plan produced and updated by the Supplier during the Term in accordance with Paragraph 5 of Schedule 8.5 (*Exit Management*);
"Ex-Offender"	means an individual who has an unspent criminal conviction under The Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975 (Amendment) England and Wales Order 2013 or The Rehabilitation of Offenders Act 1974 (Exclusions and Exceptions) Scotland Order 2013;
"Expedited Dispute Timetable"	the reduced timetable for the resolution of Disputes set out in Paragraph 3 of Schedule 8.3 (*Dispute Resolution Procedure*);
"Expert Determination"	the process described in Paragraph 6 of Schedule 8.3 (*Dispute Resolution Procedure*);
"Expert"	in relation to a Dispute, a person appointed in accordance with Paragraph 6.2 of Schedule 8.3 (*Dispute Resolution Procedure*) to act as an expert in relation to that Dispute;

"Extension Period"	means each period that the Term is extended pursuant to Clauses 4.2 and 4.3 (*Term*);
"Face to Face Consultation"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"FAS Lot Supplier"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Final Delivery Milestone"	has the meaning given in Schedule 6.1 (*Implementation Related Plans);*
"Final Delivery Milestone Achievement Certificate"	has the meaning given in Schedule 6.1 (*Implementation Related Plans);*
"Final Delivery Milestone Date"	has the meaning given in Schedule 6.1 (*Implementation Related Plans);*
"Financial Distress Event"	the occurrence of one or more of the events listed in Paragraph 3.1 or Paragraph 4.1 of Schedule 7.4 (*Financial Distress*);
"Financial Distress Remediation Plan"	a plan setting out how the Supplier will ensure the continued performance and delivery of the Services in accordance with this Agreement in the event that a Financial Distress Event occurs;
"Financial Incentive"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels*);
"Financial Model"	has the meaning given in Schedule 7.5 (*Financial Reports and Audit Rights*);
"Financial Reports"	has the meaning given in Schedule 7.5 (*Financial Reports and Audit Rights*);
"Financial Transparency Objectives"	has the meaning given in Schedule 7.5 (*Financial Reports and Audit Rights*);
"FOIA"	the Freedom of Information Act 2000 and any subordinate legislation made under that Act from time to time, together with any guidance and/or codes of practice issued by the Information Commissioner or any relevant Central Government Body in relation to such Act;
"Force Majeure Event"	any event outside the reasonable control of either Party affecting its performance of its obligations under this Agreement arising from acts, events, omissions, happenings or non-happenings beyond its reasonable control and which are not attributable to any wilful act, neglect or failure to

	take reasonable preventative action by that Party, including riots, war or armed conflict, acts of terrorism, acts of government, local government or regulatory bodies, fire, flood, storm or earthquake, or other natural disaster but excluding any industrial dispute relating to the Supplier or the Supplier Personnel or, subject to Clause 34.1 (*Force Majeure*), any other failure in the Supplier's or a Sub-contractor's supply chain;
"Force Majeure Notice"	a written notice served by the Affected Party on the other Party stating that the Affected Party believes that there is a Force Majeure Event;
"Former Supplier"	has the meaning given in Paragraph 1.1 of Schedule 9.1 (*Staff Transfer*);
"Further Medical Evidence"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Gain Share"	has the meaning given to it in Schedule 7.1 (*Charges and Invoicing*);
"General Anti-Abuse Rule"	(a) the legislation in Part 5 of the Finance Act 2013; and (b) any future legislation introduced into Parliament to counteract tax advantages arising from abusive arrangements to avoid national insurance contributions;
"General Change in Law"	a Change in Law where the change is of a general legislative nature (including taxation or duties of any sort affecting the Supplier) or which affects or relates to a Comparable Supply;
"Good Industry Practice"	at any time the exercise of that degree of care, skill, diligence, prudence, efficiency, foresight and timeliness which would be reasonably expected at such time from a leading and expert supplier of services similar to the Services to a customer like the Authority, such supplier seeking to comply with its contractual obligations in full and complying with applicable Laws;
"GP"	has the meaning given in the Glossary of Abbreviations in Schedule 2.1 (*Services Description*);
"Group Structure Information and Resolution Commentary"	means the information relating to the Supplier Group to be provided by the Supplier in accordance with Paragraphs 2 to 4 of Part B of Schedule 8.6 (*Service Continuity Plan and Corporate Resolution*

	Planning) and Annex 1 to Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*);
"Guarantee"	the deed of guarantee in favour of the Authority entered into by the Guarantor on or about the date of this Agreement (which is in the form set out in Schedule 10 (*Guarantee*)), or any guarantee acceptable to the Authority that replaces it from time to time;
"Guarantor"	Serco Group plc, a company registered in England and Wales with company number 02048608 and whose registered office is at Serco House, 16 Bartley Wood Business Park, Bartley Way Hook, Hampshire, RG27 9UY;
"Halifax Abuse Principle"	the principle explained in the CJEU Case C-255/02 Halifax and others;
"HAS"	the new national Health Assessment Service as further described in Paragraphs 2.6 to 2.8 of Schedule 2.1 (*Services Description*);
"HAS Change"	has the meaning given in Paragraph 1.1 of Schedule 8.2 (*Change Control Procedure*);
"HAS Rollout"	means the transition of volumes of the PIP Services, the WCA Services and/or Specialist Benefit Services across to the new operating model for HAS;
"HAS Testing"	means any or all of the testing methods envisaged by the Authority for HAS and which may include "test and learn", trials and piloting;
"Head of Provider Assurance Team"	the person listed in Paragraph 13.1 of Schedule 21 (*Provider Assurance Team*), as updated from time to time and notified to the Supplier.
"Health and Safety Policy"	the health and safety policy of the Authority and/or other relevant Central Government Body as provided to the Supplier on or before the Implementation Services Commencement Date and as subsequently provided to the Supplier from time to time except any provision of any such subsequently provided policy that cannot be reasonably reconciled to ensuring compliance with applicable Law regarding health and safety;
"Health Professional" or "HP"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);

"HMRC"	HM Revenue & Customs;
"Home Consultation"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"IDTA"	has the meaning given in Clause 24.20(c)(ii)(A)(i) (*Where the Parties are Independent Controllers of Personal Data*);
"Impact Assessment"	has the meaning given in Paragraph 1.1 of Schedule 8.2 (*Change Control Procedure*);
"Implementation Period"	has the meaning given in Annex 5 (*Glossary*) of Schedule 7.1 (*Charges and Invoicing*);
"Implementation Plan"	the Outline Implementation Plan or (if and when approved by the Authority pursuant to Paragraph 3 of Schedule 6.1 (*Implementation Related Plans*)) the Detailed Implementation Plan as updated in accordance with Paragraph 4 of Schedule 6.1 (*Implementation Related Plans*) from time to time;
"Implementation Plan Costs"	has the meaning given in Annex 5 (*Glossary*) of Schedule 7.1 (*Charges and Invoicing*);
"Implementation Services"	the services the Supplier is obliged to provide in accordance with Paragraph 3.1 of Part A of Schedule 2.1 (*Services Description*), to the extent that such Paragraph refers to the Supplier's obligations under Schedule 6.1 (*Implementation Related Plans*) and as such services are set out in more detail in such Schedule 6.1 (*Implementation Related Plans*) or in any Implementation Plan;
"Implementation Services Commencement Date"	the date on which the Supplier is to commence provision of the first of the Services, being 2nd October 2023;
"Indemnified Person"	the Authority and each and every person to whom the Authority (or any direct or indirect sub-licensee of the Authority) sub-licenses, assigns or novates any Relevant IPRs or rights in Relevant IPRs in accordance with this Agreement;
"Independent Controller"	where a Controller has provided Personal Data to another Party which is neither a Processor or Joint Controller because the recipient itself determines the purposes and means of processing but does so separately from the Controller providing it with Personal Data;

"Information"	all information of whatever nature, however conveyed and in whatever form, including in writing, orally, by demonstration, electronically and in a tangible, visual or machine-readable medium (including CD-ROM, magnetic and digital form);
"Information Commissioner"	means the Information Commissioner in the UK;
"Initial Term"	the period commencing on and including the Effective Date and ending five (5) years from the Operational Service Commencement Date;
"Insolvency Event"	with respect to any person, means: (a) that person suspends, or threatens to suspend, payment of its debts, or is unable to pay its debts as they fall due or admits inability to pay its debts, or: (i) (being a company or a LLP) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986, or (ii) (being a partnership) is deemed unable to pay its debts within the meaning of section 222 of the Insolvency Act 1986; (b) that person commences negotiations with one or more of its creditors (using a voluntary arrangement, scheme of arrangement or otherwise) with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with one or more of its creditors or takes any step to obtain a moratorium pursuant to Section 1A and Schedule A1 of the Insolvency Act 1986 other than (in the case of a company, a LLP or a partnership) for the sole purpose of a scheme for a solvent amalgamation of that person with one or more other companies or the solvent reconstruction of that person; (c) another person becomes entitled to appoint a receiver over the assets of that person or a receiver is appointed over the assets of that person; (d) a creditor or encumbrancer of that person attaches or takes possession of, or a distress, execution or other such process is levied or enforced on or sued against, the whole or any part of that person's assets

and such attachment or process is not discharged within fourteen (14) days;

(e) that person suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business;

(f) where that person is a company, a LLP or a partnership:

(i) a petition is presented (which is not dismissed within fourteen (14) days of its service), a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of that person other than for the sole purpose of a scheme for a solvent amalgamation of that person with one or more other companies or the solvent reconstruction of that person;

(ii) an application is made to court, or an order is made, for the appointment of an administrator, or if a notice of intention to appoint an administrator is filed at Court or given or if an administrator is appointed, over that person;

(iii) (being a company or a LLP) the holder of a qualifying floating charge over the assets of that person has become entitled to appoint or has appointed an administrative receiver; or

(iv) (being a partnership) the holder of an agricultural floating charge over the assets of that person has become entitled to appoint or has appointed an agricultural receiver; or

(g) any event occurs, or proceeding is taken, with respect to that person in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned above;

"Insurances" has the meaning given to it in Paragraph 1.1 of Schedule 2.5 (*Insurance Requirements*);

"Intellectual Property Rights" or **"IPRs"** (a) copyright, rights related to or affording protection similar to copyright, rights in databases, patents and rights in inventions, semi-conductor topography rights, trade

	marks, rights in Internet domain names and website addresses and other rights in trade names, designs, Know-How, trade secrets and other rights in Confidential Information; (b) applications for registration, and the right to apply for registration, for any of the rights listed at (a) that are capable of being registered in any country or jurisdiction; and (c) all other rights having equivalent or similar effect in any country or jurisdiction;
"Intervention Cause"	has the meaning given in Clause 31.1 (*Remedial Adviser*);
"Intervention Notice"	has the meaning given in Clause 31.1 (*Remedial Adviser*);
"Intervention Period"	has the meaning given in Clause 31.2(c) (*Remedial Adviser*);
"Intervention Trigger Event"	(a) any event falling within limb (a), (b), (c), (e), (f), (g) or (s) of the definition of a Supplier Termination Event; (b) a Default by the Supplier that is materially preventing or materially delaying the performance of the Services or any material part of the Services; (c) the Supplier accruing over the previous 12 month period Service Credits which meet or exceed 75% of the Target Fee for that 12 month period; and/or (d) the Supplier not Achieving a Milestone within seventy-five (75) days of its relevant Milestone Date;
"IP Completion Date"	has the meaning given to it in the European Union (Withdrawal Agreement) Act 2020;
"IPRs Claim"	any claim against any Indemnified Person of infringement or alleged infringement (including the defence of such infringement or alleged infringement) of any Relevant IPRs save for any such claim to the extent that it is caused by any use by or on behalf of that Indemnified Person of any Relevant IPRs, or the use of the Authority Software by or on behalf of the Supplier, in either case in combination with any item not supplied or recommended by the Supplier pursuant to this Agreement or for a purpose not reasonably to be

	inferred from the Services Description or the provisions of this Agreement;
"IT Environment"	the Authority System and the Supplier System;
"IT Equipment"	has the meaning given in Paragraph 1.1.3 of Schedule 18 (*Information Technology Services*);
"IT Provider"	the WCA IT Provider or the PIP IT Provider and "**IT Providers**" shall mean both of them;
"IT Services Agreement"	the WCA IT Services Agreement and the PIP IT Services Agreement and "**IT Services Agreements**" shall mean both of them***;***
"IT Support"	has the meaning given in Paragraph 7.5 of Schedule 18 (*Information Technology Services*);
"IT System"	the WCA IT System and/or the PIP IT System (as the context shall require);
"IT Trainers"	has the meaning given in Paragraph 7.1 of Schedule 18 (*Information Technology Services*);
"IT Update"	has the meaning given in Paragraph 8.1 of Schedule 18 (*Information Technology Services*);
"IT"	information and communications technology;
"Joint Controllers"	has the meaning given in Article 26 of the UK GDPR, or EU GDPR, as the context requires;
"Key Personnel"	those persons appointed by the Supplier to fulfil the Key Roles, being the persons listed in Schedule 9.2 (*Key Personnel*) against each Key Role as at the Effective Date or as amended from time to time in accordance with Clauses 14.5 and 14.6 (*Key Personnel*);
"Key Roles"	a role described as a Key Role in Schedule 9.2 (*Key Personnel*) and any additional roles added from time to time in accordance with Clause 14.4 (*Key Personnel*);
"Key Sub-contract"	each Sub-contract with a Key Sub-contractor;
"Key Sub-contractor"	any Sub-contractor: (a) which, in the opinion of the Authority, performs (or would perform if appointed) a

	critical role in the provision of all or any part of the Services; and/or (b) with a Sub-contract with a contract value which at the time of appointment exceeds (or would exceed if appointed) 10% of the aggregate Charges forecast to be payable under this Agreement (as set out in the Financial Model);
"Know-How"	all ideas, concepts, schemes, information, knowledge, techniques, methodology, and anything else in the nature of know how relating to the Services but excluding know how already in the other Party's possession before this Agreement;
"Law"	any law, statute, subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, bye-law, right within the meaning of the European Union (Withdrawal) Act 2018 as amended by European Union (Withdrawal Agreement) Act 2020, regulation, order, regulatory policy, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any regulatory body with which the Supplier is bound to comply;
"LED"	Law Enforcement Directive *(Directive (EU) 2016/680)*;
"Life Chances Workforce Monitoring Template"	the template set out in Annex 1 of Schedule 14 (*Life Chances*);
"Liquidated Damages"	the liquidated damages (if any) payable by the Supplier to the Authority pursuant to Clauses 26.14 to 26.18 (*Liquidated Damages*);
"Losses"	losses, liabilities, damages, costs and expenses (including legal fees on a solicitor/client basis) and disbursements and costs of investigation, litigation, settlement, judgment interest and penalties whether arising in contract, tort (including negligence), breach of statutory duty or otherwise;
"Lot"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Management Information" or "MI"	the management information specified in Paragraph 2.2 of Part A of Schedule 8.4 (*Management Information and Records Provisions*), together with any further management information specified in Schedule 2.1 (*Services Description*), Schedule 2.2 (*Performance Levels*),

	Schedule 7.1 (*Charges and Invoicing*) and/or Schedule 8.1 (*Governance*) (as the case may be), in each case, to be provided by the Supplier to the Authority pursuant to this Agreement and which shall include, for the avoidance of doubt, the Case Management Information;
"Management Team"	means the Key Personnel fulfilling the Key Roles which involve the carrying out of a senior management function (provided that, as at the Effective Date, all Key Roles are deemed to form part of the Management Team);
"Material MI Report"	those MI Reports designated as Material MI Reports in the table set out in Annex 9 of Schedule 8.4 (*Management Information and Records Provisions*) and any other MI Reports that the Authority designates as a Material MI Report to the Supplier, acting reasonably and on reasonable notice;
"Measurement Period"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels)*;
"Mental Health at Work"	means the commitment framework to mental health as set out at https://www.mentalhealthatwork.org.uk/commitment ;
"MI Report"	those reports in respect of Management Information as notified by the Authority to the Supplier pursuant to Paragraph 1.2 of Part A of Schedule 8.4 (*Management Information and Records Provisions*) and/or as otherwise reasonably required by the Authority from time to time, and which shall include, for the avoidance of doubt, Case Management Information Reports;
"Milestone Date"	the target date set out against the relevant Milestone in the Implementation Plan by which the Milestone must be Achieved;
"Milestone Payment"	means the Staged Payments and the Balancing Payment;
"Milestone"	an event or task described in the Implementation Plan which, if applicable, shall be completed by the relevant Milestone Date;
"Minimum Performance Level"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels)*;

"Modern Slavery Assessment Tool"	means the modern slavery risk identification and management tool which can be found online at: https://supplierregistration.cabinetoffice.gov.uk/msat;
"month"	a calendar month and "**monthly**" shall be construed accordingly;
"Monthly Available Target Fee"	has the meaning given in Schedule 7.1 (*Charges and Invoicing)*;
"Monthly Volume Clearance Target"	has the meaning given in Schedule 7.1 (*Charges and Invoicing)*;
"MSRS"	has the meaning given in the Glossary of Abbreviations in Schedule 2.1 (*Services Description*);
"Multi-Party Dispute Resolution Procedure"	has the meaning given in Paragraph 9.1 of Schedule 8.3 (*Dispute Resolution Procedure*);
"Multi-Party Procedure Initiation Notice"	has the meaning given in Paragraph 9.2 of Schedule 8.3 (*Dispute Resolution Procedure*);
"Notifiable Default"	shall have the meaning given in Clause 28.1 (*Rectification Plan Process*), together with such other failures or defaults which are expressly referred to under this Agreement as constituting a Notifiable Default;
"Object Code"	software and/or data in machine-readable, compiled object code form;
"Occasion of Tax Non-Compliance"	(a) any tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 is found on or after 1 April 2013 to be incorrect as a result of: (i) a Relevant Tax Authority successfully challenging the Supplier under the General Anti-Abuse Rule or the Halifax Abuse Principle or under any tax rules or legislation that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle; (ii) the failure of an avoidance scheme which the Supplier was involved in, and which was, or should have been, notified to a Relevant Tax

Authority under the DOTAS or any equivalent or similar regime; and/or

(b) any tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 gives rise on or after 1 April 2013 to a criminal conviction in any jurisdiction for tax related offences which is not spent at the Effective Date or to a civil penalty for fraud or evasion;

"Older Worker" means a person 50 years of age and over;

"Open Book Data" has the meaning given in Schedule 7.5 (*Financial Reports and Audit Rights*);

"Open Source" computer software that is released on the internet for use by any person, such release usually being made under a recognised open source licence and stating that it is released as open source;

"Operating Environment" the Authority System and the Sites;

"Operating Site(s)" has the meaning given to it in Schedule 15.1 (*Estates*);

"Operational Change" any change in the Supplier's operational procedures which in all respects, when implemented:

(a) will not affect the Charges and will not result in any other costs to the Authority;

(b) may change the way in which the Services are delivered but will not adversely affect the output of the Services or increase the risks in performing or receiving the Services;

(c) will not adversely affect the interfaces or interoperability of the Services with any of the Authority's IT infrastructure; and

(d) will not require a change to this Agreement;

"Operational Service Commencement Date" 7th September 2024;

"Operational Services" the services described in the Services Description, other than the Implementation Services;

"Operational Working Procedures" has the meaning given in Paragraph 7.5 of Schedule 18 (*Information Technology Services*);

"Optional Services Implementation Plan"	the implementation plan to effect the Optional Services agreed between the Parties prior to the Effective Date and, if not agreed prior to the Effective Date, to be developed by the Supplier and approved by the Authority;
"Optional Services"	Contingency Services, HAS Rollout and HAS Testing;
"Other Supplier"	any supplier to the Authority (other than the Supplier) which is notified to the Supplier from time to time and/or of which the Supplier should have been aware, including the IT Providers;
"Outline Implementation Plan"	the outline plan set out at Annex 1 of Schedule 6.1 (*Implementation Related Plans*);
"Pain Share"	has the meaning given to it in Schedule 7.1 (*Charges and Invoicing*);
"Parent Undertaking"	has the meaning set out in section 1162 of the Companies Act 2006;
"Partial Termination"	the partial termination of this Agreement to the extent that it relates to the provision of any part of the Services as further provided for in Clause 35.2(b) (*Termination by the Authority*) or 35.3(b) (*Termination by the Supplier*) or otherwise by mutual agreement by the Parties;
"Parties" and **"Party"**	have the meanings respectively given on page 1 of this Agreement;
"PAT"	means the Provider Assurance Team as further described in Paragraph 2 of Schedule 21 (*Provider Assurance Team*);
"Payment Model Construct"	has the meaning given in Schedule 7.1 (*Charges and Invoicing)*;
"PBR"	has the meaning given in the Glossary of Abbreviations in Schedule 2.1 (*Services Description*);
"Performance Level"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels)*;
"Performance Monitoring Report"	has the meaning given in Paragraph 1.1(a) of Part B of Schedule 2.2 (*Performance Levels*);
"Performance Review Meeting"	the regular meeting between the Supplier and the Authority to manage and review the Supplier's

	performance under this Agreement, as further described in Paragraph 4 of Part B of Schedule 2.2 (*Performance Levels*);
"Persistent Breach"	means 3 or more breaches (the "**Subsequent Breaches**") by the Supplier of one of its obligations under this Agreement, provided: (a) that the Authority has previously served on the Supplier a notice ("**Warning Notice**") correctly stating that the Supplier has, in any month prior to the service of such Warning Notice, breached such obligation under this Agreement on 1 or more occasions; (b) that the Subsequent Breaches of such obligation take place during the 18 month period following the service of such Warning Notice; and (c) no service of a Warning Notice may be based on any breaches of such obligation that have already been the subject of a Warning Notice, provided that Persistent Breach will not include breaches which count towards limb (a) of the definition of Supplier Termination Event;
"Personal Data"	has the meaning given in the UK GDPR or the EU GDPR as the context requires;
"Personal Data Breach"	has the meaning given in the UK GDPR or the EU GDPR as the context requires;
"Personal Independence Payment Assessment Guide"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"PIP"	has the meaning given in the Glossary of Abbreviations in Schedule 2.1 (*Services Description*);
"PIPCS"	has the meaning given in the Glossary of Abbreviations in Schedule 2.1 (*Services Description*);
"PIP IT Provider"	ATOS IT Services UK Limited, the third party provider who has entered into the PIP IT Services Agreement with the Authority, or any additional and/or replacement third party if all or part of the PIP IT Services are provided by a different third party;

"PIP IT Services Agreement"	the agreement between the Authority and the PIP IT Provider for the provision of PIP IT Services a redacted version of which can be found at PIP IT Managed Service ecm_10105 - Contracts Finder (https://www.contractsfinder.service.gov.uk/notice/66dd14a3-0f7d-45ef-9b9e-28ed43d322c5?origin=SearchResults&p=1);
"PIP IT Services"	the information and communications technology services (including the PIP IT System) provided by the PIP IT Provider to the Authority as described in the PIP IT Services Agreement, or equivalent replacement services provided by or on behalf of the Authority;
"PIP IT System"	the IT system owned by or licensed to the PIP IT Provider and used by the Supplier in accordance with this Agreement, described further in Annex 5 to Schedule 18 (*Information Technology Services*) and in the Due Diligence Information;
"PIP Services"	that part of the Services to be provided by the Supplier under this Agreement in respect of the carrying out of Assessments for PIP;
"PIP/WCA Performance Level"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels)*;
"PIP2"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Preceding Services"	has the meaning given in Clause 5.3(b)(i) (*Standard of Services*);
"Prescribed Person"	a legal adviser, an MP, or an appropriate body which a whistle-blower may make a disclosure to as detailed in 'Whistleblowing: list of prescribed people and bodies', available online at: https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2/whistleblowing-list-of-prescribed-people-and-bodies, as updated from time to time;
"Process"	has the meaning given to it under the UK GDPR or the EU GDPR as the context requires; "**Processing**" and "**Processed**" shall be construed accordingly;
"Processing of Personal Data Table"	each table set out in Paragraph 1 of Schedule 11 (*Processing Personal Data*);
"Processor"	has the meaning given in the UK GDPR;

"Processor Personnel" means all directors, officers, employees, agents, consultants and suppliers of the Processor and/or of any Sub-processor engaged in the performance of its obligations under this Agreement;

"Prohibited Act"

(a) to directly or indirectly offer, promise or give any person working for or engaged by the Authority a financial or other advantage to:

(i) induce that person to perform improperly a relevant function or activity; or

(ii) reward that person for improper performance of a relevant function or activity;

(b) to directly or indirectly request, agree to receive or accept any financial or other advantage as an inducement or a reward for improper performance of a relevant function or activity in connection with this Agreement;

(c) an offence:

(i) under the Bribery Act 2010 (or any legislation repealed or revoked by such Act);

(ii) under legislation or common law concerning fraudulent acts; or

(iii) defrauding, attempting to defraud or conspiring to defraud the Authority (including offences by the Supplier under Part 3 of the Criminal Finances Act 2017); or

(d) any activity, practice or conduct which would constitute one of the offences listed under (c) above if such activity, practice or conduct had been carried out in the UK;

"Project Specific IPRs"

(a) Intellectual Property Rights in items created by the Supplier (or by a third party on behalf of the Supplier) specifically for the purposes of this Agreement and updates and amendments of these items including (but not limited to) database schema; and/or

(b) Intellectual Property Rights arising as a result of the performance of the Supplier's obligations under this Agreement;

	but shall not include the Supplier Background IPRs;
"Property"	has the meaning given in Paragraph 1.1 of Schedule 15.2 (*Authority Assets*);
"Protective Measures"	appropriate technical and organisational measures, designed to ensure compliance with obligations of the Parties arising under Data Protection Legislation and this Agreement which may include: pseudonymising and encrypting Personal Data, ensuring confidentiality, integrity, availability and resilience of systems and services, ensuring that availability of and access to Personal Data can be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of such measures adopted, including those outlined in Schedule 2.4 (*Security Management*);
"Public Sector Dependent Supplier"	means a supplier where that supplier, or that supplier's group has Annual Revenue of £50 million or more of which over 50% is generated from UK Public Sector Business;
"Publishable Performance Information"	means the information in the Supplier's report on its performance against the Social Value PIs as it relates to a Social Value PI that is expressed to be Publishable Performance Information in Annex 2 to Schedule 24 (*Social Value*) and the Supplier's achievement, or otherwise, of the Social Value Objectives and Improvements in respect of equal opportunities;
"Quality Plans"	has the meaning given in Clause 6.1 (*Quality Plans*);
"Quarter"	the first three Service Periods and each subsequent three Service Periods (save that the final Quarter shall end on the date of termination or expiry of this Agreement);
"Recipient"	has the meaning given in Clause 22.1 (*Confidentiality*);
"Records"	has the meaning given in Paragraph 1.1 of Part B of Schedule 8.4 (*Management Information and Records Provisions*), together with any further records specified in Schedule 2.1 (*Services Description*) and/or to be provided by the Supplier to the Authority pursuant to this Agreement;

"Recruitment Plan" has the meaning given in Paragraph 9.1 of Schedule 6.1 (*Implementation Related Plans*);

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

"Rectification Plan Failure"

(a) the Supplier failing to submit or resubmit a draft Rectification Plan to the Authority within the timescales specified in Clauses 28.4 (*Submission of the draft Rectification Plan*) or 28.9 (*Agreement of the Rectification Plan*);

(b) the Authority, acting reasonably, rejecting a revised draft of the Rectification Plan submitted by the Supplier pursuant to Clause 28.8 (*Agreement of the Rectification Plan*);

(c) the Supplier failing to rectify a material Default within the later of:

(i) 30 Working Days of a notification made pursuant to Clause 28.2 (*Notification*); and

(ii) where the Parties have agreed a Rectification Plan in respect of that material Default and the Supplier can demonstrate that it is implementing the Rectification Plan in good faith, the date specified in the Rectification Plan by which the Supplier must rectify the material Default;

(d) the Supplier failing to comply with and/or implement a Rectification Plan (whether such Rectification Plan arises as a result of a TPL Failure and/or a Service Regression Failure) in full and in accordance with its terms;

(e) a Service Regression Failure re-occurring in respect of the same Performance Level or in respect of the Monthly Volume Clearance Target for the same (or substantially the same) root cause in any of the 3 Measurement Periods subsequent to the Measurement Period in which the initial Service Regression Failure occurred;

(f) following the successful implementation of a Rectification Plan, the same Notifiable Default (other than a Notifiable Default

	referred to in Clause 28.1(b) (*Rectification Plan Process*)) recurring within a period of 6 months for the same (or substantially the same) root cause as that of the original Notifiable Default;
"Rectification Plan Process"	the process set out in Clauses 28.4 (*Submission of the draft Rectification Plan*) to 28.9 (*Agreement of the Rectification Plan*);
"Referral"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Registers"	has the meaning given in Paragraph 1.1 of Schedule 8.5 (*Exit Management*);
"Relevant Authority" or "Relevant Authorities"	means the Authority and the Cabinet Office Markets and Suppliers Team or, where the Supplier is a Strategic Supplier, the Cabinet Office Markets and Suppliers Team;
"Relevant IPRs"	IPRs used to provide the Services or as otherwise provided and/or licensed by the Supplier (or to which the Supplier has provided access) to the Authority or a third party in the fulfilment of the Supplier's obligations under this Agreement but excluding any IPRs in the Authority Software, the Authority Background IPRs and the IPRs in the IT System;
"Relevant Preceding Services"	has the meaning given in Clause 5.3(b)(ii) (*Standard of Services*);
"Relevant Requirements"	all applicable Law relating to bribery, corruption and fraud, including the Bribery Act 2010 and any guidance issued by the Secretary of State for Justice pursuant to section 9 of the Bribery Act 2010;
"Relevant Tax Authority"	HMRC, or, if applicable, a tax authority in the jurisdiction in which the Supplier is established;
"Relevant Transfer"	a transfer of employment to which the Employment Regulations applies;
"Relief Notice"	has the meaning given in Clause 33.2 (*Authority Cause*);
"Remedial Adviser"	the person appointed pursuant to Clause 31.2 (*Remedial Adviser*);

"Remedial Adviser Failure"	has the meaning given in Clause 31.6 (*Remedial Adviser*);
"Replacement Services"	any services which are the same as or substantially similar to any of the Services and which the Authority receives in substitution for any of the Services following the expiry or termination or Partial Termination of this Agreement, whether those services are provided by the Authority internally and/or by any third party;
"Replacement Supplier"	any third party service provider or, where there are to be more than one, providers of Replacement Services appointed by the Authority from time to time (or where the Authority is providing Replacement Services for its own account and/or in conjunction with other third party providers, the Authority and/or the other providers (as the case may be));
"Request For Information"	a Request for Information under the FOIA or the EIRs;
"Required Action"	has the meaning given in Clause 32.1(a) (*Step-In Rights*);
"Resource Plan"	a plan of the resources necessary to provide the Services as defined and further detailed in Paragraph 8 of Schedule 6.1 (*Implementation Related Plans*);
"Re-work"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Sensitive Data"	the types of data set out in Articles 9(1) or 10 of the UK GDPR;
"Separate Lot Agreement"	any agreement between the Authority and the Supplier for the provision of services substantially the same as the Services in respect of any Lot other than the Lot which is the subject of this Agreement;
"Serious Performance Failure"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels)*;
"Service Continuity Plan"	any plan prepared pursuant to Paragraph 2 of Part A of Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*) as may be amended from time to time;

"Service Continuity Services" the business continuity, disaster recovery and insolvency continuity services set out in Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*);

"Service Credit Cap" in the case of:

(a) the relevant Service Delivery Year, the aggregate of that part of the Target Fee payable in respect of that Service Delivery Year plus 6% of the Target Costs payable in respect of that Service Delivery Year; and

(b) the relevant Service Period, the aggregate of that part of the Target Fee payable in respect of that Service Period plus 6% of the Target Costs payable in respect of that Service Period;

"Service Credits" amounts:

(a) of the Monthly Available Target Fee that the Supplier has not earned as a result of a failure by the Supplier to achieve the Target Performance Level in respect of the applicable PIP/WCA Performance Level, as determined pursuant to Paragraph 12 of Part A of Schedule 7.1 (*Charges and Invoicing*);

(b) in the form of Specialist Benefit Performance Credits that the Supplier has incurred as a result of a failure by the Supplier to achieve the Target Performance Level in respect of the applicable Specialist Benefit Performance Level referred to in (subject to Clause 7.6(c) (*Changes to Performance Level weighting and other adjustments*)) Paragraph 2.2 of Part A of Schedule 2.2 (*Performance Levels*); and/or

(c) of the whole or any part of the Withheld Target Fee and/or the Target Fee (as applicable) that the Supplier has forfeited and/or has been required to repay pursuant to Paragraph 14.3 of Part A of Schedule 7.1 (*Charges and Invoicing*) as a result of a failure by the Supplier to achieve the Monthly Volume Clearance Targets and/or the Volume Clearance Targets (but which amounts shall not take into account the 10% deduction from the Withheld Target Fee referred to in Paragraph 14.3.3 of Part A of Schedule 7.1 (*Charges and Invoicing*));

"Service Delivery Year"	means a period of 12 consecutive Service Periods, the first of which shall commence on the Operational Service Commencement Date and thereafter which shall commence on 1 September each year, provided that the final Service Delivery Year shall end on the expiry or termination of the Term. Service Delivery Year 1, Service Delivery Year 2, etc. shall be construed accordingly;
"Service Guidance"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Service Period"	a calendar month in a Service Delivery Year, save that: (a) the first service period shall begin on the Operational Service Commencement Date and shall expire at the end of the calendar month in which the Operational Service Commencement Date falls; and (b) the final service period shall commence on the first day of the calendar month before the calendar month in which the Term expires or terminates and shall end on the expiry or termination of the Term;
"Service Regression Failure"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels)*;
"Service Regression Failure Performance Level"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels)*;
"Service Transfer Date"	has the meaning given in Paragraph 1.1 of Schedule 9.1 (*Staff Transfer*);
"Services"	any and all of the services to be provided by the Supplier under this Agreement, including those set out in Schedule 2.1 (*Services Description*);
"Services Description"	the services description set out in Schedule 2.1 (*Services Description*) and elsewhere in this Agreement;
"Sites"	any premises (including the Authority Premises, the Supplier's premises or third party premises): (a) from, to or at which: (i) the Services are (or are to be) provided; or

(ii) the Supplier manages, organises or otherwise directs the provision or the use of the Services; or

(b) where:

(i) any part of the Supplier System is situated; or

(ii) any physical interface with the Authority System takes place;

"SMART"	has the meaning given in the Glossary of Abbreviations in Schedule 2.1 (*Services Description*);
"SME"	an enterprise falling within the category of micro, small and medium-sized enterprises defined by the Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises;
"SMS"	has the meaning given in the Glossary of Abbreviations in Schedule 2.1 (*Services Description*);
"Social Value"	the additional social benefits that can be achieved in the delivery of the Agreement, as set out in Schedule 24 (*Social Value*);
"Social Value Action Plan"	shall have the meaning set out in Paragraph 2.1.2 of Schedule 24 (*Social Value*);
"Social Value Activities"	shall have the meaning set out in Paragraph 1.2(a) of Schedule 24 (*Social Value*);
"Social Value Failure"	shall have the meaning set out in Paragraph 4.1 of Schedule 24 (*Social Value*);
"Social Value Objectives and Improvements"	shall have the meaning set out in Paragraph 1.2(b) of Schedule 24 (*Social Value*);
"Social Value PI"	the Social Value performance indicators set out in Schedule 24 (*Social Value*);
"Social Value Report"	shall have the meaning set out in Paragraph 2.1.1 of Schedule 24 (*Social Value*);
"Source Code"	computer programs and/or data in eye-readable form and in such form that it can be compiled or interpreted into equivalent binary code together with all related design comments, flow charts, technical information and documentation necessary

	for the use, reproduction, maintenance, modification and enhancement of such software;
"Special Rules End of Life" or "SREL"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Specialised Change Control Procedure"	the specialised procedure for changing this Agreement set out in Paragraph 10 of Schedule 8.2 (*Change Control Procedure*);
"Specialist Benefit"	means the benefits listed in Paragraphs 6.8 to 6.20 of Part A of Schedule 2.1 (*Services Description*) and being: (a) Jobseeker's Allowance (JSA) Legacy Based; (b) Industrial Injuries Disablement Benefit (IIDB); (c) Disability Living Allowance (DLA); (i) DLA (Child); and (ii) DLA (65+); (d) Attendance Allowance (AA); (e) International Pensions and Benefits (IPB); (f) Veterans UK (Vets UK); (g) Compensation Recovery Scheme (CRS); (h) Occupational Health Assessment (OHA); (i) Statutory Sick Pay (SSP); (j) Statutory Maternity Pay (SMP); and (k) Child Trust Fund (CTF) and Junior Individual Savings Account (Junior ISA);
"Specialist Benefit Performance Credit"	has the meaning given in Schedule 7.1 (*Charges and Invoicing*);
"Specialist Benefit Performance Level"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels)*;
"Specialist Benefit Services	subject to Paragraph 12 of Part A of Schedule 2.2 (*Performance Levels*), that part of the Services to be provided by the Supplier under this Agreement in respect of the carrying out of Assessments for Specialist Benefits;

"Specific Change in Law"	a Change in Law that relates specifically to the business of the Authority and which would not affect a Comparable Supply;
"Staffing Information"	has the meaning given in Paragraph 1.1 of Schedule 9.1 (*Staff Transfer*);
"Staged Payments"	has the meaning given in Schedule 7.1 (*Charges and Invoicing*);
"Standards"	the standards, polices and/or procedures identified in Schedule 2.3 (*Standards*);
"Step-In Notice"	has the meaning given in Clause 32.1 (*Step-In Rights*);
"Step-In Trigger Event"	(a) any event falling within the definition of a Supplier Termination Event; (b) a Default by the Supplier that is materially preventing or materially delaying the performance of the Services or any material part of the Services; (c) the Authority considers that the circumstances constitute an emergency despite the Supplier not being in breach of its obligations under this Agreement; (d) the Authority being advised by a regulatory body that the exercise by the Authority of its rights under Clause 32 (*Step-In Rights*) is necessary; (e) the existence of a serious risk to the health or safety of persons, property or the environment in connection with the Services; and/or (f) a need by the Authority to take action to discharge a statutory duty;
"Step-Out Date"	has the meaning given in Clause 32.5(b) (*Step-In Rights*);
"Step-Out Notice"	has the meaning given in Clause 32.5 (*Step-In Rights*);
"Step-Out Plan"	has the meaning given in Clause 32.6 (*Step-In Rights*);

"Strategic Supplier"	means those suppliers to government listed at https://www.gov.uk/government/publications/strategic-suppliers;
"Sub-contract"	any contract or agreement (or proposed contract or agreement) between the Supplier (or a Sub-contractor) and any third party whereby that third party agrees to provide to the Supplier (or the Sub-contractor) all or any part of the Services or facilities or services which are material for the provision of the Services or any part thereof or necessary for the management, direction or control of the Services or any part thereof;
"Sub-contractor"	any third party with whom: (a) the Supplier enters into a Sub-contract; or (b) a third party under (a) above enters into a Sub-contract, or the servants or agents of that third party;
"Sub-processor"	any third party appointed to process Personal Data on behalf of the Processor related to this Agreement;
"Subsidiary Undertaking"	has the meaning set out in section 1162 of the Companies Act 2006;
"Successor Body"	has the meaning given in Clause 38.4 (*Assignment and Novation*);
"Supplier Background IPRs"	(a) Intellectual Property Rights owned by the Supplier before the Effective Date, for example those subsisting in physical or electronic media containing the Supplier's Know-How or generic business methodologies; and/or (b) Intellectual Property Rights created by the Supplier independently of this Agreement, which in each case is or will be used before or during the Term for designing, testing implementing or providing the Services but excluding Intellectual Property Rights owned by the Supplier subsisting in the Supplier Software;
"Supplier Cost Report"	has the meaning given in Schedule 7.1 (*Charges and Invoicing)*;
"Supplier Equipment"	the hardware, computer and telecoms devices and equipment used by the Supplier or its Sub-

	contractors (but not hired, leased, loaned or otherwise provided from the Authority) for the provision of the Services;
"Supplier Group"	means the Supplier, its Dependent Parent Undertakings and all Subsidiary Undertakings and Associates of such Dependent Parent Undertakings;
"Supplier IT Systems"	has the meaning given in Paragraph 6.1 of Schedule 18 (*Information Technology Services*);
"Supplier Non-Performance"	has the meaning given in Clause 33.1 (*Authority Cause*);
"Supplier Personnel"	all directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any Sub-contractor engaged in the performance of the Supplier's obligations under this Agreement;
"Supplier Premises"	any premises used by the Supplier wholly or substantially for the purpose of providing the Services under this Agreement other than the Authority Premises;
"Supplier Representative"	the representative appointed by the Supplier pursuant to Clause 11.3 (*Representatives*);
"Supplier Software"	software which is proprietary to the Supplier (or an Affiliate of the Supplier) and which is or will be used by the Supplier for the purposes of providing the Services;
"Supplier Solution"	the Supplier's solution for the Services set out in Schedule 4.1 (*Supplier Solution*) including any Annexes of that Schedule;
"Supplier System"	the information and communications technology system used by the Supplier in implementing and performing the Services including any Supplier IT Systems, the Supplier Equipment, configuration and management utilities, any networks provided by the Supplier, calibration and testing tools and related cabling (but excluding the Authority System);
"Supplier Termination Event"	(a) the occurrence of a Serious Performance Failure; (b) the Supplier committing a material Default which is irremediable;

(c) as a result of the Supplier's Default, the Authority incurring Losses covered by any liability cap referred to in Clause 26.4(a), (b) or (d) (*Financial and other limits*) which exceed 80% of the value of the liability cap for the period covered by that liability cap as set out in such clause;

(d) a Remedial Adviser Failure;

(e) a Rectification Plan Failure;

(f) where a right of termination is expressly reserved in this Agreement, including pursuant to:

(i) Clause 19 (*IPRs Indemnity*);

(ii) Clause 37 (*Compliance*);

(iii) Clause 41.6(b) (*Prevention of Fraud and Bribery and Conflicts of Interest*);

(iv) Paragraph 5 of Schedule 7.4 (*Financial Distress*);

(v) Paragraph 3 of Part B of Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*); and/or

(vi) Paragraph 12.5 of Schedule 21 (*Provider Assurance Team*);

(g) the representation and warranty given by the Supplier pursuant to Clause 3.2(i) (*Warranties*) being materially untrue or misleading;

(h) the Supplier committing a material Default under Clause 10.10 (*Promoting Tax Compliance*) or failing to provide details of steps being taken and mitigating factors pursuant to Clause 10.10 (*Promoting Tax Compliance*) which in the reasonable opinion of the Authority are acceptable;

(i) the Supplier committing a material Default under any of the following provisions:

(i) Clause 5.6(j) (*Supplier covenants*);

(ii) Clause 24 (*Protection of Personal Data*);

(iii) Clause 23 (*Transparency and Freedom of Information*);

(iv) Clause 22 (*Confidentiality*); and

(v) Clause 37 (*Compliance*); and/or

(vi) without prejudice to the Authority's rights under and pursuant to limb (q) below, in respect of any security requirements set out in Schedule 2.4 (*Security Management*); and/or

(vii) in respect of any requirements set out in Schedule 9.1 (*Staff Transfer*);

(j) an Insolvency Event occurring in respect of the Supplier or the Guarantor;

(k) the Guarantee ceasing to be valid or enforceable for any reason (without the Guarantee being replaced with a comparable guarantee to the satisfaction of the Authority with the Guarantor or with another guarantor which is acceptable to the Authority);

(l) a change of Control of the Supplier or a Guarantor unless:

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

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

(m) a change of Control of a Key Sub-contractor unless, within 6 months of being notified by the Authority that it objects to such change of Control, the Supplier terminates the relevant Key Sub-contract and replaces it with a comparable Key Sub-contract which is approved by the Authority pursuant to Clause 15.10 (*Appointment of Key Sub-contractors*);

(n) any failure by the Supplier to enter into or to comply with an Admission Agreement under Part D of Schedule 9.1 (*Staff Transfer*);

(o) the Authority has become aware that the Supplier should have been excluded under Regulation 57(1) or (2) of the Public Contracts Regulations 2015 from the procurement procedure leading to the award of this Agreement;

(p) a failure by the Supplier to comply in the performance of the Services with legal obligations in the fields of environmental, social or labour law;

(q) in relation to Schedule 2.4 (*Security Management*), the occurrence of any failure as referred to in Paragraphs 3.4, 3.6, 4.2, 5.5, 6.2 and/or 7.1.3 of Schedule 2.4 (*Security Management*);

(r) the Authority exercises its right to terminate any Separate Lot Agreement as a result of the Supplier's default under such Separate Lot Agreement; or

(s) the occurrence of a Persistent Breach;

"Supply Chain Transparency Report"	means the report provided by the Supplier to the Authority in the form set out in Annex 8 of Schedule 8.4 (*Management Information and Records Provisions*);
"Target Cost"	has the meaning given in Schedule 7.1 (*Charges and Invoicing*);
"Target Fee"	has the meaning given in Schedule 7.1 (*Charges and Invoicing*);
"Target Fee Achieved"	has the meaning given in Schedule 7.1 (*Charges and Invoicing*);
"Target Performance Level"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels*);
"Telephone Consultation"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Term"	the period commencing on the Effective Date and ending on the expiry of the Initial Term or any Extension Period or on earlier termination of this Agreement;

"Termination Assistance Notice"	has the meaning given in Paragraph 6.1 of Schedule 8.5 (*Exit Management*);
"Termination Assistance Period"	in relation to a Termination Assistance Notice, the period specified in the Termination Assistance Notice for which the Supplier is required to provide the Termination Services as such period may be extended pursuant to Paragraph 6.2 of Schedule 8.5 (*Exit Management*);
"Termination Date"	the date set out in a Termination Notice on which this Agreement (or a part of it as the case may be) is to terminate;
"Termination Notice"	a written notice of termination given by one Party to the other, notifying the Party receiving the notice of the intention of the Party giving the notice to terminate this Agreement (or any part thereof) on a specified date and setting out the grounds for termination;
"Termination Payment"	the payment described as such in Paragraph 2.1 of Schedule 7.2 (*Payments on Termination*);
"Termination Services"	the services and activities to be performed by the Supplier pursuant to the Exit Plan, including those activities listed in Annex 1 of Schedule 8.5 (*Exit Management*), and any other services required pursuant to the Termination Assistance Notice;
"Third Party Beneficiary"	has the meaning given in Clause 45.1 (*Third Party Rights*);
"Third Party Contract"	a contract with a third party entered into by the Supplier exclusively for the purpose of delivering the Services, as listed in Schedule 4.4 (*Third Party Contracts*);
"Third Party IPRs"	Intellectual Property Rights owned by a third party but excluding Intellectual Property Rights owned by the third party subsisting in the IT System or the Authority Software or any Third Party Software, which in any case is, will be or is proposed to be used by the Supplier for the purposes of providing the Services;
"Third Party Provisions"	has the meaning given in Clause 45.1 (*Third Party Rights*);
"Third Party Software"	software (excluding software that forms part of the IT System) which is proprietary to any third party (other than an Affiliate of the Supplier) or any Open

	Source software which in any case is, will be or is proposed to be used by the Supplier for the purposes of providing the Services;
"TPL Failure"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels)*;
"Transferring Assets"	has the meaning given in Paragraph 7.2(a) of Schedule 8.5 (*Exit Management*);
"Transferring Authority Employees"	has the meaning given in Paragraph 1.1 of Schedule 9.1 (*Staff Transfer*);
"Transferring Former Supplier Employees"	has the meaning given in Paragraph 1.1 of Schedule 9.1 (*Staff Transfer*);
"Transferring Supplier Employees"	has the meaning given in Paragraph 1.1 of Schedule 9.1 (*Staff Transfer*);
"Transparency Information"	has the meaning given in Clause 23.1 (*Transparency and Freedom of Information*);
"Transparency Reports"	has the meaning given in Paragraph 5.1 of Part A of Schedule 8.4 (*Management Information and Records Provisions*);
"True-Up"	has the meaning given to it in Schedule 7.1 (*Charges and Invoicing*);
"UC"	has the meaning given in the Glossary of Abbreviations in Schedule 2.1 (*Services Description*);
"UK"	the United Kingdom;
"UK GDPR"	has the meaning as set out in section 3(10) of the DPA 2018, supplemented by section 205(4) of the DPA 2018;
"UK Public Sector / CNI Contract Information"	means the information relating to the Supplier Group to be provided by the Supplier in accordance with Paragraphs 2 to 4 of Part B and Annex 2 of Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*);
"UK Public Sector Business"	means any goods, service or works provision to UK public sector bodies, including Central Government Departments and their arm's length bodies and agencies, non-departmental public bodies, NHS bodies, local authorities, health bodies, police, fire

	and rescue, education bodies and devolved administrations;
"Unacceptable Claimant Behaviour"	means, subject always to Paragraph 12.98 of Part B of Schedule 2.1 (*Services Description*), a Claimant which demonstrates violent, potentially violent and/or threatening behaviour;
"Unconnected Sub-contract"	any contract or agreement which is not a Sub-contract and is between the Supplier and a third party (which is not an Affiliate of the Supplier) and is a qualifying contract under regulation 6 of The Reporting on Payment Practices and Performance Regulations 2017;
"Unconnected Sub-contractor"	any third party with whom the Supplier enters into an Unconnected Sub-contract;
"Valid"	in respect of an Assurance, has the meaning given to it in Paragraph 2.7 of Part B to Schedule 8.6 (*Service Continuity Plan and Corporate Resolution Planning*);
"VAT"	value added tax as provided for in the Value Added Tax Act 1994;
"VCSE"	means a non-governmental organisation that is value-driven and which principally reinvests its surpluses to further social, environmental or cultural objectives;
"Video Consultation"	has the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Volume Clearance Target"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels)*;
"Volume Pivot"	has the meaning given in Paragraph 1.1 of Schedule 8.2 (*Change Control Procedure*);
"WCA"	has the meaning given in the Glossary of Abbreviations in Schedule 2.1 (*Services Description*);
"WCA IT Provider"	ATOS IT Services UK Limited, the third party provider who has entered into the WCA IT Services Agreement with the Authority, or any additional and/or replacement third party if all or part of the WCA IT Services are provided by a different third party;

"WCA IT Services Agreement"	the agreement between the Authority and the WCA IT Provider for the provision of WCA IT Services;
"WCA IT Services"	the information and communications technology services (including the WCA IT System) provided by the WCA IT Provider to the Authority as described in the WCA IT Services Agreement, or equivalent replacement services provided by or on behalf of the Authority;
"WCA IT System"	the IT system owned by or licensed to the WCA IT Provider and used by the Supplier for the performance of the WCA Services and the Specialist Benefit Services in accordance with this Agreement, described further in Annex 6 to Schedule 18 (*Information Technology Services*) and in the Due Diligence Information;
"WCA Services"	that part of the Services to be provided by the Supplier under this Agreement in respect of the carrying out of Assessments for UC and ESA;
"Work Trials"	means an opportunity for the Supplier and/or Sub-contractor to try out a potential employee before offering a job (to be offered in accordance with the Jobcentre Plus eligibility criteria) to support filling vacancies for Supplier Personnel;
"Working Day"	any day other than a Saturday, Sunday or public holiday in England and Wales; and
"Young People"	means people below 25 years of age.

SCHEDULE 2.1

SERVICES DESCRIPTION

Contents

GLOSSARY OF TERMS 4
GLOSSARY OF ABBREVIATIONS 14
PART A - OVERVIEW 18
1 INTRODUCTION 18
2 GENERAL BACKGROUND 19
3 IMPLEMENTATION AND EXIT 21
4 HAS TESTING AND HAS ROLLOUT 21
5 SOCIAL VALUE 22
6 BACKGROUND TO BENEFITS AND ASSESSMENTS 22
PART B – FUNCTIONAL ASSESSMENT SERVICE REQUIREMENTS 26
7 KEY ELEMENTS OF THE OPERATIONAL SERVICES 26
8 ASSESSMENT CHANNELS 27
9 ASSESSMENT CRITERIA 28
10 REFERRALS 29
11 FURTHER MEDICAL EVIDENCE (FME) 34
12 CONSULTATIONS 36
13 COMPLETION OF ASSESSMENT REPORTS 48
14 DOCUMENTATION 52
15 ADVICE/CLARIFICATION TO THE AUTHORITY AND RECONSIDERATION 53
16 CHANGE OF CIRCUMSTANCES 53
17 CLINICAL ENQUIRY SERVICE 54
18 TRAINING FOR AUTHORITY STAFF 55
19 POLICY ADVICE AND ADVISORY BODIES 55
20 HIS MAJESTY'S COURT AND TRIBUNAL SERVICE (HMCTS) 55
21 QUALITY MANAGEMENT 56
22 QUALITY REQUIREMENTS 58
23 RE-WORK 59
24 SUPPLIER QUALITY AUDIT 60
25 AUTHORITY INDEPENDENT AUDIT 63
26 PROVIDER ASSURANCE 64
27 COMPLAINTS, DISPUTES AND ENQUIRIES 64
28 AUDIO RECORDING OF CONSULTATIONS (PIP AND WCA ONLY) 66
29 CLAIMANT EXPERIENCE 68
30 WORKING WITH CLAIMANT REPRESENTATIVES GROUPS 68
31 HEALTH PROFESSIONAL COMPETENCIES 68
32 HP RECRUITMENT 71
33 HP APPROVAL 71

34 AUDITOR OR CASE REVIEW TRAINING AND APPROVAL 73
35 CORE TRAINING AND GUIDANCE MATERIAL 73
36 REVALIDATION 79
37 EXCLUDED HEALTH PROFESSIONALS 80
38 HEALTH PROFESSIONAL CONDUCT DURING CONSULTATIONS 80
39 EVIDENCE AND REPORTING 81
40 STAFF WHO ARE NOT HEALTH PROFESSIONALS 81
41 PERFORMANCE LEVELS 83
42 VOLUMES 83
43 MANAGEMENT AND DELIVERY INFORMATION 83
44 NOT USED 83
45 CONTINUOUS IMPROVEMENT 83
46 ESTATES 84
47 INFORMATION TECHNOLOGY 84
48 NOT USED 85
49 IHPA PLACEMENTS 85
50 SPECIALIST BENEFITS 88
ANNEX 1 - CLAIMANT JOURNEY 99
ANNEX 2 - FORMS OF ASSESSMENT REPORT 110
ANNEX 3 - NOT USED 112
ANNEX 4 – IHPA AGREEMENT TEMPLATE 113
ANNEX 5 - CLINICAL GOVERNANCE QUALITY AND STANDARDS FRAMEWORK STANDARDS AND MEASURES 130
ANNEX 6 - SANCTIONS FRAMEWORK 141

GLOSSARY OF TERMS

In this Schedule 2.1 unless the context otherwise requires the following expressions shall have the following meanings:

"Additional Requirements"	has the meaning given in Paragraph 12.72;
"Administrative Lead"	means the person(s) appointed by the Supplier to undertake the activities referred to in Paragraph 35.39 in respect of the Supplier;
"Appeal"	means a challenge by a Claimant against the decision made by the Authority in respect of the Claimant's claim for PIP, UC, ESA and/or a Specialist Benefit;
"Appointee"	means an individual or organisation, appointed by an officer acting on behalf of the Authority pursuant to Paragraph 12.82 to act on a Claimant's behalf, if the Authority determines that the Claimant is incapable of managing their own affairs;
"Approved Core Training and Guidance Material"	means any Core Training and Guidance Material that has been approved by the Authority from time to time, including such Core Training and Guidance Material that has been approved by the Authority pursuant to Paragraph 35.46;
"Assessment"	means an assessment in respect of UC or ESA (otherwise referred to as a WCA or Work Capability Assessment), an assessment in respect of Personal Independence Payment (PIP) or, subject to Paragraph 50.1, an assessment in respect of the relevant Specialist Benefit(s);
"Assessment Centre"	means a place or building where Claimants attend for the purpose of a Face to Face Consultation;
"Assessment Channel"	means the channel by which the Assessment is undertaken, as referred to in Paragraph 8.2;

"Assessment Criteria"	has the meaning given in Paragraph 9.1;
"Assessment Quality Management Plan"	has the meaning given in Paragraph 21.3;
"Assessment Report"	means, subject to Paragraphs 20.3(b) and 50.1, the output after considering the evidence provided as part of the Referral, gathered from the Claimant, gathered from supporting professionals and obtained from the Consultation, where one has taken place, which Assessment Report shall be prepared in accordance with and shall meet all of the requirements and standards set out in this Schedule 2.1 relating to such Assessment Report (including such requirements and standards as are set out or referred to in Paragraph 13, Paragraph 22.4 and Paragraph 23.2) and reference to "Assessment Report" shall be construed as a reference to the relevant form of the Assessment Report, including such forms as are listed in Annex 2 to this Schedule 2.1 as at the Effective Date;
"Assessment Report Audit"	means a review by or on behalf of the Authority of the quality of a PIP Assessment Report or a WCA Assessment Report generated by the Supplier and grading of such Assessment Report pursuant to Paragraph 25.2;
"Assessment Type"	means an Assessment for PIP, an Assessment for UC or ESA or an Assessment for Specialist Benefits (as the case may be);
"Audit Quality Assurance"	means a review by or on behalf of the Authority of the outcome of a Supplier Audit and grading of such Assessment Report pursuant to Paragraph 9.23, 10.22, 11.9 and/or 11.15 of Part A of Schedule 2.2 (*Performance Levels*);
"Authority Clinicians"	means clinicians employed by the Authority;

"Authority Contact Centre Platform"	means the softphone solutions for Telephone Consultations, the Claimant Enquiry Service and the Clinical Enquiry Service provided by the Authority to the Supplier on the terms set out in Schedule 18 (*Information Technology Services*);
"Authority Decision Maker"	means an official of the Authority who decides the outcome of claims and applications for PIP, UC, ESA and/or Specialist Benefits (as the case may be);
"Authority SoS Representative"	has the meaning given in Paragraph 33.1;
"Authority SoS Representative's Approval"	has the meaning given in Paragraph 33.1(b);
"Authority's Required HP Quality Standards"	means the Authority's minimum required quality standards from time to time in respect of the relevant HP and/or Assessments undertaken by that HP and/or Assessment Reports produced by that HP (as the context shall require), including such requirements as are set out or referred to in Paragraphs 13.13, 13.18, 13.20, 13.21, 22.1, 22.2, 22.4, 23.1, 23.2, 31.1, 31.4, 31.6, 31.7, 31.8, 33.1, 33.2, 33.3, 35.10 and 38;
"Case Review"	means a Supplier case review referred to in section 4 of the Integrated Quality Audit System Process Guide (MED-IQASPG01) forming part of the Service Guidance, as such Service Guidance exists as at the Effective Date;
"Channel Mix"	means the mix of delivery channels (as referred to in Paragraph 8.2) used to deliver (or proposed to deliver (as the context shall require)) Assessments from time to time;
"Channel Split"	has the meaning given in Paragraph 8.8;

"Claimant"	means any person claiming or having claimed entitlement to the receipt of benefits or other related advantages from the Authority or from any Central Government Body in relation to PIP, ESA, UC and/or a Specialist Benefit;
"Claimant Enquiry Service"	has the meaning given in Paragraph 12.15;
"Claimant Satisfaction Rating"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels*);
"Claimant Satisfaction Survey"	has the meaning given in Paragraph 29.5;
"Claimant Representative Groups"	means recognised organisations that represent people with a health condition or disability;
"Clearance"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels*) and "**Clear**" and "**Cleared**" shall be construed accordingly;
"Clinical Author"	means a HP provided by the Supplier or a health professional provided by another FAS Lot Supplier, in either case, for the purpose of drafting Core Training and Guidance Material and "**Clinical Authors**" shall be construed accordingly;
"Clinical Authorship Team"	means a joint team of Clinical Authors, whose constitution and activities are referred to in Paragraphs 35.32 to 35.38;
"Clinical Enquiry Service"	has the meaning given in Paragraph 17.1;

"Clinical Lead"	means a HP provided by the Supplier or a health professional provided by another FAS Lot Supplier who form part of the CAT and the TAG Editorial Board;
"Complaint"	means a complaint from a Claimant about the Supplier and/or any Supplier Personnel, including a Serious Complaint;
"Condition Specific Champion"	means a HP who specialises in, is trained in and will be a source of advice for other HPs in a particular condition or disability, including a Mental Function Champion;
"Consultation"	means the engagement between the Claimant and a Health Professional, as a means of delivering an Assessment;
"Core Training"	means training successfully completed by a HP to undertake a Consultation as set out in the Core Training and Guidance Material;
"Core Training and Guidance Material"	means training and guidance material (relating to specific clinical conditions and Assessment policy) provided by the Authority to support the delivery of the Operational Services by Supplier Personnel and to inform the Supplier's processes, training programmes and own administrative guidance, as such material shall be supplemented, updated and/or developed from time to time pursuant to Paragraph 35, but subject always to the provisions of Paragraph 35.46;
"CPD Training Programme"	has the meaning given in Paragraph 35.14;
"Customer Charter"	means a published statement that outlines the Claimant's rights and responsibilities and what they can expect from the Operational Services;

"Data Security Policies"	means the policy or policies (as the case may be) that set out how the Authority and its delivery partners and/or suppliers (including the Supplier and the Supplier Personnel) shall manage and protect the Authority's information; https://assets.publishing.service.gov.uk/government/uploads /system/uploads/attachment_data/file/720170/dwp-information-security-policy.pdf;
"Data Room"	means the online document repository established by the Authority in connection with either: (a) pre-contract signature, the procurement of the Services and the services under the other Lots (usually referred to as 'FAS Data Room'; or (b) post-contract signature, the Term, including relevant data and documents from the FAS Data Room and further documentation including additional Service Guidance (usually referred to as 'FAS Fileshare');
"Department for Communities"	the Department for Communities (DfC) is part of the Northern Ireland Executive, and is responsible for welfare, pensions, and child maintenance policy within Northern Ireland;
"Department for Work and Pensions"	the Department for Work and Pensions (DWP), is responsible for welfare, pensions, and child maintenance policy;

"Document Retention Policies"	means the policy or policies (as the case may be) for anyone who creates, handles, or stores Authority information, including all Authority employees, agents, contractors, consultants, business partners, third parties and suppliers (including the Supplier and Supplier Personnel). It includes all paper documents, electronic records, videos, DVDs, emails, social media posts, databases, websites, and intranet sites, etc; https://www.gov.uk/government/publications/dwp-information-management-policies/dwp-information-management-policy
"DWP Customer Charter"	means the Authority's statement that outlines Claimant's rights and responsibilities and what they can expect from the Authority, as referred to at Paragraph 29.1(a);
"Face to Face Consultation"	means a Consultation conducted with the Claimant in the physical presence of a Health Professional;
"Failed to Attend"	means: (a) in respect of the PIP Services and the WCA Services, has the meaning given in Paragraph 12.25(a); and (b) in respect of the Specialist Benefits Services, has the meaning given to the term "Failed to Attend" or "Did Not Attend" (as applicable to the Specialist Benefit in question and as defined in the relevant part of the Service Guidance), and "**Fail to Attend**", "**Fails to Attend**" and "**Failure to Attend**" shall be construed accordingly;
"FAS Lot Supplier"	means a supplier of services equivalent to the Services under another Lot;

"Fit for Work"	has the meaning given in the relevant part of the Service Guidance;
"Functional Activities and Descriptors"	means the functional activities and descriptors set out in the applicable Assessment Criteria;
"Further Medical Evidence"	means additional evidence (above that provided when the Referral is made by the Authority) from professionals supporting the Claimant where the HP feels it would help to inform their advice to the Authority;
"General Practitioner Factual Report"	means a report setting out evidence that gives information about the Claimant's condition, any treatment received and any further treatment planned;
"Harmful Information"	means information which would be considered as seriously harmful to a Claimant's health if disclosed and which may be withheld from the relevant Claimant as directed by the Authority pursuant to Paragraph 13.22;
"Health Professional"	means a health professional employed by the Supplier or any Sub-contractor in the delivery of the Operational Services and satisfying the qualification and other requirements set out in this Agreement (including those set out or referred to in Paragraphs 22.2, 31, 33 and 34 (as applicable to the HP in question)), but subject always to the provisions of Paragraph 37;
"Home Consultation"	has the meaning given in Paragraph 12.60;
"IHPA Agreement"	means an agreement between the Authority and the Supplier in the form set out in Annex 4 to this Schedule 2.1 (Services Description) detailing an IHPA Placement;
"IHPA Placement"	means the placement of an IHPA with the Authority;

"Implementation Period"	means the period commencing on the Implementation Services Commencement Date and ending at midnight at the end of the day immediately preceding the Operational Service Commencement Date;
"Initial Referral"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels*);
"Interim Healthcare Professional for the Authority" or "IHPA"	means a Healthcare Professional made available to the Authority by the Supplier or its Sub-contractor to undertake additional interim healthcare services for the Authority;
"Limited Capability for Work"	has the meaning given in the relevant part of the Service Guidance;
"Limited Capability for Work Related Activity"	has the meaning given in the relevant part of the Service Guidance;
"Lot"	means the provision of Services (or services equivalent to the Services) in a specified geographical location, each Lot being covered by a separate agreement between the Authority and the Supplier or another FAS Lot Supplier (as the case may be), the Authority having divided its requirements for the Services (or services equivalent to the Services) into 5 Lots (4 in Great Britain and 1 in Northern Ireland) and in respect of this Agreement, such geographical location as is set out in Annex 3 to Schedule 15.1 (*Estates*);
"Mail Opening Unit"	means the Authority's Mail Opening Unit;
"Mandatory Reconsideration"	means the reconsideration process where an application for revision of a decision is considered by an Authority Decision Maker;

"Mental Function Champion"	means a HP who specialises in, is trained in and will be a source for advice and/or support for other HPs on health conditions and disabilities affecting mental, cognitive, intellectual and/or behavioural function;
"Multi-Party Dispute"	has the meaning given in Paragraph 1 of Schedule 8.3 (*Dispute Resolution Procedure*);
"Non-Functional Descriptors"	means, in respect of WCA only, the non-functional descriptors set out in the applicable Assessment Criteria;
"Overpower Rule"	means the Authority's right to overrule the decision and/or action taken by the Supplier where the Authority is not content with the decision and/or action taken by the Supplier as a result of a Complaint or a Serious Complaint;
"PAS3000"	means the strategic framework for modernising working practices. It gives recommendations for establishing good practice for the implementation of smart working, against which organisations can be benchmarked. It covers changes to working practices, culture, working environments and associated technology;
"Paper Based Review"	means an Assessment completed by the Health Professional based on Claimant case papers (including Further Medical Evidence as appropriate) only
"Performance Level"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels*);
"Personal Independence Payment Assessment Guide"	means the guidance for Health Professionals carrying out Assessments undertaken in respect of PIP and for those responsible for the quality of Assessments undertaken in respect of PIP;

"Personal Independence Payment Computer System"	means the system that interfaces with the PIP IT System and used by the Authority to manage the PIP Services;
"PIP Assessment Report"	has the meaning given in the Glossary of Terms in Schedule 2.2 (Performance Levels);
"PIP1"	means the initial claim to PIP;
"PIP2"	means the questionnaire 'How Your Disability Affects You' that follows a claim being made to PIP;
"Prescribed Disease"	has the meaning given in the relevant part of the Service Guidance;
"Prospective Test For PIP"	means where a Claimant must be expected to have limited functionality for at least 9 months from the date of claim in order for PIP to be paid;
"Quality Improvement Plan"	means a quality improvement plan which, amongst other things, highlights any challenges the Supplier is experiencing in the performance of the Operational Services, sets out opportunities for improvements in the Operational Services and details how the Supplier intends to address those challenges and deliver those improvements, the first such version of (and revisions to) such quality improvement plan shall be provided by the Supplier to the Authority in accordance with Paragraph 24.3;
"Quality Management Regime"	has the meaning given in Paragraph 24.1;
"Qualifying Period"	means the period for which a Claimant must have had the condition(s) which has led to their limited functionality;

“Referral”	means, subject to Paragraphs 20.3(a) and 50.1, a case relating to a Claimant that is passed to the Supplier for an Assessment in accordance with this Agreement (including, in the case of WCA, an Initial Referral and a Re-Referral), as contemplated by Paragraph 10 and “**Refer**” and “**Referred**” shall be construed accordingly;

"Regulations"

(a) means regulations (forming part of the Law) made in respect of and applicable to the subject matter of the Services, including:

(b) The Public Services Act 2012 (as amended);

(c) The Social Security (Personal Independence Payment) Regulations 2013;

(d) The Personal Independence Payment Regulations 2013;

(e) The Personal Independence Payment Regulations (Northern Ireland) 2016;

(f) The Social Security (Disability Living Allowance, Attendance Allowance and Carer's Allowance) (Amendment) Regulations 2013;

(g) The Social Security (Disability Living Allowance, Attendance Allowance and Carer's Allowance) (Amendment) Regulations (Northern Ireland) 2016;

(h) The Universal Credit, Personal Independence Payment, Jobseeker's Allowance and Employment and Support Allowance (Decisions and Appeals) Regulations 2013; and

(i) The Universal Credit, Personal Independence Payment, Jobseeker's Allowance and Employment and Support Allowance (Decisions and Appeals) (Northern Ireland) Regulations 2016;

"Remote Consultation" means a Telephone Consultation or a Video Consultation (as the context requires);

"Re-Referral"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels*);
"Re-work"	means the action required to correct an Assessment Report that has been returned to the Supplier by the Authority due to such Assessment Report not being deemed to be fit for purpose pursuant to Paragraph 23.2;
"Safeguarding"	means ensuring that everyone is respected and valued and actively preventing harm, harassment, bullying, abuse and/or neglect;
"Sanctions DWP Framework Guidance"	means the framework guidance in respect of HPs who, amongst other things, have been referred to their regulatory body (including, GMC, NMC, HCPC) as set out in Annex 6 to this Schedule 2.1;
"SB"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels*);
"Second Independent Review of PIP"	means Second Independent Review of the Personal Independence Payment Assessment by Paul Grey March 2017. https://www.gov.uk/government/publications/personal-independence-payment-pip-assessment-second-independent-review;
"Sensitive Cases"	has the meaning given in Paragraph 12.70 and references to "**Sensitive Case**" shall be construed accordingly;
"Serious Complaint"	has the meaning given in Paragraph 27.12;

"Service Guidance" means any of the following, but not restricted to:

(a) for PIP: (Personal Independence Payment Assessment Guide - PIPAG) https://www.gov.uk/government/publications/personal-independence-payment-assessment-guide-for-assessment-providers;

(b) for WCA (Work Capability Assessment handbook: for healthcare professionals). Work Capability Assessment (WCA) handbook (publishing.service.gov.uk);

(c) DWP forms (DWP forms - GOV.UK (www.gov.uk));

(d) DWP Common Standards for Identity Verification and Authentication (CSIVA);

(e) other Approved Core Training and Guidance Material; and

(f) any other documents and/or information referred to as expressly forming part of the Service Guidance in this Schedule 2.1 and/or included within the Data Room;

"Special Rules End of Life" means the fast track process used for Claimants who are Terminally Ill (previously known as Special Rules Terminally Ill (SRTI));

"Specialist Benefit Assessment Report" has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels*);

"Supplementary Advice Note" means a document setting out supplementary advice to the Authority arising in respect of an Assessment Report and, in respect of PIP, such document shall be the PA5 or PA6 form;

"Supplier Audit"	means the Supplier audit activity referred to in section 3 (other than sections 3.4 and 3.5) of the Integrated Quality Audit System Process Guide (MED-IQASPG01) forming part of the Service Guidance, as such Service Guidance exists as at the Effective Date;
"Supplier Auditor"	means a HP nominated by the Supplier to undertake Supplier Audits and who satisfies the requirements of Paragraph 34;
"Support Group"	has the meaning given in the relevant part of the Service Guidance;
"Telephone Consultation"	means a Consultation conducted with the Claimant by telephone;
"Terminally Ill"	means a Claimant is suffering from a progressive disease and death in consequence of that disease can reasonably be expected within 12 months;
"TPL"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels*);
"TAG Editorial Board"	means a joint board consisting of Authority Clinicians and Clinical Leads, whose constitution and activities are referred to in Paragraphs 35.43 to 35.45;
"Personal Training Plan"	has the meaning given in Paragraph 35.17;
"Training Programme"	has the meaning given in Paragraph 35.9;

"Training Needs Analysis"	means, subject to Paragraph 35.16 in respect of Supplier Personnel who are HPs, a training needs analysis identifying areas of training needs together with priorities for implementation;
"Video Consultation"	means a Consultation conducted with the Claimant by video;
"WCA Assessment Report"	has the meaning given in the Glossary of Terms in Schedule 2.2 (*Performance Levels*); and
"Work Related Activity"	has the meaning given in the relevant part of the Service Guidance.

GLOSSARY OF ABBREVIATIONS

AA	Attendance Allowance
AC	Assessment Centre
AME	Annually Managed Expenditure
AQA	Audit Quality Assurance
ARA	Assessment Report Audit
BACS	Bankers Automated Clearing Services
BAFO	Best and Final Offer
CAA	Constant Attendance Allowance
CAT	Clinical Authorship Team
CGQSF	Clinical Governance Quality and Standards Framework
CHDA	Centre for Health and Disability Assessments
CMS	Complaints Management System
CPD	Continuing Professional Development
CRU	Compensation Recovery Unit

CRS	Compensation Recovery Scheme
CSIVA	Common Standards for Identity Verification and Authorisation
CTF	Child Trust Fund
DfC	Department for Communities (Northern Ireland)
DLA	Disability Living Allowance
DWP	Department for Work and Pensions
EEA	European Economic Area
EMP	Examining Medical Practitioner Report
ESA	Employment and Support Allowance (including Employment and Support Allowance and New Style Employment and Support Allowance, as referred to in Paragraphs 6.6 and 6.7 respectively of this Part A.
FAS	Functional Assessment Service
FME	Further Medical Evidence
FTA	Failed to Attend
FTE	Full Time Equivalent

F2F	Face to Face
GMC	General Medical Council
GP	General Practitioner
HAS	Health Assessment Service
HCP	See HP (throughout this Agreement the term “HP” is used but other services and guidance may use “HCP” (Healthcare Professional). This has the same meaning)
HCPC	Health and Care Professions Council
HDAS	Health and Disability Assessment Services
HMCTS	His Majesty’s Court and Tribunal Service
HMRC	His Majesty’s Revenue and Customs
HP	Health Professional
HTP	Health Transformation Programme
HVAC	Heating, Ventilation and Air Conditioning
IB	Incapacity Benefit
IBR	Incapacity Benefit Reassessment

IIDB	Industrial Injuries Disablement Benefit
ICE	Independent Case Examiner
IPB	International Pensions and Benefits
IT	Information Technology
ITT	Invitation to Tender
ISA	Individual Savings Account
IQAS	Integrated Quality Audit System
JSA	Jobseeker's Allowance
JSAPS	Job Seekers Allowance Payment System
LiMA	Logic Integrated Medical Assessment
LCW	Limited Capability for Work
LCWRA	Limited Capability for Work Related Activity
MEES	Minimum Energy Efficiency Standards
MI	Management Information

MIS/MSDW	Management Information System/Data Warehouse
MoD	Ministry of Defence
MOU	Mail Opening Unit
MSD	Medical Skills Database
MSRS	Medical Services Referral System
NAO	National Audit Office
NHS	National Health Service
NMC	Nursing and Midwifery Council
OGD	Other Government Department(s)
OHA	Occupational Health Assessment
PAT	Provider Assurance Team
PBR	Paper Based Review
PD	Prescribed Disease
PIP	Personal Independence Payment

PIPAG	Personal Independence Payment Assessment Guide
PIPCS	Personal Independence Payment Computer System
PPN	Procurement Policy Notice
PSNI	Police Service of Northern Ireland
RUC	Royal Ulster Constabulary
SMART	System for Medical Allocations Referrals and Tracking
SMP	Statutory Maternity Pay
SMS	Short Message Service
SREL	Special Rules End of Life (previously (SRTI))
SSP	Statutory Sick Pay
TAG	Training and Guidance
TI	Terminally Ill
TNA	Training Needs Analysis
TUPE	Transfer of Undertakings (Protection of Employment)

UC	Universal Credit
UCB	Unacceptable Claimant Behaviour
UK	United Kingdom
WCA	Work Capability Assessment

PART A - OVERVIEW

1 INTRODUCTION

1.1 Please note that, unless otherwise indicated, references to the "Authority" throughout these documents mean The Secretary of State for Work and Pensions acting through their representatives in the Department for Work and Pensions (DWP).

1.2 References to “Supplier” mean any person or organisation responding or, where the context requires, potentially responding to this Invitation to Tender (ITT). Where this Agreement has been entered into, the “Supplier” means the entity that has entered into this Agreement for the supply of the Services to the Authority.

1.3 The Authority is seeking a Supplier(s) to carry out Assessments for the provision of:

(a) Personal Independence Payment (PIP);

(b) Employment and Support Allowance (ESA) and Universal Credit (UC) (through Work Capability Assessments (WCA)); and

(c) Specialist Benefits.

1.4 The Functional Assessment Service (FAS) will be delivered in five regional locations (Lots) covering England, Scotland, Wales and Northern Ireland. The Authority intends to award one agreement per Lot for a period of 5 years unless terminated by the Authority in accordance with the terms of the relevant agreement.

1.5 As part of devolution to Scotland, the Scottish Government is intending to go-live with national rollout of its service during Summer 2022 for PIP. In Scotland, the Supplier will provide WCA and Specialist Benefit Assessments. From Summer 2022, there will be no new claims for PIP in Scotland under the terms of this Agreement. There will be a requirement for the Supplier in Scotland to provide the PIP Services on an ad-hoc basis for in-flight cases and/or to cover late Mandatory Reconsiderations and Appeals that may result in additional work for the Supplier; these are expected to be small numbers.

1.6 The majority of this Schedule 2.1 refers to all Lots (i.e. Lot 1, Lot 2, Lot 3, Lot 4 and Lot 5 (Northern Ireland)). If there are any variations between the Lots, these have been highlighted, where applicable, in this Schedule 2.1.

1.7 For clarity, where this Schedule 2.1 states the Supplier “will”, “must” or “shall” do or not do (as the case may be) something, it means that the Supplier is under an obligation to do so or not do so (as the case may be) unless expressly provided otherwise in this Agreement.

1.8 This Schedule 2.1 does not contain the full extent of the Supplier's obligations in respect of the provision of the Services, but is intended to be read in conjunction with the remainder of this Agreement.

2 GENERAL BACKGROUND

2.1 The Department for Work and Pensions (DWP) and the Department for Communities in Northern Ireland (DfC), are responsible for welfare and pension policy and provide support to disabled people and those with health conditions.

2.2 Further information about the DWP/DfC can be viewed here: www.dwp.gov.uk/ www.communities-ni.gov.uk

2.3 14.1 million citizens in the UK are reported as living with a disability; this includes 19% of working age adults. Every year the Authority spends circa £29 billion (Annually Managed Expenditure) on health and disability benefits; this includes:

(a) £27 billion in payment of health and disability benefits;

(b) £1 billion in running costs for the 2 million health assessments carried out to establish entitlement; and

(c) £300 million for programmes that help Claimants with health conditions or disabilities stay in or move into employment.

2.4 To support delivery, the Authority requires a range of health and disability Assessments. These are primarily delivered by suppliers, with the Authority making the final decisions on individual cases. These Assessments are required in the main, but not exclusively, to support determinations of entitlement to welfare and social security provision, including the level or type of support to be provided.

2.5 The Authority's Health Transformation Programme (HTP) and Health Transformation Project in Northern Ireland cover the end to end journey of Assessments in respect of PIP, Work Capability Assessments (which covers entitlement to New Style Employment and Support Allowance (as described in Paragraph 6.6) and the health-related elements of Universal Credit (as described in Paragraph 6.5)) and a number of other Specialist Benefits.

2.6 One of the key aims of the HTP is to offer a transformed service to the millions of people with disabilities and health conditions. This will be achieved by integrating the current services that deliver PIP, WCA and Specialist Benefits, through a new national Health Assessment Service (HAS). The ambition is to deliver HAS from 2029.

2.7 To support delivery of HAS, the Authority will develop a new flexible platform which will also help the Authority to support:

(a) longer term reform through the published Green Paper Shaping future support: the health and disability green paper - GOV.UK (www.gov.uk); and

(b) the National Disability Strategy which is published on GOV.UK and marks the first collective cross-government approach to transform the lives of disabled people, across the UK.

2.8 The intention behind HAS is to create a new single, integrated health assessment service supported by a single digital platform (which focuses on the needs of those using it whether Claimants, Authority staff or delivery partners), developed by the Authority, covering WCA, PIP and Specialist Benefits Assessments. This will also

provide the potential for better joining up of data and evidence both within the Authority and more widely. This will help make the Authority's processes more effective and efficient and improve peoples' experience. For example, where people are willing to provide consent, the new system will allow the Authority to share medical evidence more easily. This will help reduce the need for people to provide the same information more than once. All Assessment services in a geographic area will be performed by a single Supplier which will give the Authority and Supplier the opportunity to join up the Claimant experience across different benefits.

2.9 This Agreement is for the Assessments taking place between 2023-2029 and it will support the HTP's end aim of moving the Authority towards a finalised strategic HAS solution, to help people with health conditions or disabilities to get the support they need.

2.10 The requirements set out in this Schedule 2.1 build on the service changes introduced due to the coronavirus pandemic, where the Authority had to make changes to how services were delivered. As the Authority was unable to conduct Face to Face Consultations during most of this time, Telephone Consultations and Video Consultations were introduced to improve the services provided.

2.11 The main areas for service alignment and improvement either at the Effective Date or as flexibilities during the Term are:

(a) a single agreement in each Lot for all Assessments;

(b) 4 x Lots in GB and 1 x Lot in Northern Ireland;

(c) PIP IT Services provided for Assessments in respect of PIP;

(d) WCA IT Services provided for Assessments in respect of UC, ESA and Specialist Benefits;

(e) Estate footprint reduction to increase efficiencies;

(f) changes to the Channel Mix;

(g) a Target Cost Incentive Fee model for the Operational Services, as referred to in Schedule 7.1 (Charges and Invoicing);

(h) Terms and Conditions - One agreement based on the Cabinet Office Model Services Contract;

(i) national roll out of HAS;

(j) aligned Management Information (MI) and Performance Levels;

(k) aligned Health Professional (HP) training, learning and development and Core Training and Guidance Material; and

(l) Devolved Administrations - the PIP Services in Scotland will be removed and replaced with separate contracts outside of FAS.

2.12 The Authority's requirements in respect of the Services are specified in this Schedule 2.1 and in the remainder of this Agreement.

2.13 Whilst there is one Agreement covering all Assessment Types, there are two distinct parts to the Operational Services:

(a) PIP Services; and

(b) WCA Services and Specialist Benefit Services.

2.14 There are subtle differences in the requirements for the Operational Services. Where possible, the two parts of the Operational Services have been aligned. Part B sets out the aligned elements and the areas of difference. It is important that, where differences between the relevant parts of the Operational Services are identified, these are read and understood by the Supplier.

2.15 As an Optional Service, the Supplier shall provide the Contingency Services as referred to in more detail in Schedule 22 (*Contingency Services*).

2.16 The Supplier shall, during the Term, work with the Authority to implement any changes determined by the Authority (acting reasonably) to be required to this Agreement as a result of any reforms or changes recommended or otherwise referred to in the Shaping Future Support: The Health and Disability Green Paper published on 21 July 2021 (the "**Green Paper**"), reform provisions in any White Paper relating to the health and disability benefits system issued before or during the Term of this Agreement (a "**Health and Disability White Paper**"), or as a result of policy review or reform. Any such changes shall be made in accordance with the Change Control Procedure. This requirement is without prejudice to any Change required due to Change in Law that implements recommendations in the Green Paper or any Health and Disability White Paper, which shall be treated as a Specific Change in Law for the purposes of Clause 13 (*Change*).

3 IMPLEMENTATION AND EXIT

3.1 The Supplier shall comply with its obligations under Schedule 6.1 (*Implementation Related Plans*) and Schedule 8.5 (*Exit Management*).

4 HAS TESTING AND HAS ROLLOUT

4.1 This Agreement (and the agreements between the Authority and other FAS Lot Suppliers) is a stepping stone to the national rollout of HAS from approximately 2029.

4.2 As part of the transition to HAS, the Authority may, by means of the Specialised Change Control Procedure, require the Supplier to provide HAS Testing and/or HAS Rollout during the Term.

4.3 The Supplier's suitability to provide HAS Testing and/or HAS Rollout shall be assessed by the Authority at the time of any such requirement in accordance with the supplier suitability criteria set out in Schedule 20 (*Health Assessment Service Related Services*).

4.4 Where the Authority has exercised its option to require the Supplier to provide HAS Testing and/or HAS Rollout, the Supplier shall:

(a) work collaboratively with the Authority to agree the most appropriate implementation approach for HAS Testing and/or HAS Rollout, as applicable;

(b) work collaboratively with the Authority to collect and share timely feedback, insights and data from HAS Testing and/or HAS Rollout, as applicable, to support further optimisation of HAS; and

(c) continue to deliver the PIP Services, WCA Services and Specialist Benefit Services alongside any Assessments subject to the operating model for HAS.

4.5 HAS Testing will involve small-scale and targeted testing of the new operating model for HAS in support of the strategic aims of the Authority. To support Supplier impacting, the Authority will confirm which Assessments (PIP, WCA and/or Specialist Benefits) are in scope for HAS Testing. The Authority will also confirm the geography required, with the expectation that HAS Testing will take place in a small number of defined locations. The aim of HAS Testing is to inform the design and operating model for HAS, as well as the training that will be used as part of HAS Rollout. HAS Testing may commence at any time after the Operational Service Commencement Date.

4.6 HAS Rollout will encompass Assessments delivered as part of the PIP Services, WCA Services and Specialist Benefit Services. The Authority will provide an operating model for HAS with supporting processes, as well as a new IT system for use in delivering HAS Rollout. HAS Rollout will commence no earlier than March 2025.

4.7 It is expected that all Health Professionals supporting the delivery of HAS Rollout will be trained to deliver Assessments in respect of each of PIP, WCA and Specialist Benefits. The Authority shall provide appropriate training materials, operating models and processes to enable HPs to be upskilled on the new operating model for HAS and its supporting IT system.

5 SOCIAL VALUE

5.1 The Supplier shall comply with its obligations in Schedule 24 (*Social Value*).

6 BACKGROUND TO BENEFITS AND ASSESSMENTS

6.1 In each case where an Assessment is required to decide benefit entitlement, the Authority refers the case to a Supplier, that conducts an Assessment using a HP to provide evidence to an Authority Decision Maker on the impact of the health condition on the particular benefit claim. In most cases the Authority Decision Maker, using the evidence provided by the HP, then makes a final decision on entitlement.

6.2 The FAS benefits and Assessments covered by this Agreement are described in the remainder of this Paragraph 6 (the order given here does not imply any priority).

6.3 Full details of the requirements in respect of Assessments for all benefits is set out in Part B.

Personal Independence Payment (PIP)

6.4 PIP is paid to people aged 16 or over, whether in work or not. It helps towards the extra costs arising from ill-health or disability. It is based on the needs arising from a

health condition or disability, rather than the health condition or disability itself. PIP is a non-contributory benefit; therefore, it is not income related nor is it taxed. PIP is made up of two components (daily living component and mobility component), each payable at either a standard or enhanced rate. A Claimant may be entitled to either one or both components. The rate payable depends on their ability to carry out a range of everyday activities.

www.gov.uk/pip

Universal Credit (UC) – Health element

6.5 UC is a monthly payment designed to help Claimants with their daily living costs. A Claimant may be able to claim UC if they are on a low income, out of work or unable to work. When a Claimant makes a claim for Universal Credit, they will be asked if they have either a health condition or a disability which prevents, or limits their ability to work. If they answer `yes` they will be required to undertake a WCA.

www.gov.uk/universal-credit

New Style Employment and Support Allowance

6.6 New Style ESA is a contributory benefit that is paid to an individual fortnightly as a personal allowance. An individual can get New Style ESA on its own or at the same time as Universal Credit. If they apply for and are awarded both benefits, the New Style ESA they are paid will reduce their UC payment by the same amount. All Claimants who are claiming New Style ESA on the basis of a health condition or disability will be expected to undertake a WCA.

www.gov.uk/guidance/new-style-employment-and-support-allowance

Employment and Support Allowance

6.7 New claims to Employment and Support Allowance can no longer be made as this benefit has been replaced by elements of Universal Credit and New Style ESA; however, there are some cases that may require reassessment.

www.gov.uk/employment-support-allowance

Jobseeker's Allowance (JSA) Legacy Based

6.8 There are circumstances under which jobseekers may be entitled to hardship payments where they do not satisfy the job seeking conditions for JSA, or where their JSA has been sanctioned.

https://www.gov.uk/jobseekers-allowance

Industrial Injuries Disablement Benefit (IIDB)

6.9 IIDB can be claimed by an individual who has suffered a physical and/or mental disablement because of an industrial accident or a Prescribed Disease (PD) caused by their work.

6.10 IIDB consists of several elements:

(a) Industrial Injuries Disablement Benefit;

(b) Reduced Earnings Allowance;

(c) Constant Attendance Allowance;

(d) Exceptionally Severe Disablement Allowance;

(e) Industrial Death Benefit;

(f) Unemployability Supplement; and

(g) Retirement Allowance,

provided always that for the purposes of this Agreement, only the Specialist Benefits referred to in Paragraphs (a),(b),(c) and (f) apply and each such benefit is defined in the relevant part of the Service Guidance.

https://www.gov.uk/government/publications/industrial-injuries-disablement-benefits-technical-guidance

Industrial Injuries Disablement Benefit: Eligibility - GOV.UK (www.gov.uk)

https://www.gov.uk/government/organisations/industrial-injuries-advisory-council

Disability Living Allowance (DLA) (Child)

6.11 DLA (Child) is a tax-free extra-costs benefit available to those under the age of 16 who, due to a disability or health condition have mobility issues and/or have needs which are substantially in excess of a child the same age without the disability or health condition.

https://www.gov.uk/disability-living-allowance-children

Disability Living Allowance (DLA) (65+)

6.12 Whilst there are no new claims to DLA from Claimants aged 16 and over, DLA remains in payment to a residual group of Claimants who were in receipt of DLA and aged 65 and over when PIP was introduced in Great Britain in April 2013 and in Northern Ireland in 2016. DLA (65+) helps Claimants with their mobility and/or care needs.

https://www.gov.uk/dla-disability-living-allowance-benefit/your-DLA-claim

6.13 Not Used.

Attendance Allowance (AA)

6.14 AA is a disability benefit for people who are over state pension age and have a disability or health condition severe enough that they require someone to look after them. The benefit helps with the costs that are associated with that care. The benefit is made up of two components, higher and lower rate. To qualify for the lower component, Claimants have to have care or supervision needs during the day or night. To qualify for the higher component, Claimants must have care or supervision

needs for both the day and night. There is a 6 month qualifying period before the benefit can be paid.

https://www.gov.uk/attendance-allowance

6.15 Not Used.

International Pensions and Benefits (IPB)

6.16 International Pensions and Benefits administer pensions and benefits for UK citizens living abroad and for foreign nationals living in the UK.

https://www.gov.uk/international-pension-centre

Veterans UK (previously Service Personnel and Veterans Agency)

6.17 Veterans UK is part of the UK Ministry of Defence (MoD) and is responsible for administering the War Pensions Scheme, the Armed Forces Compensation Scheme and the Armed Forces Pension Scheme.

https://www.gov.uk/government/organisations/veterans-uk

Compensation Recovery Scheme (CRS)

6.18 Under the provisions of the Social Security (Recovery of Benefits) Act 1997, a compensator (the person or organisation that caused an injury, or more usually an insurance company) is required to pay to the Secretary of State for Work and Pensions an amount equivalent to the benefits paid to the injured person as a consequence of the accident, injury or disease for which compensation has been awarded. This is administered by the Compensation Recovery Unit (CRU).

https://www.gov.uk/government/collections/cru

Occupational Health Assessment (OHA)

6.19 The OHA provides information about a person's capabilities in relation to a specific job or occupation.

Other Government Department (OGD) benefits

6.20 There are some benefits that are administered by OGDs. These are:

HMRC – Statutory Sick Pay (SSP)/ Statutory Maternity Pay (SMP)

(a) HMRC is responsible for ensuring employer compliance with the statutory schemes, making formal decisions and managing appeals in the event of a dispute between employees and their employers, and paying an earnings replacement where an employer defaults or is insolvent.

(b) Assessments support decision making in relation to pregnancy related incapacities, employer refusal to pay SSP and repeated short period claims of SSP.

https://www.gov.uk/maternity-pay-leave

https://www.gov.uk/employers-maternity-pay-leave

https://www.gov.uk/statutory-sick-pay

(HMRC) Child Trust Fund (CTF) and Junior Individual Savings Account (Junior ISA)

(c) The CTF and Junior ISA are long-term tax free savings accounts for children. The money in the accounts belongs to the child and usually cannot be accessed until they are 18 years old. If a child is Terminally Ill, early access to the money can be given to an appropriate person.

https://www.gov.uk/child-trust-funds

PART B - FUNCTIONAL ASSESSMENT SERVICE REQUIREMENTS

7 KEY ELEMENTS OF THE OPERATIONAL SERVICES

7.1 The objective and independent assessment of the impact of health conditions and disabilities on Claimants is central to the process of determining entitlement to PIP, UC, ESA and Specialist Benefits. The Supplier shall carry out this assessment and provide information and advice to support the Authority's decision making processes. Without prejudice to Clause 5.3(a) (*Standard of Services*), the Supplier shall ensure that the Operational Services comply with all relevant legislative requirements (including the Regulations) and Authority policy and guidance.

7.2 The requirements set out in this Part B apply to all Assessments, unless otherwise stated.

7.3 The key elements of the Operational Services include:

(a) the consideration of a Claimant's health conditions or disabilities and the impact:

(i) on daily life and mobility **(PIP Only)**; or

(ii) on Work Related Activity **(WCA Only)**;

(b) assessing Claimants against the Assessment Criteria;

(c) the delivery of Face-to-Face Consultations, Telephone Consultations and Video Consultations to support the above Assessments;

(d) the delivery of Paper Based Reviews (PBR) to support the above Assessments;

(e) gathering and consideration of evidence to support the above Assessments, including liaison with relevant organisations to support the provision of Further Medical Evidence (and where necessary, paying appropriate fees for evidence);

(f) the completion of Assessment Reports for all Assessment Types and providing any additional advice required by the Authority;

(g) the return of Assessment Reports and any associated evidence to the Authority;

(h) interpretation and advice to the Authority on clinical/medical evidence;

(i) follow-up liaison with the Authority in relation to Assessments, including the provision of relevant HP expertise as required;

(j) the administration and management of the Operational Services, including scheduling of Consultations, ensuring that Claimants or their Appointee (as the case may be) are notified in accordance with Paragraph 12.7;

(k) the recruitment, training and ongoing support of HPs, including liaison with relevant professional bodies;

(l) the development and maintenance of Core Training and Guidance Material in conjunction with the Authority;

(m) the provision of the Claimant Enquiry Service;

(n) the provision and implementation of the Quality Management Regime;

(o) the provision of Management Information;

(p) liaison and collaborative working with local and national partners, including Claimant Representative Groups, HP bodies and the devolved administrations;

(q) liaison and collaborative working with other FAS Lot Suppliers and other suppliers of similar services; and

(r) liaison and collaborative working with the Authority on any changes to the Operational Services and initiatives to develop and improve the Operational Services.

7.4 The Supplier shall not and shall procure that no Supplier Personnel shall comment upon or offer advice to Claimants about any aspect of the Claimant's medical care, or the potential decision on the claim for PIP, UC, ESA and/or Specialist Benefits.

7.5 The process maps in Annex 1 to this Schedule 2.1 offer a high level view of the processes that will be required to support the Operational Services.

8 ASSESSMENT CHANNELS

8.1 The Supplier acknowledges that another key element of the Operational Services is the delivery channel used to administer Assessments.

8.2 The Supplier shall provide the Operational Services utilising a multi-delivery channel approach. These channels are as follows:

(a) Paper Based Review; and

(b) Consultations, being a Face to Face Consultation (either undertaken in an Assessment Centre room or as a Home Consultation), a Telephone Consultation or a Video Consultation;

8.3 The Supplier shall utilise all of the Assessment Channels to administer Assessments.

8.4 Not Used

8.5 Not Used

8.6 Not Used.

8.7 Not Used.

8.8 Subject always to Paragraphs 8.9, 8.13 and 8.14, it is anticipated at the Operational Service Commencement Date that the Supplier shall administer:

(a) 20% of all Consultations in respect of PIP and WCA only as Face to Face Consultations; and

(b) 80% of all Consultations in respect of PIP and WCA only as Remote Consultations,

(the "**Channel Split**").

8.9 The Supplier's actual performance against its obligations referred to in Paragraph 8.8 shall be assessed by the Authority in respect of each Service Period, provided always that where the Supplier fails to achieve the required Channel Split as a result of intervention by the Claimant (including where the Claimant requests an alternative Assessment Channel following notification of an initial routing decision and/or Fails to Attend) and such intervention is not caused or contributed to by the Supplier, then the Authority (acting reasonably) shall take such matter into consideration when determining the Supplier's performance against its obligations referred to in Paragraph 8.8.

8.10 Following receipt of a Referral (and as contemplated in Paragraphs 10.6 and 10.24(b)), the Supplier shall review all available information and evidence relating to that Referral to determine which Assessment Channel is most appropriate.

8.11 Not Used.

8.12 Subject always to Paragraph 8.8, it is the responsibility of the Supplier to determine the precise Channel Mix at the Operational Service Commencement Date.

8.13 The Supplier shall be responsible for routing Claimants to the appropriate Assessment Channel, provided always that the Supplier shall consider the following in determining which Assessment Channel to route a Claimant:

(a) the clinical and functional condition/s of the Claimant;

(b) whether an Appointee has been appointed, as contemplated by Paragraph 12.8;

(c) HP availability within a geographical range;

(d) without prejudice to Paragraph 12.60, the location of the Claimant's home and reasonable travel to an AC (including the requirements set out Paragraphs 12.12 to 12.14);

(e) digital capability of the Claimant and/or where the circumstances referred to in Paragraphs 12.26 to 12.28 and/or Paragraphs 12.47 and/or 12.48 apply;

(f) HP safety, including as contemplated by Paragraph 12.100; and

(g) if the claim is considered by the Authority to be a Sensitive Case, taking into account the provisions of Paragraph 12.71.

8.14 The Supplier shall offer an alternative Assessment Channel to a Claimant if the Assessment Channel initially allocated is not realistic for the Claimant given their condition and/or circumstances.

8.15 **FOR PIP ONLY**: The Supplier shall complete and return an Initial Routing Form (Action Log) (as such form is contained on the PIP IT System), which will be returned to the Authority with each Assessment Report, providing the reason for the choice of

Assessment Channel and the Supplier shall achieve (or exceed) the Target Performance Level for TPL13 in relation to the initial routing to the correct Assessment Channel in respect of PIP.

8.16 The Supplier acknowledges and agrees that the Authority may require the implementation of a change to the Channel Split by a maximum of 10% in either direction from the Channel Split contemplated as at the Effective Date (such Channel Split being the ratio of 20% Face to Face Consultations to 80% Remote Consultations) and that such change shall not give rise to a Channel Mix Change or a Contract Change.

8.17 The Supplier shall be able to respond flexibly to any emerging evidence that supports a change to the ratio of Face to Face Consultations to Remote Consultations. The Supplier must also be able to adapt its delivery model accordingly based upon this evidence. Whether this evidence indicates increasing the proportion of Face to Face Consultations over Remote Consultations, or the converse, is yet to be determined.

8.18 Subject always to Paragraph 8.16, any further change to the Channel Split shall give rise to a Channel Mix Change to which the provisions of Paragraph 10 of Schedule 8.2 (*Change Control Procedure*) shall apply.

9 ASSESSMENT CRITERIA

9.1 The Supplier shall ensure that Claimants are assessed against the relevant criteria, such criteria ("**Assessment Criteria**") being detailed at:

(a) For PIP:

https://www.gov.uk/government/publications/personal-independence-payment-assessment-guide-for-assessment-providers/pip-assessment-guide-part-2-the-assessment-criteria

(b) For WCA:

https://www.gov.uk/government/publications/work-capability-assessment-handbook-for-healthcare-professionals

(c) For Specialist Benefits: See Jaggaer Data Room – Folder 3 Training and Guidance, sub folder 3.5

Functional Activities and Descriptors

9.2 The Supplier acknowledges that the Functional Activities and Descriptors are based on a Claimant's ability to carry out a series of key activities and the impact of their health conditions and disabilities on this ability. As part of the Assessment, the Supplier shall consider whether a Claimant needs to use aids or appliances to carry out such activities and, in respect of certain activities, whether the Claimant requires support from another person to do so.

9.3 The Supplier acknowledges that:

(a) each activity has a series of descriptors associated with it (each describing a varying level of ability of the Claimant to complete the activity) and that points are

associated with each descriptor, with the highest level of points associated with the lowest level of ability; and

(b) the total points score shall then be used to determine entitlement to the rates of PIP, UC, ESA or Specialist Benefit (as applicable).

9.4 The Supplier shall advise the Authority on which descriptors are appropriate to the Claimant's circumstances, provided always that the Authority Decision Maker shall make the final decision on descriptor choices and on the Claimant's entitlement to PIP, UC, ESA or Specialist Benefit (as applicable).

9.5 The Supplier shall procure that the Assessment takes account of the full range of health conditions and disabilities affecting the Claimant, including physical, sensory, mental, intellectual and cognitive impairments.

Non-functional Descriptors that apply to WCA ONLY

9.6 The Supplier acknowledges that Non-Functional Descriptors are based on a separate set of criteria, in addition to Functional Activities and Descriptors, for example whether the Claimant would be at substantial risk if they were found fit for Work Related Activity. Further information can be found in the Service Guidance.

10 REFERRALS

FOR PIP ONLY

10.1 The Supplier acknowledges that it shall receive Referrals in respect of Claimants who are at various stages in their claim for PIP (including new claims and reassessment cases) and the Supplier's obligations in respect of processing these Referrals will be the same for all stages unless otherwise stated in this Schedule 2.1. The Supplier shall Clear all Referrals in respect of PIP as soon as reasonably practicable following the relevant Referral being made and so as to achieve (or exceed), subject to Paragraph 10.8, the Target Performance Level for TPL2a.

10.2 The Supplier acknowledges that it shall be required to process some Referrals as fast track Referrals (predominantly Referrals for Special Rules End of Life (SREL)), however, there may be a small number of other Referrals that the Authority requests to be fast tracked.

10.3 Not Used.

10.4 The Supplier acknowledges that:

(a) the process for claiming PIP has two parts. The PIP1 form gathers the Claimant's personal details and the PIP2 form gathers information on the Claimant's health conditions, disabilities and the extent to which these affect their daily living and mobility; and

(b) Referrals in respect of PIP will, subject to Paragraph 10.5 and Paragraph 12.67, be initiated by the Authority to the Supplier using the Personal Independence Payment Computer System (PIPCS) once the PIP2 form has been completed and the date and time that such Referral is initiated on PIPCS by the Authority

shall be deemed to be the date and time on which the relevant Referral is made for the purposes of Schedule 2.2 (Performance Levels).

10.5 The Supplier acknowledges and agrees that:

(a) a PIP2 form will not be required for Referrals to be processed under the SREL and the Authority shall initiate a Referral for SREL without the completion of a PIP2 form;

(b) where health conditions or disabilities affecting the Claimant's mental, intellectual or cognitive function have been notified (i.e. additional support cases) and the PIP2 form has not been returned, the Referral will be initiated by the Authority to the Supplier using the Personal Independence Payment Computer System (PIPCS) without the completion of a PIP2 form and the Supplier shall follow the steps detailed at Paragraph 10.6; and

(c) all other claims for PIP in respect of which a PIP2 form has not been returned shall not constitute a Referral for the purposes of this Agreement.

10.6 Upon receipt of the Referral, the Supplier shall conduct an initial review of the evidence held to determine, in accordance with the Service Guidance (PIPAG), whether:

(a) the Assessment for PIP can be completed on the basis of a PBR of the evidence;

(b) Further Medical Evidence is required; and/or

(c) the Referral requires a Consultation.

10.7 The Supplier shall procure that the review referred to in Paragraph 10.6 is undertaken by a HP and that all relevant details in respect of that review (including the evidence used) is captured in the relevant Assessment Report.

Referrals where the Claimant is claiming PIP under the Special Rules End of Life (SREL) provision

10.8 The Supplier shall ensure that all Referrals to be processed under the SREL, or potentially to be processed under the SREL, are handled with priority and dealt with in a way that minimises inconvenience and distress to the Claimant and that such Referrals are Cleared so as to achieve the Target Performance Levels for TPL3a and TPL3b.

10.9 For the avoidance of doubt, the Supplier shall not complete a Consultation for Referrals to be processed under the SREL.

10.10 The Authority shall advise the Supplier via the PIPCS at the point of making the Referral whether such Referral is to be processed under the SREL and additional claim information will be provided to the Supplier, which may include a report from a health professional treating the Claimant.

10.11 The Authority will encourage Claimants (whose claims are to be processed under the SREL) to obtain a SR1 form to support their claim for PIP. This form allows the

Claimant's health professional to give information regarding the terminal illness. Where the Claimant indicates that they have, or will obtain, the SR1, the claim will be held with the Authority until the SR1 is either received or the time limit to wait for it expires, provided always that nothing in this Paragraph 10.11 shall prevent the Authority from initiating a Referral to the Supplier using the Personal Independence Payment Computer System (PIPCS) as contemplated by Paragraph 10.5 in respect of a claim that is to be processed under the SREL.

10.12 If the Supplier is unable to determine whether the claim for PIP is to be processed under the SREL with the evidence available, the Supplier shall attempt to obtain the information required to complete the Assessment as quickly as possible. The Supplier shall obtain this information by a telephone call to an appropriate source, or in exceptional circumstances, the Supplier may issue a written request for FME. In the first instance, the Supplier shall contact a relevant supporting health professional identified by the Claimant or, in exceptional circumstances, shall contact the Claimant, provided always that in respect of a third party claim, the Supplier shall contact the third party, as the Claimant may not be aware of their prognosis.

10.13 In respect of Referrals confirmed to be processed under the SREL, the Supplier shall complete and submit the relevant Assessment Report (PA2) on the PIP IT System, with the supporting details below:

(a) whether the Referral is being processed under the SREL;

(b) the date from which the Claimant was diagnosed as Terminally Ill;

(c) a recommendation as to the appropriate Functional Activities and Descriptors (as referred to in Paragraphs 9.2 to 9.5), where appropriate; and

(d) information justifying the advice.

10.14 The Supplier acknowledges that, following the completion and submission of the relevant Assessment Report (PA2) on the PIP IT System, the Referral to which such Assessment Report relates will be automatically returned to the Authority.

10.15 In respect of Referrals not confirmed to be processed under the SREL, the Supplier shall complete and submit the relevant Assessment Report (PA2) on the PIP IT System, stating that such case has not been confirmed to be processed under the SREL and why it has not been confirmed, and the Referral to which such Assessment Report relates will be automatically returned to the Authority from the PIP IT System.

10.16 Should information come to light at any stage in the Assessment process, which indicates that a Referral should be processed under the SREL, and the Referral has not been made under these provisions, the Supplier shall complete the Assessment in accordance with Paragraphs 10.8 to 10.15.

FOR WCA ONLY

10.17 The Supplier acknowledges that it shall receive Referrals in respect of Claimants who are at various stages in their claim for UC or ESA (including Initial Referrals and Re-Referrals) and the Supplier's obligations in respect of processing these Referrals will be the same unless otherwise defined in this Schedule 2.1. The Supplier further

acknowledges that Referrals in respect of Sensitive Cases may be sent clerically (using the Authority's courier service) or may be made electronically, as described below, but, in either case, a questionnaire (as referred to in Paragraph 10.22) shall be generated. The Supplier shall Clear all Referrals in respect of WCA as soon as reasonably practicable following the relevant Referral being made and so as to achieve (or exceed), subject to Paragraph 10.21, the Target Performance Levels for TPL2b, TPL2c and TPL14 (as applicable to the Referral in question).

10.18 The Supplier shall have access to the appropriate Claimant information from the Authority, which will include relevant personal details and information about the Claimant's disability or illness.

10.19 From the Operational Service Commencement Date, the Supplier shall, subject to Paragraph 10.20, prioritise Initial Referrals (ESA and UC new claim type Referrals) over Re-Referrals at each stage in the process where this is within the Supplier's control, provided always that, without prejudice to the foregoing, the Supplier shall:

(a) ensure that, subject to Paragraph 12.32, Initial Referrals and Re-Referrals are otherwise processed in the date order in which they are Referred; and

(b) not unnecessarily delay the processing and completion of Referrals that are processed as a Paper Based Review.

10.20 The Supplier acknowledges and agrees that there are some Referrals that it must process as soon as they are received, out of date order. Details of Referrals that the Supplier must process out of date order will be detailed by the Authority in the Approved Core Training and Guidance Material.

10.21 The Supplier acknowledges and agrees that there are some Referrals that it must process as a priority and that such Referrals have different timescales from other Referrals, which include Referrals for UC and ESA that are to be processed under the SREL and are to be Cleared so as to achieve the Target Performance Levels for TPL3a and TPL3b.

10.22 The Supplier acknowledges that there are two parts to the evidence gathering process for ESA and UC. The ESA claim form and UC online service gathers personal details and basic information on the Claimant's health conditions and disabilities. A separate questionnaire (the ESA50 / ESA50A / UC50 / UC50A) gathers further information from Claimants on their health conditions and disabilities, and the extent to which the Claimant considers that these affect their daily lives.

10.23 The Supplier acknowledges that:

(a) when making a Referral, the Authority will indicate if the questionnaire referred to in Paragraph 10.22 needs to be issued to a Claimant and the Authority shall procure (unless otherwise directed by the Authority, including in respect of Referrals that are Sensitive Cases) that, where a questionnaire is required, the WCA IT System shall generate the relevant questionnaire, provided always that the Supplier further acknowledges that:

(i) where a Claimant has previously completed a questionnaire but the Assessment in respect of that Claimant was not Cleared (including, in

circumstances of a previous Referral in respect of which the Claimant Failed to Attend and the Authority Decision Maker determined that there was a good reason pursuant to Paragraph 12.32), then such original questionnaire shall be provided to the Supplier as part of the Referral and such Referral shall be deemed (for the purposes of Schedule 2.2 (Performance Levels)) to have been Referred when receipt of such Referral is registered on MSRS by the Supplier pursuant to Paragraph 10.24(a); and

(ii) Referrals in respect of Claimants whose claims are to be processed under the SREL shall not require a questionnaire and such Referral shall be deemed (for the purposes of Schedule 2.2 (Performance Levels)) to have been Referred when receipt of such Referral is registered on MSRS by the Supplier pursuant to Paragraph 10.24(a); and

(b) as at the Effective Date, the questionnaire is usually issued by or on the behalf of the Authority and is a clerical form completed by the Claimant and returned to the Supplier, however, the Authority is in the process of making the information gather an online process and where, following the Operational Service Commencement Date, the information is gathered online, the Authority will make available such information to the Supplier;

(c) the Claimant has 28 calendar days to complete the questionnaire and return such completed questionnaire to the Supplier, unless an extension is agreed solely by the Authority; and

(d) as a minimum, if the questionnaire has not been returned by the Claimant within 21 calendar days of issue, the Supplier shall issue a reminder to the Claimant.

10.24 The Supplier shall:

(a) subject to Paragraph 1(d) of Annex 1 to Schedule 2.2 (Performance Levels), on the Working Day on which the questionnaire referred to above is received from the relevant Claimant (or where no questionnaire is received (as contemplated in Paragraphs 10.23(a)(i), 10.23(a)(ii), 10.26 and 10.27), on the Working Day on which the Referral in question is received (or deemed to have been received (as the case may be)) from the Authority), register the receipt of such questionnaire or Referral (as the case may be) on MSRS and such date and time of registration shall be deemed to be the date and time on which the relevant Referral was made for the purposes of Schedule 2.2 (Performance Levels) only; and

(b) as soon a reasonably practicable following registration of the Referral in question pursuant to Paragraph 10.24(a), undertake an initial Paper Based Review of the Referral to decide the next appropriate steps, which may include completing the Assessment on the information available, gathering FME or scheduling a Consultation, such Paper Based Review to be undertaken by a HP.

10.25 If the Assessment can be completed on the evidence provided as a Paper Based Review, the Supplier shall ensure that the Assessment Report:

(a) identifies all the relevant Functional Activities and Descriptors and Non-Functional Descriptors that apply and provide appropriate prognosis advice;

(b) provides detailed justification for the choice of Functional Activities and Descriptors and Non-Functional Descriptors and advice; and

(c) identifies any FME used and the date of that FME.

10.26 If an ESA50 or UC50 questionnaire (referred to in Paragraph 10.22) is not returned to the Supplier and:

(a) the Authority gives no indication of health conditions or disabilities affecting the Claimant's mental health, the Supplier acknowledges that the Referral shall automatically close on MSRS and the Supplier shall, as soon as reasonably practicable, return any paperwork associated with the case to the Authority and a Referral shall be deemed not to have been made in respect of the Claimant in question for the purposes of Schedule 2.2 (Performance Levels); or

(b) the Authority gives an indication of health conditions or disabilities affecting the Claimant's mental health, then the Supplier shall carry out and complete the Assessment and, notwithstanding that a questionnaire has not been returned, such Referral shall (for the purposes of Schedule 2.2 (Performance Levels)) be deemed to have been Referred on the day that is 30 days from (and including) the date on which the questionnaire contemplated at Paragraph 10.23 is issued to the Claimant.

10.27 If an ESA50A or UC50A questionnaire (referred to in Paragraph 10.22) is not returned to the Supplier, the Supplier may pursue alternative methods of seeking FME and/or make a judgement on the need for a Consultation to complete the Assessment and, notwithstanding that a questionnaire has not been returned, such Referral shall (for the purposes of Schedule 2.2 (*Performance Levels*)) be deemed to have been Referred on the day that is 30 days from (and including) the date on which the questionnaire contemplated at Paragraph 10.23 is issued to the Claimant.

10.28 For Referrals that are to be processed under the SREL, the Supplier shall gather all necessary evidence to complete the Assessment and the Supplier acknowledges and agrees that these Referrals shall not have a Consultation.

10.29 Where a Referral is originally designated to be processed under the SREL and it is subsequently determined that the relevant Claimant is not Terminally Ill, the Supplier shall record such determination on the WCA IT System and the Supplier acknowledges that such Referral shall automatically close and a further Referral shall be generated, which Referral shall be processed by the Supplier in accordance with the applicable provisions of Paragraphs 10.17 to 10.27 (inclusive).

FOR SPECIALIST BENEFITS ONLY

10.30 The Supplier acknowledges that it shall receive Referrals in respect of Claimants who are at various stages in their claim for Specialist Benefits and the Supplier's obligations in respect of processing these Referrals will be the same unless otherwise defined in this Schedule 2.1. The Supplier shall Clear all Referrals in respect of Specialist Benefits as soon as reasonably practicable following the relevant Referral

being made and so as to achieve (or, where applicable, exceed) the applicable Target Performance Levels for the Specialist Benefit in question as referred to in SB2(a) to SB2(t).

10.31 The Supplier shall have access to the appropriate Claimant information from the Authority, which will include relevant personal details and information about the Claimant's disability or illness.

10.32 The Supplier acknowledges and agrees that there are some Referrals in respect of Specialist Benefits that it must process as a priority and that such Referrals have different timescales from other Referrals, in respect of Specialist Benefits, which include Referrals in respect of IIDB, DLA and AA that are to be processed under the SREL.

10.33 The Supplier shall:

(a) subject to Paragraph 1(d) of Annex 2 to Schedule 2.2 (Performance Levels), on the Working Day on which the Referral in question is received from the Authority, register the receipt of such Referral on the SMART system and such date and time of registration shall be deemed to be the date and time on which the relevant Referral was made for the purposes of Schedule 2.2 (Performance Levels) only; and

(b) as soon as reasonably practicable following registration of the Referral in question pursuant to paragraph 10.33(a), undertake a review of the Referral to decide the next appropriate steps, which may include completing a Paper Based Review, gathering FME or scheduling a Consultation.

11 FURTHER MEDICAL EVIDENCE (FME)

11.1 The Supplier acknowledges that FME may be required to support the advice given to the Authority.

11.2 Claimants will be encouraged by the Authority to provide supporting evidence, where available.

11.3 The Supplier shall be responsible for (i) identifying whether any FME is needed to help carry out an Assessment and/or to give advice to the Authority in relation to that Assessment and (ii) gathering such FME, including progress chasing and, where applicable, paying for such FME in accordance with Annex 3 to Schedule 7.1 (*Charges and Invoicing*).

11.4 The Supplier shall gather any FME, if required in accordance with the Service Guidance. The Supplier acknowledges that a common source of FME will be a General Practitioner Factual Report, but that the Claimant may also be able to identify other relevant sources to provide FME and/or to provide greater context, including hospital doctors, community psychiatric nurses, district nurses and social workers. The Supplier may also contact the Claimant to obtain further details of potential sources of FME.

11.5 Not Used.

11.6 Not Used.

11.7 Not Used.

11.8 Not Used.

11.9 Not Used.

11.10 Not Used.

Provision of FME

11.11 The Supplier acknowledges that the Authority will provide the forms that shall be used by the Supplier to obtain FME and the Supplier confirms that it will assist the Authority with the ongoing development and implementation of these forms.

11.12 **FOR PIP ONLY**: Where FME is requested to be provided in writing, the Supplier shall include a pre-paid envelope for the person(s) providing the FME to return the FME to the Supplier via the Authority's Mail Opening Unit (MOU) and the Supplier acknowledges that a task will be generated within PIPCS to advise the Supplier of its return.

11.13 **FOR SPECIALIST BENEFITS ONLY**: Where FME is requested by the Supplier, it will be returned to the Supplier by the source. For clarity, this means that FME may not be received by the Authority until the Assessment process has been completed.

11.14 **FOR WCA ONLY:** All requested FME will be returned by Business Reply Envelope (BRE) to the Mail Operating Unit (MOU) and will be scanned and made available to the Supplier via the Enterprise Content Management System (ECMS).

11.15 Where the Supplier is unable to obtain any missing relevant information or obtain FME, or where the FME is insufficient to allow the Supplier to give the required advice to the Authority, it will make all necessary arrangements to complete a Consultation.

11.16 Where the Claimant brings FME to their Consultation at an Assessment Centre, and consents to its use in connection with the Assessment, the Supplier shall comply with the Service Guidance and where possible take copies of such FME while the Claimant is still present, and then shall return the original material to the Claimant and shall forward a copy to the Authority once the Assessment is complete.

11.17 Where the Claimant provides FME at a Consultation undertaken as a visit to that Claimant and consents to its use in connection with the Assessment, the Supplier shall note (in writing) all relevant information relating to that FME, including the type of FME, the date of such FME and the body responsible for producing the FME and shall issue a pre-paid envelope to the Claimant.

11.18 Where the Claimant provides FME at a Telephone Consultation or a Video Consultation, the Supplier shall ask the Claimant to post the FME to them. If the Claimant is unwilling to pay the postage cost, the Supplier shall send a pre-paid envelope to the Claimant.

11.19 Not used.

11.20 The Authority may, exceptionally, require the Supplier to obtain a specific piece of FME.

11.21 The Supplier shall implement processes and procedures to identify and report to the Authority details of GP Practices which repeatedly fail to return General Practitioner Factual Reports and/or who fail to complete them to the required standard.

12 CONSULTATIONS

12.1 The Supplier acknowledges that a Consultation gathers information about the effects of a Claimant's health condition(s) or disability/disabilities, in order to inform the Assessment and subsequent advice to the Authority.

12.2 The Supplier shall undertake a Consultation:

(a) if the Service Guidance states that a Consultation must be undertaken;

(b) if there is insufficient evidence to complete the Assessment and the Service Guidance states that a Consultation may be carried out; and/or

(c) at the Authority's request.

12.3 Not Used.

12.4 The Supplier shall be responsible for every aspect of the scheduling and management of Consultations (including as contemplated at Paragraph 8.13 and contacting the Claimant to arrange an appointment for the relevant Consultation), provided always that the Supplier acknowledges and agrees that its decision to allocate an Assessment to a particular Assessment Channel shall be subject to Authority audit and, in the case of Assessments in respect of PIP only, allocation decisions shall be subject to the provisions of Paragraph 8.15.

12.5 Subject always to Paragraphs 8.13, 8.16 and 8.17, the Supplier shall be responsible for determining the type of Consultation that is appropriate, being a:

(a) Face to Face Consultation at an Assessment Centre;

(b) Telephone Consultation;

(c) Video Consultation; or

(d) Home Consultation.

12.6 The Supplier shall consider whether the Consultation should be conducted by a HP from a specific profession or a HP with particular skills, as referred to in Paragraph 31.

Scheduling

12.7 Subject to paragraph 50.57, the Supplier shall give at least 7 calendar days' notice to Claimants or their Appointee of the time and place at which any Consultation will take place unless the Claimant has agreed to shorter notice. This notification can be issued electronically, provided that all relevant information (including such information as is referred to in Paragraphs 12.9 and 12.10) is included. For postal notifications, first class post or equivalent must be used. For postal notifications this means the

notice period starts on the second Working Day after the letter was posted and ends on the day before the Consultation is to take place.

12.8 The Supplier shall ensure that where an Appointee has been nominated to represent the Claimant, notification of a Consultation shall only be sent to the Appointee and the Appointee must attend the Consultation with the Claimant, provided always that the Supplier shall procure that, in such circumstances, the relevant HP shall make every effort to obtain evidence in order to conduct a PBR in place of a Consultation.

12.9 The Supplier shall ensure that the notice issued to a Claimant (or their Appointee (as the case may be)) in respect of an appointment for a Consultation shall include a range of supportive information for the Claimant (and/or the Appointee (as the case may be)) to help increase attendance, including (as applicable):

(a) the type of Consultation;

(b) the time, date and location of the Consultation;

(c) an explanation of the purpose of the Consultation;

(d) the options for claiming expenses;

(e) information about the location of the Consultation, including clear directions;

(f) information on how Telephone Consultations and Video Consultations will be conducted;

(g) information to support Claimants (and/or their Appointee (as the case may be)) with a Video Consultation, including how to access and attend the Video Consultation;

(h) information to support Claimants (and/or their Appointee (as the case may be)) with a Telephone Consultation, including what will happen if they miss the call and advice that the number may appear as being withheld;

(i) the Claimant Enquiry Service contact telephone number for the Claimant (and/or their Appointee (as the case may be)) to use if they have any questions or issues; and

(j) information to ensure that the Claimant (and/or their Appointee (as the case may be)) is aware that they can make a request to have the Consultation audio-recorded. (PIP AND WCA ONLY).

12.10 The Supplier shall also ensure that the notice referred to in Paragraph 12.9 shall require the Claimant (and/or their Appointee (as the case may be)) to notify the Supplier of any Additional Requirements, that they may have for the Consultation, at least 48 hours prior to the Consultation.

12.11 Without prejudice to the Supplier's obligations under Paragraphs 12.7 to 12.10, the Supplier shall use additional methods to enhance the Consultation appointment communications process and help to increase attendance at Consultations, including text messages and/or courtesy calls from the AC receptionist/site manager and/or the relevant HP the day before the Consultation appointment.

12.12 The Supplier shall ensure that Claimants can attend a Face to Face Consultation within 90 minutes from their home by public transport (one way) for a Consultation, provided always that the Supplier acknowledges that this limit is an absolute maximum and the Supplier shall ensure that only a small minority of Claimants will have to make a journey of the maximum 90 minutes' duration.

12.13 The Supplier shall ensure that, subject to Paragraph 12.14, where a Claimant's journey would exceed 90 minutes by public transport (one way), an alternative Assessment Channel should be considered in respect of that Claimant.

12.14 If a Face to Face Consultation is required and the Claimant's journey would be more than 90 minutes by public transport (one way), the Supplier should consider providing a taxi as an alternative to a Home Consultation, where this would offer better value for money i.e. the Claimant's expenses are lower than the operational costs of a HP attending for a Home Consultation.

Claimant Enquiry Service

12.15 The Supplier shall provide an enquiry service for Claimants relating to the elements of the Assessment for which the Supplier is responsible[1] ("**Claimant Enquiry Service**"). The Supplier shall use the Authority Contact Centre platform as the technology solution for this service. The Supplier shall also consider alternative methods to facilitate contact, including online services.

12.16 The Supplier shall ensure that the Claimant Enquiry Service shall be available on each day, Monday to Friday, from 8am to 8pm and Saturday from 9am to 5pm as a minimum and that all calls made to the Claimant Enquiry Service shall be audio recorded.

12.17 The Supplier shall ensure that all Claimants and their representatives shall be able to access the Claimant Enquiry Service.

12.18 The Supplier may request changes to the operating hours of the Claimant Enquiry Service for a particular date, provided that such request is made to the Authority no later than 3 weeks prior to the requested date. For example, if the Supplier requests to change the operating hours immediately prior to the Christmas bank holidays, the Authority must be given sufficient time to approve the request and by no later than the end of November.

12.19 The Supplier shall meet the response times for calls as set out in each of Performance Levels TPL7a, TPL7b, SB7a and SB7b (as applicable to the relevant part of the Operational Services) and so as to achieve (or exceed) the Target Performance Levels for TPL7a and TPL7b or SB7a and SB7b (as applicable to the relevant part of the Operational Services in question).

12.20 The Supplier shall ensure that, without prejudice to Paragraph 12.17, telephone enquiry services can be accessed by the Claimant and their representatives on the freephone number agreed with the Authority as part of the Authority Contact Centre

[1] Performance Levels TPL7a/TPL7b/SB7a/SB7b and the definition of Claimant Enquiry Service will be subject to review/finalisation, based on the solution for the Claimant Enquiry Service provided by the winning Bidder for the relevant Lot.

Platform and where Claimants and/or their representatives call from devices that are unable to access Freephone numbers, they shall be notified at the beginning of the call if they are to be charged at their network rate.

12.21 For the avoidance of doubt, the Claimant Enquiry Service referenced in the above Paragraphs encompasses the enquiry services for Claimants relating to the elements of the Assessment for which the Supplier is responsible. The Supplier shall also provide a telephony service for providing advice to the Authority (the requirements of which are detailed in Paragraph 15) and the Clinical Enquiry Service.

12.22 **FOR WCA ONLY**: The Supplier shall ensure that the Claimant Enquiry Service shall also deliver (on Working Days) a questionnaire support line service offering support to Claimants and their representatives in completing the forms ESA50 or UC50, including providing clarification in respect of questions included in the forms as well as offering an over-the-phone form completion service. The Supplier shall monitor and report to the Authority performance of the questionnaire support line, as detailed in Schedule 2.2 (*Performance Levels*).

12.23 The Supplier shall direct the Claimant to the Authority's enquiry service for any enquiry not related to the Assessment process provided by the Supplier.

Claimant Unable to Attend Consultation

12.24 Where the Claimant (or their representative) contacts the Supplier in advance to advise that they are unable to attend the appointment for their first Consultation (or the Claimant does not attend their first Consultation), the Supplier shall offer the Claimant a further appointment for a Consultation, provided always that the Supplier acknowledges and agrees that:

(a) the Claimant may cancel an appointment for a Consultation at any point before the scheduled start time for that Consultation; and

(b) where the circumstances in Paragraphs 12.26 to 12.28 apply, such circumstances shall not be regarded as the Claimant notifying the Supplier that they are unable to attend their appointment for a Consultation for the purposes of this Paragraph 12.24 and Paragraph 12.25.

12.25 **FOR PIP AND WCA ONLY**:

(a) Where the Claimant (or their representative) contacts the Supplier on a second occasion to advise that they are unable to attend their appointment for a Consultation, the Supplier shall advise the Claimant (or their representative (as the case may be)) that they must attend and their appointment for that Consultation will be left open. If the Claimant does not attend the second appointment for a Consultation (whether or not the Claimant in question has advised the Supplier that they are unable to attend that second appointment) ("**Failed to Attend**"), the Supplier shall follow the process in Paragraphs 12.29 to 12.34, provided always that the Supplier acknowledges and agrees that where the circumstances in Paragraphs 12.26 to 12.28 apply, such circumstances shall not be regarded as the Claimant notifying the Supplier that they are unable to attend their appointment for a Consultation for the purposes

of this Paragraph 12.25. The Supplier should note that the exception to this is if the Claimant wishes to schedule an appointment for a Consultation ahead of their scheduled appointment time for that Consultation and this request can reasonably be accommodated by the Supplier.

FOR SPECIALIST BENEFITS ONLY:

(b) The Supplier acknowledges that the Unable to Attend procedures (as such phrase is defined in the relevant part of the Service Guidance) are detailed in the relevant part of the Service Guidance and the Supplier shall comply with such Unable to Attend procedures in the performance of the Specialist Benefit Services. Where the Supplier has complied with such Unable to Attend procedures, the Supplier shall follow the process in Paragraphs 12.29 to 12.33, provided always that the Supplier acknowledges and agrees that where the circumstances in Paragraphs 12.26 to 12.28 apply, such circumstances shall not be regarded as the Claimant notifying the Supplier that they are unable to attend their appointment for a Consultation for the purposes of the Unable to Attend procedures.

Consultation Type Not Appropriate

12.26 If the Claimant (or their representative) notifies in advance of the scheduled appointment time for their Telephone Consultation or Video Consultation that:

(a) they have no access to the correct device for a Telephone Consultation or a Video Consultation (as the case may be), the Supplier shall arrange a further appointment using an alternative Assessment Channel; or

(b) due to their health conditions and/or disabilities, they do not believe that a Telephone Consultation or Video Consultation would be appropriate, the Supplier shall consider such circumstances in accordance with the relevant part of the Service Guidance and (where applicable in accordance with such Service Guidance) arrange a further appointment using an alternative Assessment Channel,

in each case, taking into account the requirements of Paragraph 8.13.

12.27 If the Claimant (or their representative) notifies in advance of the scheduled appointment time for their Telephone Consultation or Video Consultation that they do not have a private or suitable area for a Telephone Consultation or a Video Consultation (as the case may be), the Supplier shall arrange a further appointment using an alternative Assessment Channel taking into account the requirements of Paragraph 8.13.

12.28 If the Claimant (or their representative) notifies in advance of the scheduled appointment time for their Video Consultation that they do not have access to the internet or have data usage issues, the Supplier shall advise them of the availability of expenses to cover data costs or arrange a further appointment using an alternative Assessment Channel taking into account the requirements of Paragraph 8.13.

Claimant Fails to Attend (FTA)

12.29 The Supplier acknowledges that a Claimant's entitlement to PIP, UC, ESA or Specialist Benefits (as the case may be) may be affected by non-attendance at a Consultation. Where the Claimant Fails to Attend:

(a) **FOR PIP ONLY**: the Supplier shall return the Referral to the Authority (including updating the PIP IT System) and complete a report detailing the contact history and the date and time at which such report is submitted to the Authority shall be deemed to be the completion of the Referral for the purposes of Schedule 2.2 (*Performance Levels*). The Authority will contact the Claimant (where appropriate) asking for an explanation for non-attendance;

(b) **FOR WCA ONLY**: the Supplier shall return the Referral to the Authority (including updating MSRS) and the date and time at which such Referral is returned to the Authority shall be deemed to be the completion of the Referral for the purposes of Schedule 2.2 (*Performance Levels*). **FOR ESA ONLY:** The Supplier shall issue a letter on behalf of the Authority to the Claimant asking for an explanation for non-attendance; and

(c) **FOR SPECIALIST BENEFITS ONLY**: the Supplier shall return the Referral to the Authority (including updating the SMART system) and the date and time at which such Referral is returned to the Authority shall be deemed to be the completion of the Referral for the purposes of Schedule 2.2 (*Performance Levels*),

provided always that the Supplier acknowledges that where the circumstances in Paragraphs 12.26 to 12.28 apply, such circumstances shall not be regarded as a Failure to Attend for the purposes of this Paragraph 12.29.

12.30 The Supplier shall attempt to contact a Claimant attending a Telephone Consultation a minimum of 3 times over a reasonable period of time before a Claimant is considered to have Failed to Attend.

12.31 For clarity:

FOR PIP AND WCA ONLY:

(a) a Claimant can only Fail to Attend once before the Referral is returned to the Authority. The requirement to return the Referral after one Failure to Attend applies to all Consultations (Face to Face Consultation at an AC, a Home Consultation, a Telephone Consultation and a Video Consultation), provided that such Consultations are conducted in accordance with Paragraph 12.25(a).

FOR SPECIALIST BENEFITS ONLY:

(b) the Failed to Attend procedures are detailed in the relevant part of the Service Guidance.

12.32 The Supplier acknowledges that the Authority Decision Maker will consider the reasons for the Claimant's Failure to Attend and if the Authority accepts there was a

good reason for such Failure to Attend, the Supplier shall be required to complete the Assessment as a new Referral.

12.33 The Supplier shall, using Claimant and operational research, implement activities that will minimise the number of Claimants that do not attend Consultations and/or Fail to Attend.

12.34 **FOR WCA ONLY**: For the purpose of the Authority, on behalf of the Supplier, sending reminder text messages to Claimants in respect of their scheduled appointment for a Consultation, the Supplier shall supply the Authority with files of appointments scheduled for each day, including the Claimants' telephone number, time, date and location of their appointment. The Authority shall procure that the WCA IT Provider sends to the Supplier the relevant data file to allow the Supplier to comply with this requirement.

Attendance at a Consultation

12.35 The Supplier shall ensure that Claimants who arrive on time to the appointment for their Consultation are seen within the applicable timescales specified in Schedule 2.2 (*Performance Levels*) and so as to achieve the Target Performance Levels for TPL5a and TPL5b or SB5a and SB5b (as applicable to the relevant part of the Operational Services in question).

12.36 Where a Claimant arrives late to the appointment for their Consultation, the Supplier shall make reasonable attempts to complete the Consultation on that day or offer a mutually acceptable alternative Consultation appointment and the Supplier shall give written notice to the Claimant of the time of that appointment later that day or that alternative Consultation appointment (as the case may be).

12.37 Where a Claimant is sent home due to a short notice cancellation of their appointment for a Consultation, the Supplier shall make reasonable attempts to offer a mutually acceptable alternative Consultation appointment and shall give written notice to the Claimant of that alternative Consultation appointment.

12.38 The Supplier shall ensure that no more than the percentage of Claimants specified in Performance Levels TPL4a and TPL4b or SB4a and SB4b (as applicable to the relevant part of the Operational Services) who attend appointments for their Consultations are sent home due to a short notice cancellation of their Consultation, provided always that this shall not include Claimants arriving late to an appointment for their Consultation or who are not able to take part in a Face to Face Consultation.

12.39 The Supplier shall ensure that Claimant's expectations are managed if the HP is late for an appointment for a Consultation and, in such circumstances, the Supplier shall permit the Claimant to choose to either reschedule their appointment or to continue with that appointment.

12.40 The Supplier shall use all reasonable endeavours to support Claimants through their Telephone Consultation or Video Consultation. If the Claimant is unable to complete the Telephone Consultation or Video Consultation, the Supplier shall offer a further appointment (reasonably acceptable to the Claimant) to complete the Consultation and if the Claimant Fails to Attend that further Consultation, the Supplier shall return

the Referral to the Authority and the date and time at which such Referral is returned to the Authority shall be deemed to be the completion of the relevant Referral for the purposes of Schedule 2.2 (*Performance Levels*).

12.41 The Supplier shall procure that the HP completes (and record details of) Claimant identification verification checks (in accordance with the Supplier's identification check guidance referred to in Paragraph 12.42) prior to any Consultation taking place. Where the HP is unable to confirm the Claimant's identity (having used all reasonable endeavours to do so), the Supplier shall not undertake the Consultation and shall offer a further appointment (reasonably acceptable to the Claimant) to complete the Consultation, provided always that where the HP is unable to confirm the Claimant's identity (having used all reasonable endeavours to do so) at such subsequent Consultation, the Supplier shall not undertake the Consultation and the Referral shall be returned to the Authority with an update report and the date and time at which such Referral is returned to the Authority shall be deemed to be the completion of the Referral for the purposes of Schedule 2.2 (*Performance Levels*).

12.42 The Supplier shall ensure that its identification verification check guidance issued to HPs shall align with the relevant part of the Service Guidance.

12.43 The Authority shall provide guidance on identity verification requirements and processes, but the expectation is that HPs shall review and record evidence seen from a prescribed list of appropriate evidence.

Carrying out a Consultation

12.44 The Supplier acknowledges that the purpose of a Consultation is to gather information about the effects of a Claimant's health condition(s) or disability/disabilities, in order to inform the Assessment and subsequent advice to the Authority.

12.45 Unless otherwise agreed by the Authority, the Supplier shall ensure that its HPs allocate preparation time prior to each Consultation.

12.46 The Supplier acknowledges that the Authority is not placing targets on the length of time the Consultation should last and the Supplier shall ensure that such Consultation is carried out for as long as is necessary to reach evidence-based conclusions on an individual basis.

12.47 Where technical issues prevent a Video Consultation from taking place or prevents the Consultation from being completed, the Consultation will be converted to a Telephone Consultation, provided that this is appropriate for the Claimant and they agree. If a Telephone Consultation is not appropriate, the Supplier shall, subject to Paragraph 8.13, arrange a further appointment for the most appropriate Consultation. If the Claimant wants to continue with a Video Consultation, then the Supplier shall arrange a further appointment for that Video Consultation.

12.48 If a second Video Consultation is unsuccessful, the Supplier shall, subject to Paragraph 8.13, arrange a further appointment with an alternative Consultation type.

Observers

12.49 The Supplier acknowledges that observations form part of the Authority's holistic approach to assuring the quality and procedural delivery of Assessments.

12.50 The Supplier acknowledges and agrees that the Authority or the Authority's representatives will have a right to observe any Consultation between a Claimant and an HP (regardless of location) at any time, subject to the Authority giving reasonable notice to the Supplier and the Supplier obtaining the relevant Claimant's consent on behalf of the Authority, which the Supplier shall use all reasonable endeavours to obtain.

12.51 The Supplier shall be required to demonstrate to the Authority, in review meetings pursuant to Paragraph 5.14(e) of Schedule 8.1 (*Governance*), how any feedback from clinical observations has been acted upon and, without prejudice to the Supplier's obligations elsewhere in this Schedule 2.1 in respect of the submission of Assessment Reports to the Authority, the Supplier shall ensure that all Assessment Reports relating to Referrals that have been subject to clinical observations will be made available to the Authority's Representative.

Claimant Expenses

12.52 The Supplier shall pay all Claimants' travel and other expenses within 10 Working Days (and so as to achieve the Target Performance Level for TPL12 or SB12 (as applicable to the relevant part of the Operational Services in question)) when they attend a Consultation in line with the Authority's policy as follows:

(a) travel by public transport based on the cheapest reasonable return fare;

(b) travel by private motor vehicle (i.e. car, van, motorcycle) paid at the appropriate standard mileage rate as defined by the Authority (currently 25p a mile). Travel by bicycle is not reimbursable and should not feature in Claimant documentation issued by the Supplier, such as expense claim documentation;

(c) taxi fares where prior approval has been given by the Supplier in line with the relevant part of the Service Guidance:

(i) if public transport is not available;

(ii) if travel by public transport would take over 90 minutes and paying taxi fares is better value for money than a Home Consultation (i.e. the Claimant's expenses are lower cost than the operational costs of a HP attending for a Home Consultation, as referred to in Paragraph 12.14);

(iii) the Claimant is unable to use public transport (for example, people with mobility issues); or

(iv) if the Claimant did not seek prior approval, and it is clear that the Claimant required a taxi to attend the Face to Face Consultation;

(d) other expenses: miscellaneous costs incurred, such as parking and bridge tolls, and congestion charges. These costs will only be met if they relate to the journey to or from the Consultation. Other costs such as loss of earnings will not be met;

(e) fares of a companion or carer, or young children who would otherwise be left unattended; and

(f) data usage costs for Video Consultations.

12.53 The Supplier acknowledges that any public transport tickets or taxi receipts should be produced by the Claimant to validate the claim. If a ticket or receipt cannot be produced, or has been lost, then the Supplier shall make payment to the Claimant of the relevant expenses, provided that the claim seems reasonable. The Supplier shall not be required to routinely provide the Authority with the tickets and/or receipts to support the payment of Claimant expenses, provided always that the Supplier shall retain such tickets and receipts for at least 6 years (or as otherwise advised by the Authority for audit purposes and/or if requested by the Authority in relation to post payment validation activity).

12.54 The Supplier acknowledges that, to support Claimants undertaking a Video Consultation, reimbursement for data usage costs will be available for those Claimants who do not have access to unlimited data, provided always that the Supplier acknowledges that it shall not offer to reimburse such costs proactively and shall only offer to reimburse such costs following Claimant request and/or in the circumstances referred to in Paragraph 12.28.

12.55 The Supplier shall pay Claimants' expenses when they attend a Video Consultation in line with the relevant part of the Service Guidance.

12.56 The Supplier shall manage the payment of expenses to standards which will involve but not be limited to:

(a) the collection of all relevant information to enable payment, including bank account details;

(b) ensuring complete accuracy in all payments of expenses;

(c) providing an effective system to pay and monitor all expenses payments with appropriate audit trails;

(d) providing relevant, accurate and timely management information in respect of Claimant expenses, such management information to form part of the Management Information; and

(e) making any payments properly due, following receipt of a correctly completed and documented application, within 10 Working Days of receiving the application.

12.57 If the Authority advises changes to the rates of expenses payable to Claimants (and/or their companions and/or representatives), the Supplier shall update these rates within 30 days of being notified and shall apply such rates on and from such date as the Authority may specify in the relevant notification.

12.58 The Supplier shall issue a notification to the Claimant (and/or companion or representative (if appropriate)) once payment has been issued. The Supplier shall issue a rejection notice if payment is not appropriate.

12.59 The Supplier shall procure that provision is made for payment of expenses to Claimants (and/or their companion or representative (if appropriate)) who do not have access to a bank account for BACS payments.

Home Consultation

12.60 The Supplier shall undertake a Face to Face Consultation at the Claimant's home, their place of residence (such as a hospital) or their place of work (a "**Home Consultation**") on the following occasions:

(a) at the Authority's request;

(b) when the Supplier considers it to be appropriate, after taking into consideration the information detailed in Paragraph 8.13;

(c) at the Claimant's request, if supported by an appropriate health condition or disability as determined by the Supplier;

(d) at the Claimant's request, for WCA Assessments where the Claimant insists on a Home Consultation; or

(e) if it would take the Claimant more than 90 minutes to travel by public transport to the Assessment Centre and a Home Consultation represents better value for money than paying for a taxi (i.e. the Claimant's expenses are higher cost than the operational costs of a HP attending for a Home Consultation), provided always that an alternative Consultation type is not appropriate.

12.61 The Supplier may also undertake additional Home Consultations for business reasons at its discretion.

12.62 **FOR PIP ONLY**: The Supplier shall procure that when carrying out Home Consultations HPs are at all times equipped with all portable equipment necessary (according to Good Industry Practice) for the specific requirements of each Home Consultation in accordance with this Agreement. Such portable equipment must include, as a minimum, but not be limited to, a:

(a) Snellen's Chart and reading chart;

(b) tape measure; and

(c) peak flow meter (with normal values chart for age, sex and height).

12.63 **FOR WCA ONLY**: The Supplier shall procure that when carrying out Home Consultations HPs are at all times equipped with all portable equipment necessary (according to Good Industry Practice) for the specific requirements of each Home Consultation in accordance with this Agreement. Such portable equipment must include, as a minimum, but not be limited to, a:

(a) sphygmomanometer;

(b) Snellen's Chart and reading chart;

(c) tendon hammer;

(d) tuning fork;

(e) stethoscope;

(f) tape measure; and

(g) peak flow meter (with normal values chart for age, sex and height).

12.64 Not Used.

12.65 Not Used.

12.66 Not Used.

12.67 Not Used.

12.68 Not Used.

12.69 Not Used.

Sensitive Cases

12.70 The Supplier acknowledges and agrees that:

(a) a small number of Referrals are considered by the Authority to be sensitive cases and the Authority shall determine (and notify to the Supplier) which Referrals are to be treated as "**Sensitive Cases**" for the purposes of this Agreement, but which, for the avoidance of doubt, shall include Special Case Records and Miscarriages of Justice (each as referred to in the relevant part of the Service Guidance); and

(b) Sensitive Cases are subject to a higher level of security than other cases and they must (unless Referred electronically by the Authority pursuant to Paragraph 10.17) be dealt with clerically (on a non-electronic basis) by both the Authority and the Supplier and in accordance with the relevant part of the Service Guidance.

12.71 The Supplier shall also ensure that:

(a) Sensitive Cases shall be administered by named individuals within the Supplier's organisation only in accordance with the relevant part of the Service Guidance; and

(b) Consultations for Sensitive Cases shall be completed as a Home Consultation, unless the Claimant requests a Consultation at an Assessment Centre or the Supplier (acting reasonably) determines that the connection to be utilised to conduct a Telephone Consultation or Video Consultation (as the case may be) is secure.

Additional Requirements

12.72 The Supplier shall meet any reasonable request from Claimants who advise, with at least 48 hours' notice (not including weekends) prior to the scheduled appointment

time for their Consultation, that they have an additional requirement for their Consultation, such additional requirements shall include:

(a) providing a same sex Health Professional to undertake the Consultation;

(b) making reasonable adjustments; and/or

(c) providing an interpreter, provided always that where the Supplier uses the services of an interpreter that is not physically present at the location where the Consultation takes place, the Supplier shall ensure that such interpreter (and (where applicable) any person and//or entity that employs or engages such interpreter) shall be based within the United Kingdom,

("**Additional Requirements**"). For clarity, this does not include condition-specific HP requests. The Supplier's performance in respect of meeting Claimant requests for Additional Requirements shall be measured pursuant to each of Performance Levels TPL11 and SB11 (as applicable to the relevant part of the Operational Services) and the Supplier shall achieve (or exceed) the Target Performance Level for TPL11 or SB11 (as applicable to the relevant part of the Operational Services in question).

12.73 Where Additional Requirements requested by the Claimant cannot reasonably be accommodated or are identified on the day of the appointment for the Consultation and cannot reasonably be accommodated, the Supplier shall not undertake the Consultation and shall:

(a) arrange a mutually agreeable alternative Consultation appointment with the Claimant for a date and time when the Supplier can meet the Additional Requirement; and

(b) give written notice of that alternative Consultation appointment to the Claimant.

12.74 The Supplier acknowledges and agrees that:

(a) Claimants have a right to be accompanied to a Consultation by a companion, if they wish to do so, and the Supplier shall procure that:

(i) the Claimant is permitted to be accompanied by any such companion, including during the Consultation itself; and

(ii) HPs allow a companion to contribute during the Consultation (and shall record any evidence that they provide),

and the Supplier acknowledges that the relevant part of the Service Guidance sets out the role that the Authority would like the companion to play in supporting the Claimant (and the Supplier shall (and shall procure that its HPs shall) facilitate the carrying out of such role by the companion); and

(b) Claimants have a right to request an acceptable chaperone to be present during the Consultation and the Supplier shall provide such chaperone and record the presence and name of such chaperone.

12.75 Not Used.

12.76 Not Used.

12.77 Not Used.

12.78 Not Used.

12.79 Not Used.

12.80 Not Used.

Communication with Claimants

12.81 The Supplier shall implement alternative methods for communicating with Claimants, including digital methods wherever possible.

12.82 The Supplier shall ensure that all communications are directed to the appropriate person, either the Claimant or an Appointee where one exists or third parties (where consent has been granted). The Supplier acknowledges that the Authority shall determine whether the Claimant requires an Appointee and if the Authority decides that an Appointee is required, appropriate details of the Appointee will be shared with the Supplier.

12.83 Without prejudice to the Supplier's obligations elsewhere in this Agreement in respect of recording, maintaining and/or reporting Management Information, the Supplier shall keep a record of the full contact and appointment history with the Claimant, or their representative (including an Appointee) if appropriate, and shall make this available to the Authority, including when the Referral is returned to the Authority and such records shall be deemed to form part of the Records for the purposes of Schedule 8.4 (*Management Information and Records Provisions*).

12.84 The Authority will share the Claimant's preferred method of contact where known and the Supplier shall wherever reasonable use this method to communicate with the Claimant. The Authority shall also, where known, share any requirements for alternative formats, such as Braille, and the Supplier shall use this format to communicate with the Claimant.

12.85 The Supplier shall provide, on request, materials in alternative formats to meet the needs of Claimants with a wide range of disabilities and health conditions in line with the Equality Act 2010 and the Disability Discrimination Act 1995, including the provision of large font material, Braille, Easy Read, large print, audio and foreign language translations.

12.86 The Supplier shall provide materials in ethnic minority languages available on request.

12.87 The Supplier shall, in accordance with (amongst others) The Equality Act 2010 (Disability) Regulations 2010, make appropriate provision to communicate with Claimants who are deaf, who have partial hearing or who have a speech impediment and/or who do not speak English or Welsh, ensuring they have full access to the Operational Services.

12.88 The Supplier shall work with the Authority and, if approved by the Authority, with Claimant Representative Groups, to develop communication and/or other products to be issued to Claimants in connection with the Operational Services.

Unexpected findings

12.89 The Supplier shall, in accordance with the relevant part of the Service Guidance, ensure that if a HP identifies a medical condition that is unknown to the Claimant or the appropriate external health care professional, details of such medical condition shall be communicated urgently to the appropriate external health care professional, taking into account the relevant consent issues referred to in such Service Guidance.

Safeguarding

12.90 The Supplier shall comply with the safeguarding guidance, as contained within the relevant part of the Service Guidance.

Un-cooperative Claimants due to a Medical Condition

12.91 If the behaviour of the Claimant is abnormal, due to a medical condition (for example alcohol misuse or mental health problems) the Supplier shall use reasonable attempts to ensure that the Consultation is completed to the extent that allows advice to be given to the Authority Decision Maker without causing distress to the Claimant.

12.92 The Supplier shall provide the Authority with information on why the Claimant was uncooperative if the Assessment cannot be completed.

Unacceptable Claimant Behaviour (UCB)

12.93 The Supplier acknowledges that, while the Authority has a legal responsibility to process claims from all members of the public, some of the Claimants, or members of the Claimant's family, that the Authority deals with are classified as demonstrating UCB. This could be someone who threatens or carries out violence against a member of staff. This could be either the Claimant or a member of their family and the Supplier could come into contact with them either in person or by any alternative method.

12.94 Not Used.

12.95 If a Claimant is known to the Authority as having previously demonstrated UCB, the Authority will notify the Supplier within 1 Working Day.

12.96 The Supplier shall notify the Authority if a Claimant not previously recognised as demonstrating UCB behaves in such a manner, such notification to take place within 1 Working Day of the occurrence of the incident demonstrating such UCB.

12.97 The Supplier shall notify the Authority of any further incidents of UCB, within 1 Working Day of their occurrence, if the Claimant has previously been recognised as demonstrating UCB.

12.98 The Supplier shall (and shall procure that relevant Supplier Personnel shall) comply with the UCB guidance forming part of the Service Guidance, including completing the relevant UCB form(s) when in contact with a Claimant:

(a) who has a UCB marker showing and a UCB incident occurs; or

(b) where the Claimant has not previously been identified as UCB and a UCB incident has occurred.

12.99 The Supplier acknowledges and agrees that the decision whether to classify someone as demonstrating UCB will remain the responsibility of the Authority, who will use all reasonable attempts to provide all information to the Supplier, provided always that the Supplier shall provide the Authority with sufficient and relevant information to enable the Authority to determine whether the person should be deemed as UCB.

12.100 Where a high degree of risk to the Claimant or HP is known, and the Supplier has made reasonable attempts to gain FME, the Supplier shall procure that the HP shall undertake the Assessment as a PBR based on the current available evidence.

13 COMPLETION OF ASSESSMENT REPORTS

13.1 The Supplier shall consider the evidence provided as part of the Referral, gathered from the Claimant, gathered from supporting professionals and obtained from the Consultation (where one has taken place), shall assess the Claimant against the applicable Assessment Criteria and provide an Assessment Report to the Authority, using the relevant template (including the variant for use where a PBR has been carried out) provided by the Authority.

13.2 Without prejudice to Paragraph 13.4, the Supplier shall procure that the content of all Assessment Reports and the assessment of the Claimant against the Assessment Criteria (including in respect of the assessment of the Claimant against the Functional Activities and Descriptors and Non-Functional Descriptors) shall be carried out and determined by a HP.

13.3 Not Used.

13.4 **FOR PIP ONLY**: The Parties acknowledge and agree that the actual production of the Assessment Report on the PIP IT System may, subject to the provisions of Paragraph 13.5, be carried out by someone other than the HP themselves, provided always that the HP shall provide the data and/or information for input into the Assessment Report.

13.5 **FOR PIP ONLY**: Where the HP does not actually input the data and/or information into the Assessment Report (as contemplated by Paragraph 13.4), the Supplier shall comply with the CGQSF (as defined in Paragraph 21.6).

13.6 The Parties acknowledge and agree that the Assessment Report is submitted to the Authority by the Supplier:

(a) in respect of PIP Assessment Reports, electronically from the PIP IT System, and in respect of WCA Assessment Reports, either electronically from the WCA IT System or clerically (as the case may be), and the date and time at which such Assessment Report is submitted to the Authority shall, subject to Paragraph 4(e) of Annex 1 to Schedule 2.2 (*Performance Levels*), be deemed to be the date and time at which the relevant Referral is Cleared for the purposes of Schedule 2.2 (*Performance Levels*); and

(b) in respect of Specialist Benefit Assessment Reports and subject to Paragraphs 50.31 and 50.40, clerically, provided always that the date and time at which the

relevant Referral is closed on SMART shall, subject to Paragraph 3(e) of Annex 2 to Schedule 2.2 (*Performance Levels*), be deemed to be the date and time at which the relevant Referral is Cleared for the purposes of Schedule 2.2 (*Performance Levels*),

and the Supplier shall procure that such Assessment Report provides advice to the Authority about, but not limited to, the following:

(i) the Claimant's health conditions and disabilities;

(ii) any treatment the Claimant is receiving;

(iii) how the health conditions or disabilities affect the Claimant, in particular in relation to the prescribed activities of daily living and mobility;

(iv) which of the Functional Activities and Descriptors apply to the Claimant; and

(v) evidence-based justifications for this advice.

13.7 **FOR PIP ONLY**: The Supplier shall procure that, in addition to the information referred to in Paragraph 13.6, the HP shall include within the relevant Assessment Report advice to the Authority, including:

(a) confirming if additional support is required for the Claimant;

(b) if the Qualifying Period and Prospective Test for PIP has been met; and

(c) the award duration,

each as contemplated in the relevant part of the Service Guidance (PIPAG) and where linking between claims is applicable (as referred to in the relevant part of the Service Guidance (PIPAG)), the Supplier shall complete and submit to the Authority (at the same time as the relevant Assessment Report) Form PA3 or Form PA4 (as such forms are contained on the PIP IT System).

13.8 **FOR WCA ONLY**: The Supplier acknowledges that there are a number of outcomes available to the HP on which the HP can advise:

(a) ESA/UC Initial Referrals - (Preboard Check) - the HP can advise:

(i) Support Group (Limited Capability for Work Related Activity) and (without prejudice to its other obligations in this Schedule 2.1) the Supplier shall reflect such advice in the relevant Assessment Report;

(ii) treat as Limited Capability for Work Related Activity (for example if the Claimant is receiving regular treatment such as haemodialysis) and (without prejudice to its other obligations in this Schedule 2.1) the Supplier shall reflect such advice in the relevant Assessment Report; or

(iii) call to a Face to Face Consultation, Telephone Consultation or Video Consultation, provided always that where the Supplier considers that a Consultation is required, the Supplier shall proceed to schedule and

undertake such Consultation (and complete and submit the relevant Assessment Report) in accordance with its obligations in this Schedule 2.1; and

(b) ESA/UC Re-Referrals (Scrutiny) - the HP can advise:

(i) Support Group (Limited Capability for Work Related Activity) and (without prejudice to its other obligations in this Schedule 2.1) the Supplier shall reflect such advice in the relevant Assessment Report;

(ii) accept that the Claimant meets the criteria for LCW, with some restrictions (as set out in the WCA Filework Guidelines, forming part of the Service Guidance) and (without prejudice to its other obligations in this Schedule 2.1) the Supplier shall reflect such advice in the relevant Assessment Report;

(iii) treat as LCW and (without prejudice to its other obligations in this Schedule 2.1) the Supplier shall reflect such advice in the relevant Assessment Report; or

(iv) call to a Face to Face Consultation, Telephone Consultation or Video Consultation, provided always that where the Supplier considers that a Consultation is required, the Supplier shall proceed to schedule and undertake such Consultation (and complete and submit the relevant Assessment Report) in accordance with its obligations in this Schedule 2.1,

as each such outcome is defined in more detail in the relevant part of the Service Guidance (WCA Handbook).

13.9 **FOR WCA ONLY**: The outcomes in Paragraph 13.8 are a simplified statement of the outcomes that the HP can advise on and reflects the policy framework as it stands as at the Effective Date. This is not an exhaustive statement of the recommendations and full detailed guidance is included in the Training and Development; WCA; Filework Guidelines, forming part of the Service Guidance.

13.10 **FOR WCA ONLY**: The Supplier acknowledges that the requirements for Assessments in respect of claims for UC are largely the same as those that apply to Assessments in respect of claims for ESA (save that one of the key differences is that UC can be paid to Claimants who could be either in or out of work) and, as such, some Claimants who are in work could require an Assessment.

13.11 **FOR WCA ONLY**: The Supplier shall procure that the completion of the Assessment Report shall be carried out in accordance with the relevant part of the Service Guidance (Work Capability Assessment handbook).

13.12 The Supplier acknowledges that the Authority has developed the templates for the Assessment Reports (as referred to in Paragraph 13.1) and the Supplier confirms that it shall fully cooperate with the Authority in any future development of such templates.

13.13 The Supplier shall ensure that Assessment Reports:

(a) are fair, accurate and objective;

(b) take account of all evidence;

(c) demonstrate consistent application of the applicable Assessment Criteria;

(d) clearly explain the basis for conclusions and advice; and

(e) meet the agreed quality standards as set out in Paragraph 22 and achieve (or exceed) the Target Performance Levels for TPL1a, TPL1b, TPL1c TPL1d, TPL1e, SB1(a) and/or SB1(b) (as applicable to the relevant part of the Operational Services in question).

13.14 The Supplier acknowledges and agrees that HPs will be permitted to use digital signatures in Assessment Reports, where possible.

13.15 **FOR PIP ONLY**: The Supplier acknowledges that, after the Assessment Report has been completed and input into the PIP IT System by the Supplier, the PIP IT System will update PIPCS.

13.16 **FOR PIP ONLY**: The Supplier shall ensure that all evidence gathered in connection with an Assessment shall be returned to the Authority on the same day as the relevant Assessment Report or Supplementary Advice Note is completed in the PIP IT System.

13.17 **FOR WCA ONLY**: The Supplier shall ensure that all evidence gathered in connection with an Assessment shall be returned to the Authority by the Supplier on the same day as the relevant Assessment Report is completed, save where the Referral is selected for audit pursuant to Paragraph 25, in which case such evidence shall be returned to the Authority within 5 Working Days of submission of the relevant Assessment Report.

13.18 The Supplier shall ensure that the Assessment Report does not report inferences gained from indirect questioning as factual statements of capability.

13.19 The Supplier shall procure that the HP writes up the Assessment Report directly after the Consultation has been completed, except in exceptional circumstances.

13.20 **FOR PIP ONLY**: The Supplier acknowledges that the Second Independent Review of PIP recommended that:

(a) Assessments in respect of PIP should focus on a Claimant's functional ability; and

(b) suppliers should consider ways to confirm FME ahead of the Consultation,

and the Supplier confirms that it has taken the recommendations of the Second Independent Review of PIP into account in (and shall implement such recommendations as part of) the Supplier Solution.

Sensitive Information

13.21 The Supplier shall ensure that all written Assessment Reports and advice are phrased with the expectation that they will be seen by the Claimant and that Sensitive Information (as defined in this Paragraph 13.21) shall be handled:

(a) **PIP:** in accordance with the relevant part of the Service Guidance (PIPAG - part 1: the assessment process);

(b) **WCA:** in accordance with the relevant part of the Service Guidance (Work Capability Assessment handbook); and

(c) **Specialist Benefits:** as notified by the Authority from time to time and/or as specified in the relevant part of the Service Guidance.

For the purposes of this Paragraph 13.21 to Paragraph 13.23, "**Sensitive information**" includes:

(i) Harmful Information (including FME);

(ii) embarrassing information;

(iii) suicidal ideation; and

(iv) confidential information.

13.22 The Supplier shall ensure that potentially Harmful Information is identified to the Authority in accordance with the relevant part of the Service Guidance, so that it can be withheld from the Claimant if the Authority so directs.

13.23 The Supplier shall provide to the Authority, if requested, written advice where necessary in respect of any Sensitive Information contained within the Assessment documentation.

14 DOCUMENTATION

14.1 The Assessment process will be supported by documentation produced by the Supplier for the Authority.

14.2 The Supplier shall ensure that all documentation conforms to the Authority's documentation standard as defined in the following guidance forming part of the Service Guidance

(a) **PIP:** PIP assessment guide part 3: health professional performance - GOV.UK (www.gov.uk)

(b) **WCA:** Integrated Quality Audit Desk Aid (for the HP) Service Guidance

(c) **Specialist Benefits:** Integrated Quality Audit Desk Aid (for the HP) Service Guidance.

14.3 Without prejudice to the Supplier's obligations under Paragraph 14.2, the Supplier shall ensure that where written letters and/or forms are issued, the Authority's forms and letters shall be used or the content, including branding, of the letter and/or form shall be agreed with the Authority prior to its or their use.

(a) The Supplier shall ensure that letters and forms utilised in the delivery of the PIP Services, WCA Services and Specialist Benefit Services shall have the header branding/logo of 'HEALTH ASSESSMENT ADVISORY SERVICE' (HAAS). For Universal Credit (UC) only, UC branding will also be used alongside HAAS.

(b) Not used.

(c) The Supplier shall ensure that the Supplier's name will be applied as a footer, together with confirmation that the service is delivered on behalf of DWP.

(d) The Supplier shall ensure that letters and forms contain clear information regarding the Assessment Type, benefit and the purpose of the Assessment.

The Parties shall jointly maintain an inventory of forms and letters, the content of which may change from time to time. The inventory will include the up-to-date version of each form and letter, which Party is responsible for maintaining each such form or letter and the method by which each such form or letter is to be printed.

14.4 The Supplier shall make up to date documentation available in alternative formats at the Claimant's request. These must include as a minimum Braille, Easy Read, large print, audio, Welsh and foreign language translations as specified at Paragraphs 12.81 to 12.88.

14.5 The provisions of Clause 18 (*Licences granted by the Authority*) shall apply in respect of any licence that the Supplier requires in order to use and/or print forms, letters and/or guidance made available by the Authority.

14.6 The Supplier shall, as a minimum, hold a review every 6 months in conjunction with the Authority to ensure that the documentation referred to in Paragraph 14.2 is up to date.

14.7 The Supplier's costs of printing and maintaining all documentation (including forms and guidance and the maintenance of sufficient supplies of any clerical documentation) used by the Supplier in connection with the performance of the Operational Services shall be managed in accordance with Annex 3 to Schedule 7.1 (*Charges and Invoicing*).

14.8 The Authority retains the right of approval to all changes to all such documentation and will have a quality assurance role when the Supplier drafts new and/or amends existing documentation.

14.9 The Supplier shall provide all reasonable assistance as required by the Authority in developing any amendments to documentation, including the documentation that the Authority is responsible for.

14.10 Where documentation cannot be completed on, or uploaded to, the PIP IT System or the WCA IT System (as applicable to the relevant part of the Operational Services), the Supplier shall ensure that all such documentation being returned to the Authority by the Supplier shall:

(a) be returned using the Authority's courier contract (unless otherwise notified from time to time by the Authority); and

(b) be marked with a unique identifier to enable scanning and electronic linking of such documentation to the correct Claimant records.

15 ADVICE/CLARIFICATION TO THE AUTHORITY AND RECONSIDERATION

15.1 The Supplier shall provide such advice and/or clarification (and/or reconsider advice previously given, including as contemplated by Paragraph 15.5) that the Authority requires so as to achieve (or exceed) the Target Performance Level for TPL6 or SB6 (as applicable to the relevant part of the Operational Services in question).

15.2 The Supplier shall be available via telephone in order to provide advice and/or clarification to the Authority on each day, Monday to Friday, from 8am to 8pm and Saturday from 9am to 5pm on a local call rate number as a minimum.

15.3 The Supplier shall provide such advice and/or clarification and/or reconsider advice previously given (in either case, including in respect of an Assessment Report) via telephone (in response to a telephone request by the Authority) and/or in a Supplementary Advice Note (in response to a supplementary advice request issued by the Authority).

15.4 The Supplier shall complete any Supplementary Advice Note and provide it to the Authority within two (2) Working Days of the relevant supplementary advice request being made by the Authority.

15.5 The Supplier shall, on request, reconsider advice previously given (including if the Authority receives any additional information and/or has a query on current evidence held) and the Supplier acknowledges and agrees that such request may be made immediately after the Assessment Report has been completed (for example seeking clarification in respect of the content of and/or any matters arising out of the Assessment Report) or may be some time afterwards (for example if a new piece of evidence has been received).

16 CHANGE OF CIRCUMSTANCES

16.1 Upon receipt of a notification of any relevant change to a Claimant's circumstances, the Supplier shall inform the Authority immediately, via:

(a) **PIP:** A task in the PIP IT System.

16.1.2 **WCA:** The Medical Services Referral System (MSRS).

(c) **Specialist Benefits**: The System for Medical Allocations Referrals and Tracking.

16.2 The types of relevant change include:

(a) admittance of the Claimant to hospital, or a similar institution, as an inpatient;

(b) detention of the Claimant in legal custody;

(c) change of name, title or gender of the Claimant;

(d) change of home or correspondence address for the Claimant;

(e) change of telephone number of the Claimant;

(f) death of the Claimant;

(g) **FOR PIP ONLY:** prolonged absence abroad of the Claimant (more than 4 weeks);

(h) **FOR WCA ONLY:** prolonged absence abroad of the Claimant (more than 1 month); and/or

(i) the Claimant's claim for PIP, WCA or Specialist Benefit has been withdrawn,

provided always that where any change referred to above results in the Claimant residing in a geographical location which would otherwise be included within another Lot, such matter shall be managed in accordance with the relevant part of the Service Guidance (including for the purposes of determining whether such Referral is to remain under this Agreement for the purposes of Schedule 2.2 (*Performance Levels*) or is deemed to be completed under this Agreement).

16.3 Where the Claimant has died, the Supplier shall also notify the Authority immediately by telephone.

16.4 Upon receipt of information from the Claimant that is not relevant to the Assessment (including change of bank account details), the Supplier shall advise the Claimant to report this information directly to the Authority.

16.5 Upon notification by the Authority of a change of Claimant circumstances, the Supplier shall take appropriate and timely action to avoid inconvenience to the Claimant and any embarrassment to, or criticism of, the Authority arising from the Supplier's acts or omissions, such as issuing notifications where a Claimant has died.

16.6 All relevant change of circumstances received by the Authority will be forwarded to the Supplier via the relevant Authority System or by clerical notification where the change of circumstances cannot be recorded directly on to the relevant Authority System.

17 CLINICAL ENQUIRY SERVICE

17.1 The Supplier shall provide an enquiry service (staffed by HPs) to provide advice, guidance and support to external health care professionals on matters relating to Assessments (including providing general advice and answering case specific queries) (the "**Clinical Enquiry Service**"). The Supplier shall use the Authority Contact Centre Platform as the technology solution for this service.

17.2 The Supplier shall ensure that the Clinical Enquiry Service will operate as a telephone service, as a minimum. Other electronic communications should also be considered.

17.3 The Supplier shall work with the Authority to agree the telephone contact details for the Clinical Enquiry Service prior to the Operational Service Commencement Date.

17.4 The Supplier shall ensure that the Clinical Enquiry Service shall be available on each Working Day, Monday to Friday, 8.30am – 5.00pm.

17.5 Not used.

18 TRAINING FOR AUTHORITY STAFF

18.1 The Supplier shall contribute towards the training of (including the production of any related training material and any other reasonable support as required by) the Authority's personnel (as specified by the Authority from time to time), such training to include delivering training and information sessions covering aspects of the Assessment process to Authority personnel who are involved in the decision making and quality audit processes.

19 POLICY ADVICE AND ADVISORY BODIES

19.1 When required by the Authority, the Supplier shall attend external organisations to give evidence, which organisations may include:

(a) government bodies;

(b) statutory bodies; and

(c) judicial bodies.

19.2 The Supplier shall attend other meetings when required by the Authority, which may include, discussions in relation to policy research, policy development and research that informs the future design of the Operational Services.

19.3 Without prejudice to Paragraphs 19.1 and 19.2, the Supplier shall provide the Authority with such other advice, guidance and support on any issues relating to the provision of the Operational Services when reasonably requested to do so.

19.4 The Supplier shall provide such information and/or data to the Authority as the Authority may reasonably require, to assist in the monitoring and evaluation of the likely effect of any proposed policy development in connection with the Operational Services.

20 HIS MAJESTY'S COURT AND TRIBUNAL SERVICE (HMCTS)

20.1 The Supplier acknowledges that Appeals are heard by the Social Security and Child Support Tribunal, an independent tribunal administered by HMCTS.

20.2 The Authority shall provide the Supplier with the agreed Appeals processes which will form part of the Service Guidance. The Supplier acknowledges that the agreed Appeals processes have been agreed with HMCTS and agrees that, where requested to do so, it shall contribute to any future review and/or development of these processes.

20.3 The Supplier acknowledges and agrees that the nature of the activities to be undertaken by the Supplier under this Paragraph 20 will vary on a case by case basis depending upon the nature of the Appeal in question but that:

(a) any request made under or pursuant to this Paragraph 20 (including of the nature referred to in Paragraph 20.4) shall be deemed to be a Referral for the purposes of this Agreement and to which Performance Level SB2(q) shall apply;

(b) any advice, information, documentation, forms and/or reports that are required to be generated, completed and/or provided by the Supplier to HMCTS under or pursuant to this Paragraph 20 shall be deemed to be an Assessment Report for the purposes of this Agreement (including for the purposes of the definitions of Clearance and Re-work) and:

(i) reference to "Assessment Report" shall be construed accordingly having regard to the advice, information, documentation, form and/or report required to be generated, completed and/or provided (as the case may be) in connection with the Appeal in question; and

(ii) any Re-work required to be carried out in connection with such Assessment Report shall be carried out in accordance with the applicable provisions of Paragraph 23 and Performance Levels SB9(a) to SB9(c) shall apply in respect of such Re-work.

20.4 The Supplier acknowledges that HMCTS may, in relation to an Appeal, request the Supplier to, amongst other things:

(a) provide information (including additional FME and/or advice), provided always that the Supplier acknowledges that HMCTS shall not contact the Supplier directly but shall make contact with the Authority's staff, who will request the information from the Supplier;

(b) carry out a Home Consultation, such Home Consultation, in respect of WCA only, being carried out by a doctor as described at Paragraph 31; and/or

(c) request hospital case notes and prepare a report based on those notes,

and the Supplier confirms that, if requested to do so, it shall provide such information, carry out such Consultation, obtain such notes and prepare and provide such report (as applicable) and carry out such further activities as may be requested by HMCTS in respect of the relevant Appeal, in each case, as soon as reasonably practicable following the relevant Referral being made and so as to achieve (or, where applicable, exceed) the applicable Target Performance Level for SB2(q).

20.5 The Supplier acknowledges that it may also receive feedback from HMCTS (via the Authority) about the quality of the performance of its obligations in Paragraph 20.4 and, following receipt of such feedback, the Supplier shall consider such feedback and take appropriate action to address the matters identified in such feedback (including providing feedback to the relevant HP and liaising with HMCTS (as appropriate)) and shall ensure that such action shall be reflected in the Quality Improvement Plan.

20.6 Should the Authority decide to implement mechanisms for improved feedback following the outcome of an Appeal against the decision of the Authority, the Supplier shall fully cooperate with the Authority and implement such mechanism.

20.7 For clarity, it is not expected that the Supplier's employees will be required to attend a tribunal in any capacity.

20.8 Not used.

20.9 Not used.

20.10 Not used.

21 QUALITY MANAGEMENT

21.1 The Supplier shall be responsible for the quality and consistency of all Assessments carried out by Supplier Personnel and any advice provided to the Authority.

21.2 Without prejudice and in addition to its obligations in respect of the Quality Plans, the Supplier shall put in place and implement systems, processes and governance arrangements for ensuring the quality and consistency of all Assessments is monitored and maintained and that Assessments and advice (including advice contained in Assessment Reports) meet the Authority's requirements, including such requirements (together with such associated systems, processes and/or arrangements) as are set out or referred to in the remainder of this Paragraph 21, in Paragraphs 22, 23 and 24 and in the Service Guidance.

21.3 The Supplier shall develop and provide to the Authority, within 20 Working Days following the Implementation Services Commencement Date, details of its approach to quality management, setting out the systems, processes and governance arrangements (including details of staff roles) referred to in Paragraph 21.2 (the "**Assessment Quality Management Plan**").

21.4 The Supplier shall obtain the Authority Representative's written approval of the Assessment Quality Management Plan before implementing it, which approval shall not be unreasonably withheld or delayed. The Supplier acknowledges and accepts that the Authority's approval shall not act as an endorsement of the Assessment Quality Management Plan and shall not relieve the Supplier of its responsibility for ensuring that the Operational Services are provided to the standards required by this Agreement.

21.5 Following the approval by the Authority of the Assessment Quality Management Plan:

(a) the Supplier shall implement and comply with the Assessment Quality Management Plan in delivering the Operational Services; and

(b) any Changes to the Assessment Quality Management Plan shall be agreed in accordance with the Change Control Procedure.

21.6 The Supplier shall adhere to the Authority's Clinical Governance Quality and Standards Framework (CGQSF) as notified by the Authority to the Supplier from time to time (which the Supplier acknowledges is a systematic approach to continuously improving the quality of HPs' work) in the performance of its obligations under this Agreement and shall provide evidence of its compliance with the CGQSF to the Authority when requested by the Authority. The Authority will review the evidence (and/or the outcome of any review undertaken by the independent body referred to in

Paragraphs 21.8 and 21.9) and may provide feedback and/or further instructions to the Supplier, which the Supplier shall implement as soon as reasonably practicable and shall provide evidence of its implementation and compliance to the Authority.

21.7 The Supplier acknowledges that the CGQSF standards should be implemented at 3 levels (individual HPs, their line manager and at an organisational level) and that it contemplates 3 steps to gathering and reviewing CGQSF compliance evidence against standards:

(a) **Step 1** – identify and document systems, processes and procedures in place against each CGQSF standard;

(b) **Step 2** –collect evidence data - quantitative and qualitative behind step 1, that shows current status, any learnings and outcome, identifying good practice and gaps; and

(c) **Step 3** – evaluate data trends over time that shows learnings identified and changes implemented, outcome, good practice and gaps.

21.8 The Supplier acknowledges that the Authority may appoint an independent body to review CGQSF implementation by the Supplier to (amongst other things):

(a) assure that the CGQSF is being implemented and monitored by relevant parts of the Authority and the Supplier;

(b) identify and review evidence showing any gaps identified and how they have been addressed;

(c) highlight risks and how these could be removed or managed;

(d) share and facilitate the development of best practice; and

(e) build a culture of trust, transparency, information sharing and constructive challenge,

in each case, to demonstrate the commitment to continuous quality improvement in the delivery of the Operational Services and to provide assurance to the Authority and the public that, regardless of the area and Lot under which the Claimant is being assessed, they will receive a similar standard of service.

21.9 The Supplier acknowledges that, as part of the review by the independent body referred to in Paragraph 21.8, such independent body may review and observe the Supplier's internal CGQSF processes, procedures and standards, identify any outliers against benchmark standards (which could be both positive and negative) and highlight risks and how these could be removed or managed.

22 QUALITY REQUIREMENTS

22.1 The Supplier shall ensure that the advice provided by its HPs meets the required quality requirements as defined by the Authority.

22.2 The Supplier shall ensure that each Assessment (including any associated Consultation) is undertaken by a HP with the required knowledge and skills to

undertake that Assessment and (where applicable) Consultation and who has successfully completed the Core Training.

22.3 The Supplier shall support Claimants whose health condition or impairment fall outside an individual HP's scope of competence, including any necessary handover process if required.

22.4 The Supplier shall ensure that, so far as is reasonably practicable, all Assessment Reports and advice:

(a) are evidence based – are medically reasonable and reflect the consensus of medical opinion;

(b) are fully justified, particularly when any advice is at variance with other evidence including the Claimant's statement or a medical report;

(c) are consistent, with any inconsistency between advice and evidence explained to the Authority;

(d) take full account of variations in the relevant health conditions and disabilities described and that the advice reflects the degree of the Claimant's disability and its effects which are present most of the time;

(e) take full account of and record the effects of pain, fatigue and medication on the Claimant's ability to perform activities;

(f) are appropriate to the questions raised and will comprehensively answer the questions posed by the Authority;

(g) are legible, presented to the Authority in Plain English and understandable to those without medical qualifications. The Supplier shall ensure that medical jargon and abbreviations are not used in advice to the Authority and that medical terminology is explained, unless the terms have passed into everyday use;

(h) account for all conditions claimed to be relevant by the Claimant (including those which may be less tangible such as mental health conditions); ensuring that these are fully explored and their effects, or lack of effect, on the disablement/function of the Claimant will be documented and carefully explained; and

(i) take full account of the relevant parts of the Service Guidance, in respect of the Claimant's use of aids, appliances, prostheses and medication.

23 RE-WORK

23.1 The Supplier shall ensure each Assessment Report is fit for purpose:

(a) according to the criteria specified in Paragraph 23.2 and the quality requirements set out in Paragraph 22.4 and acknowledges that any Assessment Report that is not deemed by the Authority as fit for purpose may be sent back to the Supplier by the Authority for Re-work in accordance with Paragraph 23.6(a); and

(b) so as to achieve (or exceed) the Target Performance Levels for TPL9a or SB9(a) (as applicable).

23.2 Subject always to Paragraphs 23.4 and 23.5, the criteria the Authority will use when considering whether an Assessment Report is fit for purpose are that such Assessment Report is:

(a) fair and impartial;

(b) legible and concise;

(c) in accordance with relevant Law;

(d) comprehensive, clearly explaining the medical issues raised, fully clarifying any contradictions in medical evidence;

(e) in Plain English and free of medical jargon;

(f) presented clearly;

(g) complete, with answers to all questions relating to disability or incapacity matters raised by the Authority;

(h) free of unexplained medical abbreviations;

(i) capable of comprehensively providing information to the Authority; and

(j) of a sufficient quality that the Authority is able to make a decision on the Claimant's entitlement to PIP, UC, ESA and/or Specialist Benefits (as the case may be).

23.3 The Supplier shall procure that any Re-work shall be undertaken by the same HP responsible for the production of the original Assessment Report, provided always that, where such HP is not working on the day the request for Re-work is received, or the next Working Day following the day on which the request for Re-work is received, then the Supplier shall:

(a) procure that an alternative (and appropriate) HP will amend (based on overall evidence) the Assessment Report in question to reflect the required Re-work; and

(b) provide details of the request for Re-work (and any further and/or associated applicable feedback) to the original HP as soon as reasonably practicable following such HP's return to work.

23.4 The Supplier acknowledges and agrees that the Authority shall have sole discretion in determining whether advice or Assessment Reports are fit for purpose.

23.5 The Authority shall specify the reason for an Assessment Report being returned as not fit for purpose.

23.6 The Supplier shall:

(a) ensure that any Re-work is undertaken locally at an operational level and completed so as to achieve (or exceed) the Target Performance Levels for TPL9b and TPL9c or, in respect of the Specialist Benefit (or HMCTS Appeal (as applicable)) in question, SB9(b) to SB9(e) (as applicable); and

(b) ensure that lessons learned and best practices are considered and included in the Continuous Improvement Plan as described in Paragraphs 45.1 to 45.4.

24 SUPPLIER QUALITY AUDIT

24.1 The Supplier shall put in place and implement effective systems, processes and governance arrangements for managing the quality of Assessment Reports, including:

(a) **FOR PIP ONLY**: approval audit – the Supplier shall comply with the relevant requirements of the Service Guidance (PIPAG) to enable HPs to obtain Authority SoS Representative's Approval to undertake Assessments for PIP and build upon these requirements to ensure that all HPs are sufficiently supported;

24.1.2 **FOR WCA AND SPECIALIST BENEFITS ONLY**: approval audit – the Supplier shall ensure that any HP that has not obtained Authority SoS Representative's Approval shall have all of their Referrals reviewed by the Supplier before any Assessment Report or advice is provided to the Authority, to ensure the appropriate quality standards are met;

(c) regular, structured reviews, (which may include Case Reviews and Supplier Audits) - of each HP's work undertaken by suitably qualified and skilled HPs, to enable HP appraisal and development and to support delivery of the expected quality standards for the Operational Services. The Supplier shall propose the types of review and the framework for determining the frequency and type of review on a HP that will be subject to agreement with the Authority. In determining this framework, the Supplier shall consider: providing support to less experienced HPs and the level of support more experienced HPs require to deliver consistently acceptable Assessment Reports (including HPs on informal and formal performance improvement plans for quality or productivity issues); and

(d) observations - while the Supplier acknowledges that the formal assessment of quality is linked to the Assessment Report, the Supplier shall also adopt methods to evaluate a HPs competence for the end to end Assessment process, including in respect of:

(i) preparation (including appropriate use of FME) for the Assessment and (where applicable) Consultation;

(ii) undertaking the Consultation (including Claimant care and appropriate questioning);

(iii) accurately documenting evidence gathered during an Assessment; and

(iv) completing the Assessment Report,

(the "**Quality Management Regime**").

24.2 The Supplier shall ensure that management information (such management information to form part of the Management Information) relating to the implementation of the Quality Management Regime, including:

(a) details of the number and types of quality reviews undertaken and the outcomes of those reviews, broken down geographically, in line with management structures used by the Supplier;

(b) details of the ratio of Case Reviews to HPs; and

(c) details and analysis of any identifiable trends in connection with the performance of the Operational Services, with particular emphasis on reasons for unacceptable grades, as referred to in Paragraphs 24.8 and 24.9,

is submitted to the Authority in accordance with the requirements of Schedule 8.4 (*Management Information and Records Provisions*).

24.3 The Quality Management Regime and other time limited quality improvement initiatives shall be captured by the Supplier in the Quality Improvement Plan, the first version of which shall be submitted by the Supplier to the Authority for approval by 7 October 2024 and shall be reviewed and revised by the Supplier (and subject to Authority approval to such revisions) at least annually.

24.4 Following approval of the Quality Improvement Plan, the Supplier shall implement and comply with such approved Quality Improvement Plan.

24.5 The Authority and the Supplier shall review the Supplier's performance on quality measures (including in respect of the implementation, operation and effectiveness of the Quality Management Regime and the Quality Improvement Plan) on at least a monthly basis in accordance with Paragraph 5.14(f) of Schedule 8.1 (*Governance*).

24.6 The Supplier shall ensure that:

(a) any Assessment Reports selected for audit by the Supplier shall be subject to Supplier Audit in accordance with this Paragraph 24 before such Assessment Reports are submitted to the Authority;

(b) any Assessment Report not meeting the criteria set out in Paragraphs 22.4 and 23.2 (and whether a Supplier Audit has been completed by the Supplier or an audit has been undertaken by or on behalf of the Authority pursuant to Paragraph 25) shall be brought up to "A Grade" (as referred to in Paragraphs 24.8, 24.9 and 24.10) before being submitted or re-submitted to the Authority; and

(c) it shall retain a copy of the original of such Assessment Report.

24.7 The Supplier shall procure that all reviews in connection with the Quality Management Regime, including Supplier Audits and Case Reviews, shall be carried out by HPs who are specifically trained to carry out the relevant reviews in accordance with the following relevant parts of the Service Guidance and who meet the requirements of Paragraph 34:

(a) **FOR PIP ONLY:** (Personal Independence Payment Assessment Guide – PIPAG) located at: https://www.gov.uk/government/publications/personal-independence-payment-assessment-guide-for-assessment-providers/pip-assessment-guide-part-3-health-professional-performance

(b) **FOR WCA ONLY:** See Jaggaer Data Room – folder 3.3, document reference 3311 – MED-IQAWCAF2F-001. Integrated Quality Audit Training for HCP's (Face-to-Face Work Capability Assessment.

(c) **FOR SPECIALIST BENEFITS ONLY:** See Jaggaer Data Room – folder 3.3, document reference 3318 – MED-IDAHCP01. Integrated Quality Audit Desk Aid for the Healthcare Professional.

24.8 **FOR PIP ONLY:** The Supplier acknowledges and agrees that the criteria that Assessment Reports in respect of a claim for PIP will be audited against is set out in Paragraphs 22.4 and 23.2 and in the relevant part of the Service Guidance and that each such Assessment Report shall be graded:

(a) A Grade - Acceptable;

(b) AF Grade - Acceptable HP Learning Required;

(c) AA Grade - Acceptable Report Amendment Required; or

(d) U Grade – Unacceptable Report,

and further details of the process for auditing PIP Assessment Reports is set out in Paragraph 9 of Part A of Schedule 2.2 (*Performance Levels*).

24.9 **FOR WCA ONLY**: The Supplier acknowledges and agrees that the criteria that Assessment Reports in respect of a claim for UC and/or ESA will be audited against is set out in Paragraphs 22.4 and 23.2 and in the relevant part of the Service Guidance and that each such Assessment Report shall be graded:

(a) A Grade (acceptable report) – the quality requirements are satisfied to the extent that the Assessment Report fully conforms to the required standards;

(b) B Grade (acceptable report with significant learning points) – the quality requirements are adequately satisfied but there are elements which would quantifiably enhance the quality of the Assessment Report;

(c) C Grade (unacceptable reports) – the quality requirements are not satisfied to the extent that the Assessment Report fails to meet the required standards but does not lead to an incorrect recommendation; or

(d) U Grade (unacceptable reports recommendation incorrect) - the quality requirements are not satisfied to the extent that the Assessment Report fails to meet the required standards and leads to an incorrect recommendation,

and further details of the process for auditing WCA Assessment Reports is set out in Paragraph 10 of Part A of Schedule 2.2 (*Performance Levels*).

24.10 **FOR SPECIALIST BENEFITS ONLY:** The Supplier acknowledges and agrees that the criteria that Assessment Reports in respect of a claim for any Specialist Benefit (and, as contemplated in Paragraph 12.2 of Part A of Schedule 2.2 (*Performance Levels*), HMCTS Appeals) will be audited against is set out in Paragraphs 22.4 and 23.2 and in the relevant part of the Service Guidance and that each such Assessment Report shall be graded:

(a) A Grade (acceptable report) – the quality requirements are satisfied to the extent that the Assessment Report fully conforms to the required standards;

(b) B Grade (acceptable report with significant learning points) – the quality requirements are adequately satisfied but there are elements which would quantifiably enhance the quality of the Assessment Report; and

(c) C Grade (unacceptable reports) – the quality requirements are not satisfied to the extent that the Assessment Report fails to meet the required standards,

and further details of the process for auditing Specialist Benefit Assessment Reports is set out in Paragraph 11 of Part A of Schedule 2.2 (*Performance Levels*).

24.11 The Supplier acknowledges that, notwithstanding the provisions of Paragraphs 24.8 to 24.10 (inclusive), the Authority reserves the right to align the audit criteria referred to in those Paragraphs across all Assessments and where the Authority proposes to do so, such matter shall be dealt with in accordance with the Change Control Procedure.

24.12 Without prejudice to Clause 12 (*Records, Reports, Audits, Open Book Data and PAT Reviews*) and Part B of Schedule 8.4 (*Management Information and Records Provisions*) and any other express terms and conditions of this Agreement relating to retention of records and data, the Supplier shall retain records of the audits undertaken by it pursuant to and in accordance with this Paragraph 24 and Paragraph 25 for a minimum of 6 years from the date of audit.

25 AUTHORITY INDEPENDENT AUDIT

25.1 Without prejudice to the provisions of Paragraph 26, Clause 12 (*Records, Reports, Audits, Open Book Data and PAT Reviews*) and Part B of Schedule 8.4 (*Management Information and Records Provisions*), the Supplier shall co-operate with (and facilitate the carrying out and completion by) the Authority and/or its representatives in:

(a) Assessment Report Audit activity in connection with Assessments in respect of PIP and WCA; and

(b) Audit Quality Assurance activity in connection with Assessments in respect of PIP, WCA and Specialist Benefits,

including giving the Authority and/or its representatives (as the case may be) access to any necessary systems, clerical or electronic files, information and/or appropriate Supplier Personnel as may be necessary to support such activity and commencing immediately on request.

25.2 The Supplier acknowledges that, to measure the Supplier's actual performance against the applicable Performance Levels relating to the quality of Assessment

Reports in respect of each of PIP and WCA (as referred to in Paragraph 9 and Paragraph 10 of Schedule 2.2 (*Performance Levels*)), the Authority shall undertake a monthly audit of a randomly drawn sample of PIP Assessment Reports from all Clearances achieved in relation to Referrals relating to PIP and WCA Assessment Reports from all Clearances achieved in relation to Referrals relating to UC and ESA (as the case may be) during the relevant month and shall grade such Assessment Reports using, subject to Paragraph 24.11, the audit criteria referred to in Paragraph 24.8 or Paragraph 24.9 (as applicable) in order to:

(a) verify the Supplier's actual performance against the applicable Performance Levels (including as contemplated by Paragraphs 32.2 and 42.3 of Part C of Schedule 7.1 (*Charges and Invoicing*));

(b) verify the actual level of Financial Incentives due to the Supplier (if any) in the relevant month (including as contemplated by Paragraphs 32.2 and 42.3 of Part C of Schedule 7.1 (*Charges and Invoicing*)); and

(c) allow the Authority to provide feedback to the Supplier in respect of (amongst other things) the quality of the Assessment Reports produced by the Supplier in the relevant month.

25.3 The Supplier shall have the right to challenge any audit grade they disagree with in accordance with the applicable provisions of Paragraph 9 or Paragraph 10 of Schedule 2.2 (*Performance Levels*), provided always that the Supplier acknowledges and agrees that the Authority's grade awarded in respect of any such Assessment Report shall be final (as contemplated in such Paragraph 9 and Paragraph 10 of Schedule 2.2 (*Performance Levels*)).

25.4 The Supplier acknowledges and agrees that (without prejudice to the Authority's rights under Paragraph 26, Clause 12 (*Records, Reports, Audits, Open Book Data and PAT Reviews*) and Part B of Schedule 8.4 (*Management Information and Records Provisions*)), the Authority shall have the right to audit additional Assessment Reports outside of the monthly random samples referred to in Paragraph 25.2 (including to look at trends, to investigate specific concerns and/or to test new initiatives), provided always that the Parties agree that such additional audits shall not count towards assessing the Supplier's performance against the Performance Levels relating to the quality of Assessment Reports.

25.5 The Supplier acknowledges and agrees that the Authority will have the right to require the Supplier to make available appropriate Supplier Auditors on IHPA Placement to fulfil the role of auditor in connection with the ARA and AQA activity contemplated in this Paragraph 25 and the Supplier shall make such resource available from its Supplier Auditors to fill these roles as required by the Authority.

25.6 The Parties agree that each IHPA Placement referred to in Paragraph 25.5 shall be in accordance with the provisions of Paragraph 49, including that it shall be supported by an IHPA Agreement.

25.7 The Authority shall be entitled to undertake AQA checks on a selection of Supplier Audits, as contemplated in each of Paragraphs 9.21 to 9.23, Paragraphs 10.20 to 10.22 and Paragraph 11 of Part A of Schedule 2.2 (*Performance Levels*) and the

Supplier acknowledges and agrees that the Authority retains the right to explore further procedures enhancing the controls and provisions for independent auditing of Assessment Reports.

25.8 The Supplier acknowledges and agrees that the Authority may engage a third party in support of the ARA and AQA processes outlined in this Paragraph 25 and the Authority's rights under this Paragraph 25.8 shall apply to and shall be exercisable by such third party as they apply to and/or are exercisable by the Authority.

Specialist Benefits

25.9 The Supplier acknowledges that the provisions of Paragraph 11 of Schedule 2.2 (*Performance Levels*) shall apply to measure and determine the Supplier's performance against the applicable Performance Levels relating to the quality of Specialist Benefit Assessment Reports.

26 PROVIDER ASSURANCE

26.1 In addition (and without prejudice to) the Supplier's obligations in respect of quality assurance and management in Paragraphs 21 to 25 (inclusive), the Supplier shall also comply with its obligations in Clause 12.3 (*Records, Reports, Audits, Open Book Data and PAT Reviews*) in connection with facilitation of any PAT Review by or on behalf of the Authority and the implementation of any PAT Action Plan (as defined in Paragraph 1.1 of Schedule 21 (*Provider Assurance Team*)).

27 COMPLAINTS, DISPUTES AND ENQUIRIES

27.1 The Supplier shall use all reasonable endeavours to minimise Complaints in connection with the performance of the Operational Services (but, in any event, shall achieve (or exceed) the Target Performance Level for TPL10 or SB10 (as applicable to the relevant part of the Operational Services in question)) and shall have an internal procedure for dealing with Complaints and/or disputes arising with the Supplier and/or any Supplier Personnel.

27.2 If the Complaint and/or dispute cannot be resolved by the Supplier, the Supplier shall (as soon as reasonably practicable and appropriate) refer the matter to the Independent Case Examiner (ICE) (http://www.ind-case-exam.org.uk/) for mediation.

27.3 The Supplier acknowledges and agrees that, if the Complaint and/or dispute cannot be resolved by mediation:

(a) the ICE will conduct a full investigation;

(b) the decision of the ICE will be final and binding upon the parties to the Complaint and/or dispute; and

(c) the ICE investigation will carry a £5,000 contribution to costs which shall, save where the Complaint against and/or dispute with the Supplier and/or the Supplier Personnel is dismissed (in which case, no costs will be payable), be paid by the Supplier (who will also be liable for any financial redress due to the Claimant recommended by the ICE) within 4 weeks of the date of the ICE final investigation report, provided always that nothing in this Paragraph 27.3 shall

prevent the Supplier from claiming any such amount from any Sub-contractor, where the Supplier Personnel in question is an employee of or appointed or engaged by that Sub-contractor.

27.4 The Supplier shall provide an overview report of all Complaints received on a monthly basis, which report shall include the following detail:

(a) the number of Complaints received and acknowledgements issued by the Supplier (including details of timing of acknowledgements made);

(b) the number of full responses to Complaints issued by the Supplier (including details of timing of full responses issued);

(c) the total number of outstanding Complaints;

(d) the total number of days associated to all outstanding Complaints;

(e) the proportion of Complaints relating to clinical rather than operational issues;

(f) the proportion of Complaints that relate to HPs compared to the total number of Complaints; and

(g) any trends and details of action taken to address the cause of the Complaints as appropriate, the outcome of such action and the learning for the individual and the Supplier as a result of the Complaint,

such report to be broken down on a weekly basis, by Lot, region and sub-region.

27.5 The Supplier shall:

(a) acknowledge all Complaints within 2 Working Days;

(b) respond in full to not less than 90% of Complaints within 20 Working Days; and

(c) ensure that no Complaints are older than 30 Working Days.

(d) Not used.

(e) Not used.

27.6 Not Used.

27.7 Not Used.

27.8 Not Used.

27.9 Not Used.

27.10 **FOR SPECIALIST BENEFITS ONLY**: For Veterans UK a copy of the response to the Claimant must be provided to the Authority by the Supplier.

Serious Complaints

27.11 The Supplier shall ensure that its procedure referred to in Paragraph 27.1 includes provisions for Serious Complaints.

27.12 A Serious Complaint is a Complaint in respect of professional malpractice and/or serious misconduct made against a HP, including allegations of:

(a) assault during a Consultation;

(b) injury as a consequence of a Consultation;

(c) inappropriate intimate examinations;

(d) the use of inappropriate language, abuse and discrimination relating to any protected characteristic under the Equality Act 2010/Disability Discrimination Act 1995;

(e) serious breach of professional or regulatory conduct;

(f) theft or fraud; and

(g) criminal activities.

27.13 The Supplier:

(a) shall inform the Authority immediately upon receipt of a Serious Complaint, received either directly by the Supplier or by the body with whom the HP is registered;

(b) shall investigate any Serious Complaints and promptly escalate any concerns relating to individual HPs to the Authority to seek advice; and

(c) should also consider suspending the HP from carrying out Assessments until any investigations into the Serious Complaint have been completed.

27.14 Where 10 or more Serious Complaints are made against the Supplier in any rolling 12 month period, the tenth (and each subsequent) such Serious Complaint shall give rise to a Notifiable Default as referred to in Clause 28.1(d) (*Rectification Plan Process*) and the provisions of Clause 28 (*Rectification Plan Process*) shall apply.

Overpower Rule

27.15 The Supplier acknowledges and agrees that any decisions and/or actions taken by the Supplier in connection with a Complaint or a Serious Complaint shall be subject to the Overpower Rule and the Supplier shall comply with and/or implement (as applicable) such alternative decisions and/or actions as may be notified by the Authority pursuant to its exercise of the Overpower Rule.

27.16 The Supplier shall liaise with the Authority on the outcome of any investigation into a Serious Complaint and, where a Serious Complaint is upheld, the Supplier shall liaise with the relevant professional body (GMC, NMC, HCPC etc.) where appropriate and, without prejudice to the Supplier's obligations under Paragraphs 31.2 and 31.3, request revocation of Authority SoS Representative's Approval pursuant to Paragraph 33.

Information for other enquiries

27.17 Without prejudice to the provisions of Clauses 23 (*Transparency and Freedom of Information*) and 24 (*Protection of Personal Data*), the Supplier shall forward to the Authority all enquiries relevant to the Authority within 2 Working Days of receipt and shall provide such information and/or documentation to assist the Authority in replying to such enquiries (and/or other enquiries as the Authority shall request), such enquiries to include:

(a) Official correspondence;

(b) Ministerial correspondence;

(c) Ministerial briefing;

(d) Parliamentary questions; and

(e) press enquiries.

27.18 The Supplier shall respond (in full) to each request for information and/or documentation (contemplated in Paragraph 27.17) within such time period as the Authority shall reasonably require (having regard to all relevant circumstances) in respect of the request in question.

28 AUDIO RECORDING OF CONSULTATIONS (PIP AND WCA ONLY)

28.1 The Supplier acknowledges that Claimants may request for their Consultation to be audio-recorded and where this request is made:

(a) at least 1 Working Day in advance of their Consultation, the Supplier shall ensure that such Consultation is audio-recorded; or

(b) on the day of the Consultation, the Supplier shall use all reasonable endeavours to audio-record such Consultation.

28.2 The Supplier shall ensure that the Claimant is aware of the audio-recording offer in its communications to Claimants, including appointment letters (as contemplated by Paragraph 12.9) and through the Supplier's website.

28.3 Where the Supplier audio-records a Consultation, the Supplier shall use the audio recording solution provided by the Authority and shall ensure that:

(a) a copy of the recording is provided to the Claimant (in such format and within the timescales notified by the Authority (acting reasonably) from time to time); and

(b) audio recordings are stored securely for the appropriate retention period referred to in Paragraph 20 of Annex 6 to Schedule 8.4 (*Management Information and Records Provisions*) and, during this retention period, such recording shall be made available, if requested, to the Authority by a method agreed with the Authority.

28.4 The Supplier shall ensure that the relevant HP seeks confirmation from the Claimant (and/or their Appointee) that the Claimant consents to the audio-recording (which will be by way of a standardised consent statement which will be provided by the Authority) which consent shall:

(a) for Face to Face Consultations, be obtained in writing from the Claimant (and/or their Appointee) before the recording commences; and

(b) for Telephone Consultations or Video Consultations, be obtained from the Claimant (and/or their Appointee) as verbal consent at the start of the recording.

28.5 The Supplier shall ensure that, when completing the relevant Assessment Report, the HP will annotate the Assessment Report to show that the Consultation has been audio-recorded and record this information in the PIP IT System **(FOR PIP ONLY)** or the WCA IT System **(FOR WCA ONLY)**.

28.6 The Claimant may request additional copies of the audio-recording from the Authority and the Supplier must provide either the Authority or the Claimant (as required) with such copies if requested by the Authority.

28.7 The Supplier shall comply with each of the Data Security Policies and Document Retention Policies in connection with the transportation, storage and destruction of audio-recordings and where used, signed audio-recording consent statement (as referred to in Paragraph 28.4).

28.8 If the Claimant notifies the Supplier in advance of the Consultation, the Supplier shall allow the Claimant to use their own audio-recording equipment during the Consultation, provided always that:

(a) the Supplier acknowledges and agrees that the Claimant will not be required to provide the Supplier with a copy of the recording made on their equipment;

(b) the Supplier shall also record the Consultation and the provisions of Paragraph 28.3 shall apply in respect of such recording; and

(c) the provisions of Paragraph 28.4 shall apply, notwithstanding that the Claimant is also audio-recording such Consultation.

28.9 The Supplier acknowledges that the Authority reserves the right to explore the development of audio-recording solutions to meet future requirements identified by the Authority (and, as such, the use and/or manner of audio-recording within the Consultation process may be subject to change) and where the Authority proposes such change, such change shall be dealt with in accordance with the Change Control Procedure.

29 CLAIMANT EXPERIENCE

29.1 The Supplier shall develop and implement a comprehensive Customer Charter, which should outline the Claimant's rights and responsibilities and what they can expect from the Supplier. For information, the:

(a) DWP Customer Charter can be found at DWP: customer charter - GOV.UK (www.gov.uk); and

(b) DfC Customer Charter can be found at https://www.communities-ni.gov.uk/sites/default/files/publications/communities/dfc-wi-customer-charter.pdf

29.2 Following the Implementation Services Commencement Date, the Supplier shall work with the Authority, Claimants and Claimant Representative Groups to develop the Customer Charter.

29.3 The Supplier shall measure the full range of the Claimant experience of the Operational Services provided by reference to all of the Performance Levels.

29.4 The Supplier shall work closely with the Authority to ensure Claimants' needs are addressed and are taken into account when introducing and continuously improving the Operational Services. A copy of the draft Claimant Journey is at Annex 1 to this Schedule 2.1.

29.5 The Supplier acknowledges that the Authority shall, in addition, commission, and pay for, an independent survey to measure the Claimant experience of the Operational Services (the "**Claimant Satisfaction Survey**") and to provide the Claimant Satisfaction Rating for the purposes of Performance Level TPL8 and SB8 (as applicable to the relevant part of the Operational Services in question).

29.6 The Supplier acknowledges and agrees that:

(a) the Authority shall procure that the Claimant Satisfaction Survey shall include a minimum set of questions (that must be included);

(b) the Authority shall be entitled to review and amend the questions in the Claimant Satisfaction Survey on an annual basis, as a minimum; and

(c) Claimant responses to the Claimant Satisfaction Survey only will be the measure for the Claimant Satisfaction Rating.

29.7 The Supplier shall provide and implement action plans to address issues identified through the Claimant Satisfaction Survey.

30 WORKING WITH CLAIMANT REPRESENTATIVES GROUPS

30.1 The Supplier shall engage and build relationships with Claimant Representative Groups and related organisations and the Supplier shall use feedback from these engagements to inform its Continuous Improvement Plan, as referred to in Paragraph 45.

HEALTH PROFESSIONAL REQUIREMENTS AND OTHER STAFF REQUIREMENTS

31 HEALTH PROFESSIONAL COMPETENCIES

31.1 The Supplier shall ensure that any HP recruited for the delivery of the Operational Services shall have the following minimum qualifications and experience:

(a) they are an occupational therapist, nurse, physiotherapist, doctor or **(FOR PIP ONLY)** paramedic or pharmacist;

(b) they are fully registered with the relevant UK licensing body (doctors must have a licence to practise);

(c) they have no sanctions attached to registration unless:

(i) such sanctions relate to disability; or

(ii) the HP is a doctor who has an Approved Practice Setting (as defined by the GMC from time to time) requirement on the grounds that they have not had their first revalidation post qualification as a doctor.

In individual cases the requirement for HPs not to have any sanction attached to registration may be waived subject to prior written approval of the Authority (for the avoidance of doubt, no waiver is required in relation to any sanction referred to in paragraphs 31.1(c)(i) and 31.1(c)(ii));

(d) they have at least 1 year post full registration experience (GMC, NMC, HCPC or EEA equivalent, being UK registration or equivalent overseas registration for non UK HPs), provided always that an individual HP with less than 1 year post full registration experience may be recruited by the Supplier subject to the Supplier obtaining the prior written approval of the Authority in respect of the recruitment of such individual; and

(e) such additional qualifications and/or experience as the Authority may reasonably require from time to time.

31.2 The Supplier shall comply with the Sanctions DWP Framework Guidance.

31.3 In accordance with the Sanctions DWP Framework Guidance, the Supplier shall immediately notify the Authority (and provide relevant details in relation to a HP) when:

(a) there is a referral of a HP to their regulatory body; and

(b) the outcome of any regulatory body investigation in respect of that HP is published.

31.4 The Supplier shall ensure that, prior to the Operational Service Commencement Date or from their appointment if later, each HP shall be cleared by a valid Disclosure and Barring Service check or such other level of check as may be agreed from time to time between the Parties pursuant to the Change Control Procedure.

31.5 The Supplier acknowledges and agrees that the Authority reserves the right to consider the use of other health professionals to deliver the Assessments.

31.6 The Supplier shall procure that certain Assessments shall only be completed by HPs meeting the following specific requirements:

(a) neurological Referrals in respect of claims for ESA and/or UC shall only be completed by HPs who have the specific skills/training specified for undertaking such Assessments in the Core Training and Guidance Material;

(b) OHAs shall only be completed by HPs with experience in occupational health and who are (a) Associates or Members of the Faculty of Occupational Medicine, or (b) hold a Diploma in Disability Assessment Medicine;

(c) Assessments in respect of claims for IIDB shall be carried out by doctors;

(d) Assessments in respect of claims for Veterans UK shall be carried out by doctors

(e) Face to Face Consultations for Assessments in respect of claims for HMRC SSP/SMP shall be carried out by doctors;

(f) EMPs in respect of claims for DLA shall be completed by a doctor;

(g) EMPs in respect of claims for AA shall be completed by a doctor;

(h) advice in respect of claims for AA may be given by a doctor, nurse or physiotherapist;

(i) advice in respect of claims for DLA may be given by a doctor, nurse or physiotherapist; and

(j) Home Consultations for WCA shall be completed by a doctor or physiotherapist who has been trained to write clerical reports.

31.7 In addition to the requirements in Paragraphs 31.1 to 31.6 (as applicable), the Supplier shall ensure that all HPs have the following competencies before they are approved by the Authority SoS Representative pursuant to Paragraph 33.1 to deliver the Operational Services (and the Supplier acknowledges and agrees that such list of competencies may change or be added to during the Term), each HP shall:

(a) have appropriate knowledge of the clinical aspects and likely functional effects of a wide range of medical conditions;

(b) demonstrate appropriate skills in assessing people with physical health conditions, including history taking, observation and the ability to perform a relevant examination;

(c) demonstrate appropriate skills in assessing people with conditions affecting mental health, intellectual and cognitive function including history taking, observation and the ability to perform a relevant examination;

(d) be able to critically evaluate evidence and use logical reasoning to provide accurate evidence based advice; and

(e) have excellent interpersonal and written communication skills that include the ability to:

(i) interact sensitively and appropriately, with particular regard for an individual's cultural background and issues specific to disabled people;

(ii) take a comprehensive, appropriately focused, clear history;

(iii) accurately record observations and formal clinical findings;

(iv) produce succinct, accurate reports in Plain English, fully justifying conclusions from evidence gathered and dealing appropriately with apparent conflicts of evidence and fluctuating condition; and

(v) use a questioning style that allows the Claimant to talk freely about their level of function.

31.8 The Supplier shall ensure that the requirements listed in Paragraphs 31.1 to 31.6 (inclusive) shall continue to be satisfied throughout a HP's engagement to deliver the Operational Services and the Supplier acknowledges that it will be required to demonstrate to the Authority that these requirements continue to be fulfilled on an ongoing basis throughout the Term.

31.9 The Supplier shall ensure that the relevant IT System is kept up to date with information about all HPs, including:

(a) details of each HP;

(b) details of each HP's approval status (approved or unapproved) as referred to in Paragraph 33, including where such status changes; and

(c) the removal of any HP who is no longer engaged in the delivery of the Operational Services.

31.10 The Supplier shall provide monthly reports to the Authority detailing HP registration, such report to include:

(a) details of every HP whose registration will expire during the following month;

(b) confirmation of whether or not any HP (who was identified in the previous month whose registration was due to expire) was successfully re-registered and, if so, their new approval date, provided always that, where a HP is not successfully re-registered, the Supplier shall immediately request for their Authority SoS Representative's Approval pursuant to Paragraph 33 to be revoked and will provide reasons as to why the re-registration was not successful.

Condition Specific Champions

31.11 The Supplier shall ensure that Mental Function Champions are available to provide advice and support to HPs on health conditions and disabilities affecting mental, cognitive, intellectual and behavioural function.

31.12 The Supplier acknowledges that the Authority shall, from time to time and acting reasonably, designate the number of Mental Function Champions to be made

available and the proposed approach to their integration into the Operational Services.

31.13 In addition to the competencies referred to in the foregoing provisions of this Paragraph 31, the Supplier shall ensure that all Mental Function Champions have at least 2 years post full registration clinical experience in the management of conditions affecting mental health, intellectual, cognitive and behavioural function.

31.14 The Supplier may use other Condition Specific Champions (in addition to Mental Function Champions) in connection with the performance of the Operational Services in agreement with the Authority.

31.15 The Supplier shall also introduce such other Condition Specific Champions (in addition to Mental Function Champions) as the Authority may reasonably require from time to time.

32 HP RECRUITMENT

32.1 Without prejudice to Clauses 5.6(a) (*Supplier Covenants*) and 14.1 (*Supplier Personnel*), the Supplier shall ensure that sufficient numbers of suitably qualified HPs are in place to deliver the Operational Services fully in accordance with its obligations under this Agreement from the Operational Service Commencement Date and maintained during the Term.

32.2 The Supplier shall comply with its obligations in Paragraphs 8.4 to 8.6 and 9.3 of Schedule 6.1 (*Implementation Related Plans*) in respect of updates to and providing to the Authority reports and other details in relation to the implementation and delivery of the Resource Plan and the Recruitment Plan.

33 HP APPROVAL

33.1 The Supplier shall use all reasonable endeavours to ensure that each HP (including HPs that have transferred to the Supplier pursuant to Schedule 9.1 (*Staff Transfer*) and additional HPs recruited by the Supplier to support delivery of the Operational Services) is approved by the Authority's representative acting on behalf of the Secretary of State ("**Authority SoS Representative**") to deliver the Operational Services prior to the Operational Service Commencement Date or the date on which they are to commence the provision of the Operational Services (if later), provided always that:

(a) where an HP has not obtained Authority SoS Representative's Approval prior to the Operational Service Commencement Date or the date on which they are to commence the provision of the Operational Services (if later), the provisions of Paragraphs 24.1(a) or 24.1.2 (as applicable) shall apply in respect of the utilisation of any such HP in connection with the performance of the relevant part of the Operational Services; and

(b) the Supplier acknowledges and agrees that, subject always to Paragraphs 33.3, 33.5 and 33.7, such approval by the Authority SoS Representative ("**Authority SoS Representative's Approval**") shall be subject to the Supplier demonstrating that the relevant HP has completed, to the Authority SoS Representative's satisfaction, the Core Training (in accordance with the

applicable Training Programme) and demonstrates the required competence (including the competencies referred to in Paragraph 31.7) to carry out Assessments and the relevant requirements set out in the relevant part(s) of the Service Guidance referred to below:

(i) **PIP**: Personal Independence Payment Assessment Guidance – PIPAG;

(ii) **WCA**: Revocation of Approval of Healthcare Professionals Guide; and

(iii) **Specialist Benefits**: Revocation of Approval of Healthcare Professionals Guide.

33.2 **FOR WCA ONLY:** In addition to the requirements set out in Paragraph 33.1, an HP undertaking Assessments in respect of WCA shall also be required to demonstrate that they have achieved 5 consecutive A Grades or 4 A Grades and a B Grade in respect of WCA Assessment Reports prepared by that HP (as referred to in Paragraph 24.9) before they can achieve Authority SoS Representative's Approval.

33.3 The Supplier acknowledges that HPs may require separate Authority SoS Representative's Approval in respect of the delivery of certain aspects of the Operational Services, including for carrying out Face to Face Consultations, Telephone Consultations, Video Consultations and Paper Based Reviews (for each of PIP, WCA and Specialist Benefits) and for Referrals that are designated as Special Rules End of Life (SREL), reflecting the differing skills required of each.

33.4 Without prejudice to the Supplier's obligations in Paragraphs, 27.11, 27.13, 31.2 and 31.3, the Supplier shall ensure that the Authority SoS Representative is informed immediately of any HP who fails to continue to meet the Authority's Required HP Quality Standards in order that the Authority SoS Representative may consider revoking Authority SoS Representative's Approval in respect of that HP and the Supplier acknowledges that the Authority SoS Representative may ask the Supplier to demonstrate that HPs meet the Authority's Required HP Quality Standards at any point during the Term.

33.5 The Supplier acknowledges and agrees that the Authority SoS Representative shall have sole discretion as to whether to grant or revoke Authority SoS Representative's Approval in respect of a HP and the Supplier shall comply with the relevant part(s) of the Service Guidance in respect of the requirements for such grant and revocation of Authority SoS Representative's Approval as set out below:

(a) **PIP guidance:** Personal Independence Payment Assessment Guide – PIPAG;

(b) **WCA guidance:** Approval, Revocation of Approval of Healthcare Professionals Guide; and

(c) **Specialist Benefits guidance:** Approval, Revocation of Approval of Healthcare Professionals Guide.

33.6 The Supplier acknowledges that the relevant part(s) of the Service Guidance detail the administrative arrangements in relation to the grant and revocation of Authority SoS Representative's Approval and the appropriate level of verification and validation evidence that shall be retained by the Supplier and the Supplier shall:

(a) comply with the requirements of such Service Guidance; and

(b) without prejudice to its obligations in Paragraph 31.10, provide to the Authority, on request, validated lists of HPs who have Authority SoS Representative's Approval, including validated lists of such HPs who have Authority SoS Representative's Approval to undertake Assessments in respect of each of PIP, WCA and Specialist Benefits,

and the Supplier acknowledges that such verification and validation evidence shall include evidence that the HP meets the basic requirements for employment, evidence that was supplied to the Authority to support an application for Authority SoS Representative's Approval and ongoing validation of the HP's achievement of the required standard of Assessment Reports.

33.7 The Supplier acknowledges that the Authority reserves the right (in its sole discretion) to amend the processes and/or requirements set out in this Paragraph 33 from time to time and the Supplier:

(a) shall implement and comply with such amended processes and/or requirements following notification of any such amendment by the Authority; and

(b) further acknowledges and agrees that any references in this Agreement to this Paragraph 33 (and/or to the processes and/or requirements referred to in and/or contemplated by this Paragraph 33) shall be deemed to refer to such processes and/or requirements as so amended.

34 AUDITOR OR CASE REVIEW TRAINING AND APPROVAL

34.1 The Supplier shall ensure that, without prejudice to Paragraph 24.1(c), all HPs undertaking Supplier Audits and Case Reviews meet the following criteria:

(a) they have at least 12 months' experience in conducting the Assessments they are auditing or reviewing;

(b) they have demonstrated consistent quality in producing Assessment Reports in respect of such Assessments over such 12 month period;

(c) in the opinion of the Authority (which opinion the Supplier shall seek from the Authority), their Complaint history does not compromise their ability to undertake Supplier Audits or Case Reviews; and

(d) they have demonstrated the ability to be able to conduct Supplier Audits or Case Reviews (as applicable) against the criteria and standards set by the Authority.

34.2 The Supplier acknowledges that the Authority may define (and may amend from time to time) the approval process for HPs undertaking Supplier Audits and/or Case Reviews and the Supplier shall work with the Authority to implement (and shall comply with) such processes and procedures as required by the Authority from time to time.

35 CORE TRAINING AND GUIDANCE MATERIAL

35.1 The Supplier:

(a) acknowledges that the Authority will establish a framework for the development of Core Training and Guidance Material (as set out in more detail at Paragraphs 35.30 to 35.53) and the Supplier shall work collaboratively with the Authority (and other FAS Lot Suppliers) to produce, develop and/or update materials that will form part of such Core Training and Guidance Material from time to time; and

(b) acknowledges and agrees that references to "Supplier" in this Paragraph 35 shall (where applicable) be construed to mean the Supplier working collaboratively with the Authority and other FAS Lot Suppliers within the framework of the Clinical Authorship Team, the TAG Editorial Board and the Authority.

Guidance

35.2 The Supplier acknowledges that the Authority will make available to the Supplier, Core Training and Guidance Material from time to time.

35.3 The Supplier shall implement, comply with, use, maintain, review and update (as applicable) such Core Training and Guidance Material (as and when it is supplied by the Authority), including material developed as part of the Continuing Professional Development (CPD) programme, such review and update to be undertaken every 6 months.

35.4 Each month the Supplier shall submit to the Authority (for approval by the Authority) a list of Core Training and Guidance Material that is due for its 6 monthly review during the next following month.

35.5 The Supplier shall, in co-operation with the Authority and as and when required by the Authority, arrange for external quality assurance (by relevant agencies and/or clinicians (as applicable)) of relevant Core Training and Guidance Material.

35.6 The Supplier acknowledges that copies of the Core Training and Guidance Materials (as such Core Training and Guidance Materials exists as at the Implementation Services Commencement Date) will be made available following the Implementation Services Commencement Date.

Training

35.7 Not Used.

35.8 The Supplier acknowledges and agrees that the Authority reserves the right to quality assure and sign off all Core Training and Guidance Material. All Core Training and Guidance Material (and any information required by the Authority in relation to any aspect of Core Training and Guidance Material) shall be provided to the Authority on request.

Initial Training

35.9 The Supplier shall prepare and provide a training programme for each HP (in accordance with the requirements detailed below and in Paragraph 35.10), which will ensure that they have the required level of knowledge and skills to achieve (subject always to the provisions of Paragraph 33) Authority SoS Representative's Approval (each a "**Training Programme**"), such knowledge and skills to include (as indicative, non-exhaustive examples only):

(a) an understanding of, and an ability to perform, the role of the disability assessor in order to assess Claimants with physical or mental health conditions;

(b) knowledge of the benefit relevant to any Assessment they will be carrying out, including the legislative framework applicable to that benefit;

(c) an up-to-date knowledge of relevant clinical subjects;

(d) an awareness of the Authority's approach to customer service and equal opportunities;

(e) disability awareness;

(f) mental health awareness and the Mental Capacity Act 2005;

(g) an ability to deal with potential UCB;

(h) multicultural awareness;

(i) training on the relevant IT Systems;

(j) consent;

(k) confidentiality;

(l) information governance;

(m) use of chaperone; and

(n) adult and child safeguarding training modules,

as may be added to, amended, or redefined by the TAG Editorial Board from time to time and incorporated into this Agreement by way of the Change Control Procedure.

35.10 The Supplier shall procure that:

(a) each Training Programme is delivered to the relevant HP and shall provide that HP with a course of relevant and appropriate theoretical and practical training (which shall be developed by the Supplier); and

(b) following completion of the relevant Training Programme, a written and practical assessment of the relevant HP shall be conducted to ensure that the required levels of skills and knowledge have been achieved by that HP.

35.11 The Supplier shall undertake close supervision of new HPs during practical training.

35.12 The Supplier acknowledges and agrees that (without prejudice to the Supplier's obligations under Paragraph 24.1) Assessments undertaken by an HP shall initially be supervised until the Supplier is satisfied that the HP is consistently meeting the required standards in an operational setting, provided always that the number of Assessments that shall be supervised shall be at the reasonable discretion of the Supplier (having regard to the overarching objective of such supervision).

35.13 Where no Core Training and Guidance Material exists in respect of the provision of any element of the Operational Services, the Supplier shall ensure that relevant and appropriate material shall be produced as soon as reasonably practicable after becoming aware that no such Core Training and Guidance Material exists and shall submit such material to the Authority for review and approval (such approval to be at the absolute discretion of the Authority) and such material (following approval) shall be deemed to be Core Training and Guidance Material for the purposes of this Schedule 2.1.

Continuing Professional Development (CPD)

35.14 The Supplier shall, subject to Paragraphs 35.15 to 35.28, develop, deliver and evaluate a Continuing Professional Development (CPD) training programme (the "**CPD Training Programme**") for each HP on an annual basis, provided always that the Supplier shall undertake a review of each such CPD Training Programme on a quarterly basis (or as required by the Authority) to incorporate approved updates by the Authority, such CPD Training Programme to include appropriate feedback and mentoring.

35.15 The Supplier acknowledges that the Authority will provide the Supplier with an outline of the CPD Training Programme, stating topics that the Authority requires to be included in the CPD Training Programme for the forthcoming year.

35.16 Having regard to the relevant CPD Training Programme, the Supplier shall undertake and deliver a Training Needs Analysis (TNA) each year (and shall review and update such TNA on a quarterly basis) at organisational level to support CPD for HPs, provided always that the Supplier acknowledges and agrees that:

(a) the scope, objectives and methodology of the TNA (and any proposed update to such TNA arising in connection with the quarterly review) shall be subject to the prior approval of the Authority before it is undertaken; and

(b) the outcome of the TNA (and any updated outcomes in respect of such TNA arising out of the quarterly review) shall be subject to the prior approval of the Authority before the outcome of such TNA (or updated TNA, as the case may be) is incorporated into and reflected in any Personal Training Plan,

in each case, to allow flexibility for the Authority to make changes to the TNA should a need be identified.

35.17 Taking into account the outcome of the relevant TNA and subject to Paragraphs 35.18 to 35.25, the Supplier shall provide each HP with a personal training plan (each a "**Personal Training Plan**") on an annual basis, such Personal Training Plan to contain

details of the individual modules to be completed within that Personal Training Plan and the timescales within which each such module will be delivered to that HP.

35.18 The Supplier shall work with the TAG Editorial Board to deliver in each Service Delivery Year:

(a) an approved and detailed TNA by 1st July in respect of the next following Service Delivery Year;

(b) a Personal Training Plan for each HP by 1st August in respect of the next following Service Delivery Year; and

(c) training in accordance with the relevant Personal Training Plan for the relevant Service Delivery Year on and from 1st September.

35.19 The Supplier shall ensure that the TNA and each Personal Training Plan will keep 25% capacity for additional content to be incorporated in an ongoing quarterly (or as otherwise required by the Authority) review process and the Supplier shall, working collaboratively with the TAG Editorial Board and on a quarterly basis, update each Personal Training Plan (and provide such updated Personal Training Plan to the relevant HP) to set out the additional training to be included in this capacity for the next quarter in such Personal Training Plan to ensure the sessions are fully utilised.

35.20 The Supplier acknowledges that each Personal Training Plan shall be developed in co-operation with the Authority and shall be subject to approval by the Authority.

35.21 The Supplier shall ensure that any proposed changes or amendments to the Personal Training Plan shall be submitted to the Authority for approval.

35.22 The Supplier shall provide the Authority with a plan setting out in detail the manner in which the CPD Training Programme will be delivered.

35.23 The Supplier shall ensure that all modules of the relevant Personal Training Plan (including, for the avoidance of doubt, the personal training plan referred to in Paragraph 35.25) are delivered to the relevant HP by 31st August in each Service Delivery Year.

35.24 The Supplier shall evaluate the effectiveness of the CPD Training Programme and produce a training evaluation report twice yearly, the format and timing of such evaluation and evaluation report shall be as notified by the Authority from time to time.

35.25 The Supplier acknowledges that, in respect of Service Delivery Year 1, a current personal training plan for each HP prepared by the Former Supplier shall be made available to it and the Supplier shall ensure that this personal training plan is completed in accordance with its terms during Service Delivery Year 1, provided always that the Supplier may, if necessary, review and amend such personal training plan in collaboration with the Authority.

35.26 Not Used.

35.27 Not Used.

35.28 The Supplier shall implement additional CPD training on an ad hoc basis at the request of the Authority.

35.29 Not Used

The Clinical Authorship Team (CAT) and Training and Guidance (TAG) Editorial Board

35.30 Without prejudice to Paragraph 35.1, the Supplier shall work collaboratively with all other FAS Lot Suppliers within the framework of the CAT, the TAG Editorial Board and the Authority (with the Authority providing general oversight).

35.31 The Supplier acknowledges that, as contemplated by Paragraph 35.6, the Authority will provide copies of all current Core Training and Guidance Material to the Supplier and other FAS Lot Suppliers during the Implementation Period.

35.32 The Supplier acknowledges that it (and individual FAS Lot Suppliers) may, from time to time, identify issues that are specific to its or their individual organisation and that:

(a) training and guidance material may be required to be developed to address such issues; and

(b) subject to Paragraph 35.34, the CAT will be responsible for developing this non-core material based on existing material, provided that such material shall not be subject to Authority approval.

35.33 The Supplier acknowledges that the CAT will also be responsible for:

(a) reviewing and updating all existing Core Training and Guidance Material on an annual basis;

(b) developing new Core Training and Guidance Material in conjunction with the Authority;

(c) developing the outline of the annual CPD Training Programme; and

(d) liaising with external experts for quality assurance in conjunction with the Authority (as referred to in Paragraph 35.5).

35.34 The Supplier acknowledges that the CAT will not be responsible for:

(a) development of non-clinical material that relates to administrative issues; and/or

(b) development of non-clinical material that relates to IT issues,

in each case, the development of such material shall be the responsibility of the Supplier.

35.35 The Supplier shall (without prejudice to any equivalent obligations owed by the Supplier to the Authority under separate agreements where the Supplier is another FAS Lot Supplier) provide HPs to join the CAT as Clinical Authors who the Supplier shall procure, for the duration of their attachment to the CAT, shall be impartial and who shall meet the requirements of Paragraph 35.42.

35.36 As at the Operational Service Commencement Date, the Authority anticipates that 10 health professionals (in aggregate) will be required to be provided to the CAT as Clinical Authors by the Supplier and other FAS Lot Suppliers, provided always that the Authority reserves the right to change the number of such Clinical Authors as and when it deems is necessary. It would be acceptable to the Authority to have the Clinical Authors rotating but within reason for continuity purposes. Without prejudice to Paragraph 35.42, the Authority deems it appropriate for Clinical Authors to have had 12 months' experience and to sit on the CAT for a maximum of 3 years, however, in each case, this detail will be agreed by the entire TAG Editorial Board at the onset when setting up the terms of reference of the TAG Editorial Board in accordance with Paragraph 35.45.

35.37 The Supplier shall work with the Authority to review the Clinical Author requirement on a regular basis with the view of establishing the optimum number of Clinical Authors comprised within the CAT from time to time.

35.38 The Supplier shall also provide 1 or more Clinical Leads (as required by the Authority from time to time and who shall meet the requirements of Paragraph 35.42) to join the CAT and the TAG Editorial Board. The Supplier acknowledges that, while the Authority anticipates (as at the Effective Date) that 5 Clinical Leads (in aggregate) will be required to be provided to the CAT (and the TAG Editorial Board) by the Supplier and other FAS Lot Suppliers, the Authority reserves the right to change the number of such Clinical Leads as and when it deems is necessary.

35.39 The Supplier shall assign an Administrative Lead who will be responsible for all non-clinical tasks, including:

(a) managing the workload of the Clinical Authors and the Clinical Leads;

(b) taking the approved Core Training and Guidance Material back to relevant Supplier Personnel; and

(c) arranging for delivery of the Personal Training Plans.

35.40 The Supplier shall procure that the Clinical Lead(s) appointed by it shall:

(a) oversee the work of the Clinical Authors appointed by it and (where required by the Authority) the work of Clinical Authors appointed by other FAS Lot Suppliers; and

(b) liaise with relevant Supplier Personnel, with Clinical Leads and Clinical Authors appointed by other FAS Lot Suppliers and with the Authority (as necessary).

35.41 The Supplier acknowledges and agrees that the Clinical Lead(s) appointed by it will be accountable for the Clinical Authors' material, including material produced by Clinical Authors provided by other FAS Lot Suppliers to the extent that such Clinical Lead is engaged in the review and/or development of such material as referred to in Paragraph 35.40.

35.42 The Supplier shall ensure that Clinical Authors and Clinical Leads provided by it to the CAT and/or the TAG Editorial Board (as the case may be) shall have previous experience in training development and delivery.

35.43 The Supplier acknowledges that the TAG Editorial Board will have responsibility for oversight of Supplier training and guidance and delivery.

35.44 The Supplier acknowledges that the TAG Editorial Board shall be constituted as follows:

(a) Authority Clinicians and Clinical Leads provided by the Supplier and other FAS Lot Suppliers (as contemplated in Paragraph 35.38);

(b) other Authority, Supplier and FAS Lot Supplier representatives (as required); and

(c) an Authority representative will be the Chair of (and ultimate decision maker for) the TAG Editorial Board.

35.45 The Supplier acknowledges that the TAG Editorial Board will meet on a monthly basis (and the Supplier shall procure that its representatives on such board shall attend such meetings (as required)) and that its remit will include:

(a) functioning as an escalation point for any disagreements within the CAT; and

(b) approving the content of the annual training programme, including the outline CPD Training Programme and the TNA (as referred to above at Paragraphs 35.14 and 35.16) and evaluation,

provided always that the Supplier acknowledges that the terms of reference for the TAG Editorial Board shall be notified by the Authority to the Supplier during the Implementation Period (having regard to any reasonable representations of the Supplier and/or other FAS Lot Suppliers as to such proposed terms of reference during the Implementation Period).

35.46 The Supplier acknowledges and agrees that the Authority shall be responsible for approving (in its absolute discretion) any new and/or updated Core Training and Guidance Material authored by the CAT and (following approval by the Authority of such new and/or updated Core Training and Guidance Material), such approved Core Training and Guidance Material shall become part of the Approved Core Training and Guidance Material for the purposes of this Agreement.

35.47 Without prejudice to Paragraph 35.1, the Supplier shall use and implement the latest version of the Approved Core Training and Guidance Material in connection with the performance of the Operational Services.

35.48 The Supplier acknowledges that, through the CAT, it may refer ad hoc requests directly to the Authority if the issue is urgent or deemed not sufficiently significant to require TAG Editorial Board input.

35.49 Notwithstanding the provisions of Paragraphs 35.30 to this Paragraph 35.49, the Supplier shall be responsible for delivery of training and guidance to Supplier Personnel, as contemplated in Paragraphs 35.9 to 35.28.

35.50 The Supplier acknowledges that the Authority shall provide (or procure the provision of) a platform, which shall contain one version of the Approved Core Training and Guidance Material, and that:

(a) such platform shall be a shared space between the Supplier, all FAS Lot Suppliers and the Authority;

(b) Approved Core Training and Guidance Material placed on the platform shall be maintained by or on behalf of the Authority (and when the Authority approves new and/or updated Approved Core Training and Guidance Material then the Authority (and not the Supplier) shall place (or procure the placement of) such Approved Core Training and Guidance Material on such platform; and

(c) the Supplier shall access the platform promptly when new or updated Approved Core Training and Guidance Material is provided by the Authority (and the Supplier acknowledges that it is the Supplier's responsibility to ensure that it and its Supplier Personnel are using the latest version of the Approved Core Training and Guidance Material).

35.51 Not Used.

35.52 The Supplier shall work with the Authority and other FAS Lot Suppliers to (amongst other things):

(a) establish the level of expertise required for the Clinical Authors and Clinical Leads;

(b) decide who will be provided to the CAT and/or the TAG Editorial Board (as the case may be);

(c) decide how to allocate a Clinical Lead according to skill sets and clinical areas of expertise;

(d) decide how to allocate modules and work according to skill sets and clinical areas of expertise; and

(e) agree the working arrangements of the CAT during the Term.

35.53 The provisions of the Multi-Party Dispute Resolution Procedure shall apply in relation to any Multi-Party Dispute arising under or in connection with this Paragraph 35.

36 REVALIDATION

36.1 The Supplier shall ensure that HPs are fully supported to meet the requirements for professional revalidation.

37 EXCLUDED HEALTH PROFESSIONALS

37.1 The Supplier shall ensure that the following HPs are excluded from undertaking an Assessment in respect of a Claimant and/or providing advice to the Authority in respect of that Claimant:

(a) anyone directly affected by the Referral in question;

(b) any HP who has regularly attended the Claimant or practises at a surgery where the Claimant is or has been registered;

(c) any HP who is attending, has attended, or is anticipated to attend the Claimant at some time in the future for the purposes of providing reports in respect of commercial matters;

(d) any HP who is providing, has provided, or is anticipated to provide services at some time in the future to the Claimant's employer;

(e) any HP previously involved in advising on, or undertaking an Assessment in respect of, a Referral that has resulted in an Appeal, in relation to the Claimant, where identified;

(f) any HP identified as unsuitable by the Authority;

(g) any HP who has attended an Assessment as a companion in relation to the Claimant;

(h) any HP not appropriately qualified or has not obtained Authority SoS Representative's Approval, unless undergoing approval or such approval has expressly been waived by the Authority, but subject always to the provisions of Paragraphs 24.1(a) and 24.1.2;

(i) any HP who is a friend or relative of the Claimant;

(j) any HP who the Claimant has made a Complaint about; and/or

(k) any HP who is an employer of the Claimant, or employed by the Claimant, or is employed by the Claimant's employer, other than where the Claimant is an employee of the Supplier.

38 HEALTH PROFESSIONAL CONDUCT DURING CONSULTATIONS

38.1 The Supplier shall and shall procure that all HPs shall comply with the standards of conduct required by the Authority at all Consultations, which include:

(a) treating the Claimant with respect and carrying out the Consultation in a manner that avoids unnecessary anxiety or physical discomfort to the Claimant;

(b) introducing themselves, explaining the purpose of the Consultation and what it entails;

(c) allowing the Claimant (or their companion if required) sufficient time to give their relevant medical history and to explain how their disability or condition affects them;

(d) allowing the Claimant to explain how their condition affects them on good and bad days;

(e) obtaining consent from the Claimant to carry out any necessary examination;

(f) check the Claimant's understanding, explaining what happens next in making a decision and answer any appropriate questions posed by the Claimant, without giving an opinion on the outcome of the Assessment, the claim or medical condition; and

(g) maintaining a non-adversarial manner.

38.2 Where a Consultation is required, the Supplier shall procure that the HP performs such Consultation in such a way that it gathers all the evidence required to present the appropriate advice and provide the factual information in the manner required by the Authority and the Supplier acknowledges that, any additional questions required to be answered by the Claimant, or particular areas of difficulty for the Claimant that require explicit clarification, will be communicated to the Supplier by the Authority.

38.3 The Supplier shall procure that the HP complies with the obligations in Paragraph 7.4.

39 EVIDENCE AND REPORTING

39.1 Without prejudice to the Supplier's obligations elsewhere in this Agreement in respect of recording, maintaining and/or reporting Management Information, the Supplier shall:

(a) develop and maintain such databases to collect and report information in relation to recruitment, training, monitoring, quality audit and the grant or revocation of Authority SoS Representative's Approval as the Authority shall reasonably require from time to time for the purposes of, amongst others, verifying the Supplier's compliance with the requirements of this Schedule 2.1 and to inform recruitment and retention strategies;

(b) provide such reports and/or information to the Authority on request; and

(c) produce a single report covering all aspects of quality, including performance and Complaints, on a monthly basis. The Supplier acknowledges that the format of the report shall be specified by the Authority from time to time.

39.2 The Supplier shall prepare and update from time to time (as necessary) a comprehensive portfolio of information and evidence in respect of each HP and Supplier Auditor to support the Authority in its assurance activities, such portfolio to include information and evidence:

(a) that the individual met the basic requirements for employment as set out in Paragraph 31.1;

(b) relating to initial training and competence assessments attended or carried out, including results, as referred to in 35.9 and 35.10;

(c) that was supplied to the Authority to support a request for Authority SoS Representative's Approval as referred to in Paragraphs 24.1(a), 24.1.2, 31.7, 33.1, 33.2 and 33.6;

(d) relating to ongoing CPD and training received by the individual as referred to in Paragraphs 35.14 to 35.29; and

(e) relating to Supplier Audits or Case Reviews carried out in respect of the relevant HP's Referrals or carried out by the Supplier Auditor (as the case may be), as referred to in Paragraphs 24.1(c), 24.2, 24.7 and 34.1.

and the Supplier shall make such portfolios available to the Authority on request.

40 STAFF WHO ARE NOT HEALTH PROFESSIONALS

Recruitment

40.1 The Supplier shall (and shall procure that each Sub-contractor shall) maintain and report the Management Information in respect of Supplier Personnel referred to in (and in accordance with) Paragraph 2.3 of Part A of Schedule 8.4 (*Management Information and Records Provisions*).

40.2 Without prejudice to the Supplier's obligation to provide the Management Information relating to workforce and capacity planning referred to in (and in accordance with) Paragraph 2.5 of Part A of Schedule 8.4 (*Management Information and Records Provisions*), the Supplier shall also provide details of the systems and processes it will implement to recruit and retain a viable pool of required Supplier Personnel who are not HPs, which details shall also be deemed to form part of the Management Information referred to in such Paragraph 2.5 of Part A of Schedule 8.4 (*Management Information and Records Provisions*).

40.3 Without prejudice to the Supplier's obligation to maintain and report the Management Information in respect of Supplier Personnel referred to in (and in accordance with) Paragraph 2.3 of Part A of Schedule 8.4 (*Management Information and Records Provisions*),the Supplier shall also provide a monthly report to the Authority detailing the location, job role, type of employment contract and volumes (FTE/heads) of all Supplier Personnel who are not HPs, which report shall also be deemed to form part of the Management Information referred to in such Paragraph 2.3 of Part A of Schedule 8.4 (*Management Information and Records Provisions*).

Training

40.4 The Supplier shall detail the training and continuous development of Supplier Personnel who are not HPs, but who are reasonably expected to have direct contact with Claimants, including:

(a) skills required to deliver the relevant part of the Operational Services for which they are employed or engaged;

(b) an awareness of the Authority's approach to customer service and equal opportunities, including disability and mental health awareness;

(c) an ability to deal with potential UCB;

(d) an ability to deal with vulnerable Claimants and, where required, signpost to wider support services e.g. Citizens Advice;

(e) multicultural awareness;

(f) an ability to communicate in a professional, effective and courteous manner;

(g) training on relevant IT systems;

(h) adult and child safeguarding training modules;

(i) confidentiality;

(j) information governance;

(k) an understanding of the relevant aspects of the Operational Services applicable to their role, including (as applicable) Failed to Attend, reasonable adjustments and role of companions; and

(l) such additional skills and/or training as the Authority may reasonably require from time to time and incorporated into this Agreement by way of the Change Control Procedure.

40.5 The Supplier shall undertake and deliver a Training Needs Analysis each year at organisational level to support training and continuous development of Supplier Personnel that are not HPs and shall, taking into account the outcome of the relevant Training Needs Analysis, provide each non HP with a Personal Training Plan (each a "**Non-HP Training Plan**") for completion during the relevant year.

40.6 The Supplier shall:

(a) procure that each member of Supplier Personnel that is not a HP completes their applicable Non-HP Training Plan during the relevant year; and

(b) provide quarterly, or more frequently if required, reports with details of progress in delivering the Non-HP Training Plans, including completion rates.

40.7 The Supplier shall provide an annual evaluation report to the Authority which includes lessons learned in respect of the delivery of training to Supplier Personnel that are not HPs and how it intends to apply these lessons learned in the sfuture delivery of such training.

41 PERFORMANCE LEVELS

41.1 The provisions of Schedule 2.2 (*Performance Levels*) shall apply in respect of the monitoring and measurement of the Supplier's performance of the Operational Services, including in respect of the Supplier's achievement of the Target Performance Levels, the Volume Clearance Targets and the Monthly Volume Clearance Targets.

42 VOLUMES

42.1 The table below outlines the volume of Clearances for the Lot, broken down by Assessment Type.

42.2 It is the Supplier's responsibility to ensure that the Operational Services provided are capable of delivering, in accordance with this Agreement, the volume of Clearances outlined in the table below for the relevant Lot.

42.3 A regional postcode breakdown - 'FAS Postcode Map' of Lots 1-5 can be found in the Data Room.

Clearance volume requirements will be contractual.

Clearance Volumes Lot 3		Contract Year 1	Contract Year 2	Contract Year 3	Contract Year 4	Contract Year 5	Total
Volume Scenario		000s	000s	000s	000s	000s	000s
Baseline	PIP	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	WCA	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	Specialist Benefits	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

42.4 Where at any time after the Effective Date the Authority requires a change to alter the proportion of Assessments in respect of PIP, in respect of WCA and/or in respect of Specialist Benefits as set out in the Table in Paragraph 42.3, any such change shall be processed as a Volume Pivot pursuant to the provisions of Paragraph 10 of Schedule 8.2 (*Change Control Procedure*).

43 MANAGEMENT AND DELIVERY INFORMATION

43.1 Without prejudice to its obligations in Paragraph 1.3 of Part A of Schedule 8.4 (*Management Information and Records Provisions*), the Supplier shall maintain data and perform analysis to inform, amongst other things, staff productivity, continuous improvement and evaluation and determination of value for money and shall make such data and analysis available to the Authority as part of the data and analysis referred to in such Paragraph 1.3 of Part A of Schedule 8.4 (*Management Information and Records Provisions*).

44 NOT USED

45 CONTINUOUS IMPROVEMENT

45.1 The Authority requires the Supplier to undertake continuous improvement activities and develop continuous improvement plans.

45.2 The Supplier shall produce and deliver, within 6 months of the Operational Service Commencement Date, to the Authority a Continuous Improvement Plan that sets out proposals for continuous improvement in respect of the Operational Services and takes account of, amongst other things:

(a) proven tools and methodologies that may be of financial or operational benefit to the Authority, particularly around digital communications;

(b) procedures to ensure that the Operational Services are, at all times, provided in accordance with Good Industry Practice and which are at least comparable with the level of change and innovation generally being used by suppliers of similar services (including other FAS Lot Suppliers);

(c) help move the Operational Services towards the HAS Operating Model and strategic direction of health services, as referred to in Paragraphs 2 and 4;

(d) the views of Claimants and Claimant Representative Groups - the Supplier shall work with the Authority, Claimants and Claimant Representative Groups to identify opportunities for continuous improvement to promote/enhance equality and human rights and put them at the centre of the Operational Services; and

(e) any priorities set by the Authority, specific areas of concern that the Authority has notified to the Supplier and/or other issues (including performance issues) that have been identified (including the action being taken (or proposed to be taken) by any other FAS Lot Suppliers to address these Authority-led priorities or concerns and/or other issues).

45.3 The Supplier shall ensure that the Continuous Improvement Plan includes details of the measurable outcomes associated with the proposed continuous improvement activities and how these will be monitored and reviewed.

45.4 The Supplier shall provide (on a quarterly basis) an update of the Continuous Improvement Plan for approval by the Authority, such update to take into account and reflect the Authority's priorities for each quarter (details of which the Supplier shall obtain from the Authority prior to producing the updated Continuous Improvement Plan).

45.5 The Supplier shall provide the Authority with advice, guidance and support on any issues relating to the provision of Operational Services, when reasonably requested to do so.

46 ESTATES

46.1 The Supplier shall comply with its obligations in Schedule 15.1 (*Estates*).

47 INFORMATION TECHNOLOGY

47.1 The Supplier shall comply with its obligations in Schedule 18 (*Information Technology Services*).

47.2 The Authority recognises that in order to manage its business the Supplier is likely to need to provide some of its own IT system(s) and/or partner with a suitable organisation for their provision. For clarity the functions below will not be provided by the Authority:

(a) finance/accounting (e.g. invoice generation, invoice handling and payment for supplier(s) and/or contractors);

(b) HR systems (payroll, expenses, bonus, recruitment, HP registration with the appropriate professional body);

(c) IT to support generic training (for example training on MS Word, email, etc.);

(d) mobile phones where appropriate;

(e) Management Information data required for contractual reporting which is not provided by the Authority and/or the Authority IT Systems;

(f) for PIP Services - fulfilment / payment of expenses (Further Medical Evidence and Claimant);

(g) for PIP Services - notifications in certain alternative formats (Easy Read, audio and foreign language translations);

(h) for WCA Services and Specialist Benefits Services - input and creation of Further Medical Evidence expense payments;

(i) for WCA Services and Specialist Benefits Services - fulfilment / payment of expenses, notification to Claimants of payment, accounting/reconciliation of expense payments and payment re-issue;

(j) for WCA Services and Specialist Benefits Services - notifications in certain alternative formats (Easy Read, large print, audio and foreign language translations); and

(k) provision of any other IT systems required to run the business operations of the Operational Services, which is not in the scope of the Authority IT Systems or otherwise expressly stated in this Agreement to be provided by the Authority.

47.3 The Supplier agrees to use the Authority Video Assessment Service provided by the Authority in accordance with any terms of use as notified to the Supplier by the Authority. (See Schedule 18 section 4).

48 NOT USED

49 IHPA PLACEMENTS

49.1 The Supplier shall make available to the Authority IHPAs from its available employees and / or the available employees of its Sub-contractors as requested by the Authority and agreed in an IHPA Agreement (template shown in Annex 4 to this Schedule 2.1). For the purposes of this Paragraph 49, the "Employer" means: (i) the Supplier where the IHPA is an employee of the Supplier; and (ii) the relevant Sub-contractor where the IHPA is an employee of that Sub-contractor. The IHPA Placements will be on the following basis:

(a) the IHPAs will be provided to perform services necessary on site and occasionally remotely, as more particularly detailed in the IHPA Agreement;

(b) it is expressly agreed that IHPAs, during the period of their IHPA Placement with the Authority, will work under the direction, supervision, management and control of the Authority or any of its personnel or representatives;

(c) the Employer shall remain the employer and IHPAs will at all times remain employees of the Employer. The Employer shall be responsible for ensuring payment of all salary and other payments due from the Employer in respect of the IHPA's contract of employment;

(d) the Authority agrees not to interfere with the ongoing employment relationship between the Employer and any specific individual;

(e) the hours of work will be as set out in the IHPA Agreement;

(f) prior to the commencement of each IHPA Placement, the IHPA will be required to sign the Non-Disclosure and Conflicts of Interest Agreement (template shown in Annex 4 to this Schedule 2.1) and to comply with the same; and

(g) in the event that an IHPA is an employee of a Sub-contractor, the IHPA will be placed by the Sub-contractor with the Supplier for onward placement by the Supplier with the Authority.

49.2 The Supplier shall ensure each IHPA understands the following:

(a) during the IHPA Placement the IHPA will work under the supervision of the Authority and carry out all reasonable instructions of the Authority;

(b) the IHPA will not carry out any work for the Employer during the IHPA Placement, except attending the Employer's training or updates;

(c) the IHPA will not undertake any other paid work or employment during the IHPA Placement, except with the express written permission of the Authority and the Employer;

(d) except as otherwise provided in this Paragraph 49, the IHPA Agreement and/or the Non-Disclosure and Conflicts of Interest Agreement, the IHPA will continue to be subject to the Employer's policies and procedures during the IHPA Placement, including the Employer's disciplinary and grievance procedures;

(e) the IHPA will notify in writing the Authority and the Employer of any change to their personal address within 2 weeks of any such change;

(f) the requirements in relation to leave/absence requests and notifications in Paragraph 49.6;

(g) the requirements in relation to records in Paragraph 49.7; and

(h) the requirements in relation to expenses in Paragraphs 5 - 7 of the IHPA Agreement.

49.3 It will be the responsibility of the Employer to instigate and carry out any disciplinary proceedings in respect of the IHPAs. This will be in accordance with the Employer's procedures for discipline.

49.4 The Authority will comply with the following responsibilities:

(a) the Authority will be responsible for ensuring that the IHPAs perform their duties satisfactorily and will notify the Supplier in writing with details if it is not satisfied with any IHPA;

(b) the Authority will provide the IHPAs with such administrative and technical support, resources, manpower, equipment and facilities as are reasonably required to perform the work which the IHPAs are required to carry out;

(c) the Authority agrees that it will, for the period of the IHPA Placement, act in relation to the IHPAs as if it owed to them all the statutory duties that an employer owes to its employees in particular, but without prejudice to the

generality of the foregoing, all those duties of an employer as are set out in the Health and Safety at Work Act 1974 and all regulations made pursuant to that Act. In addition, the Authority will ensure that it complies with all legislation, regulations and directives in so far as they relate to personnel;

(d) the Authority agrees to indemnify and hold harmless the Supplier from any claims, demands, costs, expenses, liabilities, judgements, fines and penalties including the expenses, disbursements, costs and other amounts as may be incurred by the Supplier:

(i) in defending Health and Safety at Work Act prosecutions or in conducting or co-operating with investigations by or for any authority in respect of or arising out of any matter which would (if proved) constitute a breach by the Authority of its obligations under Paragraph 49.4(c);

(ii) which are wholly or partly attributable to or arise out of conditions under which the IHPAs work including but not limited to due to bodily injury or disease sustained by the IHPA during the period of the IHPA Placement, (including liability for ill health and injury pension awards); and

(iii) due to the performance by the IHPA of their duties under the applicable IHPA Agreement;

(e) the Authority will introduce a series of review points with each IHPA, both informally at six (6) months, and formally every twelve (12) months, during the period of the IHPA Placement, to ensure the Authority and the IHPA have a mutual understanding on the length of the IHPA's IHPA Placement;

(f) the Authority agrees that all instructions given to IHPAs will be lawful and reasonable; and

(g) the Authority line manager will manage the IHPA and submit a report on the IHPA's performance to the Supplier (which, where the Employer is a Sub-contractor, the Supplier will forward to that Sub-contractor) at the conclusion of the IHPA Placement and during the IHPA Placement for the purpose of the annual performance review process, which the Employer will remain responsible for. Such information will be requested no more than twice per annum and will be made available to the Supplier within 10 Working Days of a request being made.

49.5 The Authority will pay charges for IHPA Placements as follows:

(a) in consideration for the services provided by the IHPA the Authority will pay for the IHPA Placement on the basis set out in the applicable executed IHPA Agreement;

(b) the Supplier's employees will not participate in any benefit plan maintained by the Authority for its employees; and

(c) from the Start Date stated in the executed IHPA Agreement, the Employer shall pay the IHPA's salary and the Authority will pay the Supplier for the IHPA's salary.

Further information is held in Annex 3 to Schedule 7.1 (*Charges and Invoicing*).

49.6 The following requirements will apply to each IHPA Placement and IHPA:

(a) leave entitlements of IHPAs will continue to accrue through the period of the IHPA Placement based on his or her terms and conditions of employment, including annual leave, sickness absence and other leave;

(b) any annual leave taken during the IHPA Placement must not exceed the pro-rata entitlement for the period of the IHPA Placement. The IHPA will apply for leave to the Authority line manager, who will approve the leave provided there is sufficient resource during the period of leave requested. The Authority line manager will note the approved leave and inform the Supplier of the leave;

(c) the IHPA will report to their Authority line manager and the Employer, as soon as they are able, any cases of sickness absence or other emergency absence in accordance with the relevant notification procedures for each of the Parties. The Authority line manager will communicate details of the Authority absence notification provisions to be complied with by the IHPA. The IHPA will forward self-certification forms signed by the Authority line manager and medical certificates to the Employer. The IHPA will remain subject to the Employer's sickness absence procedures and sick pay scheme; and

(d) the Authority will maintain and make available to the Supplier an attendance record in respect of each IHPA, recording all absences including due to the following:

(i) annual leave;

(ii) sick leave;

(iii) any other leave;

(iv) absence due to industrial action; and/or

(v) unauthorised absences.

49.7 All records in any medium (whether written, computer readable or otherwise) including accounts, documents, drawings and other papers including private notes concerning the Authority and all copies and extracts of them made or acquired by the IHPA in the course of their IHPA Placement are the property of the Authority and the IHPA will use them only for the purposes of the Authority and return them to the Authority on demand at any time and without demand on the termination of the period of the IHPA Placement.

49.8 IHPA Placements may be terminated as follows:

(a) at any time by the Authority or the Supplier giving to the other Party 1 months' notice in writing;

(b) without notice by the Authority in the event of a finding of gross misconduct against the IHPA;

(c) the IHPA Placement will automatically terminate should the IHPA for any reason no longer be an employee of the Employer;

(d) the Supplier shall be entitled to withdraw or suspend temporarily the services of all or any of their IHPAs (at the Supplier's discretion) without notice in the event that the conditions of work of the IHPAs (or any of them) are such that the Authority is, in the Supplier's reasonable opinion, acting in breach of its obligations as set out in Paragraph 49.4;

(e) in the event of an IHPA being unavailable or absent for more than 2 weeks, other than due to pre-approved annual leave, the Authority may terminate the IHPA Placement with immediate effect upon written notice to the Supplier. In such circumstances the Authority may request the Supplier to provide a replacement. The Supplier and Authority will agree a new IHPA Agreement in respect of any such replacement IHPA. As an alternative to termination, the Authority and the Supplier may agree a temporary suitable replacement IHPA;

(f) either Party may terminate an IHPA Placement on 1 week notice if a conflict of interests arises which cannot be appropriately managed; and

(g) either Party will be entitled to terminate an IHPA Placement with immediate effect upon written notice to the other Party if any provision of this Paragraph 49, the IHPA Agreement and/or the Non-Disclosure and Conflicts of Interest Agreement is breached by the Authority and/or the IHPA and/or the other Party.

49.9 The Supplier shall ensure that all necessary provisions from this Paragraph 49 are included in its Sub-contracts. The Supplier shall promptly amend existing Sub-contracts to include the necessary provisions and ensure that the necessary provisions are included in any new Sub-contracts. The necessary provisions include but are not limited to:

(a) the obligation on the Sub-contractor to make its employees available to the Supplier for placement with the Authority as requested by the Authority (to reflect the obligation on the Supplier in Paragraph 49.1); and

(b) the obligation for the Sub-contractor to enter into an appropriate agreement with the Supplier (based on the form of IHPA Agreement set out in Annex 4 to this Schedule 2.1 to the extent relevant, with appropriate amendments to reflect the circumstances) and procure that the IHPA enters into an amendment to its terms of employment with the Sub-contractor and a Non-Disclosure and Conflicts of Interest Agreement directly with the Authority (template shown in Annex 4 to this Schedule 2.1) and complies with the same.

49.10 Unless otherwise notified by the Authority to the Supplier in writing, where any individual is on placement to the Authority by the Supplier or any of its Sub-contractors under the terms of any agreement with the Authority immediately before the Operational Service Commencement Date, the Supplier shall, and shall ensure that the relevant Sub-contractor shall, continue to make any such individual available for continued placement with the Authority following the Operational Service Commencement Date. The Parties will put in place the necessary documentation for such arrangements to continue.

50 SPECIALIST BENEFITS

Key elements of the Operational Services in respect of Specialist Benefits

50.1 The Supplier acknowledges and agrees that:

(a) the key elements for the Specialist Benefit Services are the same as those outlined in Paragraphs 7 to 49 (inclusive), unless otherwise specified;

(b) the nature of the activities to be undertaken by the Supplier in respect of the Specialist Benefit Services will vary depending upon the nature of the Specialist Benefit in question;

(c) in many cases, it will be necessary for the Supplier to undertake a Consultation in order to provide the Specialist Benefit Services in question; and

(d) the Supplier shall be required to generate, complete and/or provide advice (which advice may be required to be provided in writing or verbally, as expressly referred to in the following provisions of this Paragraph 49.9), information, documentation, forms and/or reports (as applicable) in respect of all Specialist Benefits,

and the Supplier further acknowledges and agrees that:

(i) reference to an "Assessment" in the context of Specialist Benefits (including in the definition of Referral) shall be construed having regard to the nature of the activities required to be undertaken by the Supplier in connection with the Specialist Benefit in question, as such activities shall be notified by the Authority to the Supplier when making the relevant Referral and/or as shall be set out in the relevant part of the Service Guidance; and

(ii) any advice (including advice provided orally), information, documentation, forms and/or reports that are required to be generated, completed and/or provided by the Supplier under or pursuant to this Paragraph 49.9 (other than advice referred to in Paragraphs 50.34 and 50.41) shall be deemed to be an Assessment Report for the purposes of this Agreement and references to "Assessment Report" (including in the definition of Clearance) shall be construed accordingly having regard to the advice (including advice provided orally), information, documentation, form and/or report required to be generated, completed and/or provided (as the case may be) in connection with the Specialist Benefit in question.

50.2 The Supplier acknowledges that the Assessment Criteria varies for different Specialist Benefits and as such the content and/or format of the Consultations and/or the Assessment Reports will vary.

50.3 The Supplier further acknowledges that, in addition to the information provided as part of the Referral referred to in paragraph 10.31, Referrals for Assessments in respect of Specialist Benefits may also include specific questions that need to be answered as part of the Assessment.

50.4 Detailed Service Guidance for Assessments in respect of each Specialist Benefit is provided in the Data Room.

50.5 The volumes of Assessments in respect of Specialist Benefits are listed at Paragraph 42 and detailed information in the Data Room.

50.6 Not Used.

50.7 Not Used.

50.8 Not Used.

Industrial Injuries Disablement Benefit (IIDB)

50.9 The Supplier shall undertake all necessary activity, including requesting Further Medical Evidence (in particular, hospital case notes), undertaking file work for a PBR and/or carrying out a Consultation (when appropriate) to provide the advice required by the Authority in respect of the relevant Referral in the Assessment Report. The Supplier shall note that Referrals may relate to posthumous claims.

Industrial Accidents Referrals

50.10 There are four types of Referral in respect of industrial accidents:

(a) initial assessments;

(b) re-assessments;

(c) advice to assist with a determination; and

(d) change of circumstances application.

50.11 The Supplier acknowledges that Referrals will include a description of the industrial accident accepted by the Authority and the date it occurred.

50.12 For Referrals relating to initial assessments, the Supplier shall provide advice on the causation, relevant loss of faculty and disablement questions.

50.13 The Supplier acknowledges that the Authority will Refer re-assessments in respect of IIDB at least 2 months before the expiry of the current benefit entitlement period (as determined by the previous Assessment) and, without prejudice to the Supplier's obligations in respect of the achievement (or exceedance (as applicable) of the applicable Target Performance Levels for SB2, the Supplier shall ensure that the Referral in respect of such re-assessment shall be Cleared (and the Assessment Report (and all paperwork) submitted to the Authority) at least 5 Working Days before the expiry of such current benefit entitlement period.

Prescribed Diseases (PD)

50.14 There are two types of Referral in respect of Prescribed Diseases:

(a) initial assessments; and

(b) re-assessments,

and the Supplier acknowledges and agrees that the activities it is required to undertake (and the forms and Assessment Reports it is required to complete) vary according to the Prescribed Disease to which such Referral relates. The full list and details of Prescribed Diseases are set out in the relevant part of the Service Guidance, however, the Prescribed Diseases which require the Supplier to undertake additional specific activities are Occupational Deafness (A10), Chronic Bronchitis and Emphysema (D12), Pneumoconiosis (D1) and Diffuse Pleural Thickening (D9) and are set out in more detail below.

50.15 The Supplier further acknowledges that (in accordance with the relevant part of the Service Guidance) certain Referrals in respect of Prescribed Diseases will require the Supplier to carry out Hand Arm Vibration Syndrome tests (HAV).

50.16 The Supplier shall, in relation to all Referrals in respect of Prescribed Diseases, provide advice on whether the Prescribed Disease in question results in any relevant loss of faculty and a response to the disablement questions (as such questions are detailed in the relevant part of the Service Guidance), in each case, in the relevant Assessment Report.

Prescribed Disease D12 (PD D12)

50.17 The Supplier acknowledges that, before making a Referral in respect of PD D12, the Authority will normally have accepted that the Claimant has worked in an employment that is prescribed for PD D12, save that this may not be the case for Claimants who are Terminally Ill.

50.18 The Supplier acknowledges that the Service Guidance includes a description of the screening test that the Supplier is required to undertake in respect of claims relating to PD D12 and the Supplier shall apply this test using equipment that adheres to the standards set out in the relevant part of the Service Guidance.

50.19 The Supplier shall not give advice on diagnosis until the screening test has been applied.

50.20 If a screening test cannot be performed by the Supplier, the Supplier shall supply reasons for this and provide advice on what the test would have shown.

50.21 Where the Claimant has an Assessment of disablement for PD D12 (or if an award has been made as a result of an Appeal, which took account of increased disablement resulting from the effects of chronic bronchitis and/or emphysema), the Authority will include the appropriate adjustment form as part of the Referral.

Prescribed Disease A10

50.22 The Supplier shall obtain (and provide advice based on) an audiometric report.

Prescribed Diseases D1 and D9

50.23 The Supplier acknowledges and agrees that it:

(a) will usually be required to provide advice based on original radiological imaging provided by the Claimant's treating institution (as part of the Referral) and the

Supplier shall require viewing facilities for the physical and digital media provided; and

(b) may, in accordance with the relevant part of the Service Guidance, be required to request fresh Chest X Rays ("**CXRs**") for specific prescribed respiratory diseases if either no CXR is provided in the Referral or if an existing CXR exceeds a certain date.

Further Referrals in respect of IIDB

50.24 The Supplier acknowledges that the Authority will make Referrals to the Supplier for advice in respect of IIDB at any stage (including at any stage during any current benefit entitlement period (as determined by a previous Assessment)).

50.25 The type of Referrals referred to in paragraph 50.24 include:

(a) when a Claimant's condition may have changed;

(b) when the Claimant provides FME;

(c) to support the decision making for IIDB listed above;

(d) to help resolve conflicting medical opinion;

(e) to provide advice on whether a report contains Harmful Information;

(f) for advice on occupational asthma sensitisers (For PD D7);

(g) to provide medical advice on the accident question; and

(h) to help interpret the contents of a medical report.

50.26 Further detail on IIDB is provided in the IIDB technical guidance forming part of the Service Guidance.

Disability Living Allowance (DLA) - DLA (Child) (Lot 2 and Lot 5 (Northern Ireland) ONLY) and DLA (65+) (Lot 1 and Lot 5 (Northern Ireland) ONLY)

50.27 In respect of:

(a) DLA (Child), the Supplier is required to undertake an Assessment to provide an Assessment Report detailing the level of help the child needs; and

(b) DLA (65+), the Supplier is required to undertake an Assessment to provide an Assessment Report detailing the level of help required for the Claimant's mobility and/or care needs.

50.28 There are three types of Referral that can take place for both DLA (Child) and DLA (65+):

(a) SREL;

(b) audiogram report; and

(c) advice,

further details of the requirements in respect of each of which are set out in the relevant part of the Service Guidance (in addition to the brief description of the requirement set out below).

Special Rules End of Life (SREL)

50.29 The Supplier shall gather all necessary evidence to complete the Assessment and provide advice in an Assessment Report to the Authority.

Audiogram report

50.30 The Supplier shall supply an audiogram report, together with relevant advice in an Assessment Report, on request by the Authority. The Supplier shall ensure that the audiological testing will be performed by qualified audiologists.

Advice

50.31 The Supplier acknowledges that advice may be required to be provided either in writing or orally, as required by the Authority, provided always that the Supplier shall, for the purposes of Paragraph 13.6, ensure that any advice provided orally is also recorded onto and closed on SMART.

Written Advice

50.32 The Supplier shall provide written advice in an Assessment Report to the Authority in respect of Referrals relating to DLA (65+) and DLA (Child) in accordance with the relevant part of the Service Guidance.

50.33 The Authority reserves the right to review the format of advice during the Term.

Face-to-Face Advice

50.34 In addition and without prejudice to its obligations in respect of the Operational Services elsewhere in this Schedule 2.1, the Supplier shall provide HPs to give advice, using digital channels, to Authority staff at the processing centres for DLA, currently located in Birmingham and Chorlton. The Supplier shall ensure that such HPs will have experience of working with children (e.g. paediatric nurse/doctor, GP or other HP with relevant professional experience of working with children). The Authority requires the relevant HPs to provide advice 5 full days per week. In the event that the Authority requires an increase in resources to provide DLA (Child) advice, this will be made in accordance with the Change Control Procedure. The Change Control Procedure will be initiated at least 3 months' prior to the date of resource increase requirement. The Supplier shall cooperate with any such requests and will not unreasonably delay or decline to such requests.

FME relating to DLA

50.35 For clarity, the Supplier is expected to seek FME only if required for Referrals in respect of DLA to be processed under the SREL. For other Referrals in respect of DLA, the Supplier is not expected to seek FME.

Attendance Allowance (AA) (Lot 1 and Lot 5 (Northern Ireland) ONLY)

50.36 There are four types of Referral for this Specialist Benefit:

(a) SREL;

(b) EMP Report (as defined at Paragraph 50.38);

(c) audiogram report; and

(d) advice,

further details of the requirements in respect of each of which are set out in the relevant part of the Service Guidance (in addition to the brief description of the requirement set out below).

Special Rules End of Life (SREL)

50.37 The Supplier shall gather all necessary evidence to complete the Assessment and provide advice in an Assessment Report to the Authority.

Examining Medical Practitioner Report (EMP Report)

50.38 On receipt of the Referral, the Supplier shall determine whether the advice required by the Authority can be given on the evidence supplied, or if a Consultation is required. These Assessment Reports must be completed by a doctor.

Audiogram report

50.39 The Supplier shall supply an audiogram report, together with relevant advice in an Assessment Report, on request by the Authority. The Supplier shall procure that the audiological testing shall be performed by qualified audiologists.

Advice

50.40 The Supplier acknowledges that advice may be required to be provided either in writing or orally, as required by the Authority, provided always that the Supplier shall, for the purposes of Paragraph 13.6, ensure that any advice provided orally is also recorded onto and closed on SMART.

Face to Face Advice

50.41 In addition, and without prejudice to its obligations in respect of the Operational Services elsewhere in this Schedule 2.1, the Supplier shall provide a nurse to give face-to-face or remote advice to Authority staff at the processing centres for AA. Currently these are located in Preston and Blackpool.

FME relating to AA

50.42 For clarity, the Supplier is expected to seek FME only if required for Referrals in respect of AA to be processed under the SREL. For other Referrals in respect of AA, the Supplier is not expected to seek FME.

International Pensions and Benefits (IPB)

50.43 The Supplier shall undertake Assessments in respect of UK citizens living abroad and foreign nationals living in the UK, as referred to in Paragraph 50.44.

50.44 There are four types of Referral for IPB. They are:

(a) requests from foreign authorities;

(b) Claimants moving abroad;

(c) Assessments for IIDB for Claimants living abroad; and

(d) Assessments for ESA/IB/IBR for Claimants living abroad.

Requests from foreign authorities

50.45 The Supplier shall, subject to Paragraph 50.46, gather FME, provide psychiatrist reports and/or undertake a Consultation when the Authority is acting on behalf of foreign authorities for Claimants who reside in the UK and shall provide an Assessment Report to the Authority. The Supplier shall procure that requests for psychiatrist reports shall be processed clerically.

50.46 The Supplier shall limit the gathering of FME to material that is available in the UK.

50.47 As directed by the Authority, some Referrals will require 3 copies of Assessment Reports to be generated and the Supplier shall achieve the Target Performance Level for SB15 in respect of the performance of its obligations under Paragraph 50.45 to this Paragraph 50.47.

Claimants moving abroad

50.48 There are a limited number of Claimants who, if they wish to move abroad and retain their benefit entitlement, will be Referred to the Supplier. The Supplier must provide advice as to whether the Claimant's incapacity can be classed as permanent or of a chronic nature.

Assessments for IIDB for Claimants living abroad

50.49 The Supplier shall undertake Assessments for Claimants who are resident abroad. If FME from abroad or a Consultation is required, the Supplier shall return the Referral back to the Authority for action through the SMART System and the date and time at which such Referral is returned to the Authority shall be deemed to be the completion of the Referral for the purposes of Schedule 2.2 (*Performance Levels*).

50.50 The Supplier acknowledges that once the FME referred to in Paragraph 50.49 is received by the Authority, the Authority shall initiate a new Referral on the SMART System to the Supplier for the completion of a Paper Based Review and the date and time that such Referral is initiated on the SMART System by the Authority shall be deemed to be the date and time on which the relevant Referral is made for the purposes of Schedule 2.2 (*Performance Levels*). The Supplier further acknowledges that where a Consultation is required (as referred to in paragraph 50.49), the Authority may not issue a further Referral in respect of that Claimant or may require a Face to Face Consultation for that Claimant if they choose to return to the UK for their Assessment.

50.51 Not Used.

Assessments for ESA/IB/IBR for Claimants living abroad

50.52 The Supplier shall undertake Assessments for Claimants who are resident abroad. If FME from abroad or a Consultation is required, the Supplier shall return the Referral back to the Authority for action through the SMART System and the date and time at which such Referral is returned to the Authority shall be deemed to be the completion of the Referral for the purposes of Schedule 2.2 (*Performance Levels*).

50.53 The Supplier acknowledges that once the FME referred to in Paragraph 50.52 is received by the Authority, the Authority shall initiate a new Referral on the SMART System to the Supplier for the completion of a Paper Based Review and the date and time that such Referral is initiated on the SMART System by the Authority shall be deemed to be the date and time on which the relevant Referral is made for the purposes of Schedule 2.2 (*Performance Levels*). The Supplier further acknowledges that where a Consultation is required (as referred to in Paragraph 50.52), the Authority may not issue a further Referral in respect of that Claimant or may require a Face to Face Consultation for that Claimant if they choose to return to the UK for their Assessment.

Further Advice in respect of IPB

50.54 In the case of all of the above Referrals in respect of IPB, the Supplier may also be asked for advice and interpretation of medical advice received from abroad in connection with that Referral.

Veterans UK (previously Service Personnel and Veterans Agency) (Lots 1-4 Only)

50.55 The Supplier shall provide an Assessment Report following a Consultation.

50.56 Not Used.

50.57 The Supplier acknowledges that the statutory written notice period for Consultations in respect of this Specialist Benefit is 10 calendar days, provided always that the Supplier may agree to a Consultation being undertaken within a shorter time period where the Claimant has expressly requested that such Consultation be undertaken within such shorter time period.

50.58 Further detail on Veterans UK is provided in the Veterans UK Handbook (Veterans Agency medical handbook (publishing.service.gov.uk)) forming part of the Service Guidance.

Examining Medical Practitioner (EMP)

50.59 The Supplier shall ensure that all Assessment Reports undertaken in respect of this Specialist Benefit shall be completed by a doctor in accordance with the War Pension Handbook for Examining Medical Practitioners forming part of the Service Guidance and will include:

(a) a written response on any individual supplementary allowances under consideration by the Authority;

(b) answers to all specific questions raised by the Authority;

(c) any additional clinical information requested by the Authority; and

(d) where appropriate, a statement signed and dated by the Claimant in their presence.

Specialist Reports

50.60 The Supplier shall supply the Authority, on request, with a written report (which report may constitute an Assessment Report or be used to provide advice forming part of an Assessment Report) completed by, subject always to Paragraphs 50.63 to 50.65, an external Medical Specialist, British Dental Registered Specialist, or Regional Consultant or audiologist ("**Specialists**"), as directed, which report must give a full response to questions raised by the Authority.

50.61 Medical Specialist: means a GMC Registered Medical Practitioner who is working in a post directly relevant to the Claimant's condition and for answering the questions raised by the Authority, or who has retired within the preceding 5 years from such a post and has maintained a contemporary level of knowledge, and who holds one or more of the following of relevance to the Claimant's condition under consideration:

(a) Certificate of Completion of Specialist Training;

(b) an established NHS post of consultant status, full or part time, which has been held for a minimum period of 12 consecutive months;

(c) membership of the GMC maintained list of specialists;

(d) a postgraduate degree or higher qualification from a Medical Royal College; and/or

(e) revalidation or be revalidating (when statutorily necessary) to meet the GMC's criteria to remain on the GMC list of Licensed Medical Practitioners in their own specialty.

50.62 Regional Consultant: means a Registered Medical Practitioner who must:

(a) hold full and unrestricted registration with the UK General Medical Council or EEA equivalent;

(b) hold registration on the relevant Specialist Register;

(c) hold a Fellowship of a UK or Republic of Ireland Royal College or equivalent foreign or Commonwealth College, Faculty or Academy recognised and accepted in the UK or Republic of Ireland;

(d) have held NHS Consultant or academic equivalent status for 5 years; and/or

(e) revalidation or be revalidating (when statutorily necessary) to meet the GMC's criteria to remain on the GMC list of Licensed Medical Practitioners in their own specialty.

The Regional Consultant will preferably:

(i) possess higher qualifications such as MD, MS, PHD or DSc; and/or

(ii) have published work in recognised medical or other significant journals.

50.63 The Supplier acknowledges and agrees that Specialists must be able to analyse written submissions and (usually in conjunction with their own clinical history and examination) write clear and precise authoritative specialist reports answering specific medical questions.

50.64 For the avoidance of doubt, Diploma holders, Associate Specialists and NHS Staff Grades who do not meet the above criteria are excluded.

50.65 The Supplier acknowledges that the Authority will have sole discretion to decide if the author of a specialist report is appropriate.

50.66 The Supplier shall ensure that the Specialists are aware of and adhere to the Service Guidance relating to conduct standards.

Audiology

50.67 Where the Authority requires diagnostic audiological testing to be undertaken in respect of a Claimant, the Authority will provide the Supplier with the appropriate Referral documents that will include Claimant details and any relevant forms stating clearly what medical evidence is required.

50.68 The Supplier shall provide the Authority with diagnostic audiological testing, performed by an appropriate audiologist and using equipment and standards as defined by the British Society of Audiology and in accordance with the provisions of Paragraphs 50.69 to 50.75.

50.69 The diagnostic audiological testing to be performed by the Supplier shall comprise:

(a) standard test, audiogram, which will always be carried out;

(b) tympanometry and acoustic reflex threshold testing, when appropriate (as determined by the audiologist, having regard to the outcome of the standard test); and

(c) cortical evoked response audiometry, when appropriate (as requested by Veterans UK as part of the Referral).

50.70 The Supplier shall ensure that the site where the testing referred to in Paragraph 50.69 is undertaken shall be an environment where the ambient noise level is less than 35dBA. The only exception to this will be for audiograms performed as part of a visit to a Claimant carried out on an exceptional basis at the request of Authority or the Claimant. In these circumstances, the Supplier shall make every effort to record the audiogram in an ambient noise level of less than 35dBA and the before and after ambient noise levels must be recorded on the audiology test report.

50.71 The Supplier shall procure that diagnostic audiological testing will be preceded by otoscopic examination of both ears and the state of the ear canals (including the presence of wax) and tympanic membranes are to be recorded by the audiologist.

This must not be an opinion but a statement of facts as seen by the audiologist in accordance with British Society of Audiology published procedures.

50.72 The Supplier shall procure that all diagnostic audiological testing shall be carried out using a manually Operated Pure-Tone Audiometer, either Type i or Type ii, biologically calibrated weekly.

50.73 The Supplier shall procure that, in addition to the requirements referred to in Paragraph 50.69, the Specialist shall (during the appointment for the diagnostic audiological test):

(a) complete the Claimant's history and details of the examination on form WPA0301; and

(b) carry out a pure-tone audiogram, air and bone conduction. Air conduction over 250Hz, 500Hz, 1, 2, 3, 4, 6 and 8kHz and bone conduction over 500Hz, 1 and 2 kHz, with masking as appropriate, provided that where there is an Air/Bone Gap identified, an additional 3kHz Bone Conductivity is required.

50.74 The Supplier shall procure that the Specialist completes the first part of form WPA0301 after discussion with the Claimant and that the Claimant signs and dates the declaration in the presence of the Specialist.

50.75 The Supplier shall procure that the Specialist completes the second part of form WPA0301 during the examination and signs and dates the form.

Compensation Recovery Scheme (CRS) (Lot 1 and Lot 5 (Northern Ireland) Only)

50.76 The Supplier acknowledges that there is not an exhaustive list of reasons for Referrals in respect of this Specialist Benefit, however, reasons for Referrals include the following circumstances:

(a) Referrals in which the specialist medical report(s) provided by the Claimant appears to conflict with the specialist medical report(s) provided by the compensator, and the CRU is seeking an independent view;

(b) in medical negligence Referrals, when there is disagreement over the point in time at which the Claimant would have recovered from their injury or disease had it not been for the alleged medical negligence; or

(c) Referrals in which it has been alleged that a pre-existing medical condition has contributed to the condition for which compensation is being sought, or that the symptoms the Claimant is experiencing are entirely the consequence of a pre-existing condition. In such cases the CRU would be seeking advice on the likely progress of the pre-existing conditions in question.

50.77 The Supplier shall provide an Assessment Report regarding the duration of the incapacity for work as a consequence of the injury or disease, which Assessment Report shall be a written report provided by a medical specialist in the appropriate field. The Supplier shall procure that, if necessary, such medical specialist shall undertake a Consultation with the Claimant to gather the required evidence.

Occupational Health Assessments (OHA) (Lots 1-4 ONLY)

50.78 The Supplier acknowledges that Referrals in respect of OHA will be made by the Authority under the following circumstances:

(a) where an assessment of the specific issues relating to a Claimant's future employment resulting from their disability or health condition is required; and/or

(b) where a Claimant who satisfies the Equality Act 2010 definition of disability is in full-time employment and is seeking assistance in retaining their employment.

50.79 The Supplier shall ensure that Assessments in respect of OHA shall include a Consultation, which the Supplier shall ensure takes place at the Claimant's workplace where directed by the Authority.

50.80 The Supplier acknowledges that (unless otherwise directed by the Authority) it is not expected that FME will be required to be gathered to support an Assessment in respect of OHA.

HMRC Statutory Sick Pay (SSP) and Statutory Maternity Pay (SMP)

50.81 Not Used.

50.82 There are four types of Referral in respect of this Specialist Benefit:

(a) to determine if an incapacity is pregnancy related;

(b) disputed pregnancy-related incapacities;

(c) advice where the employer has disputed liability to pay SSP, including cases where the employer has refused to pay; and

(d) advice where the employee has had repeated short period claims for SSP.

50.83 In all cases, the Supplier shall give advice to the Authority based on the evidence supplied by the Authority as part of the Referral (wherever possible). The Supplier acknowledges that the Authority may request certain further evidence and details of the date of such request (and the type of such evidence requested) will be included in the Referral. The Supplier shall wait a reasonable time for this evidence to be provided, provided always that if the existing evidence does not allow for advice to be provided to the Authority, the Supplier shall gather further appropriate FME and/or undertake a Consultation.

50.84 For SSP refusal Referrals, the Supplier shall advise whether the Claimant is capable of carrying out their own occupation, and if not, when a significant improvement can be expected. If directed by the Authority, the Supplier shall provide advice for a retrospective period after the incapacity has ended.

HMRC Child Trust Fund (CTF) and Junior Individual Savings Account (Junior ISA) (Lot 1 and Lot 5 (Northern Ireland) ONLY)

50.85 As referred to in Paragraph 6.20(c), the Supplier shall provide an Assessment Report to confirm whether the child is Terminally Ill.

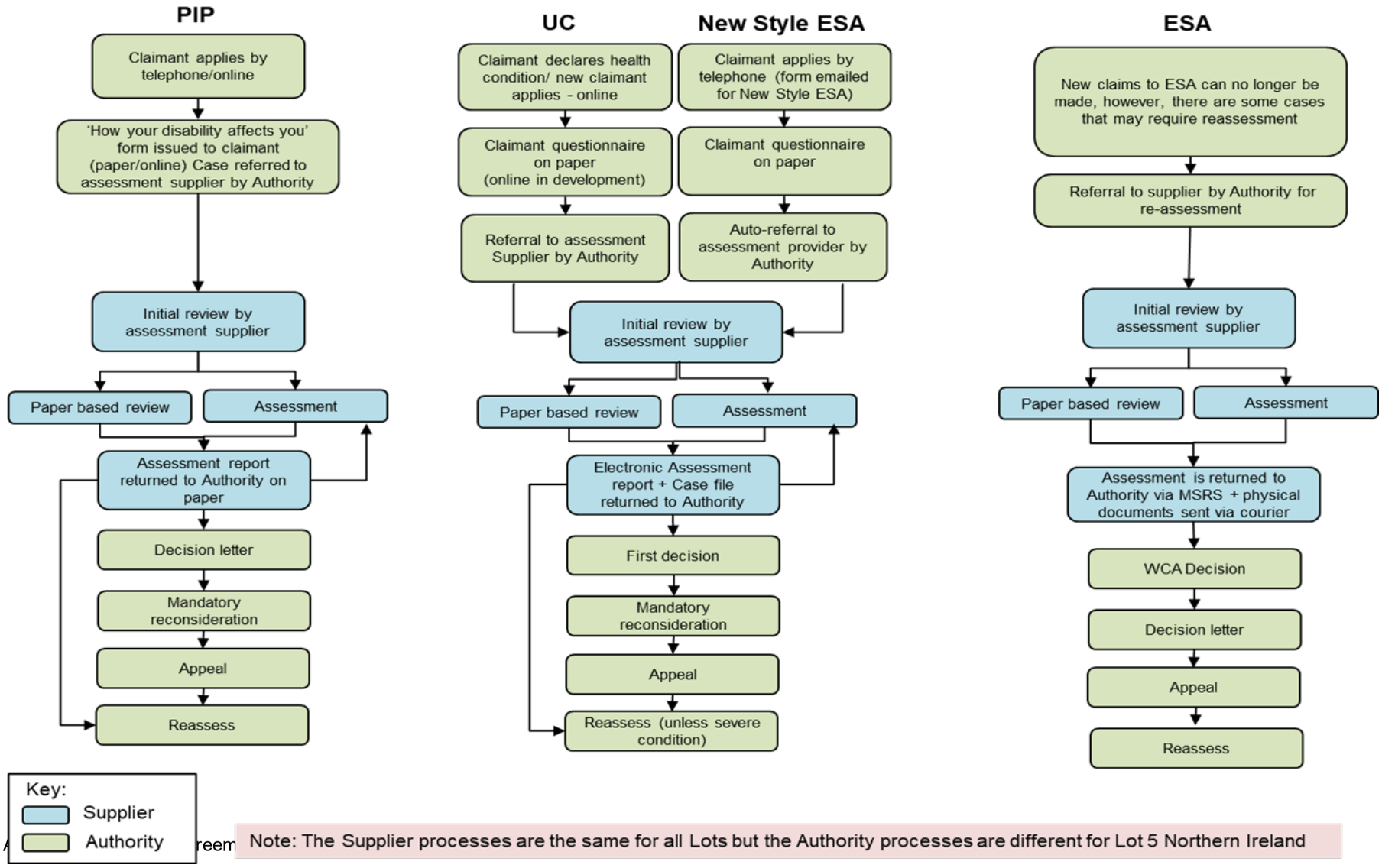
ANNEX 1 - CLAIMANT JOURNEY

GLOSSARY

•	CC	Contact Centre
•	DNA	Did Not Attend
•	DLA	Disability Living Allowance
•	DM	Decision Maker
•	ESA	Employment and Support Allowance
•	FFW	Fit for Work (Universal Credit conditionality group)
•	FTA	Fail to Attend
•	FTP	Fail to Participate
•	FTRQ	Failure to Return Questionnaire
•	LCW	Limited Capability for Work
•	LCWRA	Limited Capability for Work Related Activity
•	MH	Mental Health
•	PIP	Personal Independence Payment
•	SC	Service Centre

- SREL Special Rules for End of Life
- UC Universal Credit
- WCA Work Capability Assessment

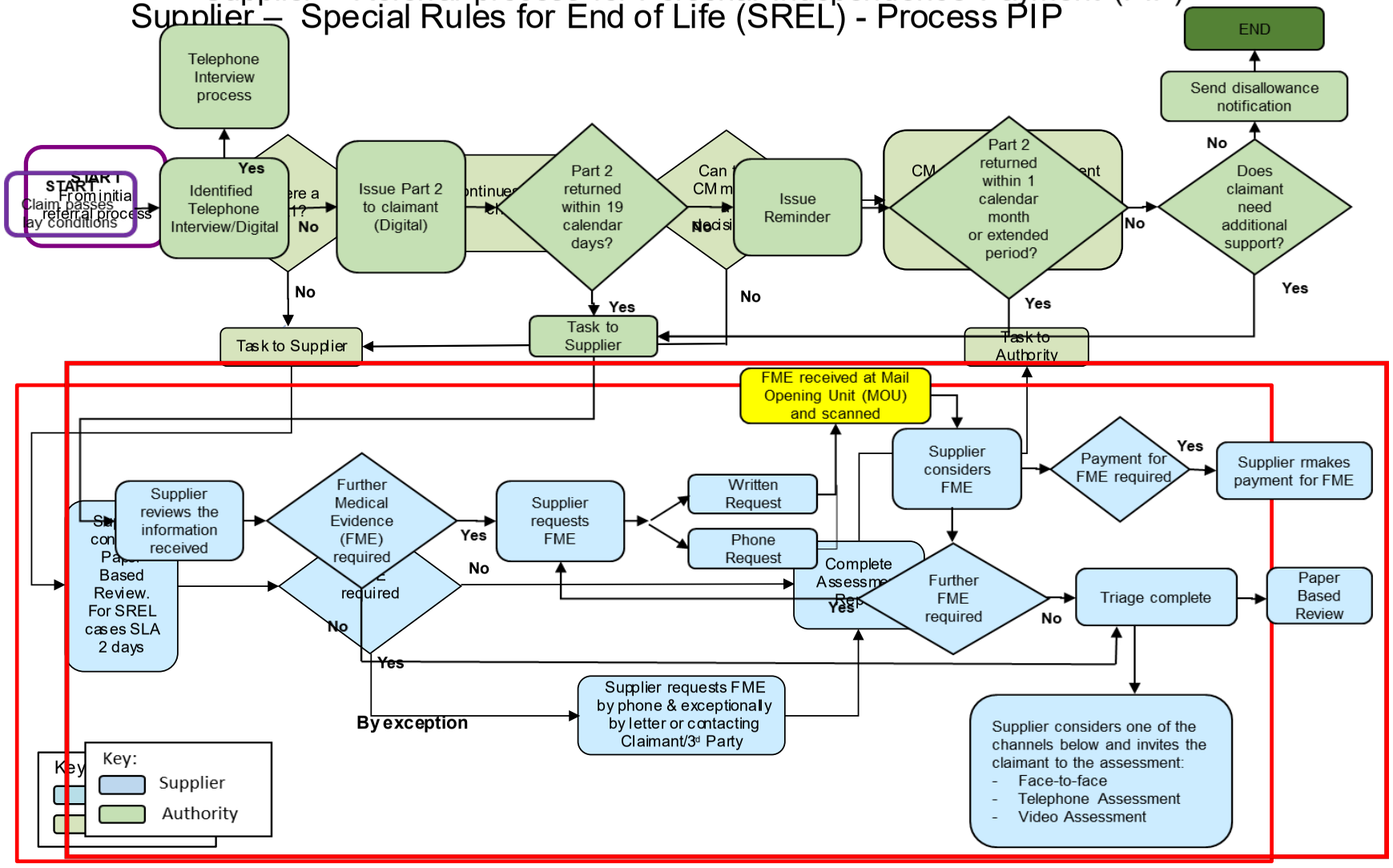
Annex 1: Current Health Journey Delivery



Note: The Supplier processes are the same for all Lots but the Authority processes are different for Lot 5 Northern Ireland

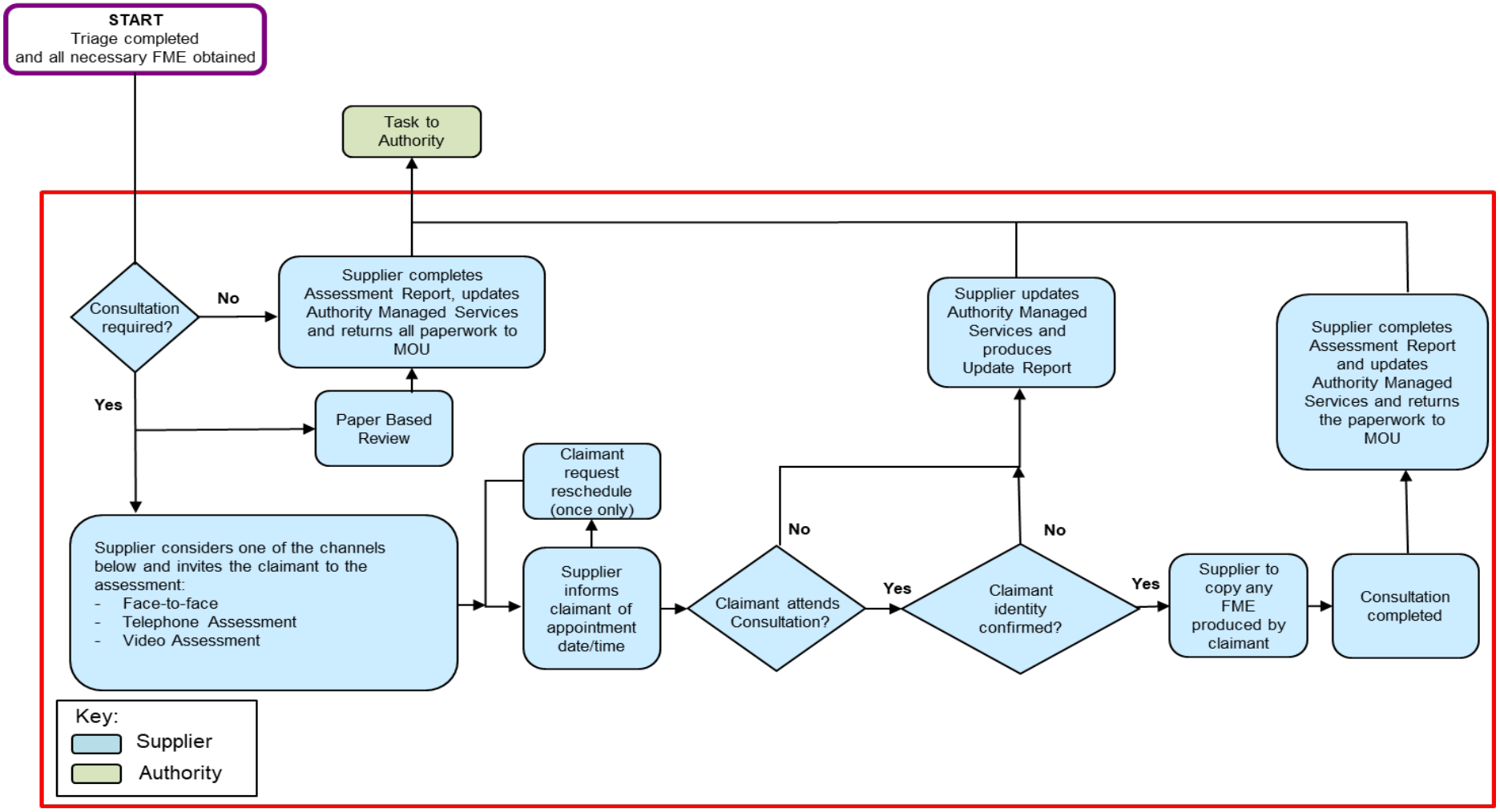
Supplier – Referral process for Personal Independence Payment (PIP)

Supplier – Special Rules for End of Life (SREL) - Process PIP



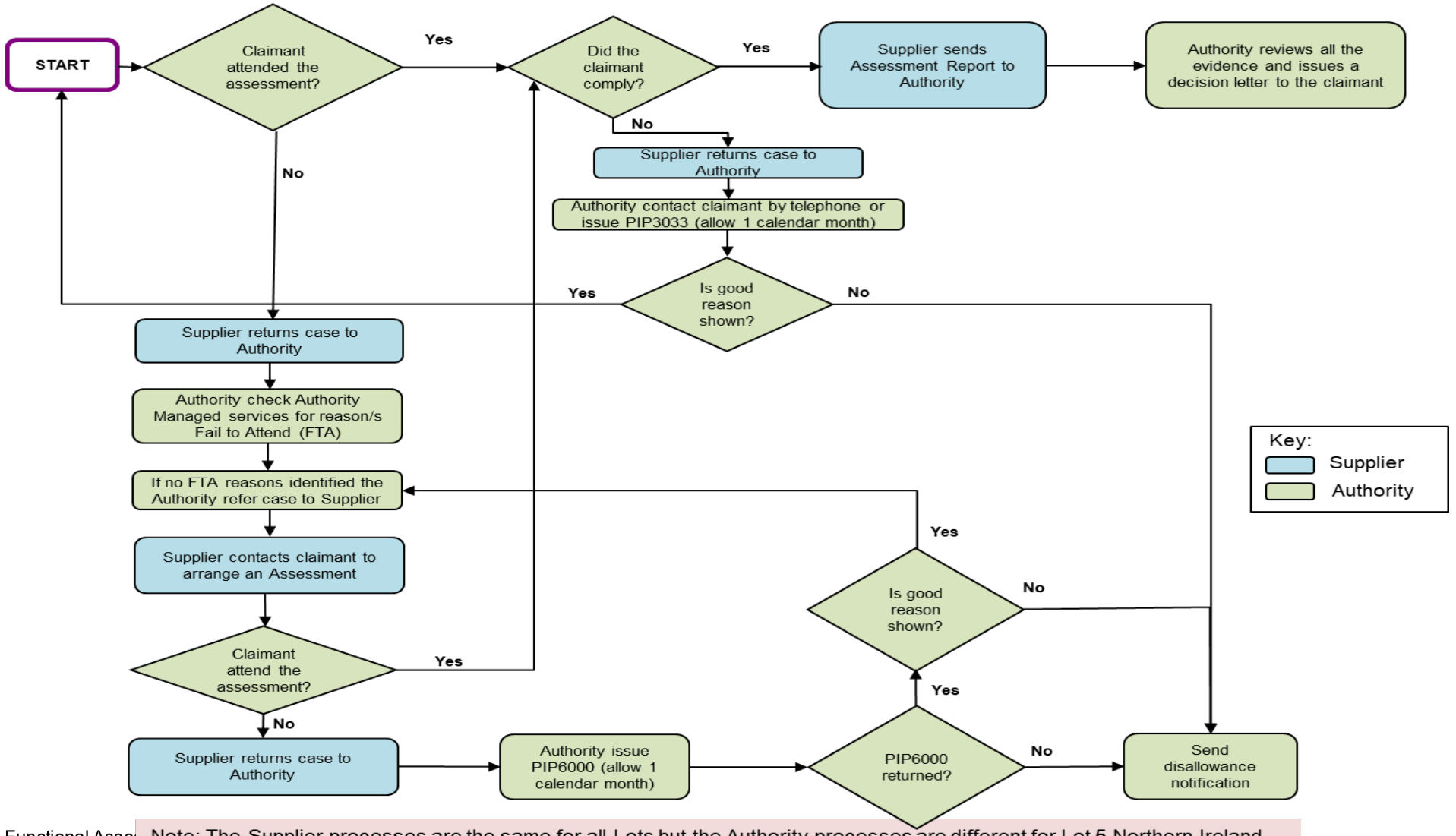
Note: The Supplier processes are the same for all Lots but the Authority processes are different for Lot 5 Northern Ireland

Supplier Consultation for PIP



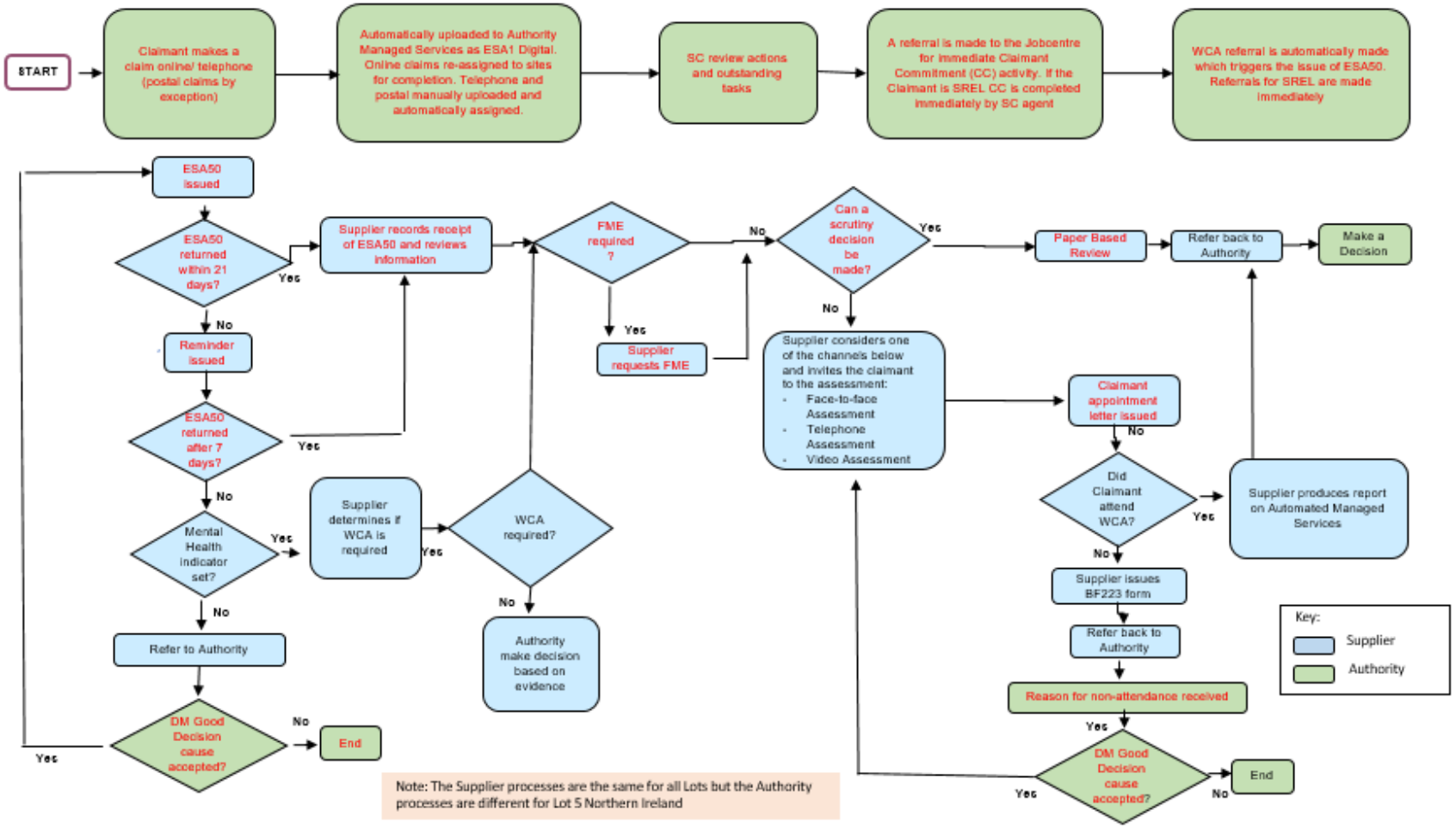
Note: The Supplier processes are the same for all Lots but the Authority processes are different for Lot 5 Northern Ireland

Authority Decision Making Process for PIP

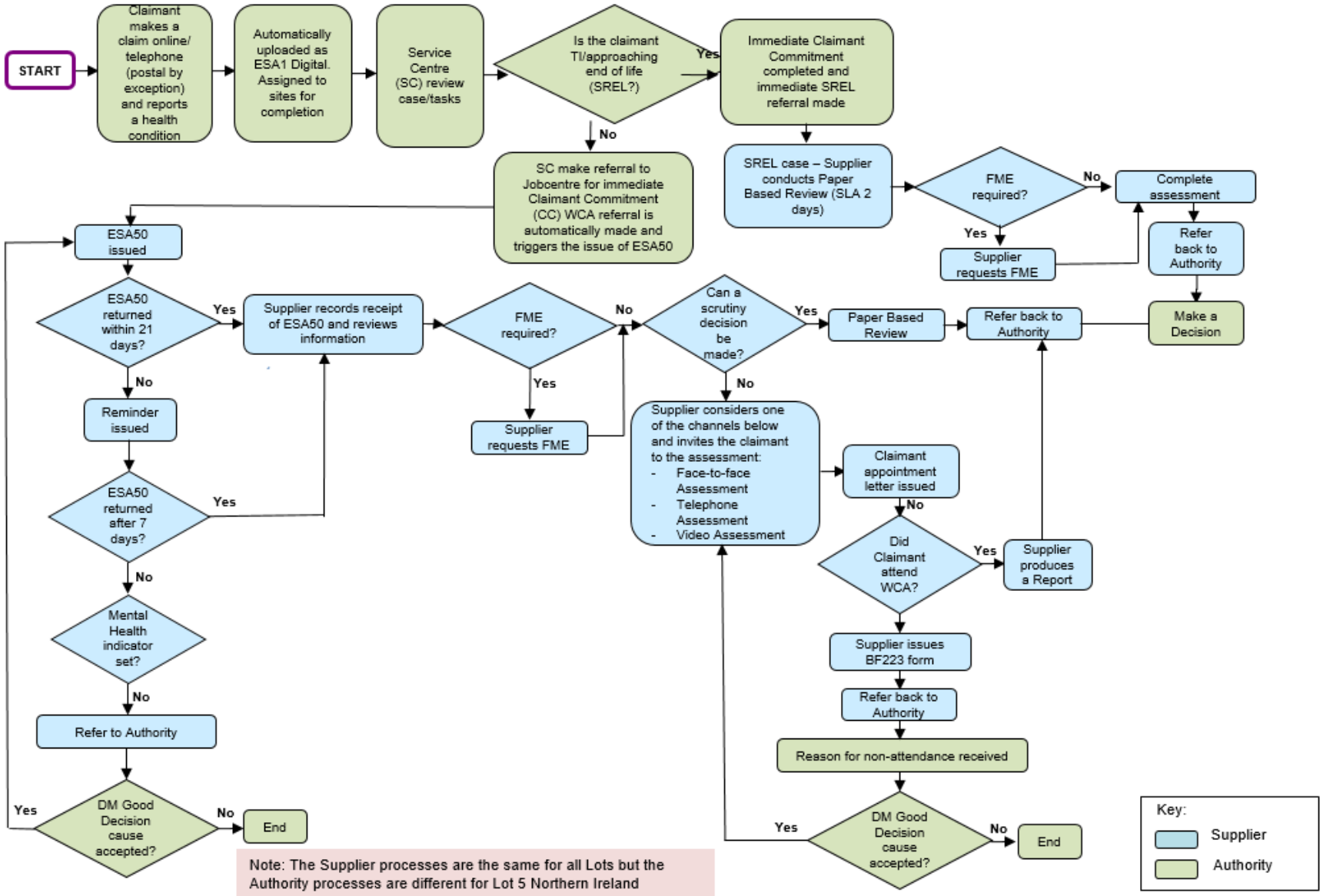


Note: The Supplier processes are the same for all Lots but the Authority processes are different for Lot 5 Northern Ireland

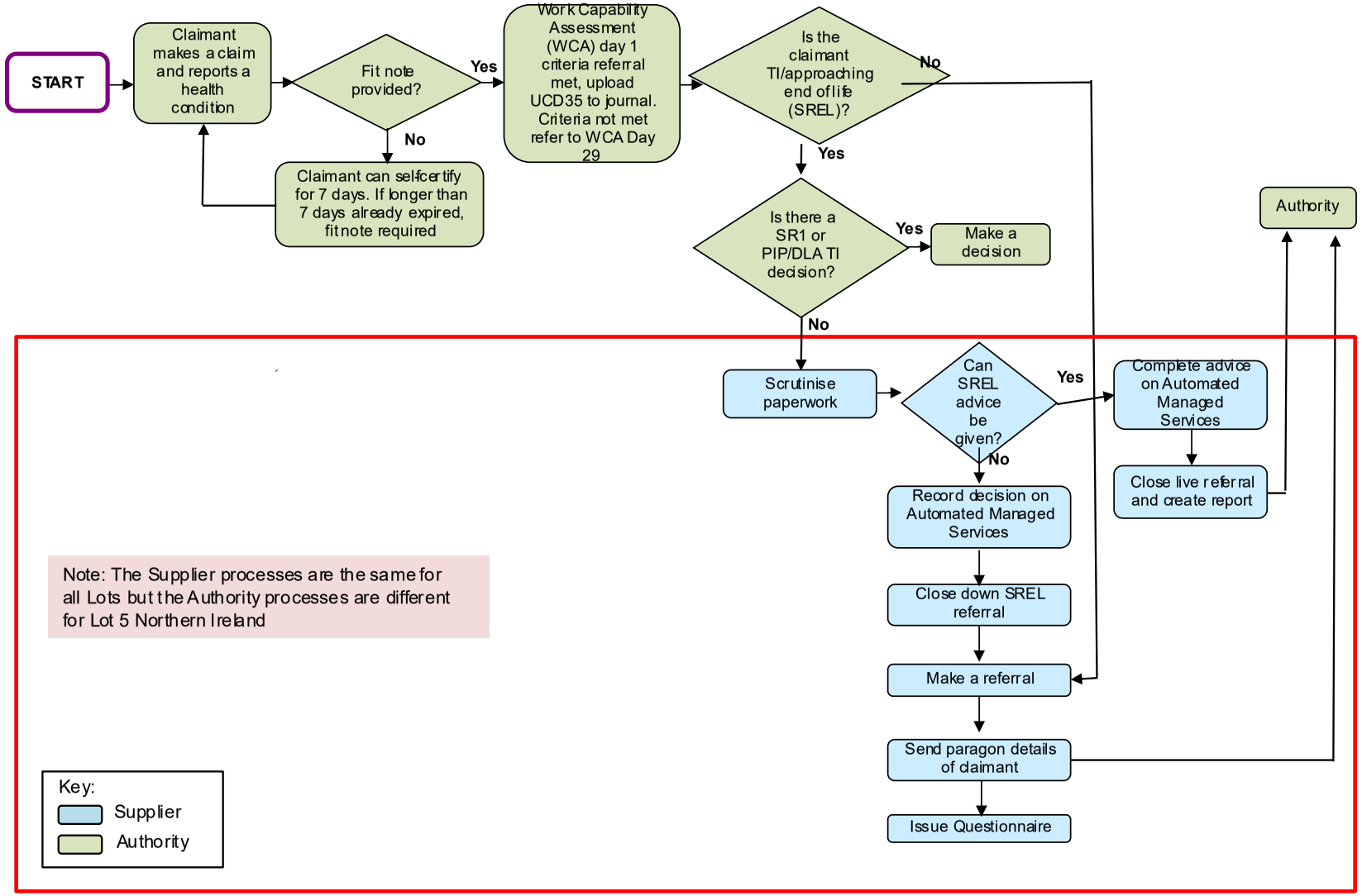
Supplier - Referral process for New Style Employment and Support Allowance (nsESA) Including Special Rules for End of Life (SREL)



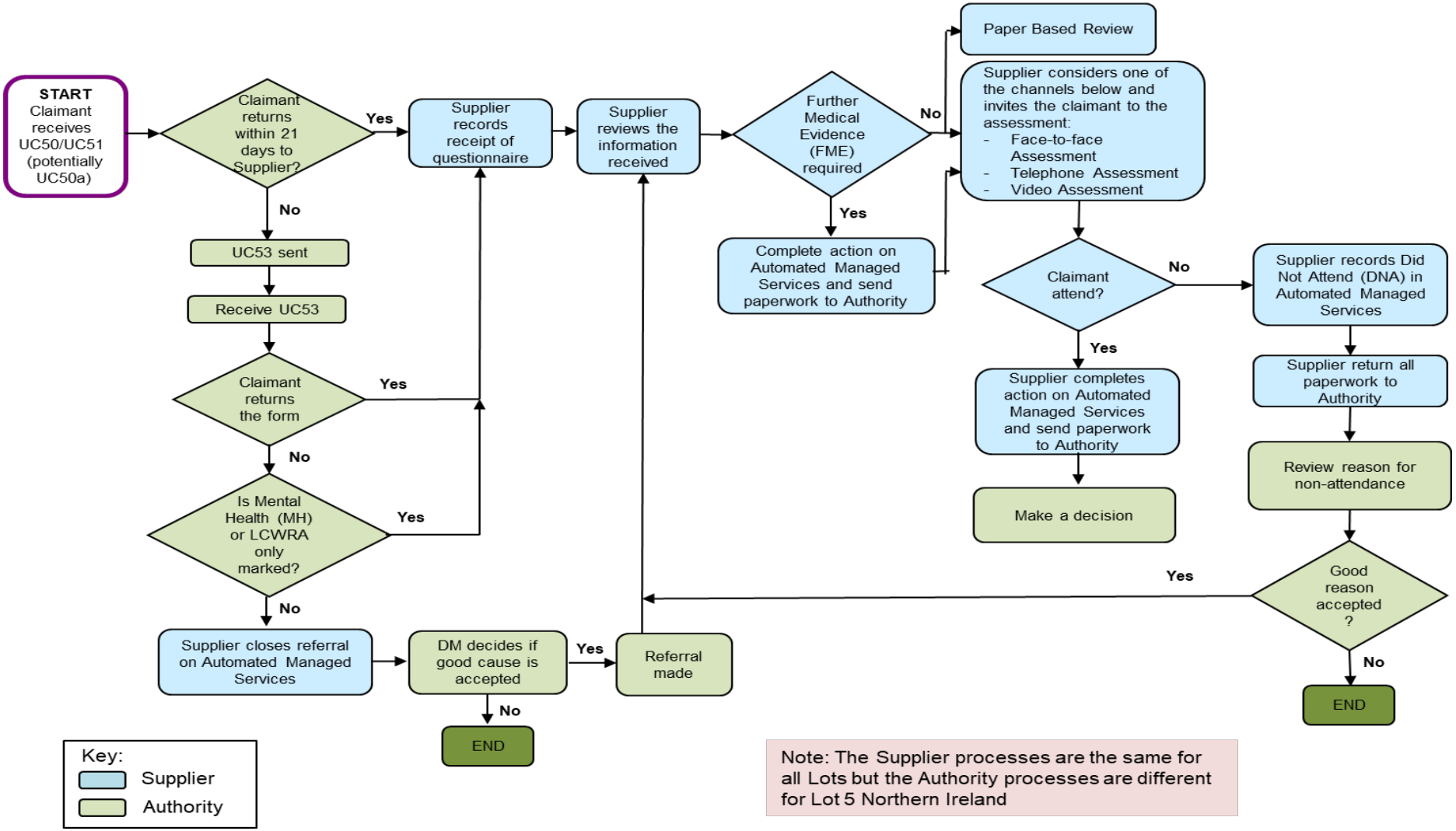
Supplier - Referral process for Employment Support Allowance (ESA) including Special Rules for End of Life (SREL)



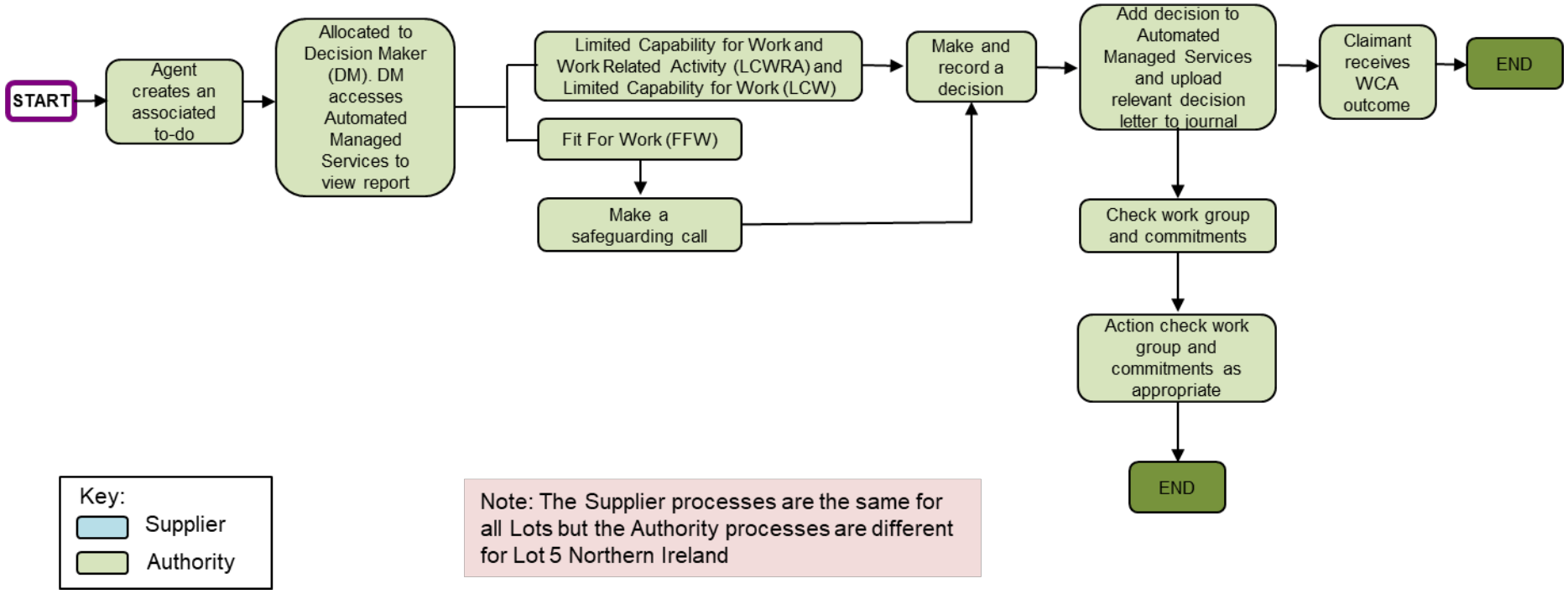
Supplier - Referral process for Universal Credit (UC) including Special Rules for End of Life (SREL)



Supplier Consultation for UC



Authority Decision Making Process for UC



ANNEX 2 – FORMS OF ASSESSMENT REPORT

PIP:

- PA2 – Review report form (terminal illness)
- PA3 – Review report form (Paper Based Review)
- PA4 – Consultation report form

WCA:

ESA85 / ESA85a – Medical Report form

UC85 / UC85a – Medical Report form

ESA85S / UC85S

Specialist Benefits:

- **JSA Hardship Referrals**
  - JSA100 BAMS form
- **IIDB**
  - BI10 – 3 year renewal advice for Prescribed Diseases
  - BI118 Accident – Initial advice for industrial accident
  - BI118(OD) – Initial RMP Report – PD A10
  - BI118A – Re-assessment
  - BI118D – Report on need for Constant Attendance Allowance
  - BI118H – Report on REA Initial or Renewal advice
  - BI118R – Advice following a change in circumstances
  - BI118X – Advice for different % for different periods
  - BI180C Assessment – MA report on initial assessment D12
  - BI180C Diagnosis – MA Report on diagnosis D12
  - BI181 – MA report opinion on diagnosis RD
  - BI181C – MA report opinion on diagnosis D12
  - BI183A – Renewal advice for Respiratory Prescribed Disease
  - BI183R – Respiratory Prescribed Disease change of circumstances
  - BI609DC – Medical report – hand injury
  - BI613 - Initial advice for Prescribed Disease
  - BI613RD – Initial advice for Respiratory Disease
- **Occupational Health Assessments**
  - OHA Report Template
- **VETS UK**

  - AFCSWPSERA – ERA Audiogram report
  - WPS0331 – Medical examination report
  - WPS0332 – Medical examination report WPMS cases
  - WPS0333 – Medical examination report UNSUPP / ALSO cases
  - WPS0334 – Medical examination report Respite Care cases
  - WPS0335 – Medical examination report CAA cases
  - WPS0357 – Medical report – clothing allowance
  - AFCSWPS0314 – Specialist report
- **Child Trust Fund**
  - CTF35
- **Statutory Sick Pay**
  - SP84 / SP84A
- **Statutory Maternity Pay**
  - SP84 / SP84A
- **International Pension & Benefit**
  - usual reports
- **DLA/AA**
  - Informal Advice/Formal Advice - DBD385 / DBD520 to the DM
  - Child DLA – Advice Report DBD385
  - DLA/AA face to face – DLA Examination Report / AA EMP form
- **HMCTS**
  - DLA/AA Appeals – DLA Examination Report / AA EMP form
- **Compensation Recovery Scheme**
  - CRU960DRT – CRU Advice form

ANNEX 3 – NOT USED

ANNEX 4 – IHPA AGREEMENT TEMPLATE

From the Effective Date this IHPA Agreement is agreed pursuant to Paragraph 49 of Schedule 2.1 (*Services Description*) between the Secretary of State for Work and Pensions ("the Authority") and [INSERT] ("the Supplier") relating to the Functional Assessment Service ("the Agreement").

Details of IHPA:

1 Name: [INSERT] ("IHPA")

2 IHPA Placement role description: [INSERT]

3 Start Date and End Date: [INSERT] ("IHPA Placement Period", unless terminated earlier in accordance with the Agreement)

4 Estimated cost for IHPA Placement Period, excluding expenses and any potential overtime: [INSERT] (This should be based upon the anticipated duration of the IHPA Placement, and number of days that are likely to be charged. It is noted that this figure shall be an estimate only, and the amount invoiced will reflect the actual number of days (or part thereof) worked).

5 Location: The IHPA will be based at [INSERT – you must include all sites from which the IHPA will be required to work] (noting that the Authority may require the IHPA to work from other locations, if necessary, provided that the IHPA is notified of such location in advance and it remains within reasonable travelling distance of the IHPA's home address).

6 Hours of Service: [INSERT – this must be specific to the individual and will usually be consistent with their contract of employment with the Supplier, excluding any potential overtime.]

7 Authority Line Manager: [INSERT – name and details of the IHPA's line manager at the Authority during the IHPA Placement]

Commercial and Payment Arrangements

1 During the IHPA Placement Period the Supplier may continue to pay the amounts in (a), (b) and (c) below which will be recharged back to the Authority as part of the monthly invoice:

(a) the IHPA's salary and superannuation payments, including pay for sickness absence and annual leave, any variable pay and all benefits and any costs and relevant pension scheme contributions;

(b) any amounts due to the IHPA in relation to approved overtime undertaken by the IHPA in the preceding month (in accordance with Clause 5 below).

(c) travel and related expenses associated with the execution of the IHPA's duties in line with Clause 6 and 7 below.

2 During the IHPA Placement Period the Authority will pay to the Supplier:

(a) an amount equivalent to the IHPA's salary and superannuation payments plus the Supplier's share of the IHPA's Earnings Related National Insurance Contributions (and including pay for sickness absence and annual leave, any variable pay and all benefits) and any costs and relevant pension scheme contributions. The total amount will be subject to VAT;

(b) any amounts due to the IHPA in relation to approved overtime plus VAT undertaken by the IHPA in the preceding month (in accordance with Clause 5 below) and the Supplier will be responsible for passing on any such overtime payments to the IHPA.

(c) travel and related expenses plus VAT associated with the execution of the IHPA's duties in line with Clauses 5 to 7 below.

3 Appendix 1 of this IHPA Agreement sets out the indicative costs payable by the Authority. Monthly invoices shall be on the basis of actual costs incurred only and in accordance with the terms of this IHPA Agreement and the Agreement.

4 During the IHPA Placement Period the Authority will provide the IHPA with the opportunity to undertake paid overtime in excess of their Hours of Service in line with the Working Time Regulations 1998 (as amended). Any such overtime must be approved in writing and in advance by the IHPA's DWP line manager. Any approved overtime undertaken by the IHPA will be paid for by the Authority to the Supplier and calculated in accordance with the hourly overtime rate set out in Appendix 1 of this IHPA Agreement.

Expenses

5 The Authority will reimburse travelling, subsistence or other out of pocket expenses incurred by the IHPA whilst carrying out their IHPA Placement duties. The Authority will be managing the IHPA and determining their travel requirements, therefore the IHPA will obtain written pre-authorisation from the Authority Line Manager for any such expenses.

6 Such expenses will be paid at current Authority expense rates and in accordance with the Authority's Travel and Expenses policy.

7 Subject to Clauses 5 and 6, the Authority will reimburse any actual expenses incurred where such expenses are incurred on behalf, or for the benefit of the Authority by the IHPA.

General

8 All sums payable by the Authority to the Supplier pursuant to this IHPA Agreement will be reimbursed by the Authority on a "pass through" basis.

9 The Supplier will not at any time require the IHPA to disclose or use any information which is confidential to the Authority and will at all times keep

confidential any confidential information it acquires as a result of the IHPA Placement.

10 If an actual or potential conflict of interests arises during the IHPA Placement, any party which becomes aware of the conflict will notify the other party in writing as soon as possible, and the parties will attempt to manage the conflict appropriately. If this is not possible the Authority shall have the right to terminate.

11 All intellectual property rights in the outputs from the services to be provided by the IHPA under this IHPA agreement shall vest in the Authority and the IHPA shall have no rights to use any of the Authority's names, logos or trade marks without the prior written approval of the Authority.

12 This IHPA Agreement and any issues, disputes or claims (whether contractual or noncontractual) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of England and Wales.

13 The Parties agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (whether contractual or non-contractual) that arises out of or in connection with this IHPA Agreement or its subject matter or formation.

For and on behalf of	For and on behalf of
The Supplier	**The Authority**
Signature……	Signature……
Name……	Name……
Date……	Date……

INDICATIVE COSTS PAYABLE BY THE AUTHORITY UNDER THIS IHPA AGREEMENT - APPENDIX 1

1 The costs stated below are the indicative total costs repayable to the Employee by the Supplier in relation to the IHPA in accordance with the IHPA Agreement and the Agreement.

(a)	Current Gross Salary (per annum)	pa	£
(b)	Car allowance and other benefits		£
(c)	Employers Superannuation/Pensions (per annum) ...% of salary	pa	£
(d)	Employers National Insurance (ERNIC) (per annum)		£
		Annual Total	£
(e)	VAT at 20% of Annual rate (if applicable)	pa	£
		Final Total	£

2 The Authority shall pay 100% of the agreed costs:

Gross Salary @ £ per month		£
Car allowance and other benefits	£	
Employers Superannuation/Pensions @ £ per month		£
Employers National Insurance (ERNIC) @ £ per month		£
VAT (if appropriate) @ £ per month		£

TOTAL	**@ PER MONTH**	£
Any approved overtime undertaken by the IHPA @ per hour (plus VAT) £		
Any approved travel and expenses (plus Vat)		£

3 If the above salary and expenses levels are subject to annual review, or where the pattern of expenditure is expected to vary from the estimate, the Supplier will provide the Authority with revised figures as soon as is reasonably practicable.

4 Subject to Clause 6 of this IHPA Agreement, the Authority will also reimburse all related travel, and subsistence costs. These will be paid at DWP expenses rate, and will be paid by the Authority to the Supplier. The Supplier will be responsible for passing on all such payments to the IHPA.

5 Subject to the terms and conditions of this IHPA Agreement and the Agreement, the Authority will make monthly payments in arrears by Bankers Automated Clearing Service (BACS), following receipt and acceptance of a valid invoice.

6 Invoices shall be submitted to the Authority monthly in arrears, within 10 working days of the end of each month. Invoices should be submitted to the Authority via Basware.

7 It will be the responsibility of the Supplier to ensure that the final invoice covers all outstanding expenditure.

8 If the IHPA Placement Period is terminated early for any reason, the Authority will only be liable to the Supplier to reimburse eligible payments made by, or due from the Supplier up to (but not including) the date of termination.

Government
Legal Department

[THE AUTHORITY]

and

[THE RECEIVING PARTY]

NON-DISCLOSURE AGREEMENT

(UNILATERAL - INDIVIDUAL)

THIS AGREEMENT is dated the [insert date of agreement] (the **"Agreement"**)

BETWEEN:

(1) [INSERT NAME OF THE AUTHORITY], [acting on behalf of the Crown] of [insert the Authority's address] ("Authority"); and

(2) [NAME OF INDIVIDUAL], an individual, of [insert the individual's full address including postcode] (the "**Receiving Party**").

together the **"Parties"** and each a **"Party"**.

BACKGROUND:

(A) The Receiving Party shall receive Confidential Information from the Authority for the purposes of any work relating to, or in connection with enabling quality audits of reports produced under [The Functional Assessment Service Contracts] between the Authority and its suppliers, and/or, any work relating to, or in connection with the testing or development of any proposed changes to the existing quality audit criteria or regime as part of any future service delivery (the "**Permitted Purpose**").

IT IS AGREED as follows:

1 INTERPRETATION

1.1 In this Agreement, unless the context otherwise requires:

"**Authority's Group**"	means the Authority and any Government Body with which the Authority interacts in connection with the Permitted Purpose;
"**Authority Personal Data**"	has the meaning given to it in Clause 5.2 of the Agreement;
"**Confidential Information**"	means, irrespective of whether it is marked as being confidential or not: Information, including all personal data within the meaning of the Data Protection Legislation provided by

	the Authority in connection with the Permitted Purpose (whether before or after the date of this Agreement) that relates to: the Authority; the Authority's Group; or the operations, business, affairs, developments, intellectual property rights, trade secrets, know-how and/or personnel of the Authority or the Authority's Group; other Information: (i) provided by the Authority or the Authority's Group to the Receiving Party in connection with the Permitted Purpose (whether before or after the date of this Agreement) or (ii) that ought reasonably to be considered to be confidential which comes (or has come) to the Receiving Party's attention or into the Receiving Party's possession in connection with the Permitted Purpose; discussions, negotiations, and correspondence between the Authority or the Authority's Group and/or any of its directors, officers, employees, consultants or professional advisers and the Receiving Party and/or any of their employees, consultants and/or professional advisers in connection with the Permitted Purpose and all matters arising therefrom; Information or analysis derived from any of the above; the existence and content of this Agreement, but not including any Information that: *was in the possession of the Receiving Party without obligation of confidentiality prior to its disclosure by the Authority or the Authority's Group;* *the Receiving Party obtained on a non-confidential basis from a third party who is not, to the Receiving Party's knowledge or reasonable belief, bound by a confidentiality agreement with the Authority or any member of the Authority's Group or otherwise prohibited from disclosing the information to the Receiving Party;* *was already generally available and in the public domain at the time of disclosure otherwise than by a breach of this Agreement or breach of a duty of confidentiality; or*

	the Receiving Party evidences to the reasonable satisfaction of the Authority was independently developed without access to the Confidential Information;
"**Copies**"	means copies, reproductions, summaries, extracts, analyses, memoranda, notes or compilations (in any form or medium, including electronic or digital files of any kind) of Confidential Information, or any other documents, electronic files or records containing, reflecting or derived from the Confidential Information;
"**DPA**"	means the Data Protection Act 2018;
"**Data Protection Legislation**"	Means (i) the UK GDPR, the LED and any applicable national implementing Laws as amended from time to time (ii) the Data Protection Act 2018 to the extent that it relates to processing of personal data and privacy; (iii) all applicable Law about the processing of personal data and privacy;
"**Effective Date**"	means the date of this Agreement as set out above;
"**Government Body**"	means a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics: (i) Government Department; (ii) Non-FAS (iii) Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal); (iv) Non-Ministerial Department; or (v) Executive Agency;
"**Information**"	means all information of whatever nature, however conveyed and in whatever form, including in writing, orally, by demonstration, electronically and in a tangible, visual or machine-readable medium (including CD-ROM, magnetic and digital form);
"**Information Return Notice**"	has the meaning given to it in Clause 4.1;

"**Permitted Purpose**"	has the meaning given to it in the recital to this Agreement;
"**Specified Scope**"	has the meaning given to it in Clause 4.1;
"**UK GDPR**"	has the meaning given in section 3(10) (as supplemented by section 205(4)) of the DPA; and
"**Working Day**"	means any day other than Saturday, Sunday and any bank or public holiday.

1.2 In this Agreement:

1.2.1 a reference to any gender includes a reference to other genders;

1.2.2 the singular includes the plural and vice versa;

1.2.3 the word "include" and cognate expressions shall be construed as if they were immediately followed by the words "without limitation";

1.2.4 references to any statutory provision include a reference to that provision as modified, replaced, amended and/or re-enacted from time to time (before or after the date of this Agreement) and any prior or subsequent subordinate legislation made under it;

1.2.5 the expressions "subsidiary", "holding company" and "subsidiary undertaking" shall have the meanings given to them in the Companies Act 2006;

1.2.6 headings are included for ease of reference only and shall not affect the interpretation or construction of this Agreement; and

1.2.7 references to Clauses are to clauses of this Agreement.

2 CONFIDENTIALITY OBLIGATIONS

2.1 In consideration of the Authority providing Confidential Information, at its discretion, to the Receiving Party, the Receiving Party shall:

2.1.1 treat all Confidential Information as secret and confidential;

2.1.2 have in place and maintain proper security measures and procedures which shall be at least as stringent as the measures and procedures it applies to its own confidential information to protect the confidentiality of the Confidential Information, having regard to its form and nature (including any reasonable measures that the Authority may propose from time to time);

2.1.3 not disclose or permit the disclosure of, nor otherwise make available, any of the Confidential Information in whole or in part to any other

person without obtaining prior written consent from the Authority (which the Authority shall have the express right to grant or deny) or except as expressly set out in this Agreement;

2.1.4 not transfer any of the Confidential Information outside the United Kingdom;

2.1.5 not use or exploit any of the Confidential Information for any purpose whatsoever other than the Permitted Purpose;

2.1.6 not copy, reduce to writing or otherwise record the Confidential Information except as strictly necessary for the Permitted Purpose;

2.1.7 keep a written record of any document or other Confidential Information received from the other in tangible form, and of any copy made of the Confidential Information, and make the same available to the Authority promptly upon request;

2.1.8 immediately notify the Authority in writing if it suspects or becomes aware of any unauthorised access, copying, use or disclosure in any form of any of the Confidential Information;

2.1.9 not use, reproduce, transform or store the Confidential Information in an externally accessible computer or electronic information retrieval system; and

2.1.10 keep a written record to be made available to the Authority at its reasonable request of any:

(i) document or Confidential Information received from or on behalf of the Authority; and

(ii) copies made of the Confidential Information.

3 TERM

3.1 Each party's obligations under this Agreement shall continue in full force and effect for a period of as long as the confidential information remains confidential.

3.2 Without prejudice to the obligations set out in Clause 5.4.2, the obligations set out in Clause 4.4 shall survive termination of this Agreement and/or the Termination Date for as long as the Receiving Party is processing or controlling Authority Personal Data (as per the meaning given to it in Clause 5.2).

4 RETURN OF INFORMATION

4.1 The Authority may serve a notice (an "**Information Return Notice**") on the Receiving Party at any time under this Clause 4.1. An Information Return Notice must specify whether it relates to (i) all Confidential Information provided by the Authority which is protected by this Agreement or (ii) only specified Information or categories of Confidential Information so protected (in either

case, the "**Specified Scope**"). On receipt of an Information Return Notice, the Receiving Party shall:

4.1.1 at the Authority's option, securely destroy or return and provide to the Authority documents and other tangible materials that contain any of the Confidential Information within the Specified Scope, including in any case all Copies of the relevant documents and other materials made by the Receiving Party;

4.1.2 ensure, so far as reasonably practicable, that all Confidential Information within the Specified Scope that is held in electronic, digital or other machine-readable form (including any systems and/or data storage services provided by third parties) is permanently and securely erased from any computer, word processor, voicemail system or any other device containing such Confidential Information; and

4.1.3 make no further use of any Confidential Information which falls within the Specified Scope.

4.2 Following any secure destruction or return of Confidential Information to the Authority pursuant to Clause 4.1, the Receiving Party's obligations under this Agreement (including in relation to any Confidential Information which falls outside the Specified Scope) shall otherwise continue in force until this Agreement has expired.

4.3 The Receiving Party's obligation to comply with an Information Return Notice in respect of any Confidential Information which falls within the Specified Scope shall not apply in respect of Confidential Information:

4.3.1 that is stored as part of an electronic back-up system that is rendered inaccessible in the normal course of business; or

4.3.2 whose retention is required by any applicable law, rule, regulation or requirement of any competent judicial, governmental, supervisory or regulatory body, or for the purposes of any audit.

4.4 The Receiving Party's obligations under this Agreement in respect of the Confidential Information referred to in Clause 4.3 shall continue to be in force until this Agreement expires.

5 DATA PROTECTION

5.1 In this Clause:

5.1.1 the terms "controller", "processor", "data subject", and "processing" shall have the meaning given to those terms in the DPA and UK GDPR, and "process" and "processed" shall be construed accordingly;

5.1.2 "personal data" has the meaning set out in the Data Protection Legislation and for the purposes of this Agreement, includes special categories of personal data (as set out in Article 9(1) of the UK GDPR) and personal data relating to criminal convictions and offences (as set out in Article 10 of the UK GDPR); and

5.1.3 "Data Protection Regulator" means any local, national or multinational agency, department, official, parliament, public or statutory person or any government or professional body, regulatory or supervisory authority, board or other body responsible for administering Data Protection Legislation, including (where applicable) in the UK, the UK Information Commissioner's Office, or any successor or replacement body from time to time.

5.2 The Receiving Party acknowledges that the Confidential Information may include personal data which is subject to the Data Protection Legislation ("**Authority Personal Data**"). The Receiving Party acknowledges the factual circumstances dictate the role of responsibility of a person under the Data Protection Legislation, but the Parties anticipate each will act as a controller (in common) in respect of the Authority Personal Data. The Receiving Party undertakes not to process any such Authority Personal Data other than in accordance with the Data Protection Legislation and any relevant codes of practice issued by the Data Protection Regulator.

5.3 The details of the transfer and in particular the Permitted Purpose, details of the data being shared, the lawful basis for sharing and if special category data, criminal offence data or sensitive data (within the meaning of Parts 2 and 3 of the Data Protection Act 2018) is being shared are specified in the Data Protection Particulars as set out in Appendix 1, which forms an integral part of this Agreement.

5.4 The Receiving Party undertakes to the Authority to:

5.4.1 only process the Authority Personal Data in connection with the Permitted Purpose;

5.4.2 once the Permitted Purpose has been completed, cease processing any of the Authority Personal Data and return or upon request securely destroy all the Authority Personal Data provided or made available to the Receiving Party under, or in connection with, the Permitted Purpose, and ensure that all personal data belonging to the Authority is securely and permanently deleted from its systems;

5.4.3 notify the Authority promptly, and in any event within 24 hours of becoming aware of, any unauthorised, accidental or unlawful processing of the Authority Personal Data or any actual or suspected loss, leak, destruction of, alteration, access or damage to, the Authority Personal Data;

5.4.4 if and to the extent that the Receiving Party receives:

(i) a request or notice from a data subject exercising his rights under the Data Protection Legislation which should properly be dealt with by the other Party under the Data Protection Legislation; and/ or

(ii) any correspondence from a Data Protection Regulator,

in either case in relation to the processing of the Authority Personal Data in connection with the Permitted Purpose, notify the Authority promptly and in any event within 48 hours of receipt of any such request or correspondence; and

5.4.5 use reasonable endeavours to notify the Authority if it is obliged to make a disclosure of the Authority Personal Data under any statutory requirement, such notification to be made in advance of such disclosure or immediately thereafter, unless prohibited by law.

5.5 To the extent that one Party is acting as processor for and on behalf of the other Party, then the parties shall agree and execute a contract which as a minimum meets the mandatory contractual requirements of Article 28 of the UK GDPR (the Receiving Party acknowledging that such contractual requirements are incorporated herein mutatis mutandis).

6 SECURITY

6.1 The Receiving Party undertakes to respect and observe all regulations and restrictions relating to any security classification marked on the Confidential Information, both during the term of, and following expiry of this Agreement.

6.2 Nothing in this Agreement shall replace or prejudice any security classification marked on any of the Confidential Information.

7 GENERAL

7.1 The Receiving Party acknowledges and agrees that all rights, including intellectual property rights, in Confidential Information disclosed to it by the Authority shall remain with and be vested in the Authority or the relevant member of the Authority Group.

7.2 This Agreement does not include, expressly or by implication, any representations, warranties or other obligations:

7.2.1 to grant the Receiving Party any licence or rights other than as may be expressly stated in this Agreement;

7.2.2 to require the Authority to disclose, continue disclosing or update any Confidential Information; or

7.2.3 as to the accuracy, efficacy, completeness, capabilities, safety or any other qualities whatsoever of any Information or materials provided in connection with the Permitted Purpose.

7.3 The rights, powers and remedies provided in this Agreement are cumulative and not exclusive of any rights, powers or remedies provided by law. No failure or delay by either Party to exercise any right, power or remedy will operate as a waiver of it nor will any partial exercise preclude any further exercise of the same, or of some other right, power or remedy.

7.4 Without prejudice to any other rights or remedies that either Party may have, each Party acknowledges and agrees that damages alone may not be an adequate remedy for any breach by a Receiving Party of the provisions of this Agreement. Accordingly, each Party acknowledges that the Authority shall be entitled to the remedies of injunction and specific performance as well as any other equitable relief for any threatened or actual breach of this Agreement and/or breach of confidence and that no proof of special damages shall be necessary for the enforcement of such remedies.

7.5 Each Party will be responsible for all costs incurred by it or on its behalf in connection with this Agreement.

7.6 This Agreement may be executed in any number of counterparts and by the Parties on separate counterparts, but shall not be effective until each Party has executed at least one counterpart. Each counterpart shall constitute an original of this Agreement, but all the counterparts shall together constitute but one and the same instrument.

8 SEVERANCE

8.1 If any provision of this Agreement (or part of any provision) is or becomes illegal, invalid or unenforceable, the legality, validity and enforceability of any other provision of this Agreement shall not be affected.

8.2 If any provision of this Agreement (or part of any provision) is or becomes illegal, invalid or unenforceable but would be legal, valid and enforceable if some part of it was deleted or modified, the provision or part-provision in question shall apply with such deletions or modifications as may be necessary to make the provision legal, valid and enforceable. In the event of such deletion or modification, the parties shall negotiate in good faith in order to agree the terms of a mutually acceptable alternative provision.

9 THIRD PARTY RIGHTS

9.1 A person who is not a Party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 (as amended, updated or replaced from time to time) to enforce any term of this Agreement but this does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

10 NOTICES

10.1 Any notices sent under this Agreement must be in writing.

10.2 The following table sets out the method by which notices may be served under this Agreement and the respective deemed time and proof of service:

Manner of Delivery	Deemed time of service	Proof of service
Email	9.00am on the first Working Day after sending.	Dispatched as a pdf attachment to an e-mail to the correct e-mail address without any error message.
Personal delivery	On delivery, provided delivery is between 9.00am and 5.00pm on a Working Day. Otherwise, delivery will occur at 9.00am on the next Working Day.	Properly addressed and delivered as evidenced by signature of a delivery receipt.
Prepaid, Royal Mail Signed For™ 1st Class or other prepaid, next working day service providing proof of delivery.	At the time recorded by the delivery service, provided that delivery is between 9.00am and 5.00pm on a Working Day. Otherwise, delivery will occur at 9.00am on the same Working Day (if delivery before 9.00am) or on the next Working Day (if after 5.00pm).	Properly addressed prepaid and delivered as evidenced by signature of a delivery receipt.

10.3 Notices shall be sent to the addresses set out below or at such other address as the relevant Party may give notice to the other Party for the purpose of service of notices under this Agreement:

	Receiving Party	Authority
Contact		

Address		
Email		

10.4 This Clause 10 does not apply to the service of any proceedings or other documents in any legal action or other method of dispute resolution.

11 CONFLICT OF INTEREST

11.1 The Receiving Party shall promptly notify the Authority if the Receiving Party identifies any actual or potential conflict of interest between itself and the Authority or itself and the [NAME OF THE SUPPLIER] during the placement.

12 GOVERNING LAW AND JURISDICTION

12.1 This Agreement and any issues, disputes or claims (whether contractual or non-contractual) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of England and Wales.

12.2 The Parties agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (whether contractual or non-contractual) that arises out of or in connection with this Agreement or its subject matter or formation.

Signed by the Authority

Name:

Signature:

Position in Authority:

Signed by the Receiving Party

Name:

Signature:

Position in the Receiving Party:

APPENDIX 1

DATA PROTECTION PARTICULARS

Permitted Purpose	The Receiving Party shall receive Confidential Information from the Authority for the purposes of any work relating to, or in connection with enabling quality audits of reports produced under [The Functional Assessment Service Contracts] between the Authority and its suppliers, and/or, any work relating to, or in connection with the testing or development of any proposed changes to the existing quality audit criteria or regime as part of any future service delivery
Categories of data to be shared	
Special categories of data/ criminal offence or sensitive data to be shared	
Lawful basis for sharing	

ANNEX 5 - CLINICAL GOVERNANCE QUALITY AND STANDARDS FRAMEWORK STANDARDS AND MEASURES

I Introduction

Clinical Governance Quality and Standards Framework (CGQSF) is a systematic approach to continuously improving the quality of healthcare and psychology professionals work. It has been developed following wide internal and contracted providers' stakeholder consultation and based on the effective evidence-based model developed in the NHS although adapted for the unique DWP environment recognising:

- Large number (4000+) of healthcare professionals (HPs) employed by DWP directly and through contracted assessment providers.
- Deliver service including evidence based functional assessments, advice and training.

II What is Clinical Governance Quality and Standards Framework

'A framework through which healthcare and psychology professionals are accountable for continuously improving the quality and consistency of their service. For DWP and contracted providers senior management to create an environment in which excellence in quality will flourish, risks are managed/mitigated and the public assured'.

III. The Key Components of Clinical Governance Quality and Standards Framework (CGQSF):

1 Accountability

2 Leadership

3 Quality Standards

4 Quality Assurance

5 Staff Recruitment and Management

6 Education, Training and Continuing Professional Development

7 Risk Management

8 Compliments, Complaints and Tribunal Appeals

9 Customer/Claimant Experience

All the 9 key components of CGQSF are integral to the DWP Corporate Governance. However, these components are specifically brought together with the aim to review and further develop and implement benchmark standards and quality indicators to minimise variation in the service provided by healthcare and psychology professionals. This is also needed to reassure the public that service is of the highest standards.

To Note in the CGQSF standards and measures table outlined below:

- DWP refers to areas that employ healthcare and psychology professionals (HPs & PPs) directly and indirectly via contracted providers.
- The term 'Provider' refers to areas that employ HPs and PPs who deliver service to customers/claimants and these are in contracted providers.
- Clinical Governance Quality and Standards Framework will be reviewed annually by the CGQS Forum and agree any changes to implement across DWP and providers as part of continuous quality improvement.

IV. Key Components of CGQSF Standards and Measures:

1 **Accountability** - staff at all levels contributing to the interaction between a healthcare and psychology professional and a customer/claimant within DWP and provider services take ownership of embedding CGQSF.

	Standard	**a) How to measure delivery of this standard? (providers to submit evidence of compliance with standards below)**
1.1	Within DWP managerial accountability for embedding CGQSF rests with Directors and their teams employing healthcare and psychology professional - directly and via contracted providers.	Line managers to report progress on implementing CGQSF through their divisional management system and to CGQS Forum quarterly via their representative. Performance management objective for embedding CGQSF to be included in Directors/Managers and their teams who employ healthcare and psychology professionals - directly and via contracted providers.

1.2	Providers to embed DWP CGQSF components into their Clinical Governance Frameworks to deliver evidence based service.	CMPD account managers to decide how to use existing relationship management with providers to embed CGQSF components standards. For example, this might include DWP performance manager to attend providers CGQS Forum meeting at least annually.
1.3	Healthcare and Psychology professionals (HPs & PPs) are responsible and accountable for implementing CGQSF standards relevant to their work including the requirements of their professional regulatory body.	HPs/PPs take ownership of implementing CGQSF and feedback to line manager. Line managers monitoring HPs & PPs implementing CGQSF standards relevant to their work. HPs & PPs submit evidence to line managers annually of complying with their professional regulatory bodies' requirements of annual CPD, revalidation and registration. CHES Account Directors and DWP line managers to update CGQS Forum (directly or through their CGQS Forum representative). Performance management objective of implementing CGQSF to be included in healthcare and psychology professionals' objective.
1.4	DWP and Providers to have senior CGQSF owner and forum or similar structure to support CGQSF delivery with continuous improvement.	Review and monitor providers CGQS Forum / similar structure for remit, terms of reference and senior accountability.

2 **Leadership** - whilst leadership for CGQSF is required at the highest level it is also essential throughout the organisation and staff are able to challenge practices and procedures that could be improved.

	Standard	**a) How to measure delivery of this standard? (providers to submit evidence of compliance with standards below)**
2.1	Leadership for CGQSF exists throughout the organisation with open and participative culture and	CGQS Forum members champion CGQSF in their areas and across DWP and cascade this leadership of raising awareness, understanding and implementation of CGQSF

	constructive challenges encouraged.	across DWP and providers. Approachable leadership behaviour. Feedback from staff. CGQSF embedded in HPs & PPs Induction. Evidence from providers of CGQSF leadership and sharing CGQSF with staff & HPs.
2.2	Leaders with accountability for CGQSF take responsibility for monitoring implementation of CGQSF.	Evidence of DWP and providers leaders and managers monitoring implementation of CGQSF. Leaders and managers to update CGQSF implementation through their representative to CGQS Forum. For contracted providers this will be through their CMPD Account Directors.
2.3	Staff in both DWP and providers embed CGQSF with continuous quality improvement.	At staff induction & update include CGQSF and ask ideas for improvement. Evidence of staff providing suggestions for quality improvement & how these have been considered. Staff feedback.
2.4	Staff are encouraged to challenge practices & procedures that could be improved and advocate changes when appropriate.	Systems in place to encourage staff to challenge practices that could be improved. Evidence from providers of procedures/practices challenged, actions taken and improvement outcomes.
2.5	Effective communication exists at all levels sharing relevant information and feedback loop to drive improvement.	Systems of communication used. Evidence of dissemination of relevant information by providers and feedback from staff, HPs / PPs and how this information acted upon to drive improvement.

3 **Quality Standards** - to ensure that an interaction between a healthcare and psychology professional and a customer / claimant is evidence based and consistent.

	Standard	**a) How to measure delivery of this standard? (providers to submit evidence of compliance with standards below)**
3.1	DWP guidance embedded into providers' policies and procedures to deliver evidence based and consistent service e.g. PIP and WCA guidance for HPs. Effective governance system in place to monitor meeting of this quality standard.	CMPD and providers to agree systems embedding DWP guidance into providers' policies and procedures. Evidence of governance systems in place and how meeting of this standard monitored. HPs and PPs feedback on this.
3.2	Claimant data is accurate, and confidentiality of data respected.	Staff meeting mandatory general data protection (UK GDPR) training. Internal data audit for accuracy and errors. Monitoring UK GDPR breaches information.
3.3	Healthcare and Psychology professionals (HPs and PPs) and other relevant staff have responsibility to be aware of and comply with quality standards and assurance processes relevant to their work.	Systems in place by providers to monitor awareness and compliance of quality standards and assurance processes by HPs, PPs and relevant staff. Feedback from HPs, PPs and relevant staff on this standard.
3.4	Systems and processes in place to spread good practice and lessons learnt from errors to improve quality and reduce risks.	Systems in place to spread good practice and lessons learnt, ensuring case-specific learning are not distributed erroneously.

4 **Quality Assurance** – Quality assurance processes and systems allows one to compare performance against meeting of quality standards and identify opportunities for improvement.

	Standard	**a) How to measure delivery of this standard?**
4.1	Quality Assurance (QA) methods are clearly defined and followed. Appropriate systems in place to measure quality of assessment and advice.	Providers to submit evidence of systems to monitor quality of assessments and advice. Main SLA QA measure is audit of HPs written assessment reports. Other examples include HPs / PPs face to face assessment observed by independent or senior clinician / psychologist with feedback. Customer / claimant feedback.
4.2	Appropriate direct observation, supervision and feedback and support of healthcare and psychology professionals work to improve quality.	Providers have systems, processes, and staff to provide supervision, support, and direct observations. Providers to submit examples of evidence of meeting standard with outcome.
4.3	Systems are in place across organisation to review, calibrate, spread good practice, and implement improvements.	Providers to submit evidence of compliance with this standard. Examples include further audits, observations and / or assessments to see if these improvements have been successful.
4.4	There are improvement processes for healthcare and psychology professionals in place integrated with audit and lessons learnt from errors to help the service to improve consistency and reduce risks.	Providers have improvement systems and processes in place for HPs to learn e.g. include errors register and lessons learnt, audit, compliance with training material and CPD.

5 **Staff Recruitment and Management** - DWP and contracted providers need to have highly skilled healthcare and psychology professional staff and working in a well-supported environment.

	Standard	**a) How to measure delivery of this standard?**
5.1	DWP and Providers' have recruitment and retention strategy.	Robust recruitment processes for healthcare professionals including a clear job description, person specification, interview, assessment, reference checks and diversity monitoring. Independent exit staff survey for leavers to understand issues and strategy to improve retention.
5.2	DWP and contracted providers carry out relevant checks of applicants' professional registration, CRB/DBS, criminal record, and work history including right to work in UK.	Systems and processes in place to carry out applicants' relevant checks.
5.3	Staff are given training, support, and supervision they need to reach the required standards to do their job.	CMPD to agree providers approach to training, support, and supervision. Line managers to see personal training plan & CPD undertaken by HPs & PPs and monitor outcomes as appropriate.
5.4	There is effective management and development of staff with regular feedback on their performance.	Staff appraisal, development and performance management systems and processes in place.
5.5	Processes are in place for early recognition of poor staff performance with support, supervision, and training provision	Systems and processes in place to identify early poor staff performance and support to improve or appropriately manage.

	to help them improve with the use of decisive intervention.	
5.6	DWP and providers have enough suitably qualified and competent staff to undertake the required work.	Systems and processes to review skills required for the workload against skilled staff with action and improvement plan including workforce development plans to address current and future need.

6 **Education, Training and Continuing Professional Development** - It is vital that the healthcare and psychology professionals in DWP and contracted providers' have the knowledge and skills they need to do a good job.

	Standard	**a) How to measure delivery of this standard?**
6.1	Staff are able to access opportunities to update their knowledge and skills and keep up with the latest developments to provide evidence based and consistent quality service.	Evidence of HPs and PPs accessing training and development opportunities with outcome as appropriate.
6.2	Staff have continuous professional development plans meeting their professional registration requirements.	HPs and PPs to provide evidence of meeting their professional body's CPD requirements to their line manager. Managers on behalf of employers to check registrants remain on the relevant registers through real time information.
6.3	DWP and providers to ensure there is an identified individual accountable for oversight of training and CPD for HPs and PPs.	Transparency of job title of identified individual who is accountable for overseeing and evidence of how HPs and PPs training and CPD is overseen.

7 **Risk Management** - Risk Management involves having effective systems in place to identify, understand, monitor and minimise risks to the customer/claimant and healthcare and psychology professional staff and promoting a culture to encourage everyone to report clinical / professional errors and mistakes with learnings implemented to improve.

	Standard	**a) How to measure delivery of this standard?**
7.1	DWP and providers' have effective systems and processes in place to identify, monitor and minimise environmental risks to healthcare and psychology professionals (HPs & PPs), other staff and customers / claimants.	Systems and processes in place to identify, monitor and minimise environmental risks for example by keeping a risk register, reviewing, and updating periodically.
7.2	DWP and providers' have effective systems for identifying, monitoring, and documenting clinical / professional risks including serious incidents, regularly review risks and address issues and themes identified with remedial action taken to learn and improve service and quality as appropriate.	Systems for identifying, monitoring, and documenting clinical / professional risks including serious incidents and risks reviewed with outcomes and learnings implemented e.g. from audit, customer complaint, customer experience feedback, HPs, PPs and other staff feedback.
7.3	DWP and providers promote an open and transparent culture, encouraging healthcare and psychology professionals (HPs &	HPs & PPs reporting clinical / professional errors and mistakes and HPs and PPs involvement / feedback. Process in place to share local findings / interventions at broader organisation level for learnings. Keep a log of issues identified and improvement actions taken.

	PPs) and other staff to report clinical / professional errors / mistakes and issues. HPs and PPs co-operate in any remedial actions identified.	
7.4	DWP and providers have systems and processes in place for vulnerable claimants / customers and dealing with challenging behaviour of customers / claimants and appropriate action taken and learning shared.	Clear systems in place for dealing with vulnerable claimants / customers and with challenging behaviour and submit evidence of ongoing appropriate risk management information and learning log at relevant governance and contract performance management meetings.

8 **Compliments, Complaints and Tribunal Appeals** - DWP and providers have systems in place to handle customer/claimant compliments and complaints, investigate thoroughly and take action if problems are identified. Providers have processes for learning from compliments, complaints, and Tribunal Appeals to continuously improve quality.

	Standard	**a) How to measure delivery of this standard?**
8.1	DWP and providers have systems in place to handle customer compliments and complaints including serious complaints, investigate thoroughly and take action if issues are identified to improve service.	Providers have systems in place for handling customer compliments and complaints and evidence of actions taken to improve.

8.2	DWP and providers have processes for learning from compliments, complaints and Tribunal Appeals and demonstrate how they have shared with healthcare and psychology professionals to improve quality and services.	Providers have processes to share learnings from customer compliments, complaints and tribunal appeals, evidence of sharing with HPs/PPs and improving quality and services.
8.3	Healthcare and psychology professionals (HPs & PPs) utilise feedback from compliments, complaints and tribunal appeals to learn, share good practice, and improve quality of their work and service as appropriate.	DWP and providers line managers to ascertain feedback from HPs and PPs on how they've used feedback from compliments, complaints and tribunal appeals to learn, share good practice, and improve quality of their work and service as appropriate.

9 **Customer / Claimant Experience and Healthcare and Psychology Professionals Behaviour** - The customer/claimants must be treated with dignity, respect and empathy at all times and their feedback utilised in the planning of services and setting of standards to improve quality.

	Standard	**a) How to measure delivery of this standard?**
9.1	Healthcare and psychology professionals (HPs & PPs) treat customer / claimant with dignity, respect, and empathy at all times.	Feedback from customer / claimant experience of HPs and PPs interaction. Senior clinician and colleagues' observations and feedback on HPs and PPs interaction with customer.

9.2	Healthcare and Psychology Professionals (HPs/PPs) behaves in a professional manner – polite, courteous, introduce themselves and use easy to understand words / sentences recognising the diverse needs of our customers/claimants and tailoring to suit individual needs.	Feedback from customer / claimant experience of HPs and PPs interaction for example through questionnaire surveys, focus groups and stakeholder meetings. Senior clinician and colleagues' observations and feedback on HPs and PPs interaction with customer.
9.3	Healthcare Professionals explain the purpose and how the assessment would be carried out including the reason for asking certain questions. Giving the customer enough time to respond to the questions.	Feedback from customer / claimant experience of HPs interaction for example through questionnaire surveys, focus groups and stakeholder meetings. Senior clinician and colleagues' observations and feedback on HPs interaction with customer.
9.4	Healthcare professional (HP) listens to the customer and gives them the opportunity to share their information, on how their condition affects daily life, and enough time to respond. As appropriate HP reflects back to the customer what they have heard to ensure understanding.	Feedback from customer / claimant experience of HPs and PPs interaction for example through questionnaire surveys, focus groups and stakeholder meetings. Senior clinician and colleagues' observations and feedback on HPs interaction with customer.

9.5	Healthcare Professional explains to the customer about what happens after the assessment.	Feedback from customer / claimant experience of HPs and PPs interaction for example through questionnaire surveys, focus groups and stakeholder meetings. Senior clinician and colleagues' observations and feedback on HPs interaction with customer.
9.6	DWP and providers obtain customer / claimant experience feedback of their interaction with healthcare / psychology professionals and share with HPs/PPs.	Evidence of providers obtaining customer feedback of their interaction with HPs / PPs for example through questionnaire surveys, focus groups and stakeholder meetings and sharing with HPs and PPs,
9.7	Healthcare and psychology professionals utilise customer / claimant experience feedback to spread good practice and improve their service and quality as appropriate.	DWP and provider line managers to ascertain feedback from HPs and PPs on how they've used customer experience feedback to learn, share good practice and improve quality of their service and work as appropriate.
9.8	Customer / claimants experience feedback is utilised by DWP and providers to review and develop standards and services as appropriate to improve quality.	Evidence of providers' utlising customer feedback in reviewing standards and services to improve quality.

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(xii) Health and Care Professions Council - Standards of conduct, performance, and ethics (for Physiotherapists, Occupational Therapists, Psychologists, Paramedics, Chiropodists)

(xiii) Clinical governance - Royal College of Nursing - professional development pages

https://www.rcn.org.uk/clinical-topics/clinical-governance

(xiv) Nursing and Midwifery Council – Standards

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https://www.nmc.org.uk/standards/standards-for-nurses/

(xv) Support for clinical governance - Royal Pharmaceutical Society

https://www.rpharms.com/resources/pharmacy-guides/clinical-governance

(xvi) General Pharmaceutical Council - Standards for pharmacy professionals

https://www.pharmacyregulation.org/standards

https://www.pharmacyregulation.org/spp

ANNEX 6 – SANCTIONS FRAMEWORK

DEPARTMENTAL WAIVER FOR ASSESSMENT PROVIDERS TO RECRUIT HEALTH PROFESSIONALS WITH SANCTIONS, OR TO CONTINUE EMPLOYING HEALTH PROFESSIONALS REFERRED TO THEIR REGULATORY BODY

Framework

CONTENTS

1. PURPOSE AND USE OF THIS FRAMEWORK

2. INFORMATION REQUIREMENTS ADVICE INCLUDING EXAMPLES.

3. PROCESS FOR OBTAINING A WAIVER – PIP CONTRACT

APPENDICES

A. Extract from the contracts detailing the qualifications and experience Health Professionals must have

B. Waiver granted - sample email

C. Waiver declined - sample email

D. Continued employment granted – sample email

E. Continued employment declined – sample email

F. Abbreviations

G. POCs – Contract Management and Partner Delivery

1.PURPOSE AND USE OF THIS FRAMEWORK

The DWP reserves the right to revoke approval – both provisional and full approval – at any time where there is concern that an individual may no longer satisfy one or more of the required criteria. This is at the discretion of the DWP and is irrespective of any action that providers are undertaking or that of the Health Professional's (HP's) regulatory body.

A requirement for HPs is that they have no sanctions attached to their registration unless it relates to disability. In individual cases this requirement may be waived subject to prior ***written*** agreement with the Authority under the PIP Contract.

It is important that the Department is made aware as soon as possible of any HP where a referral or complaint has been made to their regulatory body, or they are under investigation. This includes any referrals made during the course of the HP's employment with the AP, and before the outcome of any investigation is known.

The purpose of this framework is to:

Provide guidance for Assessment Providers (APs) as to what considerations the Department takes into account when granting a waiver;

To provide a clear process for APs and DWP clinicians to follow;

To ensure a consistent approach to each request for permission;

To set out the timescale for dealing with requests.

To allow Contract Management and Partner Delivery (CMPD) to record and actively manage the numbers involved.

Please note this framework does not include any guidance around sanctions which relate to disability. Assessment Providers (AP) are expected to consider their obligations under the Equality Act 2010 and make their own judgement calls around Health Professionals (HPs) who have sanctions relating to disability and decide themselves whether it is appropriate to make reasonable adjustments in the work place to accommodate their particular requirements.

2.INFORMATION REQUIREMENTS

In order that Departmental clinicians can make an informed decision, APs need to provide the Department with as much information as possible in relation to the potential HP/currently-employed HP; including:

- Full name
- Details of their professional regulatory body (NMC, HCPC, GMC)
- Registration number
- Details of the circumstances which led to the complaint, investigation or sanction
- Supporting evidence, for example a statement from the potential HP/HP, details of the complaint, investigation and/or outcome from the professional governing body (where known)

Note - DWP clinicians may wish to discuss the case directly with the AP's Senior Clinician so contact details should be provided.

DWP clinicians will consider if the nature of the issue will impact on the ability of the potential HP/HP to perform work to the standard required by DWP. They will also give consideration to any potential risk to the public and the reputational risk to the Department before making a decision.

We require APs to inform the Department as soon as possible of any referral of an HP to their regulatory body and of any impending investigation/sanctions, as this may have an immediate impact going forward.

For PIP the most common request we see is around sanctions for HPs with disabilities even though this is not for our consideration (see last Paragraph Section 1).

Illustrative example where a waiver for the sanction requirement has been granted:

A physiotherapist who had been issued with a warning around failing to treat a patient in her care with kindness, respect and compassion. The warning was on the public register for 12 months. No restrictions to practice had been issued and she was free to continue working as a physiotherapist. The case examiners were satisfied that there was no current risk or concern about her practising, however felt that previous actions warranted a warning.

A warning published against a HP's register entry for 12 months is considered a sanction.

The AP provided a statement from the HP which gave details of the incident which led to the warning being issued, a statement of remorse demonstrating insight, along with supporting evidence from her line manager.

On this occasion the DWP clinician felt that the HP had learned from the event, accepted the regulatory concerns and had taken steps to rectify those conduct concerns, which had satisfied their regulatory body. A waiver was granted.

Illustrative example where a waiver for the sanction requirement has not been granted:

A nurse with sanctions attached to his registration due to "a gross error made and failure to show competency of even basic skills as a nurse when dealing with a life threatening situation". The nurse had documents stating that the sanctions were only relevant if he works as a clinical nurse.

On this occasion DWP clinicians felt that based on the evidence contained within the Interim Conditions of Practice Order that it was not appropriate to grant a waiver; the allegations were serious and the interim order was necessary for protection of the public.

3.PROCESS FOR PROVIDING THE DEPARTMENT WITH INFORMATION ON COMPLAINTS, INVESTIGATIONS OR SANCTIONS - PIP CONTRACT

APs should send the request by **secure email** to one of the CMPD POCs listed in Appendix G.

Under no circumstances should requests be sent directly to DWP clinicians.

The CMPD POC will log the waiver request and review all the submitted evidence before forwarding onto the Departmental clinician, ensuring a consistent approach to all requests of this nature, knowledge of the numbers involved and type of request.

The CMPD POC will complete a waiver granted/waiver declined email (see Appendix B/Appendix C) and send back to the AP via secure email, update the log with the decision and comments.

**The Department aims to reply to requests within 5 working days (which starts from the date the APs send through the request to the CMPD POC). However, there may be exceptions to this and the Department will endeavour to convey an estimated response date to the AP.*

Appendix A

Qualifications and Experience required for Health Professionals (HPs) from PIP contract

The Contractor will ensure that any Health Professionals (HP) recruited for the delivery of the service have the following qualifications and experience:

- They are an occupational therapist, nurse, physiotherapist, paramedic or doctor;
- They are fully registered with the relevant UK licensing body (doctors must have a licence to practise);
- They have no sanctions attached to registration unless they relate to disability; in individual cases this requirement may be waived subject to prior, written agreement with the Authority.
- They have at least 1 year post full registration experience (this refers to either UK registration or equivalent overseas registration for non UK HPs) or less than 1 year post full registration experience by individual, prior, written agreement with the Authority.

Appendix B – Waiver Granted *sample email*

Re: Request for Departmental Waiver to recruit a HP with sanctions attached to their registration. Waiver granted

The Department has granted you a Waiver for you to recruit *(Enter full name of candidate).*

The reason(s) for this decision are: *(Enter details).*

Kind Regards

(Enter name of DWP clinician)

DWP Contract Management and Partner Delivery

Appendix C – Waiver Declined *sample email*

Re: Request for Departmental Waiver to recruit a HP with sanctions attached to their registration. DECLINED

The Department **has not** granted you a Waiver to recruit *(Enter full name of candidate).*

The reason(s) for this decision are: *(Enter details).*

Kind Regards

(Enter name of DWP clinician)

DWP Contract Management and Partner Delivery

Appendix D – HP Criteria satisfied *sample email*

Re: HP referral, complaint or investigation with their regulatory body.

The Department has decided that *(Enter full name of the candidate)* can continue working in their current capacity as a HP.

The reason(s) for this decision are: *(Enter details).*

Kind Regards

(Enter name of DWP clinician)

DWP Contract Management and Partner Delivery

Appendix E – HP Criteria not satisfied Declined *sample email*

Re: HP referral, complaint or investigation with their regulatory body.
DECLINED

The Department has decided that (*Enter name of candidate*) **cannot** continue in their current capacity as a HP.

The reason(s) for this decision are: *(Enter details).*

Kind Regards

(Enter name of DWP clinician)

DWP Contract Management and Partner Delivery

Appendix F

Abbreviations

AP	**Assessment Providers**
APS	**Approved Practice Settings Scheme**
CMPD	**Contract Management and Partner Delivery**
GMC	**General Medical Council**
HCPC	**Health Care Professional Council**
POCs	**Contract Management and Partner delivery**
HP	**Health Professionals**
NMC	**Nursing and Midwifery Council**
PIP	**Personal Independence Payment**
PIPAG	**Personal Independence Payment Assessment Guide**
POC	**Point of Contact**

Appendix G

POCs - [REDACTED]

SCHEDULE 2.2

PERFORMANCE LEVELS

Glossary of Terms

In this Schedule 2.2 unless the context otherwise requires the following expressions shall have the following meanings:

"AA"	means the Specialist Benefit referred to in limb (d) of the definition of Specialist Benefit;
"Actual Average Clearance Time (AACT)"	means the average number of Working Days it takes to Clear an initial Referral;
"Actual Target Cost"	shall have the meaning given in Annex 5 to Schedule 7.1 (*Charges and Invoicing*);
"Additional Requirements"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Appeal"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Appointee"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Assessment Centre"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Assessment Report Audit"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Assessment Specific Clearance"	shall have the meaning given in Paragraph 4.1;
"Assessment Specific Target Volume"	shall have the meaning given in Paragraph 4.1;
"Case File"	means any documentation and/or supporting information that relates to the Assessment for the Claimant in question;
"Claimant Enquiry Service"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Claimant Satisfaction Rating"	means the overall number of satisfied responses using a 4 point Likert scale of Very Dissatisfied/Dissatisfied/Satisfied and Very Satisfied (as set out in the Claimant Satisfaction Survey), with Satisfied and Very Satisfied demonstrating Claimant satisfaction, presented as a percentage of the total number of responses to the scoring questions, which questions shall be available from time to time in the Data Room;
"Claimant Satisfaction Survey"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Clearance"	means in respect of the Supplier's performance of: (a) the PIP Services and the WCA Services (including for the purposes of determining the Supplier's performance as against the applicable PIP/WCA

Performance Levels, the applicable Volume Clearance Targets and the applicable Monthly Volume Clearance Targets), subject to Paragraphs 3.4 and 3.5 of Part A of this Schedule 2.2 and Paragraph 4(e) of Annex 1 to this Schedule 2.2; and

(b) the Specialist Benefit Services and HMCTS Appeals (including for the purposes of determining the Supplier's performance as against the applicable Specialist Benefit Performance Levels), subject to Paragraph 3(e) of Annex 2 to this Schedule 2.2 and Paragraphs 20.3(b) and 50.1 of Part B of Schedule 2.1 (*Services Description*),

the conclusion of the Referral in question (including the completion of and submission to or receipt by the Authority of the applicable Assessment Report in accordance with the requirements of Schedule 2.1 (*Services Description*)), as determined pursuant to Paragraph 13.6 of Part B of Schedule 2.1 (*Services Description*)) and "**Clear**" and "**Cleared**" shall be construed accordingly;

"Clearance Delivery Payment"	shall have the meaning given in Annex 5 to Schedule 7.1 (*Charges and Invoicing*);
"**Completed SB Assessment Report**"	means a Specialist Benefit Assessment Report in respect of which all required action (as contemplated in Part B of Schedule 2.1 (*Services Description*)) has been carried out and completed by the Supplier (including any internal quality check deemed necessary) and which Specialist Benefit Assessment Report is ready to be submitted to the Authority;
"CRS"	means the Specialist Benefit referred to in limb (g) of the definition of Specialist Benefit;
"CTF"	means the Specialist Benefit referred to in limb (k) of the definition of Specialist Benefit;
"Data Room"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"DLA (Child)"	means the Specialist Benefit referred to in limb (c)(i) of the definition of Specialist Benefit;
"DLA (65+)"	means the Specialist Benefit referred to in limb (c)(ii) of the definition of Specialist Benefit;
"Failed to Attend"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Financial Incentive"	means the amount of the Monthly Available Target Fee (if any) that may be accrued by the Supplier in respect of its performance against, subject always to Paragraph 2.1 of Part A, the applicable PIP/WCA Performance Level during the Measurement Period in question;

"HMCTS Appeal"	means an Appeal referred to in Paragraph 20 of Part B of Schedule 2.1 (*Services Description*);
"HMCTS Assessment Report"	means an Assessment Report generated pursuant to Paragraph 20 of Part B of Schedule 2.1 (*Services Description*);
"Home Consultation"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"IIDB"	means the Specialist Benefit referred to in limb (b) of the definition of Specialist Benefit;
"IPB"	means the Specialist Benefit referred to in limb (e) of the definition of Specialist Benefit;
"In-Flight Activity"	means: (a) a case relating to a Claimant that has been referred for an Assessment; (b) a request for advice and/or clarification and/or reconsideration of advice made by the Authority; (c) re-work of a report generated in respect of an Assessment; and/or (d) a claim for payment of Claimant expenses, in each case pursuant to the Preceding Services and which as at the Operational Service Commencement Date has not been cleared, concluded and/or completed (as the context shall require) by the Preceding Services Provider;
"Initial Referral"	means a Referral that has been designated by the Authority as an initial referral (by virtue of the code allocated to such Referral on MSRS (as defined in the Glossary of Abbreviations in Schedule 2.1 (*Services Description*)) by the Authority at the time that such Referral is made to the Supplier;
"JSA Legacy Based"	means the Specialist Benefit referred to in limb (a) of the definition of Specialist Benefit;
"Junior ISA"	means the Specialist Benefit referred to in limb (k) of the definition of Specialist Benefit;
"Measurement Period"	means: (a) in respect of the Performance Levels, the period during which performance against the relevant Performance Level is measured, subject to Paragraph 11.19 of Part A, as set out in the final column of Table 1 in each of Annex 1 and Annex 2 to this Schedule 2.2; or (b) in respect of the Monthly Volume Clearance Targets, a Service Period;

"Minimum Performance Level"	means, subject to Paragraph 1(c) of Annex 1, the relevant percentage set out in the fourth column of the relevant Table for the Service Delivery Year in question in Part 3 of Annex 1 to Schedule 7.1 (*Charges and Invoicing*) against the applicable TPL (as referred to in the second column of such Table);
"Monthly Available Target Fee"	shall have the meaning given in Annex 5 to Schedule 7.1 (*Charges and Invoicing*);
"Monthly Volume Clearance Target"	shall have the meaning given in Annex 5 to Schedule 7.1 (*Charges and Invoicing*);
"OHA"	means the Specialist Benefit referred to in limb (h) of the definition of Specialist Benefit;
"Other SB Clearances"	shall have the meaning given in Paragraph 11.13 of Part A;
"Payable Target Fee"	shall have the meaning given in Annex 5 to Schedule 7.1 (*Charges and Invoicing*);
"Paper Based Review" or "PBR"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Performance Level"	means the performance level for the relevant part of the Services which, subject to Paragraph 11.19 of Part A, Paragraph 1(c) of Annex 1 and Paragraph 1(e) of Annex 2 to this Schedule 2.2, are set out in the second column of Table 1 in each of Annex 1 and Annex 2 to this Schedule 2.2 and which, for the avoidance of doubt, comprise the PIP/WCA Performance Levels and the Specialist Benefit Performance Levels;
"PIP Assessment Report"	means an Assessment Report in respect of a claim for PIP;
"PIP/WCA Performance Level"	means, subject to Paragraph 1(c) of Annex 1 to this Schedule 2.2, a Performance Level set out in Table 1 of Annex 1 to this Schedule 2.2;
"Preceding Services Provider"	means a provider of Preceding Services;
"Prescribed Disease"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Quarter"	means each period of 3 Service Periods and "**Quarterly**" shall be construed accordingly;
"Referral"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*) and "**Refer**" and **"Referred"** shall be construed accordingly;
"Re-Referral"	means a Referral that has been designated by the Authority as a re-referral (by virtue of the code allocated to such Referral on MSRS (as defined in the Glossary of Abbreviations in Schedule 2.1 (*Services Description*)) by the Authority at the time that such Referral is made to the Supplier;

"Re-work"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"SB"	means the reference prefix for the applicable Specialist Benefit Performance Level, as such reference is set out in the first and (where applicable) third column of Table 1 in Annex 2 to this Schedule 2.2;
"Serious Performance Failure"	means, subject always to the provisions of Paragraphs 8.2(a) to 8.2(d), the number of Service Regression Failures occurring in respect of the relevant Performance Level or relevant Monthly Volume Clearance Target (as the case may be) during the relevant period referred to in the final column of the Table in Paragraph 8.2 of Part A;
"Service Regression Failure"	shall have the meaning given in Paragraph 8.1 of Part A;
"Service Regression Failure Performance Level"	means, subject to Paragraph 1(c) of Annex 1, the percentage specified in the second column of the Table in Paragraph 8.2 of Part A for the relevant Service Delivery Year in question against the applicable Performance Level or Monthly Volume Clearance Target (as the case may be) specified in the first column of such Table;
"SMP"	means the Specialist Benefit referred to in limb (j) of the definition of Specialist Benefit;
"Specialist Benefit Assessment Report"	means an Assessment Report in respect of a claim for a Specialist Benefit;
"Specialist Benefit Performance Credits"	shall have the meaning given in Annex 5 to Schedule 7.1 (*Charges and Invoicing*);
"Specialist Benefit Performance Level"	means, subject to Paragraphs 11.19 and 12.1(b) of Part A and Paragraph 1(e) of Annex 2 to this Schedule 2.2, a Performance Level set out in Table 1 of Annex 2 to this Schedule 2.2;
"Specialist Benefit Type"	means each benefit referred to in Paragraphs 6.8 to 6.20 of Part B of Schedule 2.1 (*Services Description*);
"Special Rules End of Life" or "SREL"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"SSP"	means the Specialist Benefit referred to in limb (i) of the definition of Specialist Benefit;
"Supplier Audit"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Target Cost"	shall have the meaning given in Annex 5 to Schedule 7.1 (*Charges and Invoicing*);
"True-Up"	shall have the meaning given in Annex 5 to Schedule 7.1 (*Charges and Invoicing*);
"Target Performance Level"	means the target performance level that the Supplier is required to achieve in respect of the Performance Level in question, as

	each such target performance level is, subject to Paragraph 11.19 of Part A and Paragraph 1(c) of Annex 1 and Paragraph 1(e) of Annex 2 to this Schedule 2.2, set out in the third column of Table 1 of Annex 1 and Table 1 of Annex 2 to this Schedule 2.2;
"Telephone Consultation"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"TPL"	means the reference prefix for the applicable PIP/WCA Performance Level, as such reference is set out in the first column of Table 1 in Annex 1 to this Schedule 2.2;
"TPL Failure"	means, subject to Paragraph 11.19 of Part A, a failure by the Supplier to achieve the Target Performance Level in respect of the applicable Performance Level;
"Vets UK"	means the Specialist Benefit referred to in limb (f) of the definition of Specialist Benefit;
"Video Consultation"	shall have the meaning given in the Glossary of Terms in Schedule 2.1 (*Services Description*);
"Volume Clearance Target"	means, subject to Paragraph 42.4 of Part B of Schedule 2.1 (*Services Description*), the target volume of Clearances in respect of each of PIP and WCA that the Supplier is required to achieve in each Service Delivery Year, as such volumes are set out in Paragraph 42 of Part B of Schedule 2.1 (*Services Description*); and
"WCA Assessment Report"	means an Assessment Report in respect of a claim for UC or ESA (as such terms are defined in Schedule 2.1 (*Services Description*)).

PART A – FINANCIAL INCENTIVES, PERFORMANCE LEVELS AND CLEARANCE VOLUMES FOR SERVICES

1. FINANCIAL INCENTIVES AND PERFORMANCE LEVELS

1.1. Subject to Paragraph 11.19, Annex 1 and Annex 2 to this Schedule 2.2 set out the Performance Levels, which the Parties have agreed shall be used to measure the performance of the Services by the Supplier in respect of each Measurement Period applicable to each Performance Level.

1.2. Subject to Paragraph 1(e)(i) of Annex 2 to this Schedule 2.2, the Supplier shall monitor its performance against each Performance Level in respect of each Measurement Period on and from the Operational Service Commencement Date and shall submit (as part of the Performance Monitoring Report) to the Authority details of the level of service actually achieved in respect of the Services during the relevant Measurement Period in accordance with Part B.

1.3. The Supplier shall be eligible to accrue a Financial Incentive in respect of its performance against certain PIP/WCA Performance Levels during a Measurement Period subject to and in accordance with the provisions of Paragraph 2, the actual amount (if any) accrued by the Supplier in respect of its performance against such PIP/WCA Performance Levels in that Measurement Period being the Target Fee Achieved.

1.4. Subject always to the provisions of Paragraphs 2 and 3, the maximum amount of the Target Fee that the Supplier shall be entitled to earn in respect of any Service Period shall be the Monthly Available Target Fee.

2. FINANCIAL INCENTIVE AND SPECIALIST BENEFIT PERFORMANCE CREDITS

2.1. The Supplier shall only be entitled to accrue Financial Incentives in respect of those PIP/WCA Performance Levels set out in Table 2 and Table 3 of Annex 1 to this Schedule 2.2.

2.2. Subject to Clause 7.6(c) (*Changes to Performance Level weighting and other adjustments*), the Authority shall only be entitled to apply Specialist Benefit Performance Credits in respect of Specialist Benefit Performance Levels SB1, SB2, SB9 and SB15 (including, for the avoidance of doubt, the constituent SBs comprised within those Specialist Benefit Performance Levels).

2.3. If the Supplier fails to achieve:

(a) subject always to Paragraph 2.1, the Minimum Performance Level applicable to the relevant PIP/WCA Performance Level during the applicable Measurement Period, the Supplier shall not be entitled to accrue a Financial Incentive in respect of that Performance Level for that Measurement Period; and/or

(b) the Target Performance Level applicable to any one or more Specialist Benefit Performance Levels referred to in Paragraph 2.2 during the applicable Measurement Period, the Authority shall be entitled to apply a Specialist Benefit Performance Credit in respect of that Measurement Period pursuant to Paragraph 21 of Part A of Schedule 7.1 (*Charges and Invoicing*).

2.4. If the Supplier achieves or exceeds the Minimum Performance Level applicable to the relevant PIP/WCA Performance Level during the applicable Measurement Period, the Supplier shall, subject always to Paragraph 2.1, be entitled to accrue a Financial Incentive in respect of that Performance Level in accordance with Paragraph 12 of Part A of Schedule 7.1 (*Charges and Invoicing*).

3. VOLUME CLEARANCE TARGET

3.1. Subject to Paragraph 3.6, the Supplier shall achieve the relevant Volume Clearance Target for each of PIP and WCA in each Service Delivery Year and the Monthly Volume Clearance Target for each of PIP and WCA in each Measurement Period of each Service Delivery Year.

3.2. Where the Supplier fails to achieve the Monthly Volume Clearance Target for PIP and/or WCA in any Measurement Period, the provisions of Paragraph 13 of Part A of Schedule 7.1 (*Charges and Invoicing*) shall apply.

3.3. The Supplier's actual performance against the relevant Volume Clearance Target for each of PIP and WCA for the relevant Service Delivery Year shall be assessed at the end of such relevant Service Delivery Year and a True-Up of the Payable Target Fee shall be carried out in accordance with Paragraph 14 of Part A of Schedule 7.1 (*Charges and Invoicing*).

3.4. As contemplated by the definition of Clearance, a Referral shall only be regarded as being Cleared by the Supplier (and capable of counting towards achieving the applicable Volume Clearance Target and/or Monthly Volume Clearance Target) where the relevant Assessment Report has been completed and submitted to or received by (as the case may be) the Authority in respect of the relevant Assessment in accordance with the requirements of Schedule 2.1 (*Services Description*), provided always that the following circumstances shall be disregarded and shall not count towards the assessment of the Supplier's performance against achieving the applicable Volume Clearance Target and/or Monthly Volume Clearance Target:

(a) Referrals where the Claimant Failed to Attend (and the Consultation is not deemed to have been cancelled pursuant to Paragraph 4(a) of Annex 1 to this Schedule 2.2), as contemplated in Paragraphs 12.29 and 12.40 of Part B of Schedule 2.1 (*Services Description*);

(b) subject always to Paragraphs 10.5(a) and 10.5(b) of Part B of Schedule 2.1 (*Services Description*), where the Claimant fails to return the PIP2 form (as referred to in Paragraph 10.5(c) of Part B of Schedule 2.1 (*Services Description*));

(c) subject always to Paragraph 10.26(b) of Part B of Schedule 2.1 (*Services Description*), where the Claimant fails to return the ESA50 or UC50 (as referred to in Paragraph 10.26(a) of Part B of Schedule 2.1 (*Services Description*));

(d) where the Referral is withdrawn by the Claimant or the Authority (including as contemplated in Paragraphs 12.41 and 16.2 of Part B of Schedule 2.1 (*Services Description*)); and/or

(e) where the Referral is returned pursuant to Paragraph 12.66 of Part B of Schedule 2.1 (*Services Description*)).

3.5. Where, notwithstanding the submission to or receipt by (as the case may be) the Authority of an Assessment Report, it is established that such Assessment Report has not been prepared in accordance with the provisions of Part B of Schedule 2.1 (*Services Description*) referred to in Paragraph 4(e)(iii) of Annex 1 to this Schedule 2.2, then, without prejudice to the Supplier's other obligations in Schedule 2.1 (*Services Description*) in respect of the preparation and production of Assessment Reports and without prejudice to the Authority's other rights and remedies under this Agreement, such Assessment Report shall, for the purposes of determining whether the Supplier has achieved the applicable Volume Clearance Target and/or Monthly Volume Clearance Target, not be regarded as having been submitted to or received by the Authority and shall not constitute a Clearance for the purposes of this Schedule 2.2.

3.6. The Supplier shall be entitled to request an adjustment to the Supplier's obligation to achieve the relevant Volume Clearance Target in each Service Delivery Year and the Monthly Volume Clearance Target in each Measurement Period of each Service Delivery Year where the Supplier and the Authority have agreed that one or more IHPAs will be made available on IHPA Placement, provided that an IHPA Agreement to support each such IHPA Placement has been signed by the Parties in accordance with Paragraph 49 (*IHPA Placements*) of Schedule 2.1 (*Services Description*) and the IHPAs have commenced work for the Authority pursuant to such IHPA Placement(s) (a "**Volume Adjustment Request**"). As soon as reasonably possible after the Operational Service Commencement Date, and in any event by no later than 31 October 2024, the Parties shall agree a formulaic mechanism to calculate the volume mitigation adjustment for the Supplier for each such Volume Adjustment Request.

4. CLEARANCE DELIVERY PAYMENT

4.1. If the actual number of Clearances in respect of PIP or WCA (as the case may be) achieved by the Supplier in a Service Period (each such Clearance being an "**Assessment Specific Clearance**") exceeds the applicable Monthly Volume Clearance Target for PIP or WCA (as the case may be) in that Service Period (the "**Assessment Specific Target Volume**"), then the Supplier shall be entitled to claim a Clearance Delivery Payment in accordance with Paragraph 19 of Part A of Schedule 7.1 (*Charges and Invoicing*) for each Assessment Specific Clearance that exceeds the relevant Assessment Specific Target Volume, provided always that all of the conditions of Paragraph 19 of Part A of Schedule 7.1 (*Charges and Invoicing*) are satisfied.

4.2. The Supplier acknowledges that, subject always to Paragraph 4.1, while it may be entitled to claim a Clearance Delivery Payment in respect of Assessment Specific Clearances delivered in excess of the applicable Assessment Specific Target Volume in Service Delivery Year 1, the Authority reserves the right to remove the Clearance Delivery Payment regime in respect of PIP and/or WCA in any Service Delivery Year with 6 months' notice.

5. PIP/WCA PERFORMANCE LEVELS WITH FINANCIAL INCENTIVES ATTACHED AND SPECIALIST BENEFIT PERFORMANCE CREDITS

5.1. The Supplier acknowledges that the objectives of the PIP/WCA Performance Levels in respect of which a Financial Incentive can be accrued and Specialist Benefit Performance Credits are (without prejudice to the Authority's other rights and remedies under this Agreement (including as set out or referred to in Clause 7 (*Performance Levels and Volume Clearance Targets*), Clause 26.14 (*Liquidated Damages*), Clause 28 (*Rectification Plan Process*) and Paragraph 8) and the Supplier's general obligations in respect of the performance of the Services) to:

(a) ensure that the relevant part of the Services to which such PIP/WCA Performance Levels or applicable Specialist Benefit Performance Levels (as the case may be) relate are of a consistently high quality and meet the requirements of the Authority;

(b) provide a mechanism whereby the Authority can attain meaningful recognition of inconvenience and/or loss resulting from the Supplier's failure to deliver that part of the Services to which such PIP/WCA Performance Levels or applicable Specialist Benefit Performance Levels (as the case may be) relate in accordance with this Agreement; and

(c) ensure that the Supplier meets the Target Performance Levels in respect of such PIP/WCA Performance Levels or such applicable Specialist Benefit Performance Levels (as the case may be) and remedies any failure to meet such Target Performance Levels expeditiously.

6. PERFORMANCE LEVELS UNDER THE CHANGE CONTROL PROCEDURE

6.1. The Performance Levels that shall apply to any additional services shall be agreed by the Parties in accordance with Schedule 8.2 (*Change Control Procedure*).

7. TPL FAILURES, SERVICE REGRESSION FAILURES AND SERIOUS PERFORMANCE FAILURES

7.1. TPL Failures, Service Regression Failures and Serious Performance Failures shall be managed in accordance with Section H (*Remedies and Relief*) of this Agreement.

8. SERVICE REGRESSION FAILURES

8.1. A Service Regression Failure is, subject always to the provisions of Clause 33 (*Authority Cause)* and 34 (*Force Majeure*), a failure by the Supplier to meet or exceed the relevant Service Regression Failure Performance Level in a single Measurement Period.

8.2. For the purposes of calculating the number of Service Regression Failures that constitute a Serious Performance Failure, the thresholds set out in the Table below shall apply, provided always that, notwithstanding the third column of such Table, Service Regression Failures occurring in respect of any or all of:

(a) TPL1a, TPL1b, TPL1c, TPL1d, and TPL1e may be taken into account to achieve the required threshold giving rise to a Serious Performance Failure (as such threshold is otherwise expressed to apply to each such Performance Level individually in the third column of the Table below);

(b) TPL4a, TPL3a, TPL2a, TPL2b, TPL2c, TPL3b and/or TPL5a may be taken into account to achieve the required threshold giving rise to a Serious Performance Failure (as such threshold is otherwise expressed to apply to each such Performance Level individually in the third column of the Table below);

(c) SB1(a), SB1(b), SB2(b), SB2(d), SB2(f), SB2(h), SB2(j) and SB2(p) may be taken into account to achieve the required threshold giving rise to a Serious Performance Failure (as such threshold is otherwise expressed to apply to each such Performance Level individually in the third column of the Table below); and

(d) the Monthly Volume Clearance Target in respect of PIP and/or WCA may be taken into account to achieve the required threshold giving rise to a Serious Performance Failure.

TPL/SB Ref/ Performance Level/Monthly Volume Clearance Target	Service Regression Failure Performance Level	Serious Performance Failure
TPL1a (PIP Quality)	93% (Service Delivery Year 1) 94% (Service Delivery Year 2 onwards)	3 Service Regression Failures in a rolling period of 9 Service Periods
TPL1b (PIP Quality)	78% (Service Delivery Year 1) 80% (Service Delivery Year 2 onwards)	3 Service Regression Failures in a rolling period of 9 Service Periods
TPL1c (WCA Quality)	93% (Service Delivery Year 1) 94% (Service Delivery Year 2 onwards)	3 Service Regression Failures in a rolling period of 9 Service Periods
TPL1d (WCA Quality)	90% (Service Delivery Year 1) 91% (Service Delivery Year 2 onwards)	3 Service Regression Failures in a rolling period of 9 Service Periods
TPL1e (WCA Quality)	68% (Service Delivery Year 1) 70% (Service Delivery Year 2 onwards)	3 Service Regression Failures in a rolling period of 9 Service Periods
TPL4a (Cancellation of Consultations)	4% (All Service Delivery Years)	3 Service Regression Failures in a rolling period of 6 Service Periods
TPL5a (Consultation Waiting Times)	76% (Service Delivery Year 1) 78% (Service Delivery Year 2) 80% (Service Delivery Year 3 onwards)	3 Service Regression Failures in a rolling period of 6 Service Periods
TPL3a (SREL)	100% (All Service Delivery Years)	3 Service Regression Failures in a rolling period of 6 Service Periods
TPL3b (SREL)	100% (All Service Delivery Years)	3 Service Regression Failures in a rolling period of 6 Service Periods
TPL2a (PIP E2E)	98% (All Service Delivery Years)	3 Service Regression Failures in a rolling period of 6 Service Periods
TPL2b (WCA E2E)	76% (All Service Delivery Years)	3 Service Regression Failures in a rolling period of 6 Service Periods
TPL2c (WCA E2E)	5% (All Service Delivery Years)	3 Service Regression Failures in a rolling period of 6 Service Periods
SB1(a) (IIB, DLA (65+), DLA (Child), AA, VETs UK and IPB PBR) (Quality)	90% (All Service Delivery Years)	3 Service Regression Failures in a rolling period of 6 Service Periods
SB1(b) (IIB, DLA (65+), DLA (Child), AA, VETs UK and IPB PBR) (Quality)	IIB and Vets UK 65% (All Service Delivery Years) DLA/AA 75% (All Service Delivery Years) IPB PBR 70% (All Service Delivery Years)	3 Service Regression Failures in a rolling period of 6 Service Periods

TPL/SB Ref/ Performance Level/Monthly Volume Clearance Target	Service Regression Failure Performance Level	Serious Performance Failure
SB2(b) (IIDB SREL Clearance only)	95% (All Service Delivery Years)	3 Service Regression Failures in a rolling period of 6 Service Periods
SB2(d) (IIDB Clearance only)	95% (All Service Delivery Years)	3 Service Regression Failures in a rolling period of 6 Service Periods
SB2(f) (Vets UK Clearance)	95% (All Service Delivery Years)	3 Service Regression Failures in a rolling period of 6 Service Periods
SB2(h) (Vets UK Audiology Clearance)	90% (All Service Delivery Years)	3 Service Regression Failures in a rolling period of 6 Service Periods
SB2(j) (Vets UK)	90% (All Service Delivery Years)	3 Service Regression Failures in a rolling period of 6 Service Periods
SB2(p) (DLA (65+)/DLA (Child)/AA (Advice completed)	95% (All Service Delivery Years)	3 Service Regression Failures in a rolling period of 6 Service Periods
Monthly Volume Clearance Target (PIP/WCA)	60% (Service Delivery Year 1) 70% (Service Delivery Year 2) 80% (Service Delivery Year 3 onwards)	3 Service Regression Failures in a rolling period of 6 Service Periods

8.3. If the Supplier reasonably believes that a Service Regression Failure has occurred as a result of the occurrence of the circumstances referred to in Clause 33 (*Authority Cause*) or Clause 34 (*Force Majeure*), the Supplier shall (without prejudice to its obligations under such Clause 33 (*Authority Cause*) or 34 (*Force Majeure*) and as soon as reasonably practicable) notify the Authority of the occurrence of (and provide all relevant evidence in relation to) such circumstances and the Parties shall (both acting reasonably) have regard to such circumstances at the Performance Review Meeting at which the Supplier's performance in respect of the Service Period in question is considered pursuant to Paragraph 5.13 of Schedule 8.1 (*Governance*).

8.4. Where the Authority (acting reasonably) does not agree that the Service Regression Failure in question arises as a result of the circumstances referred to in Paragraph 8.3, then, subject to Clause 28.5 (*Rectification Plan Process*), the Supplier shall submit to the Authority a draft Rectification Plan in accordance with Clause 28 (*Rectification Plan Process*).

8.5. The impact of Serious Performance Failures on the Target Cost or Actual Target Cost (as the case may be) shall be determined in accordance with Paragraph 25 of Part A of Schedule 7.1 (*Charges and Invoicing*).

8.6. The Authority reserves the right not to apply the provisions of Paragraph 25 of Part A of Schedule 7.1 (*Charges and Invoicing*) in respect of any Service Regression Failures that occur during Service Delivery Year 1.

9. ASSESSMENT ASSURANCE AUDIT METHODOLOGY PIP

9.1. The Supplier acknowledges that, as contemplated by Paragraphs 25.1 and 25.2 of Part B of Schedule 2.1 (*Services Description*), the quality of Assessments undertaken by the Supplier in respect of PIP will be determined by the Authority, via quality audit sample of PIP Assessment Reports; randomly drawing a daily sample of PIP Assessment Reports from all Clearances achieved in respect of Referrals relating to PIP during the relevant Service Period.

9.2. The Supplier shall provide the Authority with a daily list of Clearances in respect of Referrals relating to PIP from the previous day, these lists will form the population from which samples are drawn.

9.3. The Supplier acknowledges and agrees that the Authority shall determine the size of the sample of PIP Assessment Reports drawn each Service Period by the number of Assessment Report Audits required to achieve a +/- 1% margin of error at the 95% confidence level for the Target Performance Level for TPL1a across a rolling 3 Service Periods. In turn, this sample size achieves:

(a) a margin of error of no more than +/- 2% at the Target Performance Level for TPL1b across a rolling 3 Service Periods; and

(b) a margin of error of no more than +/- 1.5% at the percentage specified at Paragraph 19.2.2.1 of Part A of Schedule 7.1 (*Charges and Invoicing*) across a rolling 3 Service Periods.

9.4. The Supplier also acknowledges that the sample size may vary each Service Period (depending on the number of Clearances achieved in respect of Referrals relating to PIP in that Service Period and capacity within the team undertaking Assessment Report Audit of such PIP Assessment Reports) and whilst the Authority shall endeavour to achieve a margin of error of +/- 1% at the Target Performance Level for TPL1a, there may be occasions when the Authority utilises the flex to a margin of error of +/- 1.5%, but the Authority shall use reasonable endeavours to ensure, subject always to Paragraph 9.5, that the margin of error at the Target Performance Level for TPL1a does not exceed +/- 1.5% across a rolling 3 Service Periods. In turn, the Authority shall use reasonable endeavours to ensure, subject always to Paragraph 9.5, that:

(a) the margin of error at the Target Performance Level for TPL1b does not exceed +/- 3% across a rolling 3 Service Periods; and

(b) the margin of error at the percentage specified at Paragraph 19.2.2.1 of Part A of Schedule 7.1 (*Charges and Invoicing*) does not exceed +/- 2% across a rolling 3 Service Periods.

9.5. In exceptional circumstances where the margin of error at the applicable Target Performance Level is expected to exceed the levels in Paragraphs 9.3 and/or 9.4, the Authority shall notify the Supplier as soon as reasonably practicable of the relevant circumstances and provide details to the Supplier of how the Authority (acting reasonably) proposes to proceed with the Assessment Report Audit exercise.

9.6. Without prejudice to its obligations under Part B of Schedule 2.1 (*Services Description*), the Supplier shall provide electronic copies of any PIP Assessment Reports not available to the Authority at the time of the relevant Assessment Report Audit exercise.

9.7. The Supplier acknowledges that the Authority will grade each PIP Assessment Report selected for Assessment Report Audit in accordance with Paragraph 25.2 of Part B of Schedule 2.1 (*Services Description*) and shall notify the Supplier of the grade awarded to each such PIP Assessment Report.

9.8. The Supplier shall have 4 Working Days from the date it receives the audit result referred to in Paragraph 9.7 to challenge (in writing) the grade awarded by the Authority in respect of the PIP Assessment Report in question.

9.9. The Authority shall provide a written response to the Supplier's challenge referred to in Paragraph 9.8 and the grade awarded by the Authority pursuant to Paragraph 9.7 in respect of the relevant PIP Assessment Report may be amended by the Authority.

9.10. The Supplier shall have a further 4 Working Days, from when it receives the written response from the Authority pursuant to Paragraph 9.9, to escalate (in writing) the outcome of the grade awarded to the PIP Assessment Report in question for a further review by the Authority.

9.11. The Authority shall provide a written response to the Supplier's escalation referred to in Paragraph 9.10 and the grade awarded by the Authority in respect of the PIP Assessment Report in question may be amended, provided always that the Authority's decision on the grade awarded in respect of such PIP Assessment Report shall be final.

9.12. Where a PIP Assessment Report is graded AA Grade - Acceptable Report Amendment Required or U Grade – Unacceptable Report (in each case, as referred to in Paragraph 24.8 of Part B of Schedule 2.1 (*Services Description*)), the Supplier shall have 4 Working Days from the date of receiving the grade awarded by the Authority pursuant to Paragraph 9.7 in respect of the relevant PIP Assessment Report to amend the relevant PIP Assessment Report in line with the audit result, except where the Supplier is challenging the grade awarded in respect of such PIP Assessment Report, in which case the Supplier shall have 4 Working Days from the point at which the final grade has been decided (by the Authority) and notified to the Supplier.

9.13. The Authority will provide to the Supplier an in-Service Period quality achievement report at the end of each Service Period for discussion during the relevant Performance Review Meeting.

9.14. For the purposes of assessing the Supplier's performance in relation to each of the Performance Levels TPL1a and TPL1b (including to verify the amount of the Payable Target Fee and/or Clearance Delivery Payment (if any) due in respect of the Service Period in question pursuant to Paragraphs 32.2 and 42.3 of Part C of Schedule 7.1 (*Charges and Invoicing*)), the quality of PIP Assessment Reports will be determined by the Authority as an aggregate of the performance in relation to each of Performance Levels TPL1a and TPL1b across a rolling 3 Service Periods.

9.15. Subject to Paragraph 9.18, each Service Period's performance against each of Performance Levels TPL1a and TPL1b will be calculated from samples drawn over the 3 Service Periods up to and including that Service Period. This calculation is illustrated by example in Paragraph 9.19.

Number of PIP Assessment Reports meeting the PIP Required Standard rolling 3 Service Periods
Number of PIP Assessment Reports subject to Assessment Report Audit rolling 3 Service Periods

Where "**PIP Required Standard**" shall mean:

(a) in respect of performance against Performance Level TPL1a, PIP Assessment Reports graded A Grade – Acceptable, AF Grade – Acceptable HP Learning Required or AA Grade – Acceptable Report Amendment Required (in each case, as referred to in Paragraph 24.8 of Part B of Schedule 2.1 (*Services Description*)); and

(b) in respect of performance against Performance Level TPL1b, PIP Assessment Reports graded A Grade – Acceptable or AF Grade – Acceptable HP Learning

Required (in each case, as referred to in Paragraph 24.8 of Part B of Schedule 2.1 (*Services Description*)).

9.16. For a given 3 Service Periods' performance:

(a) for each constituent Service Period, in-Service Period performance will be extrapolated across all Clearances achieved in respect of Referrals relating to PIP within that Service Period to calculate the number of in-Service Period PIP Assessment Reports at the PIP Required Standard; and

(b) the number of PIP Assessment Reports at the PIP Required Standard within each of the 3 Service Periods will be added to provide a total number of PIP Assessment Reports at the PIP Required Standard over such period of 3 Service Periods.

9.17. The number of PIP Assessment Reports at the PIP Required Standard over the 3 Service Periods is then divided by the total number of Clearances achieved in respect of Referrals relating to PIP over the same 3 Service Periods to determine the Supplier's performance in respect of Performance Levels TPL1a and TPL1b, respectively. For reporting purposes, performance will be rounded to the nearest 0.1%. **Unrounded figures will be used in performance calculations.**

9.18. As 3 complete Service Periods of in-Service Period performance will not be available for Service Periods 1 and 2 following the Operational Service Commencement Date, performance for those Service Periods will instead be calculated as follows:

	Service Period 1	**Service Period 2**
In-Service Period performance	A%	B%
Number of Clearances achieved in respect of Referrals relating to PIP in-Service Period	19,000	20,000
Service Period 1 performance	*A%* This becomes the performance level of Service Period 1. Margins of error at the Target Performance Levels will exceed those set in Paragraph 9.4.	
Service Period 2 performance	$\frac{(A\% \times 19{,}000) + (B\% \times 20{,}000)}{19{,}000 + 20{,}000}$ This becomes the performance level of Service Period 2.	

9.19. Rolling 3 Service Period performance results will be rounded to the nearest 0.1%. A worked example of how the rolling 3 Service Period sample weighted by the number of Clearances achieved in respect of Referrals relating to PIP in each relevant Service Period will operate is shown below.

<table>
<tr><th></th><th>Service Period 1</th><th>Service Period 2</th><th>Service Period 3</th><th>Service Period 4</th><th>Service Period 5</th></tr>
<tr><td>In-Service Period performance</td><td>A%</td><td>B%</td><td>C%</td><td>D%</td><td>E%</td></tr>
<tr><td>Number of Clearances achieved in respect of Referrals relating to PIP in-Service Period</td><td>19,000</td><td>20,000</td><td>19,000</td><td>22,000</td><td>20,000</td></tr>
<tr><td>Service Period 3 performance</td><td colspan="3">$\frac{(A\% \times 19{,}000) + (B\% \times 20{,}000) + (C\% \times 19{,}000)}{19{,}000 + 20{,}000 + 19{,}000}$

This becomes the performance level of Service Period 3</td><td></td><td></td></tr>
<tr><td>Service Period 4 performance</td><td></td><td colspan="3">$\frac{(B\% \times 20{,}000) + (C\% \times 19{,}000) + (D\% \times 22{,}000)}{20{,}000 + 19{,}000 + 22{,}000}$

This becomes the performance level of Service Period 4</td><td></td></tr>
<tr><td>Service Period 5 performance</td><td></td><td></td><td colspan="3">$\frac{(C\% \times 19{,}000) + (D\% \times 22{,}000) + (E\% \times 20{,}000)}{19{,}000 + 22{,}000 + 20{,}000}$

This becomes the performance level of Service Period 5</td></tr>
</table>

9.20. Notwithstanding the foregoing provisions of this Paragraph 9, the Authority reserves the right to:

(a) apply weighting to any quality audit sample or its constituent samples, depending on:

(i) the number of PIP Assessment Reports from which the sample is drawn; and

(ii) the proportion of PIP Assessment Reports drawn from each work stream, for example by Assessment outcome and/or Assessment Channel in the relevant audit period, to improve the sample's representation of the population;

(b) confirm (in its sole discretion) the level of the Supplier's performance against Performance Levels TPL1a and TPL1b; and

(c) extrapolate the quality performance level for Performance Levels TPL1a and TPL1b across all Clearances achieved in respect of Referrals relating to PIP in the relevant period of 3 Service Periods to determine the amount of the Payable Target Fee and/or Clearance Delivery Payment (if any) due in respect of the Service Period in question.

9.21. The Authority reserves the right to conduct Audit Quality Assurance checks on Supplier Audits undertaken in respect of PIP Assessment Reports. Where requested, the Supplier shall provide a list of all such Supplier Audits completed over the previous Service Period.

9.22. The Authority will select no more than 50 Supplier Audits undertaken in respect of PIP Assessment Reports in a Service Period for Audit Quality Assurance checks, such Supplier Audits being selected at the sole discretion of the Authority.

9.23. The Authority will share the outcome of the Audit Quality Assurance checks and any feedback with the Supplier as soon as practically possible.

10. ASSESSMENT ASSURANCE AUDIT METHODOLOGY WCA

10.1. The Supplier acknowledges that, as contemplated by Paragraphs 25.1 and 25.2 of Part B of Schedule 2.1 (*Services Description*), the quality of Assessments undertaken by the Supplier in respect of UC and ESA will be determined by the Authority, via quality audit sample of WCA Assessment Reports; randomly drawing a daily sample of WCA Assessment Reports from all Clearances achieved in respect of Referrals relating to UC and ESA during the relevant Service Period.

10.2. The Supplier acknowledges and agrees that the Authority shall determine the size of the sample of WCA Assessment Reports drawn each Service Period by the number of Assessment Report Audits required to achieve a +/- 1% margin of error at the 95% confidence level for the Target Performance Level for each of TPL1c and TPL1d across a rolling 3 Service Periods. In turn, this sample size achieves:

(a) a margin of error of no more than +/- 2% at the Target Performance Level for TPL1e across a rolling 3 Service Periods; and

(b) a margin of error of no more than +/- 1.5% at the percentage specified at Paragraph 19.2.2.2 of Part A of Schedule 7.1 (*Charges and Invoicing*) across a rolling 3 Service Periods.

10.3. The Supplier also acknowledges that the sample size may vary each Service Period (depending on the number of Clearances achieved in respect of Referrals relating to UC and ESA in that Service Period and capacity within the team undertaking Assessment Report Audit of such WCA Assessment Reports) and whilst the Authority shall endeavour to achieve a margin of error of +/- 1% at the Target Performance Level for each of TPL1c and TPL1d, there may be occasions when the Authority utilises the flex to a margin of error of +/- 1.5%, but the Authority shall use reasonable endeavours to ensure, subject always to Paragraph 10.4, that the margin of error at the Target Performance Level for each of TPL1c and TPL1d does not exceed +/- 1.5% across a rolling 3 Service Periods. In turn, the Authority shall use reasonable endeavours to ensure, subject always to Paragraph 10.4, that:

(a) the margin of error at the Target Performance Level for TPL1e does not exceed +/- 3% across a rolling 3 Service Periods; and

(b) the margin of error at the percentage specified at Paragraph 19.2.2.2 of Part A of Schedule 7.1 (*Charges and Invoicing*) does not exceed +/-2% across a rolling 3 Service Periods.

10.4. In exceptional circumstances, where the margin of error at the Target Performance Level is expected to exceed the levels in Paragraphs 10.2 and/or 10.3, the Authority shall notify the Supplier as soon as reasonably practicable of the relevant circumstances and provide details to the Supplier of how the Authority (acting reasonably) proposes to proceed with the Assessment Report Audit exercise.

10.5. Without prejudice to its obligations under Part B of Schedule 2.1 (*Services Description*), the Supplier shall provide electronic copies of any WCA Assessment Reports not available to the Authority at the time of the relevant Assessment Report Audit exercise.

10.6. The Supplier acknowledges that the Authority will grade each WCA Assessment Report selected for Assessment Report Audit in accordance with Paragraph 25.2 of Part B of Schedule 2.1 (*Services Description*) and shall notify the Supplier of the grade awarded to each such WCA Assessment Report.

10.7. The Supplier shall have 4 Working Days from the date it receives the audit result referred to in Paragraph 10.6 to challenge (in writing) the grade awarded by the Authority in respect of the WCA Assessment Report in question.

10.8. The Authority shall provide a written response to the Supplier's challenge referred to in Paragraph 10.7 and the grade awarded by the Authority pursuant to Paragraph 10.6 in respect of the relevant WCA Assessment Report may be amended by the Authority.

10.9. The Supplier shall have a further 4 Working Days, from when it receives the written response from the Authority pursuant to Paragraph 10.8, to escalate (in writing) the outcome of the grade awarded to the WCA Assessment Report in question for a further review by the Authority.

10.10. The Authority shall provide a written response to the Supplier's escalation referred to in Paragraph 10.9 and the grade awarded by the Authority in respect of the WCA Assessment Report in question may be amended, provided always that the

Authority's decision on the grade awarded in respect of such WCA Assessment Report shall be final.

10.11. Where a WCA Assessment Report is graded B Grade (acceptable report with significant learning points), C Grade (unacceptable reports) or U Grade (unacceptable reports recommendation incorrect) (in each case, as referred to in Paragraph 24.9 of Part B of Schedule 2.1 (*Services Description*), the Supplier shall have 4 Working Days from the date of receiving the grade awarded by the Authority pursuant to Paragraph 10.6 in respect of the relevant WCA Assessment Report to amend the relevant WCA Assessment Report in line with the audit result, except where the Supplier is challenging the grade awarded in respect of such WCA Assessment Report, in which case the Supplier shall have 4 Working Days from the point at which the final grade has been decided (by the Authority) and notified to the Supplier.

10.12. The Authority will provide to the Supplier an in-Service Period quality achievement report at the end of each Service Period for discussion during the relevant Performance Review Meeting.

10.13. For the purposes of assessing the Supplier's performance in relation to each of the Performance Levels TPL1c, TPL1d and TPL1e (including to verify the amount of the Payable Target Fee and/or Clearance Delivery Payment (if any) due in respect of the Service Period in question pursuant to Paragraph 32.2 and 42.3 of Part C of Schedule 7.1 (*Charges and Invoicing*)), the quality of WCA Assessment Reports will be determined by the Authority as an aggregate of the performance in relation to each of the Performance Levels TPL1c, TPL1d and TPL1e across a rolling 3 Service Periods.

10.14. Subject to Paragraph 10.17, each Service Period's performance against each of Performance Levels TPL1c, TPL1d and TPL1e will be calculated from samples drawn over the 3 Service Periods up to and including that Service Period. This calculation is illustrated by example in Paragraph 10.18.

Number of WCA Assessment Reports meeting the WCA Required Standard rolling 3 Service Periods
Number of WCA Assessment Reports subject to Assessment Report Audit rolling 3 Service Periods

Where "**WCA Required Standard**" shall mean:

(a) in respect of performance against Performance Level TPL1c, WCA Assessment Reports graded A Grade (acceptable report), B Grade (acceptable report with significant learning points) or C Grade (unacceptable report) (in each case, as referred to in Paragraph 24.9 of Part B of Schedule 2.1 (*Services Description*));

(b) in respect of performance against Performance Level TPL1d, WCA Assessment Reports graded A Grade (acceptable report) or B Grade (acceptable report with significant learning points) (in each case, as referred to in Paragraph 24.9 of Part B of Schedule 2.1 (*Services Description*)); and

(c) in respect of performance against Performance Level TPL1e, WCA Assessment Reports graded A Grade (acceptable report) (as referred to in Paragraph 24.9 of Part B of Schedule 2.1 (*Services Description*))

10.15. For a given 3 Service Periods' performance:

(a) for each constituent Service Period, in-Service Period performance will be extrapolated across all Clearances achieved in respect of Referrals relating to UC and ESA within that Service Period to calculate the number of in-Service Period WCA Assessment Reports at the WCA Required Standard; and

(b) the number of WCA Assessment Reports at the WCA Required Standard within each of the 3 Service Periods will be added to provide a total number of WCA Assessments Reports at the WCA Required Standard over such period of 3 Service Periods.

10.16. The number of WCA Assessment Reports at the WCA Required Standard over the 3 Service Periods is then divided by the total number of Clearances achieved in respect of Referrals relating to UC and ESA over the same 3 Service Periods to determine the Supplier's performance in respect of Performance Levels TPL1c, TPL1d and TPL1e, respectively. For reporting purposes, performance will be rounded to the nearest 0.1%. **Unrounded figures will be used in performance calculations.**

10.17. As 3 complete Service Periods of in-Service Period performance will not be available for Service Periods 1 and 2 following the Operational Service Commencement Date, performance for those Service Periods will instead be calculated as follows:

	Service Period 1	**Service Period 2**
In-Service Period performance	A%	B%
Number of Clearances achieved in respect of Referrals relating to UC and ESA in-Service Period	19,000	20,000
Service Period 1 performance	*A%* This becomes the performance level of Service Period 1. Margins of error at the Target Performance Levels will exceed those set in Paragraph 10.3.	
Service Period 2 performance	$\frac{(A\% \times 19{,}000) + (B\% \times 20{,}000)}{19{,}000 + 20{,}000}$ This becomes the performance level of Service Period 2.	

10.18. Rolling 3 Service Period performance results will be rounded to the nearest 0.1%. A worked example of how the rolling 3 Service Period sample weighted by the number of Clearances achieved in respect of Referrals relating to UC and ESA in each relevant Service Period will operate is shown below:

<table>
<tr><th></th><th>Service Period 1</th><th>Service Period 2</th><th>Service Period 3</th><th>Service Period 4</th><th>Service Period 5</th></tr>
<tr><td>In-Service Period performance</td><td>A%</td><td>B%</td><td>C%</td><td>D%</td><td>E%</td></tr>
<tr><td>Number of Clearances achieved in respect of Referrals relating to UC and ESA in-Service Period</td><td>19,000</td><td>20,000</td><td>19,000</td><td>22,000</td><td>20,000</td></tr>
<tr><td>Service Period 3 performance</td><td colspan="3">$\frac{(A\% \times 19{,}000) + (B\% \times 20{,}000) + (C\% \times 19{,}000)}{19{,}000 + 20{,}000 + 19{,}000}$
This becomes the performance level of Service Period 3</td><td></td><td></td></tr>
<tr><td>Service Period 4 performance</td><td></td><td colspan="3">$\frac{(B\% \times 20{,}000) + (C\% \times 19{,}000) + (D\% \times 22{,}000)}{20{,}000 + 19{,}000 + 22{,}000}$
This becomes the performance level of Service Period 4</td><td></td></tr>
<tr><td>Service Period 5 performance</td><td></td><td></td><td colspan="3">$\frac{(C\% \times 19{,}000) + (D\% \times 22{,}000) + (E\% \times 20{,}000)}{19{,}000 + 22{,}000 + 20{,}000}$
This becomes the performance level of Service Period 5</td></tr>
</table>

10.19. Notwithstanding the foregoing provisions of this Paragraph 10, the Authority reserves the right to:

(a) apply weighting to any quality audit sample or its constituent samples, depending on:

(i) the number of WCA Assessment Reports from which the sample is drawn; and

(ii) the proportion of WCA Assessment Reports drawn from each work stream, for example Assessment outcome and/or Assessment Channel, in the relevant audit period, to improve the sample's representation of the population.

(b) confirm (in its sole discretion) the level of the Supplier's performance against Performance Levels TPL1c, TPL1d and TPL1e; and

(c) extrapolate the quality performance level for Performance Levels TPL1c, TPL1d and TPL1e across all Clearances achieved in respect of Referrals relating to UC and ESA in the relevant period of 3 Service Periods to determine the amount of the Payable Target Fee and/or Clearance Delivery Payment (if any) due in respect of the Service Period in question.

10.20. The Authority reserves the right to conduct Audit Quality Assurance checks on Supplier Audits undertaken in respect of WCA Assessment Reports. Where requested, the Supplier shall provide a list of all such Supplier Audits completed over the previous Service Period.

10.21. The Authority will select no more than 50 Supplier Audits undertaken in respect of WCA Assessment Reports in a Service Period for Audit Quality Assurance checks, such Supplier Audits being selected at the sole discretion of the Authority.

10.22. The Authority will share the outcome of the Audit Quality Assurance checks and any feedback with the Supplier as soon as practically possible.

11. ASSESSMENT ASSURANCE AUDIT METHODOLOGY SPECIALIST BENEFITS

Audit methodology for Specialist Benefit Clearances (excluding Other SB Clearances)

11.1. The Supplier acknowledges that, as contemplated by Paragraph 25.1 of Part B of Schedule 2.1 (*Services Description*), the quality of Assessments undertaken by the Supplier in respect of those Specialist Benefits referred to in the Table in this Paragraph 11.1 will be determined by the Authority, via quality audit sample of Specialist Benefit Assessment Reports relating to such Specialist Benefits; randomly drawing a sample of such Specialist Benefit Assessment Reports from all Completed SB Assessment Reports for such Specialist Benefits produced by the Supplier as a result of Referrals relating to each such Specialist Benefit Type during the relevant Service Period:

Lots 1-4	Specialist Benefit Types	NI Lot 5
All	IIDB	Yes

Lots 1-4	Specialist Benefit Types	NI Lot 5
2	DLA (Child)	Yes
1	DLA (65+) and AA	Yes
All	Vets UK	n/a
1	IPB PBR	Yes (Lot 1 for advice)

11.2. The Supplier acknowledges that the random sample of Specialist Benefit Assessment Reports for Supplier Audit for each Specialist Benefit Type referred to in Paragraph 11.1 shall be generated by SMART (as defined in the Glossary of Abbreviations in Schedule 2.1 (*Services Description*)).

11.3. The Supplier shall, as soon as reasonably practicable following notification of the relevant sample referred to in Paragraph 11.2, carry out the Supplier Audit on each Specialist Benefit Assessment Report within the relevant sample using the grading criteria referred to in Paragraph 24.10 of Part B of Schedule 2.1 (*Services Description*).

11.4. The Supplier shall report the grade awarded to each Specialist Benefit Assessment Report within the relevant sample referred to in Paragraph 11.2 to the Authority within 5 Working Days of the grade being determined by the Supplier.

11.5. The Supplier acknowledges that the Authority shall determine the sample size in each Service Period to be drawn for each Specialist Benefit Type referred to in Paragraph 11.1 based on the number of quality audits required to achieve the following margins of error around the Target Performance Level for each of SB1(a) and SB1(b) across a rolling 3 Service Periods:

Specialist Benefit Type	Rolling 3 Service Periods Margin of Error around the Target Performance Level for SB1(a) (A+B%)	Rolling 3 Service Periods Margin of Error around the Target Performance Level for SB1(b) (A%)
IIDB	2.0%	4.0%
AA, DLA (65+), DLA (Child) (Lot 1 and Lot 2 only)	2.0%	3.3%
Vets UK	3.0%	6.0%
IPB PBR	2.0%	3.7%

11.6. Rolling 3 Service Period performance results will be rounded to the nearest 0.1%. A worked example of how the rolling 3 Service Period sample weighted by the number of Clearances achieved in respect of Referrals relating to each of IIDB, AA, DLA (65+), DLA (Child), Vets UK and IPB PBR in each relevant Service Period will operate is shown below:

<table>
<tr><th></th><th>Service Period 1</th><th>Service Period 2</th><th>Service Period 3</th><th>Service Period 4</th><th>Service Period 5</th></tr>
<tr><td>In-Service Period performance</td><td>A%</td><td>B%</td><td>C%</td><td>D%</td><td>E%</td></tr>
<tr><td>Number of Clearances achieved in respect of Referrals relating to each of IIDB, AA, DLA (65+), DLA (Child), Vets UK and IPB PBR in-Service Period</td><td>19,000</td><td>20,000</td><td>19,000</td><td>22,000</td><td>20,000</td></tr>
<tr><td>Service Period 3 performance</td><td colspan="3">$\frac{(A\% \times 19{,}000) + (B\% \times 20{,}000) + (C\% \times 19{,}000)}{19{,}000 + 20{,}000 + 19{,}000}$
This becomes the performance level of Service Period 3</td><td></td><td></td></tr>
<tr><td>Service Period 4 performance</td><td></td><td colspan="2">$\frac{(B\% \times 20{,}000) + (C\% \times 19{,}000) + (D\% \times 22{,}000)}{20{,}000 + 19{,}000 + 22{,}000}$
This becomes the performance level of Service Period 4</td><td></td><td></td></tr>
<tr><td>Service Period 5 performance</td><td></td><td></td><td colspan="3">$\frac{(C\% \times 19{,}000) + (D\% \times 22{,}000) + (E\% \times 20{,}000)}{19{,}000 + 22{,}000 + 20{,}000}$
This becomes the performance level of Service Period 5</td></tr>
</table>

11.7. The Authority reserves the right to adjust the sample sizes at the annual review referred to in Paragraph 5.7 of Schedule 8.1 (*Governance*) in order to maintain the documented margin of error around the Target Performance Level for each of SB1(a) and SB1(b) across the relevant rolling 3 Service Periods.

11.8. For Service Delivery Year 1 (and without prejudice to the Authority's rights under Paragraph 11.6), the quality audit sample sizes in each Service Period are expected to be:

Specialist Benefit Type	Lot 1	Lot 2	Lot 3	Lot 4	Lot 5
IIDB	125	110	100	105	95
DLA (65+) DLA (Child) AA	150	110			95
Vets UK	50	45	40	45	
IPB PBR	110				50

Audit Quality Assurance Checks for Specialist Benefit Clearances (excluding Other SB Clearances)

11.9. The Supplier acknowledges that, as contemplated by Paragraph 25.1 of Part B of Schedule 2.1 (*Services Description*) and without prejudice to Paragraphs 11.15 to 11.17, the Authority may undertake (or procure others to undertake) Audit Quality Assurance checks on a selection of Supplier Audits undertaken by the Supplier in relation to Clearances achieved in respect of Referrals relating to Specialist Benefits referred to in Paragraph 11.1, the method and/or process for undertaking such Audit Quality Assurance checks to be decided at the Authority's sole discretion from time to time.

11.10. Without prejudice to its obligations under Schedule 2.1 (*Services Description*), the Supplier shall have 4 Working Days (from the date it is notified that a Specialist Benefit Assessment Report in respect of a Specialist Benefit referred to in Paragraph 11.1 has been selected for Audit Quality Assurance pursuant to Paragraph 11.9) to provide the Authority with Supplier audit outcome documentation and in the case of non-DWP administered benefits, electronic copies of the case file in respect of the relevant Assessment Report. In respect of Veterans UK (which is not administered by the Authority), the Supplier shall provide electronic copies of the case files relating to the relevant Referral to the Authority.

11.11. The Supplier acknowledges that the Authority shall grade each Specialist Benefit Assessment Report referred to in Paragraph 11.10 using the grading criteria referred to in Paragraph 24.10 of Part B of Schedule 2.1 (*Services Description*) and shall notify the Supplier of the grade awarded in respect of such Specialist Benefit Assessment Report.

11.12. The Supplier acknowledges and agrees that:

(a) the volume of Audit Quality Assurance checks in relation to Clearances achieved in respect of Referrals relating to Specialist Benefits referred to in Paragraph 11.9 undertaken by or on behalf of the Authority will vary as required by the Authority but, as at the Effective Date, such Audit Quality Assurance checks are not expected to exceed more than 10% of the total number of Supplier Audits undertaken in respect of such Referrals; and

(b) the Authority reserves the right to take over responsibility for undertaking the Supplier Audit referred to in the preceding provisions of this Paragraph 11 of

some or all of the Completed SB Assessment Reports and/or Clearances in respect of Referrals relating to Specialist Benefits referred to in Paragraph 11.1 at any point during the Term, provided always that, should the Authority elect to do so, the Authority shall work with the Supplier (both acting reasonably) to put in place an appropriate plan to transition responsibility for such audit from the Supplier to the Authority.

Audit methodology and Audit Quality Assurance for Other SB Clearances

11.13. The Supplier shall, in respect of Clearances that do not relate to the Specialist Benefits referred to in Paragraph 11.1 ("**Other SB Clearances**"), undertake Supplier Audits on 100% of all such Other SB Clearances, as such Specialist Benefits are set out in the following Table.

Lots 1-4	Specialist Benefit Types	NI Lot 5
1	JSA Legacy Based	n/a
All	IPB - Face to Face Consultations	Yes
1	HMRC CTF and Junior ISA	Yes
1	CRS	Yes
All	OHA	n/a
All	HMRC SSP and SMP	Yes

11.14. The Supplier shall report the grade awarded to each Specialist Benefit Assessment Report referred to in Paragraph 11.13 to the Authority within 5 Working Days of the grade being determined by the Supplier.

11.15. The Authority may, in respect of Other SB Clearances, undertake (or procure others to undertake) Audit Quality Assurance checks on a random selection of Supplier Audits undertaken pursuant to Paragraph 11.13.

11.16. Without prejudice to its obligations under Schedule 2.1 (*Services Description*), the Supplier shall have 4 Working Days (from the date it is notified that a Specialist Benefit Assessment Report relating to an Other SB Clearance has been selected pursuant to Paragraph 11.15 for Audit Quality Assurance) to provide the Authority with electronic copies of the Case File and Supplier Audit outcome documentation in respect of the relevant Assessment Report and for any applicable Specialist Benefit that is not administered by the Authority (such as those administered by HMRC), the Supplier shall provide clerical copies of the Case Files relating to the relevant Referral to the Authority.

11.17. The Supplier acknowledges that the Authority shall grade each Specialist Benefit Assessment Report referred to in Paragraph 11.15 (or shall procure that each such Specialist Benefit Assessment Report is graded) using the grading criteria referred to in Paragraph 24.10 of Part B of Schedule 2.1 (*Services Description*) and shall notify the Supplier of the grade awarded in respect of such Specialist Benefit Assessment Report.

11.18. Where, the Audit Quality Assurance checks referred to in Paragraph 11.15 reveal that:

(a) the Supplier is failing to achieve an A Grade (acceptable report) or B Grade (acceptable report with significant learning points) (as referred to in Paragraph 24.10 of Part B of Schedule 2.1 (*Services Description*)) in respect of 95% of the Specialist Benefit Assessment Reports generated in relation to such Other SB Clearances during such period as shall be determined by the Authority from time to time; and/or

(b) the Supplier is failing to achieve an A Grade (acceptable report) (as referred to in Paragraph 24.10 of Part B of Schedule 2.1 (*Services Description*)) in respect of 80% of the Specialist Benefit Assessment Reports generated in relation to such Other SB Clearances during such period as shall be determined by the Authority from time to time,

then such failure shall be deemed to be a TPL Failure for the purposes of Clause 28.1(b) (*Rectification Plan Process*) and the provisions of Clause 28 (*Rectification Plan Process*) shall apply.

11.19. The percentage figures referred to in Paragraph 11.18 shall be deemed to be a Performance Level and a Target Performance Level in respect of Specialist Benefits for the purposes of the Supplier's obligations under this Agreement, including in respect of the Supplier's obligations to achieve (or exceed) such levels of performance and to monitor and report the level of service actually achieved in respect of its performance of the relevant part of the Services.

12. ASSESSMENT ASSURANCE AUDIT METHODOLOGY HMCTS APPEALS

12.1. The Parties acknowledge and agree that, notwithstanding that HMCTS Appeals do not expressly form part of the Specialist Benefits, the Supplier's obligations arising out of or in connection with:

(a) the quality of Referrals processed by the Supplier in respect of HMCTS Appeals will be determined by the Authority in accordance with the provisions of Paragraphs 11.15 to 11.17 for Clearances achieved in relation to Referrals relating to HMCTS Appeals during such period as shall be determined by the Authority from time to time; and

(b) Specialist Benefit Performance Levels SB2 (in particular, SB2(q)) and SB9 (in particular, SB9(a), SB9(b) and SB9(c)) shall include an assessment of the performance by the Supplier of its obligations in relation to the Clearance of HMCTS Appeals and Re-work of HMCTS Assessment Reports (as contemplated in Paragraph 20.3 of Part B of Schedule 2.1 (*Services Description*)).

12.2. The Parties further acknowledge and agree that, to the extent necessary to give effect to the provisions of Paragraph 12.1, the provisions of this Agreement (including in this Schedule 2.2) that apply in respect of Specialist Benefits (including the Authority's rights to apply Specialist Benefit Performance Credits and to exercise its rights arising under Clauses 7 (*Performance Levels and Volume Clearance Targets*) and 28 (*Rectification Plan Process*) and the Supplier's obligations arising out of or in connection with the performance or non-performance of the Services in so far as they relate to the Specialist Benefits) shall be deemed to apply in respect of HMCTS Appeals, and, for the avoidance of doubt:

(a) reference to Other SB Clearances in Paragraphs 11.13, 11.15, 11.16 and 11.18 shall be deemed to include Clearances in respect of HMCTS Appeals;

(b) the grading criteria referred to in Paragraph 24.10 of Part B of Schedule 2.1 (*Services Description*) (and as also referred to in Paragraph 11.17) shall be deemed to apply in respect of HMCTS Assessment Reports, notwithstanding that it is otherwise expressed to apply to Specialist Benefit Assessment Reports; and

(c) reference to Specialist Benefit Assessment Report in Paragraphs 11.14 and 11.16 to 11.18 shall be deemed to include a reference to HMCTS Assessment Report.

PART B – PERFORMANCE MONITORING

1. PERFORMANCE MONITORING AND PERFORMANCE REVIEW

1.1. Within:

(a) 5 Working Days of the end of each Service Period, the Supplier shall provide a report to the Authority Representative which, amongst other things, summarises the performance by the Supplier against each of the Performance Levels and Monthly Volume Clearance Targets, as such report is more particularly described in Paragraph 2 (the "**Performance Monitoring Report**"); and

(b) 15 Working Days of the end of each Service Period, the Supplier shall provide a report to the Authority's senior responsible officer which summarises the Supplier's performance over the relevant Service Period as more particularly described in Paragraph 3 (the "**Balanced Scorecard Report**"), an example of which is at Annex 3 to this Schedule 2.2.

2. PERFORMANCE MONITORING REPORT

2.1. The Performance Monitoring Report shall be electronically encrypted, and the Supplier shall ensure that it has been checked, is accurate, fully auditable and in such format as prescribed by the Authority from time to time and contains, as a minimum, the following information broken down by geographical area:

Information in respect of the Measurement Period just ended

(a) for each Performance Level and Monthly Volume Clearance Target, the actual performance achieved over the Measurement Period just ended and that achieved over the previous 3 Measurement Periods:

(b) a summary of all TPL Failures and/or failures to achieve any Monthly Volume Clearance Targets that occurred during the Measurement Period just ended;

(c) details of which TPL Failures and/or failures to achieve any Monthly Volume Clearance Targets remain outstanding and progress in resolving them;

(d) for any TPL Failures, Service Regression Failures and/or Serious Performance Failures occurring during the Measurement Period just ended, the cause of the relevant TPL Failures, Service Regression Failures and/or Serious Performance Failures and the action being taken to reduce the likelihood of recurrence;

(e) the status of any outstanding Rectification Plan, including:

(i) whether or not a Rectification Plan has been agreed; and

(ii) where a Rectification Plan has been agreed, a summary of the Supplier's progress in implementing that Rectification Plan;

(f) the amount (if any) of:

(i) the Financial Incentives accrued, indicating (where applicable) any TPL Failures;

(ii) any withholding or forfeiting of the Target Fee Achieved pursuant to Paragraph 13 of Part A of Schedule 7.1 (*Charges and Invoicing*) in respect of any failure to achieve any Monthly Volume Clearance Target;

(iii) Specialist Benefit Performance Credits awarded, indicating the applicable TPL Failure; and

(iv) the Target Cost or Actual Target Cost (as the case may be) to be deducted pursuant to Paragraph 25 of Part A of Schedule 7.1 (*Charges and Invoicing*) in respect of any Serious Performance Failures;

(g) the conduct and performance of any agreed periodic tests that have occurred, such as the annual test of the Service Continuity Plan;

(h) relevant particulars of any aspects of the Supplier's performance which fail to meet the requirements of this Agreement;

(i) a summary of the information referred to in Paragraph 2.3 of Part A of Schedule 8.4 (*Management Information and Records Provisions*) in respect of the Measurement Period just ended;

(j) such other details as the Authority may reasonably require from time to time;

Information in respect of previous Measurement Periods

(k) a rolling total of the number of TPL Failures and/or failures to achieve any Monthly Volume Clearance Targets that have occurred over the past 6 Measurement Periods;

(l) details of the amounts of Financial Incentives, Specialist Benefit Performance Credits, amounts withheld or forfeited in respect of any failure to achieve any Monthly Volume Clearance Target pursuant to Paragraph 13 of Part A of Schedule 7.1 (*Charges and Invoicing*) and amounts deducted in respect of Serious Performance Failures pursuant to Paragraph 25 of Part A of Schedule 7.1 (*Charges and Invoicing*) that have been accrued, incurred or forfeited by and/or withheld and/or deducted from the Supplier over the past 6 Measurement Periods; and

(m) the conduct and performance of any agreed periodic tests that have occurred in the Service Period just ended such as the annual test of the Service Continuity Plan.

3. BALANCED SCORECARD REPORT

3.1. The Balanced Scorecard Report shall be presented in the form of a dashboard and, as a minimum, shall contain a high-level summary of the Supplier's performance over the relevant Service Period, including details of the following:

(a) achieved Target Performance Levels with Financial Incentives attached;

(b) the Target Performance Levels achieved, other than those referred to in Paragraph 3.1(a);

(c) Assessment Specific Clearances achieved in respect of each of PIP and WCA;

(d) behavioural indicators;

(e) performance against its obligation to pay its Sub-contractors within 30 days of receipt of an undisputed invoice;

(f) performance against its obligation to pay Unconnected Sub-contractors within 60 days of receipt of an invoice; and

(g) Milestone trend chart, showing performance of the overall programme.

4. PERFORMANCE REVIEW MEETINGS

4.1. The Performance Monitoring Report and the Balanced Scorecard Report shall be reviewed, and their contents agreed by the Parties, at the next Performance Review Meeting held in accordance with Paragraph 4.2. For the avoidance of doubt, in the event that the Parties cannot agree the contents of the Performance Monitoring Report and the Balanced Scorecard Report, the Authority shall have the final say as to the correct performance data to be used to populate them.

4.2. The Parties shall attend the Performance Review Meetings in accordance with the requirements of Paragraph 5.13 of Schedule 8.1 (*Governance*) (unless otherwise agreed). The Performance Monitoring Reports and Balance Scorecard Reports shall be reviewed once a Service Period (or as otherwise agreed pursuant to Schedule 8.1 (*Governance*)). The Performance Review Meeting shall (unless otherwise agreed):

(a) take place at such location and time as outlined in Schedule 8.1 (*Governance*); and

(b) be attended by the Supplier Representative and Authority Representative.

4.3. The Authority shall be entitled to raise any additional questions and/or request any further information from the Supplier regarding any TPL Failure, failure to achieve any Monthly Volume Clearance Target, Service Regression Failure and/or Serious Performance Failure.

5. PERFORMANCE RECORDS

5.1. Without prejudice to the Supplier's obligations under Schedule 8.4 (*Management Information and Records Provisions*), the Supplier shall ensure that the Performance Monitoring Report, the Balanced Scorecard Report and any variations or amendments thereto, any reports and summaries produced in accordance with this Schedule 2.2 and any other document or record reasonably required by the Authority are presented in the format prescribed by the Authority and such Performance Monitoring Reports, Balanced Scorecard Reports and other reports, summaries, documents and records shall form part of the Management Information.

ANNEX 1: FINANCIAL INCENTIVES AND PIP/WCA PERFORMANCE LEVELS

This Annex 1 to this Schedule 2.2 sets out the Performance Levels which the Parties have agreed shall be used to measure performance of the PIP/WCA Performance Levels.

1. TABLE 1 – PERFORMANCE LEVELS

(a) Performance Levels apply in respect of the PIP Services and the WCA Services and in relation to all Assessment Channels unless otherwise stated.

(b) Without prejudice to Paragraphs 9.14 to 9.20 (inclusive) and Paragraphs 10.13 to 10.19 (inclusive), in each case, of Part A, additional information relating to the process, method and/or other considerations for determining the Supplier's performance against the PIP/WCA Performance Levels is set out in Paragraph 4 of this Annex 1 to this Schedule 2.2.

(c) Where in the Table below, reference is made to the Supplier's performance against the relevant Performance Level being assessed independently in respect of each of the PIP Services and the WCA Services, this shall mean that, notwithstanding that the relevant TPL has not been expressly designated as applying to the PIP Services or WCA Services in column 2 of Table 1 in this Annex 1 to this Schedule 2.2 (below):

(i) there shall be deemed to be a separate Performance Level for each of the PIP Services and the WCA Services;

(ii) the applicable Minimum Performance Level (where applicable), Target Performance Level and Service Regression Failure Performance Level shall apply independently in respect of each such deemed Performance Level;

(iii) the Supplier's performance as against each such deemed Performance Level shall be monitored and measured separately; and

(iv) the Authority's remedies arising out of or in connection with the Supplier's performance as against each such deemed Performance Level shall give rise to a separate and independent remedy (including, the Authority's rights in respect of Financial Incentives (where applicable) in respect of each such Performance Level and/or to determine whether a Service Regression Failure has occurred).

(d) Where in the Table below (and for the purposes of determining the Supplier's performance against (and/or determining any related Service Regression Failures arising in respect of) any or all of TPL2a, TPL2b, TPL2c, TPL3a, TPL3b, TPL6, TPL9b, TPL9c and/or TPL12) the Supplier's actual performance is to be determined by reference to a specified number of Working Days of the Working Day on which a Referral, request for advice, requirement to undertake Re-work or application for payment of expenses (as the case may be) was made, deemed to have been made, received or notified (as the context shall require in respect of the relevant TPL), then:

(i) subject to Paragraph 1(d)(ii) of this Annex 1 to this Schedule 2.2, the Working Day on which such Referral, request, requirement or application (as the case may be) was made, deemed to have been made, received or notified (as the context shall require) shall be counted as the first Working Day of such time period, unless the Supplier can demonstrate that such Referral, request, requirement or application (as the case may be) was made, deemed to have been made,

received or notified (as the context shall require) on or after 13:00 hrs on such Working Day, in which case, the first Working Day of such time period shall be deemed to be the Working Day falling immediately after the Working Day on which such Referral, request, requirement or application (as the case may be) was made, deemed to have been made, received or notified (as the context shall require);

(ii) in respect of In-Flight Activity, the Authority will work with the Supplier (both acting reasonably) during the period from the Implementation Services Commencement Date to the Operational Service Commencement Date to understand and agree the impact of any In-Flight Activity on the performance measures in this Schedule 2.2; and

(iii) the final Working Day of such time period shall be the Working Day falling on that specified number of Working Days.

TPL Ref	Performance Level	Target Performance Level	Measurement Period
TPL1a	Quality of Assessment Reports – PIP Services Only	97% or more PIP Assessment Reports in each Service Period graded A Grade - Acceptable, AF Grade - Acceptable HP Learning Required or AA Grade - Acceptable Report Amendment Required (in each case, as referred to in Paragraph 24.8 of Part B of Schedule 2.1 (*Services Description*))	Rolling 3 Service Periods by Lot For additional information please see Paragraphs 9.14 to 9.20 (inclusive) of Part A
TPL1b	Quality of Assessment Reports - PIP Services Only	In Service Delivery Year 1, 83% or more and from Service Delivery Year 2 onwards, 85% or more PIP Assessment Reports in each Service Period graded A Grade – Acceptable or AF Grade - Acceptable HP Learning Required (in each case, as referred to in Paragraph 24.8 of Part B of Schedule 2.1 (*Services Description*))	Rolling 3 Service Periods by Lot For additional information please see Paragraphs 9.14 to 9.20 (inclusive) of Part A
TPL1c	Quality of Assessment Reports – WCA Services Only	97% or more WCA Assessment Reports in each Service Period graded A Grade (acceptable report), B Grade (acceptable report with significant learning points) or C Grade (unacceptable reports) (in each case, as referred to in Paragraph 24.9 of Part B of Schedule 2.1 (*Services Description*))	Rolling 3 Service Periods by Lot For additional information please see Paragraphs 10.13 to 10.19 (inclusive) of Part A
TPL1d	Quality of Assessment Reports – WCA Services Only	95% or more WCA Assessment Reports in each Service Period graded as A Grade (acceptable report) or B Grade (acceptable report with significant learning points) (in each case, as referred to in Paragraph 24.9 of Part B	Rolling 3 Service Periods by Lot For additional information please see Paragraphs 10.13 to 10.19 (inclusive) of Part A

TPL Ref	Performance Level	Target Performance Level	Measurement Period
		of Schedule 2.1 (*Services Description*))	
TPL1e	Quality of Assessment Reports - WCA Services Only	In Service Delivery Year 1, 73% and in Service Delivery Year 2 onwards, 75% or more WCA Assessment Reports in each Service Period graded as A Grade (acceptable report) (as referred to in Paragraph 24.9 of Part B of Schedule 2.1 (*Services Description*))	Rolling 3 Service Periods by Lot For additional information please see Paragraphs 10.13 to 10.19 (inclusive) of Part A
TPL2a	End to End Clearance Times - PIP Services Only	Aged cases – no more than 1% of outstanding initial Referrals to be older than Actual Average Clearance Time (AACT) plus 20 Working Days for that Service Period	Each Service Period by Lot
TPL2b	End to End Clearance Times – WCA Services Only	Initial Referrals - end to end Clearance – 80% of Initial Referrals where a Face to Face Consultation, a Telephone Consultation or a Video Consultation is undertaken are Cleared within 34 Working Days of the relevant Referral	Each Service Period by Lot
TPL2c	End to End Clearance Times – WCA Services Only	Initial Referral, aged cases - no more than 1% of Initial Referrals outstanding after 60 Working Days of the relevant Referral	Each Service Period by Lot
TPL3a	End to End Clearance – Special Rules End of Life (SREL) The Supplier's performance against this Performance Level is to be assessed independently in respect of each of the PIP Services and the WCA Services	100% of initial Referrals (in the case of the PIP Services) and Initial Referrals (in the case of the WCA Services) in respect of SREL are Cleared within 5 Working Days of the relevant Referral	Each Service Period by Lot

TPL Ref	Performance Level	Target Performance Level	Measurement Period
TPL3b	End to End Clearance – Special Rules End of Life (SREL) The Supplier's performance against this Performance Level is to be assessed independently in respect of each of the PIP Services and the WCA Services	All initial Referrals (in the case of the PIP Services) and Initial Referrals (in the case of the WCA Services) in respect of SREL are Cleared within an average period of 2 Working Days of the relevant Referral (calculated in Service Period)	Each Service Period by Lot
TPL4a	Cancellation of Consultations The Supplier's performance against this Performance Level is to be assessed independently in respect of each of the PIP Services and the WCA Services	No more than 2% of all Consultations (across all Assessment Channels) to be cancelled by the Supplier within 2 hours before, or at any time after, their scheduled appointment start time	Each Service Period by Lot
TPL4b	Cancellation of Consultations The Supplier's performance against this Performance Level is to be assessed independently in respect of each of the PIP Services and the WCA Services	No more than 10% of all Consultations (across all Assessment Channels) to be cancelled by the Supplier	Each Service Period by Lot
TPL5a	Consultation Waiting Times - Assessment Centre Consultations, Telephone Consultation and Video Consultation measure The Supplier's performance against this Performance Level is to be assessed independently in respect of each of the	Consultation at an Assessment Centre, Telephone Consultation and Video Consultation measure- Appointment to commence within 30 minutes of the appointment start time for their Consultation. 81% Service Delivery Year 1, 83% Service Delivery Year 2 and 85% Service Delivery Year 3 (onwards)	Each Service Period by Lot

TPL Ref	Performance Level	Target Performance Level	Measurement Period
	PIP Services and the WCA Services		
TPL5b	Consultation Waiting Times – Home Consultations The Supplier's performance against this Performance Level is to be assessed independently in respect of each of the PIP Services and the WCA Services	90% of Home Consultations to commence within their 1 hour appointment window	Each Service Period by Lot
TPL6	Advice – following completion of an Assessment Report – PIP Services and WCA Services only The Supplier's performance against this Performance Level is to be assessed independently in respect of each of the PIP Services and the WCA Services	99% of requests for advice and/or clarification and/or reconsideration of advice made by the Authority to the Supplier pursuant to Paragraph 15.1 of Part B of Schedule 2.1 (*Services Description*) are completed and returned to the Authority within 2 Working Days of the relevant request being made by the Authority, pursuant to the requirement in Paragraph 15.4 of Part B of Schedule 2.1 (*Services Description*)	Each Service Period by Lot
TPL7a	Call Wait Times The Supplier's performance against this Performance Level is to be assessed independently in respect of each of the PIP Services and the WCA Services	90% of all inbound calls[1] made to the Claimant Enquiry Service to be answered	Each Service Period by Lot

[1] Performance Level TPL7a will be subject to review/finalisation, based on the solution for the Claimant Enquiry Service provided by the winning Bidder for the relevant Lot.

TPL Ref	Performance Level	Target Performance Level	Measurement Period
TPL7b	Call Wait Times The Supplier's performance against this Performance Level is to be assessed independently in respect of each of the PIP Services and the WCA Services	75% of all inbound calls[2] made to the Claimant Enquiry Service to be answered within 90 seconds	Each Service Period by Lot
TPL8	Claimant Satisfaction Survey The Supplier's performance against this Performance Level is to be assessed independently in respect of each of the PIP Services and the WCA Services	The Supplier shall achieve a 95% Claimant Satisfaction Rating	Quarterly by Lot. To be conducted by the Authority
TPL9a	Re-work of Assessment Reports deemed not fit for purpose - PIP Services and WCA Services Only The Supplier's performance against this Performance Level is to be assessed independently in respect of each of the PIP Services and the WCA Services	99.5% of all PIP Assessment Reports and WCA Assessment Reports to be fit for purpose	Each Service Period by Lot
TPL9b	Re-work of Assessment Reports deemed not fit for purpose - PIP Services and WCA Services Only The Supplier's performance against this Performance Level	98% of Re-work of PIP Assessment Reports and WCA Assessment Reports (other than Re-work in respect of which a further Consultation is required, in which case TPL9c shall apply) completed within 2	Each Service Period by Lot.

[2] Performance Level TPL7b will be subject to review/finalisation, based on the solution for the Claimant Enquiry Service provided by the winning Bidder for the relevant Lot.

TPL Ref	Performance Level	Target Performance Level	Measurement Period
	is to be assessed independently in respect of each of the PIP Services and the WCA Services	Working Days of the Authority notifying the Supplier of the requirement for such Re-work	
TPL9c	Re-work of Assessment Reports deemed not fit for purpose - PIP Services and WCA Services Only The Supplier's performance against this Performance Level is to be assessed independently in respect of each of the PIP Services and the WCA Services	Where a further Consultation is required in order to carry out Re-work, each such PIP Assessment Report and/or WCA Assessment Report to be completed within 25 Working Days of the Authority notifying the Supplier of the requirement for such Re-work	Each Service Period by Lot.
TPL10	Number of Complaints against HPs made by Claimants after a Consultation. The Supplier's performance against this Performance Level is to be assessed independently in respect of each of the PIP Services and the WCA Services	99.5% of Consultations in respect of PIP or WCA (as the case may be) conducted will result in no Complaints against the HP	Each Service Period by Lot All Management Information must contain reasons for Complaint and outcomes
TPL11	Claimant Additional Requirements The Supplier's performance against this Performance Level is to be assessed independently in respect of each of the PIP Services and the WCA Services	95% of reasonable requests or requests that are reasonably capable of being accommodated (as the case may be and as contemplated in Paragraphs 12.72 and 12.73 of Part B of Schedule 2.1 (*Services Description*)) for Additional Requirements must be met	Each Service Period by Lot

TPL Ref	Performance Level	Target Performance Level	Measurement Period
TPL12	Payment of Claimant Expenses The Supplier's performance against this Performance Level is to be assessed independently in respect of each of the PIP Services and the WCA Services	100% of Claimant expenses payments properly due, following receipt of a correctly completed and documented application, to be made within 10 Working Days of receiving the application	Each Service Period by Lot
TPL13	Initial Routing Decision - PIP Services only	97% or more of Assessments in respect of claims for PIP are initially routed to the correct Assessment Channel in accordance with Paragraph 8.13 of Part B of Schedule 2.1 (*Services Description*)	Each Service Period by Lot
TPL14	End to End Clearance Times – Re-Referral aged cases -WCA Services only	Re-Referral aged cases - no more than 2% of Re-Referrals to be over 1 year old in Service Delivery Year 1 and no more than 1% of Re-Referrals to be over 1 year old in Service Delivery Year 2 onwards	Each Service Period by Lot

2. TABLE 2 – PERFORMANCE LEVELS THAT ATTRACT A FINANCIAL INCENTIVE PIP

(a) Table 2 is a breakdown of the Performance Levels attracting a Financial Incentive in respect of the PIP Services and totalling 50% of the Monthly Available Target Fee.

No.	TPL Ref	Performance Level	Relative Weightings
1	TPL1a	Quality of Assessment Reports – PIP Services Only	28.0%
2	TPL1b	Quality of Assessment Reports – PIP Services Only	7.0%
3	TPL2a	End to End Clearance Times – PIP Services Only	5.0%
4	TPL3a	End to End Clearance – Special Rules End of Life (SREL)	2.5%
5	TPL4a	Cancellation of Consultations	4.5%

6	TPL5a	Consultation Waiting Times - Assessment Centre Consultations, Telephone Consultation and Video Consultation measure.	3.0%

3. TABLE 3 – PERFORMANCE LEVELS THAT ATTRACT A FINANCIAL INCENTIVE WCA

(a) Table 3 is a breakdown of the Performance Levels attracting a Financial Incentive in respect of the WCA Services and totalling 50% of the Monthly Available Target Fee.

No.	TPL Ref	Performance Level	Relative Weightings
1	TPL1c	Quality of Assessment Reports – WCA Services Only	7.0%
2	TPL1d	Quality of Assessment Reports – WCA Services Only	21.0%
3	TPL1e	Quality of Assessment Reports – WCA Services Only	7.0%
4	TPL2b	End to End Clearance Times – WCA Services Only	3.5%
5	TPL2c	End to End Clearance Times – WCA Services Only	1.5%
6	TPL3a	End to End Clearance – Special Rules End of Life (SREL)	2.5%
7	TPL4a	Cancellation of Consultations	4.5%
8	TPL5a	Consultation Waiting Times - Assessment Centre Consultations, Telephone Consultation and Video Consultation.	3.0%

4. ADDITIONAL INFORMATION - PERFORMANCE LEVELS

(a) Cancellation of Consultations (TPL4a & TPL4b)

(i) Below is a non-exhaustive list of circumstances pursuant to which appointments for Consultations shall be deemed to have been cancelled for the purposes of TPL4a and TPL4b:

1 Claimant arrived on time for their Consultation but wouldn't wait for more than 30 minutes;

2 the number of Claimants that attended Consultations at any time exceeds the HP capacity that is available to see such Claimants at such time;

3 Claimant called for Consultation due to clerical error (Specialist Benefits);

4 HP unavailable and/or did not attend for the Consultation;

5 any Supplier System performance problems;

6 Additional Requirements not provided when requested as contemplated by Paragraphs 12.72 and 12.73 of Part B of Schedule 2.1 (*Services Description*);

7 call recording facilities not provided when requested by the Claimant, as contemplated by Paragraph 28 of Part B of Schedule 2.1 (*Services Description*);

8 recording facilities in respect of a Consultation at an Assessment Centre not provided when requested by the Claimant, as contemplated by Paragraph 28 of Part B of Schedule 2.1 (*Services Description*);

9 accommodation problem (where the Supplier, and not the Authority, is responsible to supply the estate pursuant to Schedule 15.1 (*Estates)*; and

10 Claimant's file not at the Assessment Centre (**WCA AND SPECIALIST BENEFITS ONLY**).

Note – this will not apply where the cause is a Claimant act or omission (e.g., Claimant arrives late for the appointment for their Consultation), provided always that the Supplier shall have otherwise complied with all of its other obligations under Paragraph 12 of Part B of Schedule 2.1 (*Services Description*) to the extent applicable in relation to the relevant circumstances.

(b) Claimant Satisfaction Survey (TPL8)

(i) The Claimant Satisfaction Survey, which will be procured by the Authority, needs to be completed within 5 Working Days following the Consultation. The Authority will set the questions and scoring mechanism with flexibility to amend, add and remove questions down to Lot level.

(ii) Not used.

(c) Number of Complaints against HPs made by Claimants after a Consultation (TPL10)

(i) This does not include complaints against the decision outcome, it relates specifically to Complaints.

(d) Claimant Additional Requirements (TPL11)

(i) The Supplier shall ensure that the Management Information shall include details of the nature of the Additional Requirement and that this information shall be recorded on the relevant IT System.

(e) End to End Clearance Times (TPL2a, TPL2b, TPL2c, TPL3a, TPL3b & TPL14)

(i) For the purposes of measuring the end to end Clearance time against the applicable Performance Levels referred to in this Paragraph 4(e), the following provisions of Part B of Schedule 2.1 (*Services Description*) shall be taken into account (as applicable) to determine when the Referral in question is, subject always to the provisions of Paragraph 1(d) of this Annex 1 to this Schedule 2.2, deemed to have been Referred:

1 Paragraphs 10.4, 10.5 and 12.67 of Part B of Schedule 2.1 (*Services Description*), to the extent that the Referral in question relates to the PIP Services; and

2 Paragraphs 10.23(a), 10.24(a), 10.26(b) and 10.27 of Part B of Schedule 2.1 (*Services Description*), to the extent that the Referral in question relates to the WCA Services.

(ii) As contemplated by the definition of Clearance, a Referral shall only be regarded as being Cleared by the Supplier (and capable of counting towards achieving the applicable Target Performance Level) where the relevant Assessment Report has been completed and submitted to or received by (as the case may be) the Authority in respect of the relevant Assessment in accordance with the requirements of Schedule 2.1 (*Services Description*), provided always that the following circumstances shall be disregarded and shall not count towards the assessment of the Supplier's performance against the applicable Target Performance Level:

1 Referrals where the Claimant Failed to Attend (and the Consultation is not deemed to have been cancelled pursuant to Paragraph 4(a) of this Annex 1 to this Schedule 2.2), as contemplated in Paragraphs 12.29 and 12.40 of Part B of Schedule 2.1 (*Services Description*);

2 subject always to Paragraphs 10.5(a) and 10.5(b) of Part B of Schedule 2.1 (*Services Description*), where the Claimant fails to return the PIP2 form (as referred to in Paragraph 10.5(c) of Part B of Schedule 2.1 (*Services Description*));

3 subject always to Paragraph 10.26(b) of Part B of Schedule 2.1 (*Services Description*), where the Claimant fails to return the ESA50 or UC50 (as referred to in Paragraph 10.26(a) of Part B of Schedule 2.1 (*Services Description*));

4 where the Referral is withdrawn by the Claimant or the Authority (including as contemplated in Paragraphs 12.41 and 16.2 of Part B of Schedule 2.1 (*Services Description*)); and/or

5 where the Referral is returned pursuant to Paragraph 12.66 of Part B of Schedule 2.1 (*Services Description*)).

(iii) Where, notwithstanding the submission to or receipt by (as the case may be) the Authority of an Assessment Report, it is established that such Assessment Report has not been prepared in accordance with the following provisions of Part B of Schedule 2.1 (*Services Description*), then, without prejudice to the Supplier's other obligations in Schedule 2.1 (*Services Description*) in respect of the preparation and production of Assessment Reports and without prejudice to the Authority's other rights and remedies under this Agreement, such Assessment Report shall, for the purposes of the applicable Performance Levels referred to in this Paragraph, not be regarded as having been submitted to or received by the Authority:

1 Paragraph 9.1 of Part B of Schedule 2.1 (*Services Description*);

2 Paragraph 13 (other than Paragraphs 13.9 to 13.15 (inclusive) and Paragraph 13.20) of Part B of Schedule 2.1 (*Services Description*);
3 Paragraph 14.2 of Part B of Schedule 2.1 (*Services Description*);
4 Paragraph 22.2 of Part B of Schedule 2.1 (*Services Description*);
5 Paragraph 31.1, 31.4, 31.6, 31.7 and 31.8 of Part B of Schedule 2.1 (*Services Description*);
6 Paragraphs 33.1 to 33.4 (inclusive) of Part B of Schedule 2.1 (*Services Description*);
7 Paragraph 35.12 of Part B of Schedule 2.1 (*Services Description*); and
8 Paragraph 37.1 of Part B of Schedule 2.1 (*Services Description*).

(f) Payment of Claimant expenses (TPL12)

(i) Where the Supplier fails to comply with its obligations in Paragraph 12.59 of Part B of Schedule 2.1 (*Services Description*), then any payment due to a Claimant (and/or their companion or representative (as applicable)) which would otherwise have been due to be paid other than by BACS pursuant to that Paragraph 12.59 shall be deemed as a failure to make payment within the specified period set out in TPL12.

ANNEX 2 – SPECIALIST BENEFITS PERFORMANCE LEVELS

1. In this Annex 2 to this Schedule 2.2:

   (a) "Exceptions" shall mean (in addition to any specific exceptions that are stated to apply in respect of the Specialist Benefit in question as set out in the table below) that the Supplier shall not be treated as being in breach of this Agreement and the applicable Target Performance Level shall not be deemed to have been breached in cases where Further Medical Evidence has not been received but where the Supplier has chased for such Further Medical Evidence at least 3 times in the week following the deadline for receipt and has attempted to obtain Further Medical Evidence from another appropriate health professional;

   (b) without prejudice to Paragraph 12.1(b) of Part A, Specialist Benefit Performance Levels apply in respect of all Specialist Benefits and in relation to all Assessment Channels unless otherwise stated;

   (c) without prejudice to Paragraph 11.5 of Part A, additional information relating to the process, method and/or other considerations for determining the Supplier's performance against the Specialist Benefit Performance Levels is set out in Paragraph 3 of this Annex 2 to this Schedule 2.2;

   (d) where in the Table below (and for the purposes of determining the Supplier's performance against (and/or determining any related Service Regression Failures arising in respect of) any or all of SB2(a) to SB2(t), SB9(b) to SB9(e), SB6, SB12 and/or SB15) the Supplier's actual performance is to be determined by reference to a specified number of Working Days of the Working Day on which a Referral, request for advice, requirement to undertake Re-work or application for payment of expenses (as the case may be) was made, deemed to have been made, received or notified (as the context shall require in respect of the relevant SB), then:

      (i) subject to Paragraph 1(d)(ii) of this Annex 2 to this Schedule 2.2, the Working Day on which such Referral, request, requirement or application (as the case may be) was made, deemed to have been made, received or notified (as the context shall require) shall be counted as the first Working Day of such time period, unless:

         1. in respect of DLA (65+), DLA (Child) and AA, the Supplier can demonstrate that such Referral, request, requirement or application (as the case may be) was made, deemed to have been made, received or notified (as the context shall require) on or after 15:00 hrs on such Working Day, in which case, the first Working Day of such time period shall be deemed to be the Working Day falling immediately after the Working Day on which such Referral, request, requirement or application (as the case may be) was made, deemed to have been made, received or notified (as the context shall require);

         2. in respect of JSA Legacy Based, the Supplier can demonstrate that such Referral, request, requirement or application (as the case may be) was made, deemed to have been made, received or notified (as the context shall require) on or after 16:00 hrs on such Working Day, in which case, the first Working Day of such time period shall be deemed to be the Working Day falling immediately after the Working Day on which such Referral, request, requirement or application (as

the case may be) was made, deemed to have been made, received or notified (as the context shall require); or

3. in respect of all other Specialist Benefits (other than the Specialist Benefits referred to in Paragraphs 1(d)(i) 1 and 1(d)(i)2 in each case of this Annex 2 to this Schedule 2.2 and HMCTS Appeals, the Supplier can demonstrate that such Referral, request, requirement or application (as the case may be) was made, deemed to have been made, received or notified (as the context shall require) on or after 13:00 hrs on such Working Day, in which case, the first Working Day of such time period shall be deemed to be the Working Day falling immediately after the Working Day on which such Referral, request, requirement or application (as the case may be) was made, deemed to have been made, received or notified (as the context shall require);

(ii) in respect of In-Flight Activity, the Authority will work with the Supplier (both acting reasonably) during the period from the Implementation Services Commencement Date to the Operational Service Commencement Date to understand and agree the impact of any In-Flight Activity on the performance measures in this Schedule 2.2; and

(iii) the final Working Day of such time period shall be the Working Day falling on that specified number of Working Days; and

(e) where in the Table below the Target Performance Level and Measurement Period in respect of a Specialist Benefit Performance Level (being SB6, SB7a, SB7b, SB8, SB10, SB11 and SB12) is stated as being as set out in respect of an equivalent TPL, then:

(i) the Supplier's performance as against the Specialist Benefit Performance Level in question shall be monitored and measured on the basis that the relevant part of the Specialist Benefit Services form part of the WCA Services to which the TPL in question applies and so that the Supplier's performance in respect of such part of the Specialist Benefit Services shall be taken into account in determining the Supplier's performance against such TPL; and

(ii) the Authority's remedies arising out of or in connection with the Supplier's performance as against the Specialist Benefit Performance Level in question shall be those remedies which would otherwise be available to the Authority in respect of the Supplier's performance as against the TPL in question, including, for the avoidance of doubt, in circumstances where the Supplier's performance as against the Specialist Benefit Performance Level in question alone gives rise (as a result of the application of this Paragraph 1(e)) to a failure by the Supplier to achieve the relevant TPL.

2. TABLE 1 – PERFORMANCE LEVELS

SB Ref	Performance Level	Target Performance Level	Measurement Period
Quality of Assessment Reports			
SB1	Quality of Assessment Reports	**IIDB, AA, DLA (65+), DLA (Child), Vets UK and IPB PBR** (a) 95% or more Specialist Benefit Assessment Reports in relation to IIDB, AA, DLA (65+), DLA (Child), Vets UK and IPB PBR in each Service Period graded as A Grade (acceptable report) or B Grade (acceptable report with significant learning points) (as referred to in Paragraph 24.10 of Part B of Schedule 2.1 (*Services Description*)) (b) In respect of: (i) each of DLA (65+), DLA (Child) and AA, 85% or more Specialist Benefit Assessment Reports in relation to DLA (65+), DLA (Child) and AA; (ii) each of IIDB and Vets UK, 75% or more Specialist Benefit Assessment Reports in relation to IIDB and Vets UK; and (iii) IPB PBR, 80% or more Specialist Benefit Assessment Reports in relation to IPB PBR, in each Service Period graded A Grade (acceptable report) (as referred to in Paragraph 24.10 of Part B of Schedule 2.1 (*Services Description*)).	Rolling 3 Service Periods for each Specialist Benefit For additional information please see Paragraph 11.6 of Part A
End to End Clearance Times			
SB2	End to End Clearance Times		Save as expressly stated otherwise below, each Service Period by Lot

SB Ref	Performance Level	Target Performance Level	Measurement Period
		<u>IIDB</u> (a) 97% of Referrals in respect of Prescribed Disease D3 and SREL are Cleared within 8 Working Days. Exceptions apply (b) 100% of Referrals in respect of Prescribed Disease D3 and SREL are Cleared within 13 Working Days. Exceptions apply (c) 95% of Referrals in respect of IIDB (other than Referrals in respect of Prescribed Disease D3 and SREL, but including PD A11 test (as such test is described in the relevant part of the Service Guidance)) are Cleared within 22 Working Days. Exceptions apply (d) 100% of Referrals in respect of IIDB (other than Referrals in respect of Prescribed Disease D3 and SREL, but including PD A11 test (as such test is described in the relevant part of the Service Guidance)) are Cleared within 44 Working Days. Exceptions apply The Referrals referred to in sub-paragraphs (a) to (d) above will be excluded from measurement if (i) Further Medical Evidence (FME) is required and cannot be obtained within required timeframes where there is evidence that the Supplier has followed the relevant part of the Service Guidance for the chasing of such FME, as appropriate to the circumstances and/or (ii) Claimant Failure to Attend allowances (as determined pursuant to Paragraph 12.31(b) of Part B of Schedule 2.1 (*Services Description*)) cause the Referral to age beyond the	SB2(a) Each Service Period by Lot (commencing on and from the final Service Period in the first Service Delivery Year), but assessing performance during the immediately preceding period of 12 Service Periods

SB Ref	Performance Level	Target Performance Level	Measurement Period
		applicable Target Performance Level. **<u>Vets UK</u>** (e) Examining Medical Practitioner (EMP): 75% of Referrals of the nature referred to in Paragraph 50.59 of Part B of Schedule 2.1 (*Services Description*)) are Cleared within 14 Working Days. Exceptions apply (f) Examining Medical Practitioner (EMP): 100% of Referrals of the nature referred to in Paragraph 50.59 of Part B of Schedule 2.1 (*Services Description*)) are Cleared within 24 Working Days. Exceptions apply The Referrals in sub-paragraphs (e) and (f) will be excluded from measurement if the Claimant Failure to Attend allowances (as determined pursuant to Paragraph 12.31(b) of Part B of Schedule 2.1 (*Services Description*)) cause the Referral to age beyond the applicable Target Performance Level (g) Audiology: 94% of Referrals requiring diagnostic audiological testing (as referred to in Paragraphs 50.67 to 50.75 of Part B of Schedule 2.1 (*Services Description*)) are Cleared within 20 Working Days. Exceptions apply (h) Audiology: 100% of Referrals requiring diagnostic audiological testing (as referred to in Paragraphs 50.67 to 50.75 of Part B of Schedule 2.1 (*Services Description*)) are	SB2(g) Each Service Period by Lot (commencing on and from the final Service Period in the first Service Delivery Year), but assessing performance during the immediately preceding period of 12 Service Periods

SB Ref	Performance Level	Target Performance Level	Measurement Period
		Cleared within 29 Working Days. Exceptions apply The Referrals referred to in sub-paragraphs (g) and (h) will be excluded from this measurement when (i) in respect of Referrals requiring CERA (cortical evoked response audiometry), the Supplier's specialist physician does not return a recommendation within 14 Working Days of receipt of the Referral in question and/or (ii) Claimant Failure to Attend allowances (as determined pursuant to Paragraph 12.31(b) of Part B of Schedule 2.1 (*Services Description*)) combined with statutory requirements for notice of appointments cause the Referral to age over the applicable Target Performance Level. In the event of behaviour by the Veterans Agency themselves, the Supplier and the Authority shall agree on a case-by-case basis (both Parties acting reasonably) whether that specific Referral should be excluded from the measurements under sub-paragraphs (g) and (h). (i) Specialist reports and Regional Consultant reports: 94% of Referrals requiring the generation of a report in accordance with Paragraphs 50.60 to 50.66 of Part B of Schedule 2.1 (*Services Description*)) are Cleared within 33 Working Days. Exceptions apply (j) Specialist reports and Regional Consultant reports: 100% of Referrals requiring the generation of a report in accordance with	SB2(i) Each Service Period by Lot (commencing on and from the final Service Period in the first Service Delivery Year), but assessing performance during the immediately preceding period of 12 Service Periods

SB Ref	Performance Level	Target Performance Level	Measurement Period
		Paragraphs 50.60 to 50.66 of Part B of Schedule 2.1 (*Services Description*)) are Cleared within 49 Working Days. Exceptions apply The Referrals referred to in sub-paragraphs (i) and (j) will be excluded from this measurement when (i) in respect of Referrals requiring a psychiatric assessment, the Supplier's specialist physician does not return a recommendation within 27 Working Days of receipt of the Referral in question and/or (ii) Claimant Failure to Attend allowances (as determined pursuant to Paragraph 12.31(b) of Part B of Schedule 2.1 (*Services Description*)) combined with statutory requirements for notice of appointments cause the Referral to age over the applicable Target Performance Level. In the event of behaviour by the Veterans Agency themselves, the Supplier and the Authority shall agree on a case-by-case basis (both Parties acting reasonably) whether that specific Referral should be excluded from the measurements under sub-paragraphs (i) and (j). **CRS** (k) 94% of Referrals made pursuant to Paragraph 50.76 of Part B of Schedule 2.1 (*Services Description*)) are Cleared within 33 Working Days. Exceptions apply (l) 100% of Referrals made pursuant to Paragraph 50.76 of Part B of Schedule 2.1 (*Services Description*))	SB2(k) Each Service Period by Lot (commencing on and from the final Service Period in the first Service Delivery Year), but assessing performance during the

SB Ref	Performance Level	Target Performance Level	Measurement Period
		are Cleared within 49 Working Days. Exceptions apply **<u>AA, DLA (65+) and DLA (Child) – (Referrals requiring a Consultation)</u>** (m) 95% of Referrals in respect of AA, DLA (65+) and (DLA (Child) requiring a Consultation are Cleared within 22 Working Days (n) 100% of Referrals in respect of AA, DLA (65+) and DLA (Child) requiring a Consultation are Cleared within 24 Working Days **<u>AA, DLA (65+) and DLA (Child) (including SREL) – (Referrals not requiring a Consultation)</u>** (o) 99% of Referrals in respect of AA, DLA (65+) and (DLA (Child) <u>not</u> requiring a Consultation are Cleared within 1 Working Day (p) 100% of Referrals in respect of AA, DLA (65+) and DLA (Child) <u>not</u> requiring a Consultation are Cleared within 2 Working Days **<u>HMCTS Appeals including Hospital Case Notes (HCNs)</u>** (q) 100% of Referrals made pursuant to Paragraph 20 of Part B of Schedule 2.1 (*Services Description*) are Cleared within 13 Working Days **<u>Other Specialist Benefits – PBR</u>** **HMRC SSP/SMP** **IPB** **OHA**	immediately preceding period of 12 Service Periods

SB Ref	Performance Level	Target Performance Level	Measurement Period
		HMRC CTF Advice and Junior ISA (r) 95% of Referrals in respect of HMRC SSP/SMP, IPB, OHA and/or HMRC CTF and Junior ISA (as applicable) that are to be undertaken as a PBR are Cleared within 9 Working Days. Exceptions apply (s) 100% of Referrals in respect of HMRC SSP/SMP, IPB, OHA and/or HMRC CTF and Junior ISA (as applicable) that are to be undertaken as a PBR are Cleared within 14 Working Days. Exceptions apply **<u>Other Specialist Benefits – Referrals requiring a Consultation</u>** **HMRC SSP/SMP** **IPB** **OHA** (t) 100% of Referrals in respect of HMRC SSP/SMP, IPB and/or OHA (as applicable) that require a Consultation are Cleared within 19 Working Days. No Exceptions apply.	
Cancellation of Consultations			
SB4a	Cancellation of Consultations (Specialist Benefit Services)	No more than 2% of all Consultations (across all Assessment Channels) to be cancelled by the Supplier within 2 hours before, or at any time after, their scheduled appointment start time	Quarterly by Lot
SB4b	Cancellation of Consultations (Specialist Benefit Services)	No more than 10% of all Consultations (across all Assessment Channels) to be cancelled by the Supplier	Quarterly by Lot
Consultation Wait Times			
SB5a	Consultation Waiting Times – Assessment	Consultation at an Assessment Centre, Telephone Consultation and	Quarterly by Lot

SB Ref	Performance Level	Target Performance Level	Measurement Period
	Centre Consultations, Telephone Consultation and Video Consultation measure (Specialist Benefit Services)	Video Consultation measure- Appointment to commence within 30 minutes of the appointment start time for their Consultation. 81% Service Delivery Year 1, 83% Service Delivery Year 2 and 85% Service Delivery Year 3 (onwards)	
SB5b	Consultation Waiting Times – Home Consultations (Specialist Benefit Services)	90% of Home Consultations to commence within their 1 hour appointment window	Quarterly by Lot
Advice			
SB6	Advice	As set out in respect of TPL6	As set out in respect of TPL6
Call Wait Times			
SB7a	Call Wait Times	As set out in respect of TPL7a	As set out in respect of TPL7a
SB7b	Call Wait Times	As set out in respect of TPL7b	As set out in respect of TPL7b
Claimant Satisfaction Survey			
SB8	Claimant Satisfaction Survey	As set out in respect of TPL8	As set out in respect of TPL8
Re-Work			
SB9	Re-work of Specialist Benefit Assessment Reports deemed not fit for purpose	**All Specialist Benefits and HMCTS Appeals** (a) 99.5% of Specialist Benefit Assessment Reports and HMCTS Assessment Reports in each Service Period to be fit for purpose and not require Re-work (including DLA (65+), DLA (Child) and AA Referrals not requiring a further Consultation) **All Specialist Benefits (excluding DLA (65+), DLA (Child) and AA Re-work not requiring a further Consultation) and HMCTS Appeals**	Each Service Period by Lot

SB Ref	Performance Level	Target Performance Level	Measurement Period
		(b) 98% of Re-work of applicable Specialist Benefit Assessment Reports and HMCTS Assessment Reports completed within 2 Working Days of the Authority notifying the Supplier of the requirement for such Re-work (c)100% of Re-work of applicable Specialist Benefit Assessment Reports and HMCTS Assessment Reports completed within 4 Working Days of the Authority notifying the Supplier of the requirement for such Re-work **DLA (65+), DLA (Child) and AA Re-work not requiring a further Consultation** (d) 98% of Re-work of Specialist Benefit Assessment Reports relating to DLA (65+), DLA (Child) and AA (where a further Consultation is not required) are completed within 1 Working Day of the Authority notifying the Supplier of the requirement for such Re-work (e) 100% of Re-work of Specialist Benefit Assessment Reports relating to DLA (65+), DLA (Child) and AA (where a further Consultation is not required) are completed within 2 Working Days of the Authority notifying the Supplier of the requirement for such Re-work	
Complaints			
SB10	Number of Complaints against HPs made by Claimants after a Consultation	As set out in respect of TPL10	As set out in respect of TPL10
Claimant Additional Requirements			

SB Ref	Performance Level	Target Performance Level	Measurement Period
SB11	Claimant Additional Requirements	As set out in respect of TPL11	As set out in respect of TPL11
Payment of Claimant Expenses			
SB12	Payment of Claimant Expenses	As set out in respect of TPL12	As set out in respect of TPL12
Psychiatrist reports on behalf of Foreign Authorities			
SB15	Psychiatrist reports on behalf of Foreign Authorities - IPB – Specialist Benefits only, as referred to in Paragraphs 50.45 to 50.47 of Part B of Schedule 2.1 (*Services Description*)	100% of Referrals made pursuant to Paragraphs 50.45 to 50.47 of Part B of Schedule 2.1 (*Services Description*) are Cleared within 49 Working Days	Each Service Period by Lot

3. ADDITIONAL INFORMATION –PERFORMANCE LEVELS

(a) Cancellation of Consultations (SB4a and SB4b) - the provisions of Paragraph 4(a) of Annex 1 to this Schedule 2.2 shall apply, save that references in that Paragraph to TPL4a and TPL4b shall be deemed to be references to SB4a and SB4b (as applicable).

(b) Claimant Satisfaction Survey (SB8) - the provisions of Paragraph 4(b) of Annex 1 to this Schedule 2.2 shall apply, save that references in that Paragraph to TPL8 shall be deemed to be references to SB8.

(c) Number of Complaints (SB10) - the provisions of Paragraph 4(c) of Annex 1 to this Schedule 2.2 shall apply, save that references in that Paragraph to TPL10 shall be deemed to be references to SB10.

(d) Claimant Additional Requirements (SB11) - the provisions of Paragraph 4(d) of Annex 1 to this Schedule 2.2 shall apply, save that references in that Paragraph to TPL11 shall be deemed to be references to SB11

(e) End to End Clearance Times (SB2 (including HMCTS Appeals) and SB15)

(i) For the purposes of measuring the end to end Clearance time against the applicable Performance Levels referred to in this Paragraph, the following provisions of Part B of Schedule 2.1 (*Services Description*) shall be taken into account (as applicable) to determine when the Referral in question is, subject always to the provisions of Paragraph 1(d) of this Annex 2 to this Schedule 2.2,

deemed to have been Referred, Paragraphs 10.33, 50.50 and 50.53 of Part B of Schedule 2.1 (*Services Description*).

(ii) As contemplated by the definition of Clearance, a Referral shall only be regarded as being Cleared by the Supplier (and capable of counting towards achieving the applicable Target Performance Level) where the relevant Assessment Report has been completed and submitted to or received by (as the case may be) the Authority in respect of the relevant Assessment in accordance with the requirements of Schedule 2.1 (*Services Description*) and the relevant Referral is closed on SMART (as defined in the Glossary of Abbreviations in Schedule 2.1 (*Services Description*)), provided always that the following circumstances shall be disregarded and shall not count towards the assessment of the Supplier's performance against the applicable Target Performance Level:

1. Referrals where the Claimant Failed to Attend (and the Consultation is not deemed to have been cancelled pursuant to Paragraph 3(a) of this Annex 2 to this Schedule 2.2), as contemplated in Paragraphs 12.29 and 12.40 of Part B of Schedule 2.1 (*Services Description*);

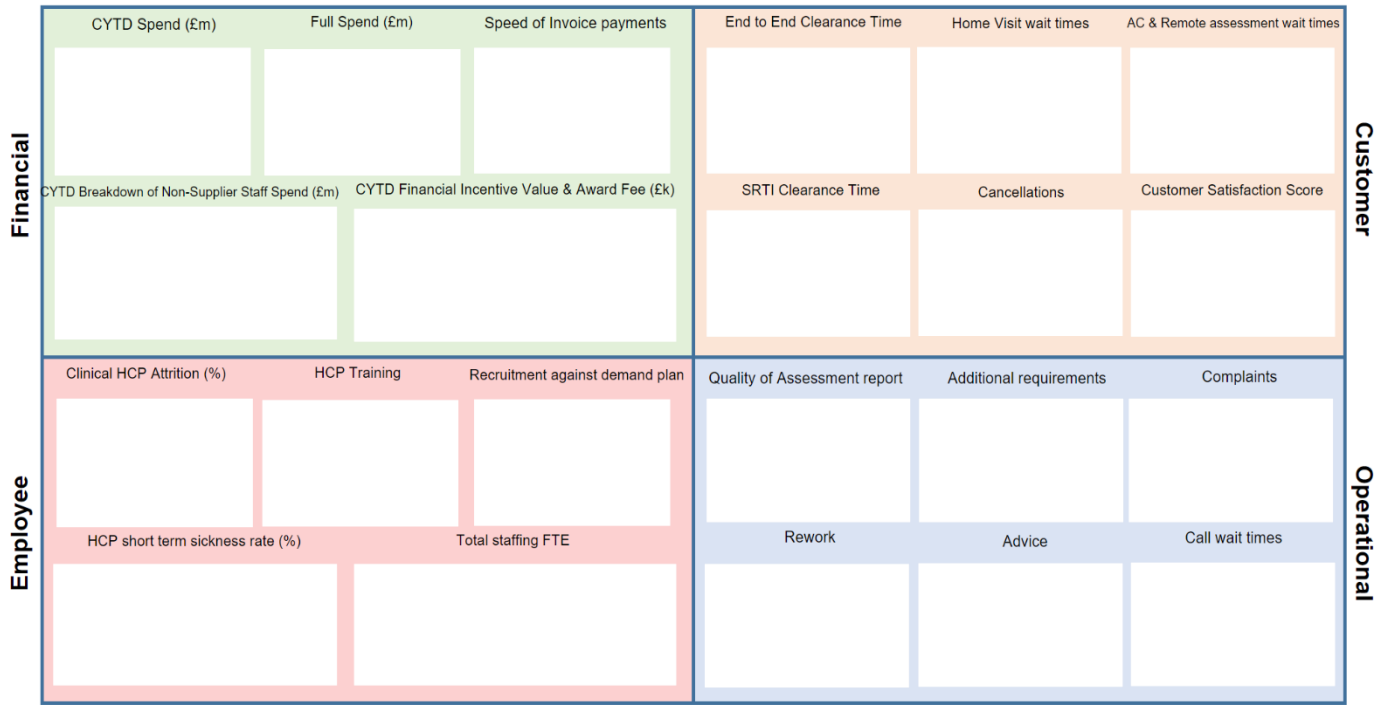
2. where the Referral is withdrawn by the Claimant or the Authority (including as contemplated in Paragraphs 12.41 and 16.2 of Part B of Schedule 2.1 (*Services Description*)); and/or

3. where the Referral is returned pursuant to Paragraph 50.49 or 50.52 of Part B of Schedule 2.1 (*Services Description*)).

(iii) Where, notwithstanding the submission to or receipt by (as the case may be) the Authority of an Assessment Report, it is established that such Assessment Report has not be prepared in accordance with the provisions of Part B of Schedule 2.1 (*Services Description*) referred to in Paragraph 4(e)(iii) of Annex 1 to this Schedule 2.2, then, without prejudice to the Supplier's other obligations in Schedule 2.1 (*Services Description*) in respect of the preparation and production of Assessment Reports and without prejudice to the Authority's other rights and remedies under this Agreement, such Assessment Report shall, for the purposes of the applicable Performance Levels referred to in this Paragraph, not be regarded as having been submitted to or received by the Authority.

(f) Payment of Claimant Expenses (SB12) - the provisions of Paragraph 4(f) of Annex 1 to this Schedule 2.2 shall apply, save that references in that Paragraph to TPL12 shall be deemed to be references to SB12.

ANNEX 3 – EXAMPLE BALANCED SCORECARD REPORT



SCHEDULE 2.3

STANDARDS

Standards

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

"Carbon Reduction Plan"	means the carbon reduction plan submitted by the Supplier in response to the selection questionnaire forming part of the procurement process leading to the Award of this Agreement;
"Standards Hub"	the Government's open and transparent standards adoption process as documented at http://standards.data.gov.uk/; and
"Suggested Challenge"	a submission to suggest the adoption of new or emergent standards in the format specified on Standards Hub.

2 GENERAL

2.1 Throughout the Term, the Parties shall monitor and notify each other of any new or emergent standards which could affect the Supplier's provision, or the Authority's receipt, of the Services. Any changes to the Standards, including the adoption of any such new or emergent standard, shall be agreed in accordance with the Change Control Procedure.

2.2 Where a new or emergent standard is to be developed or introduced by the Authority, the Supplier shall be responsible for ensuring that the potential impact on the Supplier's provision, or the Authority's receipt, of the Services is explained to the Authority (in a reasonable timeframe), prior to the implementation of the new or emergent standard.

2.3 Where Standards referenced conflict with each other or with Good Industry Practice, then the later Standard or best practice shall be adopted by the Supplier. Any amendment in respect of the applicability of any Standard(s) shall require the prior written agreement of the Authority and shall be implemented within an agreed timescale.

2.4 The Authority shall notify the Supplier from time to time as to any updates to the website links set out in this Schedule.

3 TECHNOLOGY AND DIGITAL SERVICES PRACTICE

3.1 The Supplier shall (when designing, implementing and delivering the Services) adopt the applicable elements of HM Government's Technology Code of Practice as documented at https://www.gov.uk/service-manual/technology/code-of-practice.html.

4 OPEN DATA STANDARDS & STANDARDS HUB

4.1 The Supplier shall comply, to the extent within its control, with UK Government's Open Standards Principles as documented at https://www.gov.uk/government/publications/open-standards-principles/open-standards-principles, as they relate to the specification of standards for software interoperability, data and document formats in the Supplier IT Systems.

4.2 Without prejudice to the generality of Paragraph 2.2, the Supplier shall, when implementing or updating a technical component or part of the Supplier IT Systems where there is a requirement under this Agreement or opportunity to use a new or

emergent standard, submit a Suggested Challenge compliant with the UK Government's Open Standards Principles (using the process detailed on Standards Hub and documented at http://standards.data.gov.uk/). Each Suggested Challenge submitted by the Supplier shall detail, subject to the security and confidentiality provisions in this Agreement, an illustration of such requirement or opportunity within the IT Environment, the Supplier IT Systems and/or Government's IT infrastructure (as applicable) and the suggested open standard.

4.3 The Supplier shall ensure that all documentation published on behalf of the Authority pursuant to this Agreement is provided in a non-proprietary format (such as PDF or Open Document Format (ISO 26300 or equivalent)) as well as any native file format documentation in accordance with the obligation under Paragraph 4.1 to comply with the UK Government's Open Standards Principles, unless the Authority otherwise agrees in writing.

5 TECHNOLOGY ARCHITECTURE STANDARDS

5.1 The Supplier shall produce full and detailed technical architecture documentation for the Supplier IT Systems in accordance with Good Industry Practice. If documentation exists that complies with the Open Group Architecture Framework 9.2 or its equivalent, then this shall be deemed acceptable. The Supplier shall share such technical architecture documentation with the Authority within a reasonable time of such a request by the Authority.

6 ACCESSIBLE DIGITAL STANDARDS

6.1 The Supplier shall comply with (or with equivalents to):

(a) the World Wide Web Consortium (W3C) Web Accessibility Initiative (WAI) Web Content Accessibility Guidelines (WCAG) 2.1 Conformance Level AA; and

(b) ISO/IEC 13066-1: 2011 Information Technology – Interoperability with assistive technology (AT) – Part 1: Requirements and recommendations for interoperability.

7 SERVICE MANAGEMENT SOFTWARE & STANDARDS

7.1 Subject to Paragraphs 2 to 4 (inclusive), the Supplier shall reference relevant industry and HM Government standards and best practice guidelines in relation to any Supplier Software and/or Third Party Software that the Supplier uses in its performance of the Services, including the following and/or their equivalents:

(a) ITIL v4;

(b) ISO/IEC 20000-1 2018 "Information technology — Service management – Part 1";

(c) ISO/IEC 20000-2 2019 "Information technology — Service management – Part 2";

(d) ISO 10007: 2017 "Quality management systems – Guidelines for configuration management"; and

(e) ISO 22313:2020 "Security and resilience. Business continuity management systems. Guidance on the use of ISO 22301" and, ISO/IEC 27031:2011 and ISO 22301:2019.

7.2 For the purposes of management of the Services and delivery performance the Supplier shall make use of Supplier Software and/or Third Party Software that complies with Good Industry Practice including availability, change, incident, knowledge, problem, release & deployment, request fulfilment, service asset and configuration, service catalogue, service level and service portfolio management. If such software has been assessed under the ITIL Software Scheme as being compliant to “Bronze Level”, then this shall be deemed acceptable.

8 ENVIRONMENTAL REQUIREMENTS

8.1 The Supplier shall comply with the environmental requirements set out in the Annex to this Schedule.

9 HARDWARE SAFETY STANDARDS

9.1 To the extent that any hardware is provided by the Supplier rather than the Authority, the Supplier shall comply with those BS or other standards relevant to the provision of the Services, including the following or their equivalents:

(a) any new hardware required for the delivery of the Services (including printers), shall conform to BS EN IEC 62368-1:2020+A11:2020 or subsequent replacements. In considering where to site any such hardware, the Supplier shall consider the future working user environment and shall position the hardware sympathetically, wherever possible;

(b) any new audio, video and similar electronic apparatus required for the delivery of the Services, shall conform to the following standard: BS EN IEC 62368-1:2020+A11:2020 or any subsequent replacements;

(c) any new laser printers or scanners using lasers, required for the delivery of the Services, shall conform to either of the following safety Standards: BS EN 60825-1:2014 or any subsequent replacements; and

(d) any new apparatus for connection to any telecommunication network, and required for the delivery of the Services, shall conform to the following safety Standard: BS EN 62949:2017 or any subsequent replacements.

9.2 Where required to do so as part of the Services, the Supplier shall perform electrical safety checks in relation to all equipment supplied under this Agreement in accordance with the relevant health and safety regulations.

10 GOVERNMENT BUYING STANDARDS

10.1 The Supplier shall meet the applicable Government Buying Standards applicable to Services which can be found online at:

https://www.gov.uk/government/collections/sustainable-procurement-the-government-buying-standards-gbs

11 SUPPLIER CODE OF CONDUCT

11.1 In February 2019, HM Government published a Supplier Code of Conduct setting out the standards and behaviours expected of suppliers who work with government which can be found online at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1163536/Supplier_Code_of_Conduct_v3.pdf The Authority

expects to meet, and expects its suppliers and subcontractors to meet, the standards set out in that Supplier Code of Conduct.

ANNEX 1: ENVIRONMENTAL REQUIREMENTS

1 DEFINITIONS

1.1 In this Annex, the following definitions shall apply:

"Permitted Item"	means those items which are permissible under this Agreement to the extent set out in Table B of this Annex
"Prohibited Items"	means those items which are not permissible under this Agreement as set out at Table A of this Annex
"Sustainable Development Plan"	means the written plan to be produced by the Supplier in accordance with Table C of this Annex
"Sustainable Development Policy Statement"	means the written statement to be produced by the Supplier in accordance with Paragraphs 2.8 and 2.9 of this Annex
"Waste Hierarchy"	means prioritisation of waste management in the following order of preference: (a) Prevention – by using less material in design and manufacture. Keeping products for longer; (b) Preparing for re-use – by checking, cleaning, repairing, refurbishing, whole items or spare parts; (c) Recycling – by turning waste into a new substance or produce, including composting if it meets quality protocols; (d) Other Recovery – through anaerobic digestion, incineration with energy recovery, gasification and pyrolysis which produce energy (fuels, heat and power) and materials from waste; some backfilling; and (e) Disposal - Landfill and incineration without energy recovery.

2 ENVIRONMENTAL REQUIREMENTS

2.1 The Supplier shall comply in all material respects with all applicable environmental laws and regulations in force in relation to the Agreement.

2.2 The Supplier warrants that it has obtained ISO 14001 certification from an accredited body and shall comply with and maintain certification requirements throughout the Term.

2.3 In performing its obligations under the Agreement the Supplier shall to the reasonable satisfaction of the Authority:

(a) demonstrate low carbon resource efficiency, including minimising the use of resources and responding promptly to the Authority's reasonable questions;

(b) prioritise waste management in accordance with the Waste Hierarchy;

(c) be responsible for ensuring that any waste generated by the Supplier and sent for recycling, disposal or other recovery as a consequence of this Agreement is taken to an authorised site for treatment or disposal and that the disposal or treatment of waste complies with the law;

(d) ensure that it and any third parties used to undertake recycling disposal or other recovery as a consequence of this Agreement do so in a legally compliant way, undertake reasonable checks on a regular basis to ensure this;

(e) inform the Environment Agency within one Working Day in the event that a permit or exemption to carry or send waste generated under this Agreement is revoked and in circumstances where a permit or exemption to carry or send waste generated under this Agreement is revoked the Supplier shall cease to carry or send waste or allow waste to be carried by any Sub-contractor until authorisation is obtained from the Environment Agency;

(f) minimise the release of greenhouse gases (including carbon dioxide emissions), air pollutants, volatile organic compounds and other substances damaging to health and the environment; and

(g) reduce and minimise carbon emissions by taking into account factors including, but not limited to, the locations from which materials are sourced, the transport of materials, the locations from which the work force are recruited and emissions from offices and on-site equipment.

2.4 The Supplier shall use reasonable endeavours to avoid the use of paper and card in carrying out its obligations under this Agreement. Where unavoidable under reasonable endeavours, the Supplier shall ensure that any paper or card deployed in the performance of the Services consists of one hundred percent (100%) recycled content and used on both sides where feasible to do so.

2.5 The Supplier shall not provide to the Authority Deliverables which comprise wholly or partly of Prohibited Items unless such item is a Permitted Item.

2.6 The Supplier shall not use anything which comprises wholly or partly of the Prohibited Items to provide the Services under this Agreement unless:

(a) it is a Permitted Item; or

(b) the use is primarily related to the management of the Supplier's own facilities or internal operations as opposed to the provision of Services.

2.7 The Supplier shall ensure that any Services are designed, sourced and delivered in a manner which is environmentally and socially responsible.

2.8 The Supplier shall produce a Sustainable Development Policy Statement in accordance with Paragraph 2.9 of this Annex within six (6) months following the Operational Service Commencement Date and annually thereafter.

2.9 The Sustainable Development Policy Statement shall be signed by the Supplier Representative and shall record the commitment of the Supplier and each Key Sub-contractor to:

(a) dispose of waste in accordance with Law;

(b) reduce energy consumption;

(c) support the goal of achieving carbon net zero by 2050;

(d) promote waste management in accordance with the Waste Hierarchy;

(e) promote green or public transport;

(f) promote corporate social responsibility;

(g) implement its Carbon Reduction Plan; and

(h) implement the Sustainable Development Plan.

2.10 The Supplier shall produce a Sustainable Development Plan to deliver on the commitments made in the Sustainable Development Policy Statement in accordance with Table C of this Annex within six (6) months following the Operational Service Commencement Date and annually thereafter.

2.11 The Supplier shall comply with reasonable requests by the Authority for information evidencing compliance with the provisions of this Annex within fourteen (14) days of such request, provided that such requests are limited to two per Service Delivery Year.

TABLE A – Prohibited Items

The following consumer single use plastics are Prohibited Items:	**Catering** a. Single use sachets e.g. coffee pods, sauce sachets, milk sachets b. Take away cutlery c. Take away boxes and plates d. Cups made wholly or partially of plastic e. Straws f. Stirrers g. Water bottles
	Facilities a. Single use containers e.g. hand soap, cleaning products b. Wipes containing plastic
	Office Supplies a. Plastic envelopes b. Plastic wrapping for brochures c. Paper or card which is bleached with chlorine
	Packaging a. Single use plastic packaging from deliveries where avoidable e.g. shrink wrapped packaging from office supplier or facilities products b. Single use carrier bags
Authority specific Prohibitions	**Not applicable as at the Effective Date**
Project specific Prohibitions	**Not applicable as at the Effective Date**

TABLE B – Permitted Items

Authority Permitted Items	**Not applicable as at the Effective Date**
Project Specific Permitted Items	**Not applicable as at the Effective Date**

TABLE C – Sustainable Development Plan

The Sustainable Development Plan shall contain the details set out in the table below together with any other details that the Authority may require from time to time:

Heading	Content
Environmental Sustainability	How the Supplier and each Key Sub-contractor shall reduce the environmental footprint of the Agreement through: a. minimising the use of energy, water and materials; b. minimising waste and increasing recycling levels; c. utilising recycled goods within operations; d. providing efficient low carbon delivery methods; e. reducing greenhouse gas emissions over time; and f. promoting the use of green or public transport.
Social Sustainability	How the Supplier and each Key Sub-contractor shall contribute to the social sustainability of the Agreement through: a. purchasing goods and services that are produced and delivered in line with International Labour Organisation principles in respect of human rights and conditions of employment; b. supporting a diverse supply chain by cultivating opportunities for minority-owned businesses; and c. providing adequate training opportunities for Supplier Personnel.
Economic Sustainability	How the Supplier and each Key Sub-contractor shall drive the economic sustainability of the Agreement through: a. supporting job creation both locally and nationally; and b. facilitating opportunities for minority-owned businesses and SMEs.
Monitoring	For the Supplier and each Key Sub-contractor: a. an assessment of its current position in terms of waste minimisation, recycling and energy consumption; b. details of its baseline and current greenhouse gas emissions; c. annual estimates of its progress towards its Carbon Reduction Plan; d. annual estimates of its progress towards the Sustainable Development Plan; and e. its plans for increasing awareness of sustainability among Supplier Personnel.

SCHEDULE 2.4

SECURITY MANAGEMENT

SECURITY REQUIREMENTS LEVEL 1 AND 2

GENERAL

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

Terms used in this Schedule which are not defined below shall have the meanings given to them in Schedule 1 (*Definitions*).

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

"Availability Test"	shall mean the activities performed by the Supplier to confirm the availability of any or all components of the Authority System and/or the Supplier System as specified by the Authority;
"Breach of Security"	means the occurrence of: (a) any unauthorised access to or use of Authority Assets, the Authority System (or any part thereof) and/or the Supplier System (or any part thereof); (b) the loss and/or unauthorised disclosure of any Authority Assets, the Authority System (or any part thereof) and/or the Supplier System (or any part thereof); (c) any unauthorised event resulting in loss of availability of any Authority Assets, the Authority System (or any part thereof) and/or the Supplier System (or any part thereof); and/or (d) any unauthorised changes or modification to any Authority Assets, the Authority System (or any part thereof) and/or the Supplier System (or any part thereof);
"CHECK"	shall mean the scheme for authorised penetration tests which scheme is managed by the NCSC;
"Cloud"	shall mean an off-premise network of remote ICT servers on the Internet to store, process, manage and transmit data;
"Cyber Essentials Plus"	shall mean the Government-backed, industry-supported scheme managed by the NCSC with higher level of security requirements to help organisations to protect

	themselves against online threats or the relevant successor or replacement scheme which is published and/or formally recommended by the NCSC;
"Cyber Security Information Sharing Partnership" or "CiSP"	shall mean the cyber security information sharing partnership established by the NCSC or the relevant successor or replacement scheme which is published and/or formally recommended by the NCSC;
"Good Security Practice"	shall mean: (a) the technical and organisational measures and practices that are required by, or recommended in, nationally or internationally accepted management standards and codes of practice relating to Information Security (such as published by the International Organization for Standardization or the National Institute of Standards and Technology); (b) security standards and guidelines relating to Information Security (including generally accepted principles regarding the segregation of the duties of governance, implementation and control) provided to the general public or Information Security practitioners and stakeholders by generally recognised authorities and organisations; and (c) the Government's security policies, frameworks, standards and guidelines relating to Information Security;
"Information Security"	shall mean: (a) the protection and preservation of: (i) the confidentiality, integrity and availability of any Authority Assets, the Authority System (or any part thereof) and the Supplier System (or any part thereof); and (ii) related properties of information including, but not limited to, authenticity, accountability, and non-repudiation; and (b) compliance with all Law applicable to the processing, transmission, storage and disposal of Authority Assets;
"Information Security Manager"	shall mean the person appointed by the Supplier with the appropriate experience, authority and expertise to

	ensure that the Supplier complies with the Authority's Security Requirements;
"Information Security Management System ("ISMS")"	shall mean the set of policies, processes and systems designed, implemented and maintained by the Supplier to manage Information Security Risk as certified by ISO/IEC 27001;
"Information Security Questionnaire"	shall mean the Authority's set of questions used to audit and on an ongoing basis assure the Supplier's compliance with the Authority's Security Requirements, such questionnaire being in the format stipulated by the Authority from time to time;
"Information Security Risk"	shall mean any risk that might adversely affect Information Security including, but not limited to, a Breach of Security;
"ISO/IEC 27001, ISO/IEC 27002 and ISO 22301	shall mean: (a) ISO/IEC 27001; (b) ISO/IEC 27002/IEC; and (c) ISO 22301, in each case as most recently published by the International Organization for Standardization or its successor entity (the "**ISO**") or the relevant successor or replacement information security standard which is formally recommended by the ISO;
"NCSC"	shall mean the National Cyber Security Centre or its successor entity (where applicable);
"Penetration Test"	shall mean a simulated attack on any Authority Assets, the Authority System (or any part thereof) or the Supplier System (or any part thereof);
"PCI DSS"	shall mean the Payment Card Industry Data Security Standard as most recently published by the PCI Security Standards Council, LLC or its successor entity (the "**PCI**");
"Risk Profile"	shall mean a description of any set of risks. The set of risks can contain those that relate to a whole organisation, part of an organisation or as otherwise applicable;
"Security Policies"	shall mean the security policies which, as at the date of this Agreement, are listed in Annex 1 to this Schedule 2.4 (*Security Management*) and any successor,

	replacement or additional security policies as are published by the Authority from time to time;
"Security Policies and Standards"	shall mean the Security Policies and the Security Standards;
"Security Standards"	shall mean the security standards which, as at the date of this Agreement, are listed in Annex 2 to this Schedule 2.4 (*Security Management*) and any successor, replacement or additional security standards as are published by the Authority from time to time;
"Security Test"	shall include, but not be limited to, Penetration Test, Vulnerability Scan, Availability Test and any other security related test and audit;
"Tigerscheme"	shall mean a scheme for authorised penetration tests which scheme is managed by USW Commercial Services Ltd; and
"Vulnerability Scan"	shall mean an ongoing activity to identify any potential vulnerability in any Authority Assets, the Authority System (or any part thereof) or the Supplier System (or any part thereof).

1.2 Reference to any notice to be provided by the Supplier to the Authority shall be construed as a notice to be provided by the Supplier to the Authority Representative.

2 PRINCIPLES OF SECURITY

2.1 The Supplier shall at all times comply with the Authority's Security Requirements and provide a level of security which is in accordance with the Security Policies and Standards, Good Security Practice and Law.

3 ISO/IEC 27001 COMPLIANCE, CERTIFICATION AND AUDIT

3.1 The Supplier shall, and shall procure that any Sub-contractor (as applicable) shall, obtain and maintain certification to ISO/IEC 27001 (the "**ISO Certificate**") in relation to the Services during the Term. The ISO Certificate shall be provided by the Supplier to the Authority within 8 months of the Operational Service Commencement Date and on each anniversary thereafter.

3.2 The Supplier shall appoint:

3.2.1 an Information Security Manager; and

3.2.2 a deputy Information Security Manager who shall have the appropriate experience, authority and expertise to deputise for the Information Security Manager when s/he is on leave or unavailable for any period of time.

The Supplier shall notify the Authority of the identity of the Information Security Manager on the date of this Agreement and, where applicable, within 5 Working Days following any change in the identity of the Information Security Manager.

3.3 The Supplier shall:

3.3.1 develop the Information Security Management System within 60 days after the Operational Service Commencement Date;

3.3.2 ensure that it operates, maintains and complies with the Information Security Management System during the Term and that the Information Security Management System meets the Security Policies and Standards, Good Security Practice and Law and includes:

(a) a scope statement (which covers all of the Services provided under this Agreement);

(b) a risk assessment (which shall include any risks specific to the Services);

(c) a statement of applicability;

(d) a risk treatment plan; and

(e) an incident management plan,

in each case as specified by ISO/IEC 27001; and

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

3.4 The Supplier shall notify the Authority of any failure to obtain an ISO Certificate or a revocation of an ISO Certificate within 2 Working Days of confirmation of such failure or revocation. The Supplier shall, at its own expense, undertake those actions required in order to obtain an ISO Certificate following such failure or revocation and provide such ISO Certificate within 1 calendar month of the initial notification of failure or revocation to the Authority or on a date agreed by the Parties. For the avoidance of doubt, any failure to obtain and/or maintain an ISO Certificate during the Term after the first date on which the Supplier was required to provide the ISO Certificate in accordance with Paragraph 3.1 (regardless of whether such failure is capable of remedy) shall constitute a Supplier Termination Event pursuant to limb (q) of that definition.

3.5 The Supplier shall carry out regular Security Tests in compliance with ISO/IEC 27001 and shall within one month after completion of the relevant audit provide any associated security audit reports to the Authority.

3.6 Notwithstanding the provisions of Paragraph 3.1 to Paragraph 3.5, the Authority may, in its absolute discretion, notify the Supplier that it is not in compliance with the Authority's Security Requirements and provide details of such non-compliance. The Supplier shall, at its own expense, undertake those actions required in order to comply with the Authority's Security Requirements within 1 calendar month following such notification or on such other date as may be agreed between the Parties. For the avoidance of doubt, any failure to undertake such actions so as to comply with the Authority's Security Requirements within the required timeframe (regardless of whether such failure is capable of remedy) shall constitute a Supplier Termination Event pursuant to limb (q) of that definition.

4 CYBER ESSENTIALS PLUS SCHEME

4.1 The Supplier shall, and shall procure that any Sub-contractor (as applicable) shall, obtain and maintain certification to Cyber Essentials Plus (the "**Cyber Essentials Plus Certificate**") in relation to the Services during the Term. The Cyber Essentials

Plus Certificate shall be provided by the Supplier to the Authority annually on the Implementation Services Commencement Date and thereafter on each anniversary of the Implementation Services Commencement Date.

4.2 The Supplier shall notify the Authority of any failure to obtain, or the revocation of, a Cyber Essentials Plus Certificate within 2 Working Days of confirmation of such failure or revocation. The Supplier shall, at its own expense, undertake those actions required in order to obtain a Cyber Essentials Plus Certificate following such failure or revocation. For the avoidance of doubt, any failure to obtain and/or maintain a Cyber Essentials Plus Certificate during the Term after the first date on which the Supplier was required to provide a Cyber Essentials Plus Certificate in accordance with Paragraph 4.1 (regardless of whether such failure is capable of remedy) shall constitute a Supplier Termination Event pursuant to limb (q) of that definition.

5 RISK MANAGEMENT

5.1 The Supplier shall:

5.1.1 within 60 days after the Operational Service Commencement Date, develop policies and processes for risk management (the "**Risk Management Policy**") which include standards and processes for the assessment of any potential risks in relation to the Services and processes to ensure that the Authority's Security Requirements are met (the "**Risk Assessment**");

5.1.2 operate and maintain the Risk Management Policy during the Term; and

5.1.3 provide the Risk Management Policy to the Authority upon request within 10 Working Days of such request. The Authority may, at its absolute discretion, require changes to the Risk Management Policy to comply with the Authority's Security Requirements. The Supplier shall, at its own expense, undertake those actions required in order to implement the changes required by the Authority within 1 calendar month of such request or on such other date as may be agreed between the Parties.

5.2 The Supplier shall carry out a Risk Assessment (i) at least annually, (ii) in the event of a material change in the Supplier System or in the threat landscape or (iii) at the request of the Authority. The Supplier shall provide the report of the Risk Assessment to the Authority, in the case of at least annual Risk Assessments, within 5 Working Days of completion of the Risk Assessment or, in the case of all other Risk Assessments, within 1 calendar month after completion of the Risk Assessment or on such other date as may be agreed between the Parties. The Supplier shall notify the Authority within 5 Working Days if the Risk Profile in relation to the Services has changed materially, for example, but not limited to, from one risk rating to another risk rating.

5.3 If the Authority decides, at its absolute discretion, that any Risk Assessment does not meet the Authority's Security Requirements, the Supplier shall repeat the Risk Assessment within 1 calendar month of such request or such other date as may be agreed between the Parties.

5.4 The Supplier shall, and shall procure that any Sub-contractor (as applicable) shall, co-operate with the Authority in relation to the Authority's own risk management processes regarding the Services.

5.5 For the avoidance of doubt, the Supplier shall pay all costs in relation to undertaking any action required to meet the requirements stipulated in this Paragraph 5. Any

failure by the Supplier to comply with any requirement of this Paragraph 5 (regardless of whether such failure is capable of remedy) shall constitute a Supplier Termination Event pursuant to limb (q) of that definition.

6 SECURITY AUDIT AND ASSURANCE

6.1 The Supplier shall, and shall procure that any Sub-contractor (as applicable) shall, complete the Information Security Questionnaire at least annually or at the request by the Authority. The Supplier shall provide the completed Information Security Questionnaire to the Authority within 1 calendar month from the date of request.

6.2 The Supplier shall conduct Security Tests to assess the Information Security of the Supplier System and, if requested, the Authority System. In relation to such Security Tests, the Supplier shall appoint a third party which i) in respect of any Penetration Test, is duly accredited by CHECK, CREST (International), or Tigerscheme and, ii) in respect of any Security Test to which PCI DSS apply, is an approved scanning vendor duly accredited by the PCI. Such Security Test shall be carried out (i) at least annually, (ii) in the event of a material change in the Supplier System or in the Authority System or (iii) at the request of the Authority which request may include, but is not limited to, a repeat of a previous Security Test. The content and format of any report of such Security Tests shall be approved in advance of the Security Test by the Authority. The Supplier shall provide any report of such Security Tests within 1 calendar month following the completion of such Security Test or on such other date as may be agreed between the Parties. The Supplier shall, at its own expense, undertake those actions required to rectify any risks identified by any Security Test in the manner and within the timeframe required by the Authority in its absolute discretion. Any failure by the Supplier to comply with any requirement of this Paragraph 6.2 (regardless of whether such failure is capable of remedy) shall constitute a Supplier Termination Event pursuant to limb (q) of that definition.

6.3 The Authority shall be entitled to send the Authority Representative to witness the conduct of any Security Test. The Supplier shall provide to the Authority notice of any Security Test at least 1 month prior to the relevant Security Test.

6.4 The Authority, or an agent appointed by it, may undertake Security Tests in respect of the Supplier System after providing advance notice to the Supplier. If any Security Test identifies any non-compliance with the Authority's Security Requirements, the Supplier shall, at its own expense, undertake those actions required in order to rectify such identified non-compliance in the manner and timeframe as stipulated by the Authority at its absolute discretion. The Supplier shall provide all such co-operation and assistance in relation to any Security Test conducted by the Authority as the Authority may reasonably require.

6.5 The Authority shall schedule regular security governance review meetings which the Supplier shall, and shall procure that any Sub-contractor (as applicable) shall, attend.

7 PCI DSS COMPLIANCE AND CERTIFICATION

7.1 Where the Supplier obtains, stores, processes or transmits payment card data in connection with the Services, the Supplier shall:

7.1.1 comply with the PCI DSS;

7.1.2 obtain and maintain up-to-date attestation of compliance certificates ("**AoC**") provided by a qualified security assessor accredited by the PCI and up-to-date reports on compliance ("**RoC**") provided by a qualified security assessor or an internal security assessor, in each case accredited

by the PCI (each with the content and format as stipulated by the PCI and such reports the "**PCI Reports**"), during the Term. The Supplier shall provide the respective PCI Reports to the Authority upon request within 10 Working Days of such request; and

7.1.3 notify the Authority of any failure to obtain a PCI Report or a revocation of a PCI Report within 2 Working Days of confirmation of such failure or revocation. The Supplier shall, at its own expense, undertake those actions required in order to obtain a PCI Report following such failure or revocation within 1 calendar month of such failure or revocation. Any failure by the Supplier to comply with any requirement of this Paragraph 7.1.3 (regardless of whether such failure is capable of remedy) shall constitute a Supplier Termination Event pursuant to limb (q) of that definition.

8 SECURITY POLICIES AND STANDARDS

8.1 The Supplier shall, and shall procure that any Sub-contractor (as applicable) shall, comply with the Security Policies and Standards.

8.2 Without prejudice to Paragraph 8.1, the Supplier shall, and shall procure that any Sub-contractor (as applicable) shall, ensure that all Supplier Personnel shall undertake and complete all training required to be undertaken under and pursuant to (and so as to meet the requirements of) the Security Policies and Standards in so far as they relate to security training, including as required under the Acceptable Use Policy referred to in Annex 1 to this Schedule 2.4 (*Security Management*).

8.3 The Supplier shall, and shall procure that any Sub-contractor (as applicable) shall, maintain appropriate records and is otherwise able to demonstrate compliance with the Security Policies and Standards.

9 CYBER SECURITY INFORMATION SHARING PARTNERSHIP

9.1 The Supplier shall be a member of the Cyber Security Information Sharing Partnership during the Term. The Supplier shall participate in the Cyber Security Information Sharing Partnership for the exchange of cyber threat information.

9.2 The Supplier shall review the NCSC weekly threat reports on a weekly basis and implement recommendations in line with the Supplier's Risk Management Policy.

10 OFFSHORING

10.1 The Supplier and Authority recognise the need for the Authority's information to be safeguarded under the Data Protection Legislation. To that end, the Supplier must be able to state to the Authority the physical locations in which data may be stored, processed and managed from, and what legal and regulatory frameworks Authority information will be subject to at all times.

10.2 The Supplier shall agree any change in location of data storage, processing and administration with the Authority in advance where the proposed location is outside the UK. Such approval shall not be unreasonably withheld or delayed unless specified otherwise in this Agreement and provided that storage, processing and management of any Authority information is only carried out offshore within a country or territory outside the UK if the conditions in Clause 24.5(d)(i)-(v) (*Protection of Personal Data*) or Clause 24.20(c)(i)-(v), as applicable, are fulfilled.

ANNEX 1: AUTHORITY SECURITY POLICIES

The Security Policies are published on:

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

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

ANNEX 2: AUTHORITY SECURITY STANDARDS

The Security Standards are published on:

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

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

SCHEDULE 2.5

INSURANCE REQUIREMENTS

1 OBLIGATION TO MAINTAIN INSURANCES

1.1 Without prejudice to its obligations to the Authority under this Agreement, including its indemnity and liability obligations, the Supplier shall for the periods specified in this Schedule 2.5 take out and maintain, or procure the taking out and maintenance of the insurances as set out in Annex 1 and any other insurances as may be required by applicable Law (together the "**Insurances**"). The Supplier shall ensure that each of the Insurances is effective no later than the date on which the relevant risk commences.

1.2 The Insurances shall be maintained in accordance with Good Industry Practice and (so far as is reasonably practicable) on terms no less favourable than those generally available to a prudent contractor in respect of risks insured in the international insurance market from time to time.

1.3 The Insurances shall be taken out and maintained with insurers who are:

(a) of good financial standing;

(b) appropriately regulated;

(c) regulated by the applicable regulatory body and is in good standing with that regulator; and

(d) except in the case of any Insurances provided by an Affiliate of the Supplier, of good repute in the international insurance market.

1.4 The Supplier shall ensure that the public and products liability policy shall contain an indemnity to principals clause under which the Authority shall be indemnified in respect of claims made against the Authority in respect of death or bodily injury or third party property damage arising out of or in connection with the Agreement and for which the Supplier is legally liable.

2 GENERAL OBLIGATIONS

2.1 Without limiting the other provisions of this Agreement, the Supplier shall:

(a) take or procure the taking of all reasonable risk management and risk control measures in relation to the Services as it would be reasonable to expect of a prudent contractor acting in accordance with Good Industry Practice, including the investigation and reports of relevant claims to insurers;

(b) promptly notify the insurers in writing of any relevant material fact under any Insurances of which the Supplier is or becomes aware; and

(c) hold all policies in respect of the Insurances and cause any insurance broker effecting the Insurances to hold any insurance slips and other evidence of placing cover representing any of the Insurances to which it is a party.

3 FAILURE TO INSURE

3.1 The Supplier shall not take any action or fail to take any action or (insofar as is reasonably within its power) permit anything to occur in relation to it which would entitle any insurer to refuse to pay any claim under any of the Insurances.

3.2 Where the Supplier has failed to purchase any of the Insurances or maintain any of the Insurances in full force and effect, the Authority may elect (but shall not be obliged) following written notice to the Supplier to purchase the relevant Insurances, and the Authority shall be entitled to recover the reasonable premium and other reasonable costs incurred in connection therewith as a debt due from the Supplier.

4 EVIDENCE OF INSURANCES

4.1 The Supplier shall upon the Effective Date and within 15 Working Days after the renewal or replacement of each of the Insurances, provide evidence, in a form satisfactory to the Authority, that the Insurances are in force and effect and meet in full the requirements of this Schedule 2.5. Receipt of such evidence by the Authority shall not in itself constitute acceptance by the Authority or relieve the Supplier of any of its liabilities and obligations under this Agreement.

5 CANCELLATION

5.1 Subject to Paragraph 5.2, the Supplier shall notify the Authority in writing as soon as reasonably practicable (and in any event within 5 Working Days) after it becomes aware of the cancellation, suspension, termination or non-renewal of any of the Insurances.

5.2 Without prejudice to the Supplier's obligations under Paragraph 4, Paragraph 5.1 shall not apply where the termination of any Insurances occurs purely as a result of a change of insurer in respect of any of the Insurances required to be taken out and maintained in accordance with this Schedule 2.5.

6 INSURANCE CLAIMS, PREMIUMS AND DEDUCTIBLES

6.1 The Supplier shall promptly notify to insurers any matter arising from, or in relation to, the Services and/or this Agreement for which it may be entitled to claim under any of the Insurances. In the event that the Authority receives a claim relating to or arising out of the Services and/or this Agreement, the Supplier shall co-operate with the Authority and assist it in dealing with such claims at its own expense including without limitation providing information and documentation in a timely manner.

6.2 The Supplier shall maintain a register of all claims under the Insurances in connection with this Agreement and shall allow the Authority to review such register at any time. Where any Insurance requires payment of a premium, the Supplier shall be liable for and shall promptly pay such premium.

6.3 Where any Insurance is subject to an excess or deductible below which the indemnity from insurers is excluded, the Supplier shall be liable for such excess or deductible. The Supplier shall not be entitled to recover from the Authority any sum paid by way of excess or deductible under the Insurances whether under the terms of this Agreement or otherwise.

ANNEX 1: REQUIRED INSURANCES

PART A: INSURANCE CLAIM NOTIFICATION

Except where the Authority is the claimant party, the Supplier shall give the Authority notice within 20 Working Days after any insurance claim in excess of £100,000 relating to or arising out of the provision of the Services or this Agreement on any of the Insurances or which, but for the application of the applicable policy excess, would be made on any of the Insurances and (if required by the Authority) full details of the incident giving rise to the claim.

PART B: THIRD PARTY PUBLIC AND PRODUCTS LIABILITY INSURANCE

1. INSURED

1.1 The Supplier.

2. INTEREST

2.1 To indemnify the Insured in respect of all sums which the Insured shall become legally liable to pay as damages, including claimant's costs and expenses, in respect of accidental:

2.1.1 death or bodily injury to or sickness, illness or disease contracted by any person; and

2.1.2 loss of or damage to physical property,

happening during the period of insurance (as specified in the paragraph headed "Period of Insurance" in this Part B) and arising out of or in connection with the provision of the Services and in connection with this Agreement.

3. LIMIT OF INDEMNITY

3.1 Not less than ten million pounds (£10,000,000) in respect of any one occurrence, the number of occurrences being unlimited in any annual policy period, but ten million pounds (£10,000,000) in the aggregate per annum in respect of products and pollution liability (to the extent insured by the relevant insurance policy).

4. TERRITORIAL LIMITS

United Kingdom.

5. PERIOD OF INSURANCE

5.1 From the date of this Agreement for the Term and renewable on an annual basis unless agreed otherwise by the Authority in writing.

6. COVER FEATURES AND EXTENSIONS

6.1 Indemnity to principals clause under which the Authority shall be indemnified in respect of claims made against the Authority in respect of death or bodily injury or third party property damage arising out of or in connection with the Agreement and for which the Supplier is legally liable.

6.2 Data protection legislation clause.

7. PRINCIPAL EXCLUSIONS

7.1 War and related perils.

7.2 Nuclear and radioactive risks.

7.3 Liability for death, illness, disease or bodily injury sustained by employees of the Insured arising out of the course of their employment.

7.4 Liability arising out of the use of mechanically propelled vehicles whilst required to be compulsorily insured by applicable Law in respect of such vehicles.

7.5 Liability in respect of predetermined penalties or liquidated damages imposed under any contract entered into by the Insured.

7.6 Liability arising out of technical or professional advice other than in respect of death or bodily injury to persons or damage to third party property.

7.7 Liability arising from the ownership, possession or use of any aircraft or marine vessel.

7.8 Liability arising from seepage and pollution unless caused by a sudden, unintended, unexpected and accidental occurrence.

8. MAXIMUM DEDUCTIBLE THRESHOLD

8.1 Not to exceed [REDACTED] for each and every third party property damage claim (personal injury claims to be paid in full).

PART C: UNITED KINGDOM COMPULSORY INSURANCES

The Supplier shall meet its insurance obligations under applicable Law in full, including, UK employers' liability insurance and motor third party liability insurance.

PART D: PROFESSIONAL INDEMNITY INSURANCES

1. INSURED

1.1 The Supplier.

2. INTEREST

2.1 To indemnify the Insured for all sums which the Insured shall become legally liable to pay (including claimant's costs and expenses) as a result of any claim or claims first made against the Insured during the period of insurance by reason of any act, error and/or omission arising from or in connection with professional services and / or advice, happening during the period of insurance and arising out of or in connection with the provision of the Services and in connection with this Agreement.

3. LIMIT OF INDEMNITY

3.1 Not less than five million pounds (£5,000,000) in respect of any one claim, and in the annual aggregate during the period of insurance.

4. TERRITORIAL LIMITS

4.1 United Kingdom.

5. PERIOD OF INSURANCE

5.1 From the date of this Agreement for the duration of this Agreement renewable on an annual basis unless agreed otherwise by the Authority in writing and a period of six (6) years following the expiry or termination of this Agreement whichever occurs earlier.

6. COVER FEATURES AND EXTENSIONS

6.1 Retroactive cover from the date of this Agreement or retroactive date no later than the date of this Agreement in respect of any policy provided on a claims made form of policy wording.

7. PRINCIPAL EXCLUSIONS

7.1 War and related perils.

7.2 Nuclear/radioactive risks.

7.3 Insolvency of the Insured.

7.4 Bodily injury, sickness, disease or death sustained by any employee of the Insured in the course of their employment.

8. MAXIMUM DEDUCTIBLE THRESHOLD

8.1 Not to exceed [REDACTED] for each and every claim.

PART E: MEDICAL MALPRACTICE INSURANCES

1. INSURED

1.1 The Supplier.

2. INTEREST

2.1 To indemnify the Insured for all sums which the Insured shall become legally liable to pay (including claimant's costs and expenses) as a result of any claim or claims first made against the Insured during the period of insurance by reason of the rendering of, or failure to render, medical services, happening during the period of insurance and arising out of or in connection with the provision of the Services and in connection with this Agreement which results in bodily injury, sickness, illness, mental injury or death of any person.

3. LIMIT OF INDEMNITY

3.1 Not less than five million pounds (£5,000,000) in respect of any one claim, and in the annual aggregate during the period of insurance.

4. TERRITORIAL LIMITS

4.1 United Kingdom.

5. PERIOD OF INSURANCE

5.1 From the date of this Agreement for the duration of this Agreement renewable on an annual basis unless agreed otherwise by the Authority in writing and a period of six (6) years following the expiry or termination of this Agreement whichever occurs earlier.

6. COVER FEATURES AND EXTENSIONS

6.1 Retroactive cover from the date of this Agreement or retroactive date no later than the date of this Agreement in respect of any policy provided on a claims made form of policy wording.

7. PRINCIPAL EXCLUSIONS

7.1 War and related perils.

7.2 Nuclear/radioactive risks.

8. MAXIMUM DEDUCTIBLE THRESHOLD

8.1 Not to exceed [REDACTED] for each and every claim.

SCHEDULE 3

AUTHORITY RESPONSIBILITIES

Authority Responsibilities

1 INTRODUCTION

1.1 The responsibilities of the Authority set out in this Schedule 3 shall constitute the Authority Responsibilities under this Agreement. Any obligations of the Authority in Schedule 2.1 (*Services Description*) and Schedule 4.1 (*Supplier Solution*) shall not be Authority Responsibilities and the Authority shall have no obligation to perform any such obligations unless they are specifically stated to be "Authority Responsibilities" and cross referenced in the table in Paragraph 3.

1.2 The responsibilities specified within this Schedule 3 shall be provided to the Supplier free of charge, unless otherwise agreed between the Parties.

2 GENERAL OBLIGATIONS

2.1 The Authority shall:

(a) perform those obligations which are stated to be obligations of the Authority in the Clauses of this Agreement and the Paragraphs of the Schedules and which are also described in the table in Paragraph 3.1 below;

(b) use its reasonable endeavours to provide the Supplier with access to appropriate members of the Authority's staff, as such access is reasonably requested by the Supplier in order for the Supplier to discharge its obligations throughout the Term and the Termination Assistance Period;

(c) use its reasonable endeavours to provide sufficient and suitably qualified staff to fulfil the Authority's roles and duties under this Agreement as defined in the Implementation Plan;

(d) use its reasonable endeavours to provide such documentation, data and/or other information that the Supplier reasonably requests that is necessary to perform its obligations under the terms of this Agreement provided that such documentation, data and/or information is available to the Authority and is authorised for release by the Authority and is used by the Supplier specifically in connection with its obligations under this Agreement; and

(e) procure for the Supplier such agreed access and use of the Authority Premises (as a licensee only) and facilities (including the IT System, in accordance with Schedule 18 (*Information Technology Services*)) as is reasonably required for the Supplier to comply with its obligations under this Agreement, such access to be provided during the Authority's normal working hours on each Working Day or as otherwise agreed by the Authority (such agreement not to be unreasonably withheld or delayed) but subject always to any applicable terms set out in this Agreement.

3 SPECIFIC OBLIGATIONS

3.1 The Authority shall, in relation to this Agreement, perform the Authority's Responsibilities, the details of which are set out below:

Schedule	Location (Paragraph)	Subject Matter
T&Cs	5.15	Authority Responsibilities
T&Cs	10.1	Payment of Charges to the Supplier
T&Cs	11.4	Notifying the Supplier of the initial Authority Representative
T&Cs	17.5(a)	Termination of Supplier Background IPRs
T&Cs	21.10	Supplier notification of proposed or actual changes to Schedule 2.4 requirements
T&Cs	23.8	Supplier notification of a Request For Information
T&Cs	28.9	Draft Rectification Plan consent
T&Cs	32.2, 32.3(c), 32.5	Step-In Notice
T&Cs	32.7	Draft Step-Out Plan consent
T&Cs	32.8	Reimbursement of Supplier's cost as a result of Authority Step-In action
T&Cs	33.3	Relief Notice
T&Cs	36.3	Payments for termination by the Authority
2.1	12.34	Supply of relevant data from WCA IT Provider to Supplier for reminder texts
2.1	23.5	Re-work
2.1	25.2	Authority independent audit
2.1	29.5, 29.6(a)	Claimant Satisfaction Surveys
2.1	35.50 (introductory wording), 35.50(b)	Approved Core Training and Guidance Material
2.1	50.13	Industrial accident reassessment referrals
2.1	50.21	Prescribed Disease D12 adjustment forms
2.4	6.5	Security governance review meetings
6.1	3.5, 3.6(a)	Review of the draft Detailed Implementation Plan
6.1	6.2	Issuing the Final Delivery Milestone Achievement Certificate
6.1	6.3	Payment of the Balancing Payment
6.1	6.4.2	Issue a report for Supplier's failure to meet the Final Delivery Milestone Date
7.2	3.4	Redundancy costs
7.2	8.1	Payments on termination
7.4	3.3	Approval of Financial Distress Event Service Continuity Plans

Schedule	Location (Paragraph)	Subject Matter
7.4	3.7	Notification about the cessation of a Risk Level 1 Financial Distress Event
7.4	3.8	Non-payment of Key Sub-contractors
7.4	4.3	Notification about the cessation of a Risk Level 2 Financial Distress Event
7.5	3.2	Review of the Onerous Contract Report
8.1	2.1	Appointment of Project Manager
8.1	3.1	Establishing Boards or Forums
8.1	3.5	Appointing a chairperson
8.1	5.1	Holding Internal Governance Boards.
8.2	2.2	Appointing an Authority Change Manager within 3 months of the Implementation Services Commencement Date
8.2	4.2	Further Change Request information
8.2	4.3, 4.4, 5.3, 6.1	Change Request consideration and Impact Assessment review
8.2	5.4, 6.2	Contract Change consideration
8.4	Part A 2.4	Supplier notification of staffing reports
8.4	Part A 2.5	Format of workforce plans and volume forecast models
8.4	Part A 4.2	Required changes to MI Reports
8.5	7.2	Notice of Transferable Assets, Transferring Contracts, Exclusive and non-Exclusive Assets to be transferred to the Authority and/or Replacement Supplier
8.5	7.7	Novation/assignment of Transferring Contracts
8.5	9.1	Payment of Charges in respect of Termination Services
8.5	10.2	Authority/Replacement Supplier payment of Apportioned fees for Transferring Assets
8.5	Annex 1, 1.5(b)	Reasonable cost to be paid to Supplier facilitating access during Termination Assistance Period
8.6	2.3, 2.4	Draft Service Continuity Plan
8.6	7.4	Inform Supplier about the reason for rejection of Service Continuity Plan Review Report and Supplier's Proposals
8.6	8.2	Service Continuity Plan testing
9.1	Part B 1.2	Relevant employee transfers

Schedule	Location (Paragraph)	Subject Matter
9.1	Part B 2.6	Employee Liabilities
9.1	Part B 4.1	Provision of employment Information
9.1	Part E (2.5 – Employment Regulations Exit Provisions), Part E (2.6 – Employment Regulations Exit Provisions), Part E (2.7 – Employment Regulations Exit Provisions), Part E (2.12 – Employment Regulations Exit Provisions), Part E (2.13 – Employment Regulations Exit Provisions)	Replacement Supplier / Replacement Sub-contractor employment transfer
12	1.1	Promote the equality of the English Welsh languages in accordance with the Welsh Language Act 1993
18	1.1	Access to PIP IT System and WCA IT System and provision of IT Equipment
18	3.2	Information technology network services to specified Sites

SCHEDULE 4.1

SUPPLIER SOLUTION

1 FAS

1.1 Delivery Model

Reference	Supporting Documentation	Document
1.1	Delivery Model	[REDACTED]
1.1a	Risk Log	[REDACTED]
1.1b	Supply Chain Partners Log	[REDACTED]
1.1c	Declaration Documents	[REDACTED]

1.2 Claimant Experience

Reference	Supporting Documentation	Document
1.2	Claimant Experience	[REDACTED]

2 HR

2.1 Resources Structure

Reference	Supporting Documentation	Document
2.1	HR Resources Structure	[REDACTED]
2.1a	Mobilisation Resource Org Chart	[REDACTED]
2.1b	Mobilisation Resources Structure	[REDACTED]
2.1c	Management Commencement Org Chart	[REDACTED]
2.1d	Management Commencement Resources	[REDACTED]
2.1e	Operational Commencement Resource Org	[REDACTED]
2.1f	Operational Commencement Resources	[REDACTED]
2.1g	HR FTE Response	[REDACTED]

2.2 Health Professional Recruitment and Retention

Reference	Supporting Documentation	Document
2.2	HR Health Professional Recruitment and Retention	[REDACTED]
2.2a	HP Profile Response	[REDACTED]

2.3 Skills and Development

Reference	Supporting Documentation	Document
2.3	HR Skills and Development	[REDACTED]

3 Quality of Service

3.1 Quality of Service

Reference	Supporting Documentation	Document
3.1	Quality of Service	[REDACTED]

4 Flexibility of Service

4.1 Flexibility of Service

Reference	Supporting Documentation	Document
4.1	Flexibility of Service	[REDACTED]

5 Continuous Improvement

5.1 Continuous Improvement

Reference	Supporting Documentation	Document
5.1	Continuous Improvement	[REDACTED]

6 Performance Management

6.1 Performance Management

Reference	Supporting Documentation	Document
6.1	Performance Management	[REDACTED]

7 Implementation

7.1 Implementation

Reference	Supporting Documentation	Document
7.1	Implementation	[REDACTED]
7.1a	Outline Implementation Plan	[REDACTED]
7.1b	Implementation Risk Log	[REDACTED]

8 Social Value

8.1 Social Value

Reference	Supporting Documentation	Document
8.1	Social Value	[REDACTED]
8.1a	Social Value Timed Action Plan	[REDACTED]

9 Stakeholder Engagement

9.1 Stakeholder Engagement

Reference	Supporting Documentation	Document
9.1	Stakeholder Engagement	[REDACTED]

10 Estates

10.1 Estates

Reference	Supporting Documentation	Document
10.1	Estates	[REDACTED]
10.1a	Delivery Infrastructure Log	[REDACTED]
10.1b	Estate Risks Log	[REDACTED]

11 TUPE

11.1 TUPE

Reference	Supporting Documentation	Document
11.1	TUPE	[REDACTED]

12 Insurance

12.1 Insurance Requirements

Reference	Supporting Documentation	Document
12.1a	Insurance Requirements	[REDACTED]

Annex Q – Commercially Sensitive Information

[REDACTED]

Jaggaer Profile

[REDACTED]

Information Security Questionnaire & Related Documentation

[REDACTED]

Supporting Documentation	
[REDACTED]	

SCHEDULE 4.2

COMMERCIALLY SENSITIVE INFORMATION

Commercially Sensitive Information

No.	Date	Description of Item(s) (Must also include Supplier's reason why the item should be considered commercially sensitive and justification for the duration)	Duration of Confidentiality	Is the description of the item as appears on this list commercially sensitive? (Y/N)
1	7 November 2022	[REDACTED]	Five years.	Yes
2	7 November 2022	[REDACTED]	Five years.	Yes
3	7 November 2022	[REDACTED]	Five years.	Yes
4	7 November 2022	[REDACTED]	Five years.	Yes
5	7 November 2022	[REDACTED]	Five years.	Yes

SCHEDULE 4.3

NOTIFIED KEY SUB-CONTRACTORS

Notified Key Sub-Contractors

1 In accordance with Clause 15.11 (*Appointment of Key Sub-contractors*), the Supplier is entitled to sub-contract its obligations under this Agreement to the Key Sub-contractors listed in the table below.

2 The Parties agree that they will update this Schedule periodically to record any Key Sub-contractors appointed by the Supplier with the consent of the Authority after the Effective Date for the purposes of the delivery of the Services.

Key Sub-contractor name and address (if not the same as the registered office)	Registered office and company number	Related product/Service description	Key Sub-contract price expressed as a percentage of total projected Charges over the Term	Key role in delivery of the Services
Personal Functional Assessment Services Limited (part of IPRS Group Limited)	Speed Medical House, Matrix Park, Chorley, PR7 7NA 4431590	Delivery of Assessments and Assessment Reports	[REDACTED]	Delivery of Assessments and Assessment Reports
Ascenti Health Limited	Carmac House, Camm Hall Estate, Fareham, PO16 8UZ 03225768	Delivery of Assessments and Assessment Reports	[REDACTED]	Delivery of Assessments and Assessment Reports

SCHEDULE 4.4

THIRD PARTY CONTRACTS

Third Party Contracts

1 The contracts listed in the table below constitute Third Party Contracts entered into exclusively for the purposes of delivering the Services.

2 The Supplier shall have the obligation to update this Schedule in accordance with Clause 15.5 (*Appointment of Sub-contractors*).

Third party supplier name and address (if not the same as the registered office)	Registered office and company number	Related product/Service description
Personal Functional Assessment Services Limited (part of IPRS Group Limited)	Speed Medical House, Matrix Park, Chorley, PR7 7NA 4431590	Delivery of Assessments and Assessment Reports
Ascenti Health Limited	Carnac House Carnac Court, Cams Hall Estate, Fareham, Hampshire, PO16 8UZ 03225768	Delivery of Assessments and Assessment Reports
Gaia Recruitment Limited 68 Hanbury Street London	3 Balmer Road, Bow, London, United Kingdom, E3 2EJ 12228300	Recruitment and on-boarding of Health Professionals
Medacs Healthcare Limited 9 Devonshire Square London EC2M 4HP	800 The Boulevard, Capability Green, Luton, LU1 3BA 2518546	Recruitment and on-boarding of Health Professionals
SJB Services (UK) Limited	6 New Bridge Street, London, EC4V 6AB 4818906	Recruitment and on-boarding of Health Professionals

SCHEDULE 6.1

IMPLEMENTATION RELATED PLANS

Implementation Related Plans

1 INTRODUCTION

1.1 In this Schedule, the following definitions shall apply:

"Business Readiness Criteria"	has the meaning given to it in Paragraph 1.3;
"Final Delivery Milestone"	means the completion of all Milestones in the Implementation Plan and satisfactorily meeting the Business Readiness Criteria;
"Final Delivery Milestone Achievement Certificate"	means the certificate to be granted by the Authority when the Supplier has Achieved the Final Delivery Milestone;
"Final Delivery Milestone Date"	means the date 15 Working Days prior to the Operational Service Commencement Date; and
"Sub Milestones"	means the sub milestones listed in the table at Paragraph 1.4 (as supplemented and/or superseded by any additional or alternative sub milestones set out in the Supplier's Implementation Plan) and Sub Milestone shall be construed accordingly.

1.2 This Schedule:

(a) sets out various plans that the Supplier is required to develop and deploy in relation to implementation of the Services; and

(b) identifies the Milestones (and associated Deliverables) that the Supplier is required to Achieve.

The Milestone Payments for implementation activities are as detailed in paragraph 5 of Schedule 7.1 (*Charges and Invoicing*).

1.3 The Implementation Plan shall be a plan covering the period between the Implementation Services Commencement Date and the Operational Service Commencement Date and is set out in Annex 1. It shall be prepared and maintained by the Supplier and shall set out the material actions required to be taken by the Supplier necessary to enable it to implement the Operational Services by the Operational Services Commencement Date and so as to meet the business readiness criteria, as agreed in accordance with Paragraph 5.2 (**"Business Readiness Criteria"**).

1.4 The table below shows the Milestones and Sub Milestones during the Implementation Period which the Supplier is required to deliver. The Sub Milestones and Deliverables listed were given to bidders for guidance and were not prescriptive or exhaustive. The Supplier was invited to include additional and/or alternative Sub Milestones and Deliverables it believed to be appropriate to support the merit and validity of their Outline Implementation Plan and the Achievement of the relevant Milestones. The Supplier shall complete all Sub Milestones and Milestones in accordance with any associated timescales set out in the Implementation Plan so as to Achieve the Final Delivery Milestone by the Final Delivery Milestone Date. The Supplier shall monitor progress against the Milestones and Sub Milestones and shall

keep the Authority informed accordingly on a regular basis as required by the Authority. The Supplier shall notify the Authority immediately of any actual or anticipated Delay to the delivery of any Sub Milestone or Milestone and the Supplier shall take any necessary mitigating actions (including those actions as may be reasonably required by the Authority) if any Sub Milestone or Milestone delivery is Delayed or anticipated to be Delayed.

Milestone	**Sub Milestone**	**Deliverables**
Completion of arrangements for transfer of in-scope staff under the Employment Regulations ("**TUPE**"), to the Supplier from the existing suppliers (to cover all tasks). Further information is contained in Schedule 9.1 (*Staff Transfer*)	Due diligence	Due diligence, employment terms and conditions and benefits comparisons
		Initial measures for commencement of consultation
		Confirmation build on HR Management Information Service systems (HRMIS) can be concluded by transfer
	Consultation	Grading approach
		Final measures letter agreed in consultation
	Pre transfer activity	Welcome letters confirming financials on a 1-2-1 basis and how their employee benefits will be replicated
		Security checks
		Build on HRMIS - reflecting measures
		Induction and on boarding plan
People/Staffing - training plans for new HPs training and guidance for HPs	Leadership/ Project management/ Transition team	Staff confirmed and appointed
	Recruitment and training plan	Detailed recruitment and training plans, including on boarding of appropriate partners
		Onboarding of appropriate partners
		Monthly recruitment – total number of HPs recruited/trained (by location)
		Monthly recruitment – total number of non-clinical staff (by location)

Milestone	Sub Milestone	Deliverables
		Monthly totals of transfer of TUPE staff (by location)
	HR	Policies and full compensation confirmed (including salary, pension, benefits)
	Payroll	System and processes in place
	Training delivery	Facilities secured, training delivered including train the trainers
	Headcount	100% of posts filled (broken out by front and back office)
Estate - arrangements for the novation of existing estates (where applicable) to the Supplier	Mobilisation	Monthly progress report against assessment centre readiness (adequate room size/equipment/access – aligned to relevant Authority Requirements)
	Due diligence	Monthly progress against adequate safety/security measures are in place at Assessment Centres
	Legal completion for novation	Monthly confirmation of novated lease agreements (dates/company name/sites/Assessment Centres/back office)
	On boarding of supply chain	Monthly conformation of supply chain partner (dates/company name/sites)
	New estate acquisition	Monthly confirmation of new lease agreements (dates/company names/sites/Assessment Centres and back office)
FAS provider IT systems arrangements to establish a train the trainer approach for future Supplier training delivery requirements by working with the Authority, existing Suppliers and the Suppliers of the new PIP IT and the Assessment Service Information Systems Information Technology (ASIS IT)	Provider IT implementation	Implementation plan including sub milestones
	IT hardware	IT hardware procured and setup (pre go live)

2 OUTLINE IMPLEMENTATION PLAN

2.1 The Outline Implementation Plan is set out in Annex 1.

2.2 All changes to the Outline Implementation Plan shall be subject to the Change Control Procedure provided that the Supplier shall not attempt to postpone any of the Milestones using the Change Control Procedure or otherwise (except in accordance with Clause 33 (*Authority Cause*)).

3 APPROVAL OF THE DETAILED IMPLEMENTATION PLAN

3.1 The Supplier shall submit a draft of the Detailed Implementation Plan to the Authority for approval within 20 Working Days of the Implementation Services Commencement Date.

3.2 The Supplier shall ensure that the draft Detailed Implementation Plan:

(a) incorporates all of the Milestones and Milestone Dates set out in the Outline Implementation Plan;

(b) includes (as a minimum) the Supplier's proposed timescales in respect of the following for each of the Milestones:

(i) the completion of all Deliverables included in the Outline Implementation Plan; and

(ii) training and roll-out activities;

(c) clearly outlines the Sub Milestones and all other steps required to implement the Milestones to be Achieved in the period covered by the Detailed Implementation Plan, together with a high-level plan for the rest of the programme, in conformity with the Authority Requirements;

(d) clearly outlines the required roles and responsibilities of both Parties, including staffing requirements and the details of the person nominated to be its transition manager ("**Transition Manager**") who shall be responsible for implementing the Detailed Implementation Plan and liaising with the Authority and Former Supplier, including attending service transfer progress meetings with them as requested to do so by the Authority;

(e) is consistent with the Former Supplier's exit plan and/or service transfer plan for transferring provision of the Services from the Former Supplier to the Supplier (provided that the Former Supplier's exit plan and/or service transfer plan (which may have been redacted to protect any of the Former Supplier's confidential or commercially-sensitive information) has been provided to the Supplier before the Supplier's submission of the draft Detailed Implementation Plan); and

(f) is produced using a software tool as specified or agreed by the Authority.

3.3 To ensure it satisfies Paragraph 3.2(e), the Supplier shall collaborate with the Former Supplier as necessary to draft the Detailed Implementation Plan.

3.4 Prior to the submission of the draft Detailed Implementation Plan to the Authority in accordance with Paragraph 3.1, the Authority shall have the right:

(a) to review any documentation produced by the Supplier in relation to the development of the Detailed Implementation Plan, including:

(i) details of the Supplier's intended approach to the Detailed Implementation Plan and its development;

(ii) copies of any drafts of the Detailed Implementation Plan produced by the Supplier; and

(iii) any other work in progress in relation to the Detailed Implementation Plan; and

(b) to require the Supplier to include any reasonable changes or provisions in the Detailed Implementation Plan.

3.5 Following receipt of the draft Detailed Implementation Plan from the Supplier, the Authority shall:

(a) review and comment on the draft Detailed Implementation Plan as soon as reasonably practicable; and

(b) notify the Supplier in writing that it approves or rejects the draft Detailed Implementation Plan no later than 20 Working Days after the date on which the draft Detailed Implementation Plan is first delivered to the Authority.

3.6 If the Authority rejects the draft Detailed Implementation Plan:

(a) the Authority shall inform the Supplier in writing of its reasons for its rejection; and

(b) the Supplier shall then revise the draft Detailed Implementation Plan (taking reasonable account of the Authority's comments) and shall re-submit a revised draft Detailed Implementation Plan to the Authority for the Authority's approval within 10 Working Days of the date of the Authority's notice of rejection. The provisions of Paragraph 3.5 and this Paragraph 3.6 shall apply again to any resubmitted draft Detailed Implementation Plan, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

3.7 If the Authority approves the draft Detailed Implementation Plan, it shall replace the Outline Implementation Plan from the date of the Authority’s notice of approval.

4 UPDATES TO AND MAINTENANCE OF THE DETAILED IMPLEMENTATION PLAN

4.1 Following the approval of the Detailed Implementation Plan by the Authority:

(a) the Supplier shall submit a revised Detailed Implementation Plan to the Authority every 3 months starting 3 months from the Implementation Services Commencement Date;

(b) without prejudice to Paragraph 4.1(a), the Authority shall be entitled to request a revised Detailed Implementation Plan at any time by giving written notice to the Supplier and the Supplier shall submit a draft revised Detailed Implementation Plan to the Authority within 20 Working Days of receiving such a request from the Authority (or such longer period as the Parties may agree provided that any failure to agree such longer period shall be referred to the Dispute Resolution Procedure);

(c) the Supplier shall notify the Authority of any delay to, or expected change to the Detailed Implementation Plan, within 10 Working Days of any delay or change where that is known during the Implementation Period. Where this occurs, the Supplier shall submit a revised Detailed Implementation Plan to the Authority within 10 Working Days following such notification confirming how the Supplier will still implement the Services by the Operational Services Commencement Date;

(d) any revised Detailed Implementation Plan shall (subject to Paragraph 4.2) be submitted by the Supplier for approval in accordance with the procedure set out in Paragraph 3; and

(e) the Supplier's performance against the Implementation Plan shall be monitored at meetings of the Governance Board (as defined in Schedule 8.1 (*Governance*)). In preparation for such meetings, the current Detailed Implementation Plan shall be provided by the Supplier to the Authority not less than 5 Working Days in advance of each meeting of the Contract Management Board.

4.2 Save for any amendments which are of a type identified and notified by the Authority (at the Authority's discretion) to the Supplier in writing as not requiring approval, any material amendments to the Detailed Implementation Plan shall be subject to the Change Control Procedure provided that:

(a) any amendments to elements of the Detailed Implementation Plan which are based on the contents of the Outline Implementation Plan shall be deemed to be material amendments; and

(b) in no circumstances shall the Supplier be entitled to alter or request an alteration to any Milestone Date except in accordance with Clause 33 (*Authority Cause*).

4.3 Any proposed amendments to the Detailed Implementation Plan shall not come into force until they have been approved in writing by the Authority.

5 BUSINESS READINESS

5.1 The Supplier shall ensure that all Sub Milestones are undertaken so as to Achieve the Final Delivery Milestone by the Final Delivery Milestone Date and so as to allow Services to commence on the Operational Service Commencement Date.

5.2 Within 30 Working Days of the Implementation Services Commencement Date, the Parties shall agree Business Readiness Criteria. The Business Readiness Criteria must, as a minimum, include:

(a) Completion of the TUPE transfer;

(b) the Management Team is in place;

(c) Recruitment Plans are in place, including for post Operational Service Commencement Date;

(d) Supplier provided estate (including novated estate) is in place; and

(e) the Supplier having in place its own IT systems, or partnering with a suitable organisation in order to manage its business, as further described in paragraph 47.2 of Schedule 2.1 (Services Description).

5.3 The dependencies identified by the Supplier and shown in Schedule 3 (*Authority Responsibilities*) shall be the only dependencies required to be met by the Authority prior to the Operational Service Commencement Date.

5.4 The Parties shall meet at such time reasonably requested by the Authority to agree whether the Final Delivery Milestone has been Achieved. The Supplier shall prepare reports for the Authority (in such format as the Authority may reasonably require) by the last Working Day of each month between the Implementation Services Commencement Date and the Operational Service Commencement Date and within 10 days of the Operational Service Commencement Date, to provide an assessment as to:

(a) the Supplier's progress in meeting its obligations under the Implementation Plan; and

(b) any risks identified in connection with the Implementation Plan.

6 FINAL DELIVERY MILESTONE ACHIEVEMENT CERTIFICATE

6.1 Once the Supplier considers it has met the Final Delivery Milestone, the Supplier will provide the relevant supporting evidence to the Authority proving the same. The Supplier will also promptly provide any further evidence requested by the Authority.

6.2 Upon receipt of the evidence described in Paragraph 6.1 and subject to the Authority's satisfaction that the Supplier has met the Final Delivery Milestone, including the Business Readiness Criteria, the Authority will issue the Final Delivery Milestone Achievement Certificate.

6.3 The grant of the Final Delivery Milestone Achievement Certificate entitles the Supplier to the receipt of the Balancing Payment in accordance with Paragraph 5.5 of Schedule 7.1 (*Charges and Invoicing*).

6.4 If the Authority considers that the Final Delivery Milestone has not been Achieved, the Authority:

(a) subject to Paragraph 6.6, may withhold issuance of the Final Delivery Milestone Achievement Certificate and payment of the remaining Implementation Plan Costs; and

(b) shall promptly issue a report to the Supplier setting out the reasons why the Final Delivery Milestone has not been Achieved.

6.5 Without prejudice to the Authority's other remedies, the Supplier's failure to meet the Final Delivery Milestone by the Final Delivery Milestone Date shall constitute a Notifiable Default for the purposes of Clause 28.1 (*Rectification Plan Process*) and the Supplier must follow the Rectification Plan Process set out in Clause 28 (*Rectification Plan Process*) accordingly, unless otherwise directed by the Authority.

6.6 If the Final Delivery Milestone is not Achieved by the Final Delivery Milestone Date, the Authority may at its discretion (without waiving any rights in relation to the other options) choose to issue the Final Delivery Milestone Achievement Certificate conditional on the remediation of the issues in relation to the Final Delivery Milestone in accordance with an agreed Rectification Plan provided that:

(a) any Rectification Plan shall be agreed before the issue of a conditional Final Delivery Milestone Achievement Certificate unless the Authority agrees otherwise (in which case the Supplier shall submit a Rectification

Plan for approval by the Authority within 10 Working Days of receipt of the Authority's report pursuant to Paragraph 6.4(b)); and

(b) where the Authority issues a conditional Final Delivery Milestone Achievement Certificate, it may (but shall not be obliged to) revise the failed Final Delivery Milestone Date.

7 GOVERNMENT REVIEWS

7.1 The Supplier acknowledges that the Services may be subject to Government review at key stages of the project. The Supplier shall cooperate with any bodies undertaking such review and shall allow for such reasonable assistance as may be required for this purpose within the Charges.

8 RESOURCE PLAN

8.1 The Resource Plan shall be a plan covering the period from one (1) month prior to the Operational Service Commencement Date to the end of the Term. It shall be prepared and maintained by the Supplier ("**Resource Plan**").

8.2 The Resource Plan as at the Effective Date is shown in Annex 2.

8.3 The Supplier shall ensure that the Resource Plan identifies appropriate numbers and categories of HPs necessary to carry out the agreed target number of assessments and such resources otherwise needed to provide the Services (including the recruitment and training of individuals).

8.4 The Supplier shall update the Resource Plan at least every month (and promptly deliver a copy to the Authority).

8.5 The Supplier shall ensure that the Resource Plan is implemented.

8.6 The Supplier shall prepare reports for the Authority (in such format as the Authority may reasonably require) by the last Working Day of each month to provide an assessment as to:

(a) the Supplier's progress in meeting its obligations under the Resource Plan; and

(b) any risks identified in connection with the Resource Plan.

9 RECRUITMENT AND TRAINING PLANS

9.1 The Supplier's recruitment plan shall set out the number of HPs that the Supplier requires and the location(s) into which the HPs will need to be placed ("**Recruitment Plan**").

9.2 The Recruitment Plan as at the Effective Date is shown in Annex 3.

9.3 The Supplier shall update the Recruitment Plan monthly during the Implementation Period and no less than quarterly following the Operational Service Commence Date (or any other period as agreed by the Authority) and provide details of its Recruitment Plan and delivery of that plan to the Authority on a monthly basis at regular performance meetings.

9.4 As an appendix to the Recruitment Plan, the Supplier shall provide an associated training plan detailing the Supplier's plans for training of HPs ("**Training Plan**"). The Training Plan shall be developed by the Supplier during the Implementation Period

and shall be agreed with the Authority prior to any training being implemented. For this reason, an initial draft Training Plan shall be provided to the Authority at least 4 weeks prior to the date any training detailed in the Training Plan is planned to commence. Once agreed by the Authority, the Training Plan shall be kept updated by the Supplier alongside the Recruitment Plan, as referred to at Paragraph 9.3.

10 VERIFICATION AND CHECKS

10.1 From time to time, during implementation, the Authority may request the Supplier to verify and/or conduct checks in respect of any Deliverable included in the Detailed Implementation Plan to confirm and evidence that such Deliverable has been delivered. The Supplier shall comply with any such requests in accordance with any timescales specified by the Authority in those requests.

11 INSTRUCTIONS, COMMENTS AND TEMPLATES

11.1 From time to time, the Authority may by written notice provide the Supplier with instructions, template formats and updates to previsions instructions / template formats relating to any Deliverables (including, without limitation, in relation to any plans the Supplier is required to develop and maintain in accordance with this Agreement). The Supplier shall comply with any such instructions and format requirements in accordance with any timescales specified by the Authority in the relevant notice.

ANNEX 1: OUTLINE IMPLEMENTATION PLAN

[REDACTED]

ANNEX 2: RESOURCE PLAN

[REDACTED]

ANNEX 3: RECRUITMENT PLAN

[REDACTED]