

DPS Schedule 6 (Order Form Template and Order Schedules)

Order Form

ORDER REFERENCE: **prj_4797** - Administration and Delivery of Benefit Services for Former British Coal Corporation Employees

THE BUYER: The Department for Energy Security & Net Zero (DESNEZ)

BUYER ADDRESS 3-8 Whitehall Place, London, SW1A 2EG

THE SUPPLIER: CAPITA BUSINESS SERVICES LTD

SUPPLIER ADDRESS: First Floor, 2 Kingdom Street,
Paddington,
London,
England,
W2 6BD

REGISTRATION NUMBER: 02299747

DUNS NUMBER: 500191747

DPS SUPPLIER REGISTRATION SERVICE ID: N/A

APPLICABLE DPS CONTRACT

This Order Form is for the provision of the Deliverables and dated 01/09/25.

It's issued under the DPS Contract with the reference number RM6322 for the provision of Administration and Delivery of Benefit Services for Former British Coal Corporation Employees.

DPS FILTER CATEGORY(IES):
Central Government / Full Programme Management / Entitlement Benefit
>£5,000,000

ORDER INCORPORATED TERMS

The following documents are incorporated into this Order Contract. Where numbers are missing we are not using those schedules. If the documents conflict, the following order of precedence applies:

1. This Order Form including the Order Special Terms and Order Special Schedules.
2. Joint Schedule 1(Definitions and Interpretation) RM6322
3. The following Schedules in equal order of precedence:
 - Joint Schedules for RM6322
 - Joint Schedule 2 (Variation Form)
 - Joint Schedule 3 (Insurance Requirements)
 - Joint Schedule 4 (Commercially Sensitive Information)
 - Joint Schedule 6 (Key Subcontractors)
 - Joint Schedule 10 (Rectification Plan)
 - Joint Schedule 11 (Processing Data)
 - Order Schedules for RM6322
 - Order Schedule 1 (Transparency Reports)
 - Order Schedule 2 (Staff Transfer)
 - Order Schedule 3 (Continuous Improvement)
 - Order Schedule 4 (Order Tender)
 - Order Schedule 15 Order Schedule 6 (ICT Services)
 - Order Schedule 7 (Key Supplier Staff)
 - Order Schedule 8 (Business Continuity and Disaster Recovery)
 - Order Schedule 9 (Security)
 - Order Schedule 10 (Exit Management)
 - Order Schedule 13 (Implementation Plan and Testing)
 - Order Schedule 14 (Service Levels)
 - Order Schedule 15 (Order Contract Management)
 - Order Schedule 20 (Order Specification)
 - Order Schedule 24 (Intellectual Property Rights)
4. CCS Core Terms (DPS version) v1.0
5. Joint Schedule 5 (Corporate Social Responsibility) RM6322

No other Supplier terms are part of the Order Contract. That includes any terms written on the back of, added to this Order Form, or presented at the time of delivery.

ORDER SPECIAL TERMS

None.

ORDER START DATE: 01/04/2026

ORDER EXPIRY DATE: 31/03/2031

ORDER INITIAL PERIOD: Initial 5 years, with an optional 3-year extension.

MAXIMUM CONTRACT VALUE: Initial 5 years - £6 million
Optional 3 year extension - £3 million

There is no commitment to spend to the maximum value of the contract.

DELIVERABLES

See details in Order Schedule 20 (Order Specification).

MAXIMUM LIABILITY

The limitation of liability for this Order Contract is stated in Clause 11.2 of the Core Terms.

The Estimated Year 1 Charges used to calculate liability in the first Contract Year is £[REDACTED]

ORDER CHARGES

See details in Order Schedule 5 (Pricing Details).

The Charges will not be impacted by any change to the DPS Pricing. The Charges can only be changed by agreement in writing between the Buyer and the Supplier because of:

- Indexation
- Specific Change in Law
- General Changes in Law will also be considered where the supplier can demonstrate an increase in costs as a result. These will need to be agreed and signed off by the department.

REIMBURSABLE EXPENSES

None

PAYMENT METHOD

[REDACTED]

BUYER'S INVOICE ADDRESS:

[REDACTED]
[REDACTED]

BUYER'S AUTHORISED REPRESENTATIVE

[REDACTED]

Head of Coal Liabilities Unit & Sponsorship Team

[REDACTED]

BUYER'S ENVIRONMENTAL POLICY

Available online at: <https://www.gov.uk/government/organisations/department-for-energy-security-and-net-zero>

BUYER'S SECURITY POLICY

Appended at Order Schedule 9.

SUPPLIER'S AUTHORISED REPRESENTATIVE

[REDACTED]

Fuel Contract Team Manager

[REDACTED]

[REDACTED]

SUPPLIER'S CONTRACT MANAGER

[REDACTED]

Head of Account Management

[REDACTED]

[REDACTED]

PROGRESS REPORT FREQUENCY

No later than 10 days into the reporting month.

PROGRESS MEETING FREQUENCY

No later than 10 days into the reporting quarter.

KEY STAFF

[REDACTED]

Head of Private Sector Pensions

[REDACTED]

[REDACTED]

Service Delivery Manager

[REDACTED]

[REDACTED]

Service Delivery Advisor

[REDACTED]

KEY SUBCONTRACTOR(S)

Name and address of Subcontractor	Registered address	Description of service provided	Duration of Subcontract (and thereby of Processing)
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		[REDACTED]	[REDACTED]
[REDACTED]		[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

There's a guarantee of the Supplier's performance provided for all Order Contracts entered under the DPS Contract.

SOCIAL VALUE COMMITMENT

The Supplier agrees, in providing the Deliverables and performing its obligations under the Order Contract, that it will comply with the social value commitments in Order Schedule 4 (Order Tender).

For and on behalf of the Supplier:		For and on behalf of the Buyer:	
Signature:	██████████	Signature:	██████████
Name:	██████████████	Name:	██████████████████
Role:	██████████ ██████████	Role:	██████████████████████
Date:	██████████	Date:	██████████

Joint Schedule 1 (Definitions)

- 1.1 In each Contract, unless the context otherwise requires, capitalised expressions shall have the meanings set out in this Joint Schedule 1 (Definitions) or the relevant Schedule in which that capitalised expression appears.
- 1.2 If a capitalised expression does not have an interpretation in this Schedule or any other Schedule, it shall, in the first instance, be interpreted in accordance with the common interpretation within the relevant market sector/industry where appropriate. Otherwise, it shall be interpreted in accordance with the dictionary meaning.
- 1.3 In each Contract, unless the context otherwise requires:
- 1.3.1 the singular includes the plural and vice versa;
 - 1.3.2 reference to a gender includes the other gender and the neuter;
 - 1.3.3 references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Central Government Body;
 - 1.3.4 a reference to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time;
 - 1.3.5 the words "**including**", "**other**", "**in particular**", "**for example**" and similar words shall not limit the generality of the preceding words and shall be construed as if they were immediately followed by the words "**without limitation**";
 - 1.3.6 references to "**writing**" include typing, printing, lithography, photography, display on a screen, electronic and facsimile transmission and other modes of representing or reproducing words in a visible form, and expressions referring to writing shall be construed accordingly;
 - 1.3.7 references to "**representations**" shall be construed as references to present facts, to "**warranties**" as references to present and future facts and to "**undertakings**" as references to obligations under the Contract;
 - 1.3.8 references to "**Clauses**" and "**Schedules**" are, unless otherwise provided, references to the clauses and schedules of the Core Terms and references in any Schedule to parts, paragraphs, annexes and tables are, unless otherwise provided, references to the parts, paragraphs, annexes and tables of the Schedule in which these references appear;
 - 1.3.9 references to "**Paragraphs**" are, unless otherwise provided, references to the paragraph of the appropriate Schedules unless otherwise ;
 - 1.3.10 references to a series of Clauses or Paragraphs shall be inclusive of the clause numbers specified;
 - 1.3.11 the headings in each Contract are for ease of reference only and shall not affect the interpretation or construction of a Contract;

1.3.12 in entering into a Contract the Relevant Authority is acting as part of the Crown; and

1.3.13 any reference in a Contract which immediately before Exit Day was a reference to (as it has effect from time to time):

- (a) any EU regulation, EU decision, EU tertiary legislation or provision of the 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
- (b) any EU institution or EU authority or other such EU body shall be read on and after Exit Day as a reference to the UK institution, authority or body to which its functions were transferred.

1.3.14 unless otherwise provided, references to "**Buyer**" shall be construed as including Exempt Buyers; and

1.3.15 unless otherwise provided, references to "**Order Contract**" and "**Contract**" shall be construed as including Exempt Order Contracts.

1.4 In each Contract, unless the context otherwise requires, the following words shall have the following meanings:

" Accounting Reference Date "	means in each year the date to which the Supplier prepares its annual audited financial statements;
" Achieve "	in respect of a Test, to successfully pass such Test without any Test Issues and in respect of a Milestone, the issue of a Satisfaction Certificate in respect of that Milestone and " Achieved ", " Achieving " and " Achievement " shall be construed accordingly;
" Additional Insurances "	insurance requirements relating to an Order Contract specified in the Order Form additional to those outlined in Joint Schedule 3 (Insurance Requirements);
" Admin Fee "	means the costs incurred by CCS in dealing with MI Failures calculated in accordance with the tariff of administration charges published by the CCS on: http://CCS.cabinetoffice.gov.uk/i-am-supplier/management-information/admin-fees ;
" Affected Party "	the Party seeking to claim relief in respect of a Force Majeure Event;
" Affiliates "	in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control of that body corporate from time to time;
" Annex "	extra information which supports a Schedule;

"Approval"	the prior written consent of the Buyer and "Approve" and "Approved" shall be construed accordingly;
"Audit"	<p>the Relevant Authority's right to:</p> <ul style="list-style-type: none"> a) verify the accuracy of the Charges and any other amounts payable by a Buyer under an Order Contract (including proposed or actual variations to them in accordance with the Contract); b) verify the costs of the Supplier (including the costs of all Subcontractors and any third party suppliers) in connection with the provision of the Services; c) verify the Open Book Data; d) verify the Supplier's and each Subcontractor's compliance with the Contract and applicable Law; e) identify or investigate actual or suspected breach of Clauses 27 to 33 and/or Joint Schedule 5 (Corporate Social Responsibility), impropriety or accounting mistakes or any breach or threatened breach of security and in these circumstances the Relevant Authority shall have no obligation to inform the Supplier of the purpose or objective of its investigations; f) identify or investigate any circumstances which may impact upon the financial stability of the Supplier, any Guarantor, and/or any Subcontractors or their ability to provide the Deliverables; g) obtain such information as is necessary to fulfil the Relevant Authority's obligations to supply information for parliamentary, ministerial, judicial or administrative purposes including the supply of information to the Comptroller and Auditor General; h) review any books of account and the internal contract management accounts kept by the Supplier in connection with each Contract; i) carry out the Relevant Authority's internal and statutory audits and to prepare, examine and/or certify the Relevant Authority's annual and interim reports and accounts; j) enable the National Audit Office to carry out an examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Relevant Authority has used its resources; or k) verify the accuracy and completeness of any Management Information delivered or required by the DPS Contract;
"Auditor"	<ul style="list-style-type: none"> a) the Relevant Authority's internal and external auditors; b) the Relevant 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;

	<p>e) any party formally appointed by the Relevant Authority to carry out audit or similar review functions; and</p> <p>f) successors or assigns of any of the above;</p>
"Authority"	CCS and each Buyer;
"Authority Cause"	any breach of the obligations of the Relevant Authority or any other default, act, omission, negligence or statement of the Relevant Authority, of its employees, servants, agents in connection with or in relation to the subject-matter of the Contract and in respect of which the Relevant Authority is liable to the Supplier;
"BACS"	the Bankers' Automated Clearing Services, which is a scheme for the electronic processing of financial transactions within the United Kingdom;
"Beneficiary"	a Party having (or claiming to have) the benefit of an indemnity under this Contract;
"Bronze Contract"	an Order Contract categorised as a Bronze contract using the Cabinet Office Contract Tiering Tool;
"Buyer"	the relevant public sector purchaser identified as such in the Order Form;
"Buyer Assets"	the Buyer's infrastructure, data, software, materials, assets, equipment or other property owned by and/or licensed or leased to the Buyer and which is or may be used in connection with the provision of the Deliverables which remain the property of the Buyer throughout the term of the Contract;
"Buyer Authorised Representative"	the representative appointed by the Buyer from time to time in relation to the Order Contract initially identified in the Order Form;
"Buyer Data"	<p>means 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, including any Buyer's or End User's Confidential Information, and which:</p> <p>(a) are supplied to the Supplier by or on behalf of the Buyer, or End User; or</p> <p>(b) the Supplier is required to generate, process, store or transmit pursuant to this Contract; or</p> <p>any Personal Data for which the Buyer or End User is the Controller;</p>
"Buyer Existing IPR"	means any and all IPR that are owned by or licensed to the Buyer, and where the Buyer is a Central Government Body, any Crown IPR, and which are or have been developed independently of the Contract (whether prior to the Start Date or otherwise);
"Buyer Premises"	premises owned, controlled or occupied by the Buyer which are made available for use by the Supplier or its Subcontractors for the provision of the Deliverables (or any of them);

"CCS"	the Minister for the Cabinet Office as represented by Crown Commercial Service, which is an executive agency and operates as a trading fund of the Cabinet Office, whose offices are located at 9th Floor, The Capital, Old Hall Street, Liverpool L3 9PP;
"CCS Authorised Representative"	the representative appointed by CCS from time to time in relation to the DPS Contract initially identified in the DPS Appointment Form and subsequently on the Platform;
"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: <ul style="list-style-type: none"> 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 in Law"	any change in Law which impacts on the supply of the Deliverables and performance of the Contract which comes into force after the Start Date;
"Change of Control"	a change of control within the meaning of Section 450 of the Corporation Tax Act 2010;
"Charges"	the prices (exclusive of any applicable VAT), payable to the Supplier by the Buyer under the Order Contract, as set out in the Order Form, for the full and proper performance by the Supplier of its obligations under the Order Contract less any Deductions;
"Claim"	any claim which it appears that a Beneficiary is, or may become, entitled to indemnification under this Contract;
"Commercially Sensitive Information"	the Confidential Information listed in the DPS Appointment Form or Order Form (if any) comprising of commercially sensitive information relating to the Supplier, its IPR or its business or 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 Deliverables to another Buyer of the Supplier that are the same or similar to the Deliverables;
"Compliance Officer"	the person(s) appointed by the Supplier who is responsible for ensuring that the Supplier complies with its legal obligations;
"Confidential Information"	means any information, however it is conveyed, that relates to the business, affairs, developments, trade secrets, Know-How, personnel and suppliers of CCS, the Buyer or the Supplier, including IPRs, together with information derived from the above, and any other information clearly designated as being confidential (whether or not it

	is marked as " confidential ") or which ought reasonably to be considered to be confidential;
" Conflict of Interest "	a conflict between the financial or personal duties of the Supplier or the Supplier Staff and the duties owed to CCS or any Buyer under a Contract, in the reasonable opinion of the Buyer or CCS;
" Contract "	either the DPS Contract or the Order Contract, as the context requires;
" Contract Period "	the term of either a DPS Contract or Order Contract on and from the earlier of the: a) applicable Start Date; or b) the Effective Date up to and including the applicable End Date;
" Contract Value "	the higher of the actual or expected total Charges paid or payable under a Contract where all obligations are met by the Supplier;
" Contract Year "	a consecutive period of twelve (12) Months commencing on the Start Date or each anniversary thereof;
" Control "	control in either of the senses defined in sections 450 and 1124 of the Corporation Tax Act 2010 and " Controlled " shall be construed accordingly;
" Controller "	has the meaning given to it in the UK GDPR;
" Consortia " / " Consortium "	This can refer to multiple suppliers working in collaboration on the same contract, also known in public sector documentation as 'Group of Economic Operators'. This will have one lead supplier who manages all the other suppliers within the group / consortia.
" Core Terms "	CCS' terms and conditions for common goods and services which govern how Suppliers must interact with CCS and Buyers under DPS Contracts and Order Contracts;
" Costs "	the following costs (without double recovery) to the extent that they are reasonably and properly incurred by the Supplier in providing the Deliverables: e) the cost to the Supplier or the Key Subcontractor (as the context requires), calculated per Work Day, of engaging the Supplier Staff, including: i) base salary paid to the Supplier Staff; ii) employer's National Insurance contributions; iii) pension contributions; iv) car allowances; v) any other contractual employment benefits; vi) staff training;

	<p>vii) work place accommodation;</p> <p>viii)work place IT equipment and tools reasonably necessary to provide the Deliverables (but not including items included within limb (b) below); and</p> <p>ix) reasonable recruitment costs, as agreed with the Buyer;</p> <p>f) costs incurred in respect of Supplier Assets which would be treated as capital costs according to generally accepted accounting principles within the UK, which shall include the cost to be charged in respect of Supplier Assets by the Supplier to the Buyer or (to the extent that risk and title in any Supplier Asset is not held by the Supplier) any cost actually incurred by the Supplier in respect of those Supplier Assets;</p> <p>g) operational costs which are not included within (a) or (b) above, to the extent that such costs are necessary and properly incurred by the Supplier in the provision of the Deliverables; and</p> <p>h) Reimbursable Expenses to the extent these have been specified as allowable in the Order Form and are incurred in delivering any Deliverables;</p> <p>but excluding:</p> <p>i) Overhead;</p> <p>j) financing or similar costs;</p> <p>k) maintenance and support costs to the extent that these relate to maintenance and/or support Deliverables provided beyond the Order Contract Period whether in relation to Supplier Assets or otherwise;</p> <p>l) taxation;</p> <p>m) fines and penalties;</p> <p>n) amounts payable under Order Schedule 16 (Benchmarking) where such Schedule is used; and</p> <p>o) non-cash items (including depreciation, amortisation, impairments and movements in provisions);</p>
"Crown Body"	the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Government and the National Assembly for Wales), including, but not limited to, government ministers and government departments and particular bodies, persons, commissions or agencies from time to time carrying out functions on its behalf;
"CRTPA"	the Contract Rights of Third Parties Act 1999;
"Data Protection Impact Assessment"	an assessment by the Controller of the impact of the envisaged Processing on the protection of Personal Data;

"Data Protection Legislation"	(i) the UK GDPR as amended from time to time; (ii) the DPA 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;
"Data Protection Liability Cap"	the amount specified in the DPS Appointment Form;
"Data Protection Officer"	has the meaning given to it in the UK GDPR;
"Data Subject"	has the meaning given to it in the UK GDPR;
"Data Subject Access Request"	a request made by, or on behalf of, a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation to access their Personal Data;
"Deductions"	all Service Credits, Delay Payments (if applicable), or any other deduction which the Buyer is paid or is payable to the Buyer under an Order Contract;
"Default"	any breach of the obligations of the Supplier (including abandonment of a Contract in breach of its terms) or any other default (including material default), act, omission, negligence or statement of the Supplier, of its Subcontractors or any Supplier Staff howsoever arising in connection with or in relation to the subject-matter of a Contract and in respect of which the Supplier is liable to the Relevant Authority;
"Default Management Levy"	has the meaning given to it in Paragraph 8.1.1 of DPS Schedule 5 (Management Levy and Information);
"Delay Payments"	the amounts (if any) payable by the Supplier to the Buyer in respect of a delay in respect of a Milestone as specified in the Implementation Plan;
"Deliverables"	Goods and/or Services that may be ordered under the Contract including the Documentation;
"Delivery"	delivery of the relevant Deliverable or Milestone in accordance with the terms of an Order Contract as confirmed and accepted by the Buyer by either (a) confirmation in writing to the Supplier; or (b) where Order Schedule 13 (Implementation Plan and Testing) is used issue by the Buyer of a Satisfaction Certificate. "Deliver" and "Delivered" shall be construed accordingly;
"Disaster"	the occurrence of one or more events which, either separately or cumulatively, mean that the Deliverables, or a material part thereof will be unavailable (or could reasonably be anticipated to be unavailable) for the period specified in the Order Form (for the purposes of this definition the "Disaster Period");

"Disclosing Party"	the Party directly or indirectly providing Confidential Information to the other Party in accordance with Clause 15 (What you must keep confidential);
"Dispute"	any claim, dispute or difference (whether contractual or non-contractual) arising out of or in connection with the Contract or in connection with the negotiation, existence, legal validity, enforceability or termination of the Contract, whether the alleged liability shall arise under English law or under the law of some other country and regardless of whether a particular cause of action may successfully be brought in the English courts;
"Dispute Resolution Procedure"	the dispute resolution procedure set out in Clause 34 (Resolving disputes);
"Documentation"	<p>descriptions of the Services and Service Levels, technical specifications, user manuals, training manuals, operating manuals, process definitions and procedures, system environment descriptions and all such other documentation (whether in hardcopy or electronic form) is required to be supplied by the Supplier to the Buyer under a Contract as:</p> <p>p) would reasonably be required by a competent third party capable of Good Industry Practice contracted by the Buyer to develop, configure, build, deploy, run, maintain, upgrade and test the individual systems that provide the Deliverables</p> <p>q) is required by the Supplier in order to provide the Deliverables; and/or</p> <p>r) has been or shall be generated for the purpose of providing the Deliverables;</p>
"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;
"DPA 2018"	the Data Protection Act 2018;
"DPS"	the dynamic purchasing system operated by CCS in accordance with Regulation 34 that this DPS Contract governs access to;
"DPS Application"	the application submitted by the Supplier to CCS and annexed to or referred to in DPS Schedule 2 (DPS Application);
"DPS Appointment Form"	the document outlining the DPS Incorporated Terms and crucial information required for the DPS Contract, to be executed by the Supplier and CCS and subsequently held on the Platform;
"DPS Contract"	the dynamic purchasing system access agreement established between CCS and the Supplier in accordance with Regulation 34

	by the DPS Appointment Form for the provision of the Deliverables to Buyers by the Supplier pursuant to the notice published on the Find a Tender Service;
"DPS Contract Period"	the period from the DPS Start Date until the End Date of the DPS Contract;
"DPS Expiry Date"	the date of the end of the DPS Contract as stated in the DPS Appointment Form;
"DPS Incorporated Terms"	the contractual terms applicable to the DPS Contract specified in the DPS Appointment Form;
"DPS Initial Period"	the initial term of the DPS Contract as specified in the DPS Appointment Form;
"DPS Optional Extension Period"	such period or periods beyond which the DPS Initial Period may be extended as specified in the DPS Appointment Form;
"DPS Pricing"	the maximum price(s) applicable to the provision of the Deliverables set out in DPS Schedule 3 (DPS Pricing);
"DPS Registration"	the registration process a Supplier undertakes when submitting its details onto the Platform;
"DPS SQ Submission"	the Supplier's selection questionnaire response;
"DPS Special Terms"	any additional terms and conditions specified in the DPS Appointment Form incorporated into the DPS Contract;
"DPS Start Date"	the date of start of the DPS Contract as stated in the DPS Appointment Form;
"Due Diligence Information"	any information supplied to the Supplier by or on behalf of the Authority prior to the Start Date;
"Effective Date"	the date on which the final Party has signed the Contract;
"EIR"	the Environmental Information Regulations 2004;
"Electronic Invoice"	an invoice which has been issued, transmitted and received in a structured electronic format which allows for its automatic and electronic processing and which complies with (a) the European standard and (b) any of the syntaxes published in Commission Implementing Decision (EU) 2017/1870;
"Employment Regulations"	the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended or replaced or any other Regulations implementing the European Council Directive 77/187/EEC;
"End Date"	the earlier of: s) the Expiry Date (as extended by any Extension Period exercised by the Relevant Authority under Clause 10.1.2); or t) if a Contract is terminated before the date specified in (a) above, the date of termination of the Contract;

"End User"	means a party that is accessing the Deliverables provided pursuant to this Contract (including the Buyer where it is accessing services on its own account as a user);
"Environmental Policy"	to conserve energy, water, wood, paper and other resources, reduce waste and phase out the use of ozone depleting substances and minimise the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment, including any written environmental policy of the Buyer;
"Equality and Human Rights Commission"	the UK Government body named as such as may be renamed or replaced by an equivalent body from time to time;
"Estimated Year 1 Contract Charges"	the anticipated total charges payable by the Supplier in the first Contract Year specified in the Order Form;
"Estimated Yearly Charges"	<p>means for the purposes of calculating each Party's annual liability under clause 11.2 :</p> <p>i) in the first Contract Year, the Estimated Year 1 Contract Charges; or</p> <p>ii) in any subsequent Contract Years, the Charges paid or payable in the previous Contract Year; or</p> <p>iii) after the end of the Contract, the Charges paid or payable in the last Contract Year during the Contract Period;</p>
"Exempt Buyer"	<p>a public sector purchaser that is:</p> <ul style="list-style-type: none"> a) eligible to use the DPS; and b) is entering into an Exempt Order Contract that is not subject to (as applicable) any of: <ul style="list-style-type: none"> i. the Regulations; ii. the Concession Contracts Regulations 2016 (SI 2016/273); iii. the Utilities Contracts Regulations 2016 (SI 2016/274); iv. the Defence and Security Public Contracts Regulations 2011 (SI 2011/1848); v. the Remedies Directive (2007/66/EC); vi. Directive 2014/23/EU of the European Parliament and Council; vii. Directive 2014/24/EU of the European Parliament and Council;

	<p>viii. Directive 2014/25/EU of the European Parliament and Council; or</p> <p>ix. Directive 2009/81/EC of the European Parliament and Council;</p>
"Exempt Order Contract"	the contract between the Exempt Buyer and the Supplier for Deliverables which consists of the terms set out and referred to in the Order Form incorporating and, where necessary, amending, refining or adding to the terms of the DPS Contract;
"Exempt Procurement Amendments"	any amendments, refinements or additions to any of the terms of the DPS Contract made through the Exempt Order Contract to reflect the specific needs of an Exempt Buyer to the extent permitted by and in accordance with any legal requirements applicable to that Exempt Buyer;
"Existing IPR"	any and all IPR that are owned by or licensed to either Party and which are or have been developed independently of the Contract (whether prior to the Start Date or otherwise);
"Exit Day"	shall have the meaning in the European Union (Withdrawal) Act 2018;
"Expiry Date"	the DPS Expiry Date or the Order Expiry Date (as the context dictates);
"Extension Period"	the DPS Optional Extension Period or the Order Optional Extension Period as the context dictates;
"Filter Categories"	the number of categories specified in DPS Schedule 1 (Specification), if applicable;
"Financial Reports"	<p>a report by the Supplier to the Buyer that:</p> <p>a) provides a true and fair reflection of the Costs and Supplier Profit Margin forecast by the Supplier;</p> <p>b) provides a true and fair reflection of the costs and expenses to be incurred by Key Subcontractors (as requested by the Buyer);</p> <p>c) is in the same software package (Microsoft Excel or Microsoft Word), layout and format as the blank templates which have been issued by the Buyer to the Supplier on or before the Start Date for the purposes of the Contract; and</p> <p>is certified by the Supplier's Chief Financial Officer or Director of Finance;</p>
"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 relevant Government department in relation to such legislation;

"Force Majeure Event"	<p>any event outside the reasonable control of either Party affecting its performance of its obligations under the Contract arising from acts, events, omissions, happenings or non-happenings beyond its reasonable control and which are not attributable to any wilful act, neglect or failure to take reasonable preventative action by that Party, including:</p> <ul style="list-style-type: none"> a) riots, civil commotion, war or armed conflict; b) acts of terrorism; c) acts of government, local government or regulatory bodies; d) fire, flood, storm or earthquake or other natural disaster, <p>but excluding any industrial dispute relating to the Supplier, the Supplier Staff or any other failure in the Supplier or the Subcontractor's supply chain;</p>
"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;
"GDPR"	the General Data Protection Regulation (Regulation (EU) 2016/679);
"General Anti-Abuse Rule"	<ul style="list-style-type: none"> e) the legislation in Part 5 of the Finance Act 2013; and f) 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 Tax or duties of any sort affecting the Supplier) or which affects or relates to a Comparable Supply;
"Gold Contract"	an Order Contract categorised as a Gold contract using the Cabinet Office Contract Tiering Tool;
"Goods"	goods made available by the Supplier as specified in DPS Schedule 1 (Specification) and in relation to an Order Contract as specified in the Order Form ;
"Good Industry Practice"	standards, practices, methods and procedures conforming to the Law and the exercise of the degree of skill and care, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person or body engaged within the relevant industry or business sector;
"Government"	the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Government and the National Assembly for Wales), including government ministers and government departments and other bodies, persons, commissions or agencies from time to time carrying out functions on its behalf;

"Government Data"	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, including any of the Authority's Confidential Information, and which: i) are supplied to the Supplier by or on behalf of the Authority; or ii) the Supplier is required to generate, process, store or transmit pursuant to a Contract;
"Government Functional Standard GovS 013: Counter Fraud"	the Standard that sets the expectations for the management of fraud, bribery and corruption risk in government organisations;
"Government Functional Standards GovS 015: Grants"	the Standard that all grant making bodies adhere to when developing grant schemes and programmes;
"Government Grants Information Service (GGIS)"	the portal that captures all information on grant awards across all departments;
"Government Procurement Card"	the Government's preferred method of purchasing and payment for low value goods or services https://www.gov.uk/government/publications/governmentprocurement-card--2 ;
"Group of Economic Operators"	This can refer to multiple suppliers working in collaboration on the same contract, also known as a consortium or consortia. This will have one lead supplier who manages all the other suppliers within the group / consortia.
"Guarantor"	the person (if any) who has entered into a guarantee in the form set out in Joint Schedule 8 (Guarantee) in relation to this Contract;
"HM Government" or "HMG"	His Majesty's Government;
"Halifax Abuse Principle"	the principle explained in the CJEU Case C-255/02 Halifax and others;
"HMRC"	His Majesty's Revenue and Customs;
"ICT Policy"	the Buyer's policy in respect of information and communications technology, referred to in the Order Form, which is in force as at the Order Start Date (a copy of which has been supplied to the Supplier), as updated from time to time in accordance with the Variation Procedure;
"Impact Assessment"	an assessment of the impact of a Variation request by the Relevant Authority completed in good faith, including:

	<p>g) details of the impact of the proposed Variation on the Deliverables and the Supplier's ability to meet its other obligations under the Contract;</p> <p>h) details of the cost of implementing the proposed Variation;</p> <p>i) details of the ongoing costs required by the proposed Variation when implemented, including any increase or decrease in the DPS Pricing/Charges (as applicable), any alteration in the resources and/or expenditure required by either Party and any alteration to the working practices of either Party;</p> <p>j) a timetable for the implementation, together with any proposals for the testing of the Variation; and</p> <p>k) such other information as the Relevant Authority may reasonably request in (or in response to) the Variation request;</p>
"Implementation Plan"	the plan for provision of the Deliverables set out in Order Schedule 13 (Implementation Plan and Testing) where that Schedule is used or otherwise as agreed between the Supplier and the Buyer;
"Indemnifier"	a Party from whom an indemnity is sought under this Contract;
"Independent Control"	where a Controller has provided Personal Data to another Party which is not a Processor or a 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 and "Independent Controller" shall be construed accordingly;
"Indexation"	the adjustment of an amount or sum in accordance with DPS Schedule 3 (DPS Pricing) and the relevant Order Form;
"Information"	has the meaning given under section 84 of the Freedom of Information Act 2000;
"Information Commissioner"	the UK's independent authority which deals with ensuring information relating to rights in the public interest and data privacy for individuals is met, whilst promoting openness by public bodies;
"Initial Period"	the initial term of a Contract specified on the Platform or the Order Form, as the context requires;
"Insolvency Event"	<p>with respect to any person, means:</p> <p>(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:</p> <p>(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</p> <p>(ii) (being a partnership) is deemed unable to pay its debts within the meaning of section 222 of the Insolvency Act 1986;</p> <p>(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</p>

	<p>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;</p> <p>(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;</p> <p>(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 14 days;</p> <p>(e) that person suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business;</p> <p>(f) where that person is a company, a LLP or a partnership:</p> <p>(i) a petition is presented (which is not dismissed within 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;</p> <p>(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;</p> <p>(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</p> <p>(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</p> <p>(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;</p>
"Installation Works"	all works which the Supplier is to carry out at the beginning of the Order Contract Period to install the Goods in accordance with the Order Contract;
"Intellectual Property Rights" or "IPR"	l) 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

	<p>or business names, goodwill, designs, Know-How, trade secrets and other rights in Confidential Information;</p> <p>m) 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</p> <p>n) all other rights having equivalent or similar effect in any country or jurisdiction;</p>
"Invoicing Address"	the address to which the Supplier shall invoice the Buyer as specified in the Order Form;
"IPR Claim"	any claim of infringement or alleged infringement (including the defence of such infringement or alleged infringement) of any IPR, used to provide the Deliverables or otherwise provided and/or licensed by the Supplier (or to which the Supplier has provided access) to the Relevant Authority in the fulfilment of its obligations under a Contract;
"IR35"	the off-payroll rules requiring individuals who work through their company pay the same income tax and National Insurance contributions as an employee which can be found online at: https://www.gov.uk/guidance/ir35-find-out-if-it-applies ;
"ISO"	International Organization for Standardization;
"Joint Controller Agreement"	the agreement (if any) entered into between the Relevant Authority and the Supplier substantially in the form set out in Annex 2 of Joint Schedule 11 (<i>Processing Data</i>);
"Joint Controllers"	where two or more Controllers jointly determine the purposes and means of Processing;
"Key Staff"	the individuals (if any) identified as such in the Order Form;
"Key Sub-Contract"	each Sub-Contract with a Key Subcontractor;
"Key Subcontractor"	<p>any Subcontractor:</p> <ul style="list-style-type: none"> o) which is relied upon to deliver any work package within the Deliverables in their entirety; and/or p) which, in the opinion of CCS or the Buyer performs (or would perform if appointed) a critical role in the provision of all or any part of the Deliverables; and/or q) 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 the Order Contract, <p>and the Supplier shall list all such Key Subcontractors on the Platform and in the Key Subcontractor Section in the Order Form;</p>

"Know-How"	all ideas, concepts, schemes, information, knowledge, techniques, methodology, and anything else in the nature of know-how relating to the Deliverables but excluding know-how already in the other Party's possession before the applicable Start Date;
"Law"	any law, 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 relevant Party is bound to comply;
"LED"	Law Enforcement Directive (Directive (EU) 2016/680);
"Losses"	all losses, liabilities, damages, costs, expenses (including legal fees), disbursements, costs of investigation, litigation, settlement, judgment, interest and penalties whether arising in contract, tort (including negligence), breach of statutory duty, misrepresentation or otherwise and "Loss" shall be interpreted accordingly;
"Management Information" or "MI"	the management information specified in DPS Schedule 5 (Management Levy and Information);
"Management Levy"	the sum specified on the Platform payable by the Supplier to CCS in accordance with DPS Schedule 5 (Management Levy and Information);
"Maximum Margin Percentage"	means the percentage a Supplier will apply on top of the total cost of provision of the Services to enable effective delivery, continuous improvement and, where applicable according to the status of the Suppliers, profit.
"MI Default"	means when two (2) MI Reports are not provided in any rolling six (6) month period
"MI Failure"	means when an MI report: <ul style="list-style-type: none"> r) contains any material errors or material omissions or a missing mandatory field; or s) is submitted using an incorrect MI reporting Template; or t) is not submitted by the reporting date (including where a declaration of no business should have been filed);
"MI Report"	means a report containing Management Information submitted to the Authority in accordance with DPS Schedule 5 (Management Levy and Information);
"MI Reporting Template"	means the form of report set out in the Annex to DPS Schedule 5 (Management Levy and Information) setting out the information the Supplier is required to supply to the Authority;

"Milestone"	an event or task described in the Implementation Plan;
"Milestone Date"	the target date set out against the relevant Milestone in the Implementation Plan by which the Milestone must be Achieved;
"Model Grant Funding Agreement"	the standard funding agreement that should be signed by successful applicants;
"Month"	a calendar month and "Monthly" shall be interpreted accordingly;
"National Insurance"	contributions required by the Social Security Contributions and Benefits Act 1992 and made in accordance with the Social Security (Contributions) Regulations 2001 (SI 2001/1004);
"New IPR"	<p>u) IPR in items created by the Supplier (or by a third party on behalf of the Supplier) specifically for the purposes of a Contract and updates and amendments of these items including (but not limited to) database schema; and/or</p> <p>v) IPR in or arising as a result of the performance of the Supplier's obligations under a Contract and all updates and amendments to the same;</p> <p>but shall not include the Supplier's Existing IPR;</p>
"New IPR Item"	means a deliverable, document, product or other item within which New IPR subsists;
"Occasion of Tax Non-Compliance"	<p>where:</p> <p>w) 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:</p> <ul style="list-style-type: none"> i) a Relevant Tax Authority successfully challenging the Supplier under the General Anti-Abuse Rule or the Halifax Abuse Principle or under any Tax rules or legislation in any jurisdiction that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle; ii) the failure of an avoidance scheme which the Supplier was involved in, and which was, or should have been, notified to a Relevant Tax Authority under the DOTAS or any equivalent or similar regime in any jurisdiction; and/or <p>x) any Tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 which gives rise, on or after 1 April 2013, to a criminal conviction in any jurisdiction for Tax related offences which is not spent at the Start Date or to a civil penalty for fraud or evasion;</p>
"Open Book Data"	complete and accurate financial and non-financial information which is sufficient to enable the Buyer to verify the Charges already paid or payable and Charges forecast to be paid during the remainder of the Order Contract, including details and all assumptions relating to:

	<p>y) the Supplier's Costs broken down against each Good and/or Service and/or Deliverable, including actual capital expenditure (including capital replacement costs) and the unit cost and total actual costs of all Deliverables;</p> <p>z) operating expenditure relating to the provision of the Deliverables including an analysis showing:</p> <ul style="list-style-type: none"> i) the unit costs and quantity of Goods and any other consumables and bought-in Deliverables; ii) staff costs broken down into the number and grade/role of all Supplier Staff (free of any contingency) together with a list of agreed rates against each grade; iii) a list of Costs underpinning those rates for each grade, being the agreed rate less the Supplier Profit Margin; and iv) Reimbursable Expenses, if allowed under the Order Form; <p>aa) Overheads;</p> <p>bb) all interest, expenses and any other third party financing costs incurred in relation to the provision of the Deliverables;</p> <p>cc) the Supplier Profit achieved over the DPS Contract Period and on an annual basis;</p> <p>dd) confirmation that all methods of Cost apportionment and Overhead allocation are consistent with and not more onerous than such methods applied generally by the Supplier;</p> <p>ee) an explanation of the type and value of risk and contingencies associated with the provision of the Deliverables, including the amount of money attributed to each risk and/or contingency; and</p> <p>ff) the actual Costs profile for each Service Period;</p>
"Open Licence"	<p>means any material that is published for use, with rights to access and modify, by any person for free, under a generally recognised open licence including Open Government Licence as set out at http://www.nationalarchives.gov.uk/doc/open-government-licence/version/3/ and the Open Standards Principles documented at https://www.gov.uk/government/publications/open-standards-principles/open-standards-principles;</p>
"Order"	<p>means an order for the provision of the Deliverables placed by a Buyer with the Supplier under a Contract;</p>
"Order Contract"	<p>the contract between the Buyer and the Supplier (entered into pursuant to the provisions of the DPS Contract), which consists of the terms set out and referred to in the Order Form;</p>
"Order Contract Period"	<p>the Contract Period in respect of the Order Contract;</p>
"Order Expiry Date"	<p>the date of the end of an Order Contract as stated in the Order Form;</p>

"Order Form"	a completed Order Form Template (or equivalent information issued by the Buyer) used to create an Order Contract;
"Order Form Template"	the template in DPS Schedule 6 (Order Form Template and Order Schedules);
"Order Incorporated Terms"	the contractual terms applicable to the Order Contract specified under the relevant heading in the Order Form;
"Order Initial Period"	the Initial Period of an Order Contract specified in the Order Form;
"Order Optional Extension Period"	such period or periods beyond which the Order Initial Period may be extended as specified in the Order Form;
"Order Procedure"	the process for awarding an Order Contract pursuant to Clause 2 (How the contract works) and DPS Schedule 7 (Order Procedure);
"Order Special Terms"	any additional terms and conditions specified in the Order Form incorporated into the applicable Order Contract;
"Order Start Date"	the date of start of an Order Contract as stated in the Order Form;
"Order Tender"	the tender submitted by the Supplier in response to the Buyer's Statement of Requirements following an Order Procedure and set out at Order Schedule 4 (Order Tender);
"Other Contracting Authority"	any actual or potential Buyer under the DPS Contract;
"Overhead"	those amounts which are intended to recover a proportion of the Supplier's or the Key Subcontractor's (as the context requires) indirect corporate costs (including financing, marketing, advertising, research and development and insurance costs and any fines or penalties) but excluding allowable indirect costs apportioned to facilities and administration in the provision of Supplier Staff and accordingly included within limb (a) of the definition of "Costs";
"Parliament"	takes its natural meaning as interpreted by Law;
"Party"	in the context of the DPS Contract, CCS or the Supplier, and in the in the context of an Order Contract the Buyer or the Supplier. "Parties" shall mean both of them where the context permits;
"Performance Indicators" or "PIs"	the performance measurements and targets in respect of the Supplier's performance of the DPS Contract set out in DPS Schedule 4 (DPS Management);
"Personal Data"	has the meaning given to it in the UK GDPR;
"Personal Data Breach"	has the meaning given to it in the UK GDPR;

"Personnel"	all directors, officers, employees, agents, consultants and suppliers of a Party and/or of any Subcontractor and/or Subprocessor engaged in the performance of its obligations under a Contract;
"Platform"	the online application operated on behalf of CCS to facilitate the technical operation of the DPS;
"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', 24 November 2016, 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 ;
"Processing"	has the meaning given to it in the UK GDPR;
"Processor"	has the meaning given to it in the UK GDPR;
"Processor Personnel"	all directors, officers, employees, agents, consultants and suppliers of the Processor and/or of any Subprocessor engaged in the performance of its obligations under a Contract;
"Progress Meeting"	a meeting between the Buyer Authorised Representative and the Supplier Authorised Representative;
"Progress Meeting Frequency"	the frequency at which the Supplier shall conduct a Progress Meeting in accordance with Clause 6.1 as specified in the Order Form;
"Progress Report"	a report provided by the Supplier indicating the steps taken to achieve Milestones or delivery dates;
"Progress Report Frequency"	the frequency at which the Supplier shall deliver Progress Reports in accordance with Clause 6.1 as specified in the Order Form;
"Prohibited Acts"	<p>gg) to directly or indirectly offer, promise or give any person working for or engaged by a Buyer or any other public body a financial or other advantage to:</p> <ul style="list-style-type: none"> 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; <p>hh) 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 each Contract; or</p> <p>ii) committing any offence:</p> <ul style="list-style-type: none"> i) under the Bribery Act 2010 (or any legislation repealed or revoked by such Act); or ii) under legislation or common law concerning fraudulent acts; or

	<p>iii) defrauding, attempting to defraud or conspiring to defraud a Buyer or other public body; or</p> <p>jj) 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;</p>
"Protective Measures"	appropriate technical and organisational measures 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 the such measures adopted by it including those outlined in DPS Schedule 9 (Cyber Essentials Scheme), if applicable, in the case of the DPS Contract or Order Schedule 9 (Security), if applicable, in the case of an Order Contract;
"Public Sector Body"	means a formally established organisation that is (at least in part) publicly funded to deliver a public or government service;
"Recall"	a request by the Supplier to return Goods to the Supplier or the manufacturer after the discovery of safety issues or defects (including defects in the right IPR rights) that might endanger health or hinder performance;
"Recipient Party"	the Party which receives or obtains directly or indirectly Confidential Information;
"Rectification Plan"	<p>the Supplier's plan (or revised plan) to rectify it's breach using the template in Joint Schedule 10 (Rectification Plan) which shall include:</p> <p>kk) full details of the Default that has occurred, including a root cause analysis;</p> <p>ll) the actual or anticipated effect of the Default; and</p> <p>mm) the steps which the Supplier proposes to take to rectify the Default (if applicable) and to prevent such Default from recurring, including timescales for such steps and for the rectification of the Default (where applicable);</p>
"Rectification Plan Process"	the process set out in Clause 10.3.1 to 10.3.4 (Rectification Plan Process);
"Regulations"	the Public Contracts Regulations 2015 and/or the Public Contracts (Scotland) Regulations 2015 (as the context requires);
"Reimbursable Expenses"	the reasonable out of pocket travel and subsistence (for example, hotel and food) expenses, properly and necessarily incurred in the performance of the Services, calculated at the rates and in accordance with the Buyer's expenses policy current from time to time, but not including:

	<p>nn) travel expenses incurred as a result of Supplier Staff travelling to and from their usual place of work, or to and from the premises at which the Services are principally to be performed, unless the Buyer otherwise agrees in advance in writing; and</p> <p>oo) subsistence expenses incurred by Supplier Staff whilst performing the Services at their usual place of work, or to and from the premises at which the Services are principally to be performed;</p>
"Relevant Authority"	the Authority which is party to the Contract to which a right or obligation is owed, as the context requires;
"Relevant Authority's Confidential Information"	<p>pp) all Personal Data and any information, however it is conveyed, that relates to the business, affairs, developments, property rights, trade secrets, Know-How and IPR of the Relevant Authority (including all Relevant Authority Existing IPR and New IPR);</p> <p>qq) any other information clearly designated as being confidential (whether or not it is marked "confidential") or which ought reasonably be considered confidential which comes (or has come) to the Relevant Authority's attention or into the Relevant Authority's possession in connection with a Contract; and</p> <p>information derived from any of the above;</p>
"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 pursuant to section 9 of the Bribery Act 2010;
"Relevant Tax Authority"	HMRC, or, if applicable, the tax authority in the jurisdiction in which the Supplier is established;
"Reminder Notice"	a notice sent in accordance with Clause 10.5 given by the Supplier to the Buyer providing notification that payment has not been received on time;
"Replacement Deliverables"	any deliverables which are substantially similar to any of the Deliverables and which the Buyer receives in substitution for any of the Deliverables following the Order Expiry Date, whether those goods are provided by the Buyer internally and/or by any third party;
"Replacement Subcontractor"	a Subcontractor of the Replacement Supplier to whom Transferring Supplier Employees will transfer on a Service Transfer Date (or any Subcontractor of any such Subcontractor);
"Replacement Supplier"	any third party provider of Replacement Deliverables appointed by or at the direction of the Buyer from time to time or where the Buyer is providing Replacement Deliverables for its own account, shall also include the Buyer;
"Request For Information"	a request for information or an apparent request relating to a Contract for the provision of the Deliverables or an apparent request for such information under the FOIA or the EIRs;

"Required Insurances"	the insurances required by Joint Schedule 3 (Insurance Requirements) or any additional insurances specified in the Order Form;
"RTI"	Real Time Information;
"Satisfaction Certificate"	the certificate (materially in the form of the document contained in Part B of Order Schedule 13 (Implementation Plan and Testing) or as agreed by the Parties where Order Schedule 13 is not used in this Contract) granted by the Buyer when the Supplier has met all of the requirements of an Order, Achieved a Milestone or a Test;
"Schedules"	any attachment to a DPS or Order Contract which contains important information specific to each aspect of buying and selling;
"Security Management Plan"	the Supplier's security management plan prepared pursuant to Order Schedule 9 (Security) (if applicable);
"Security Policy"	the Buyer's security policy, referred to in the Order Form, in force as at the Order Start Date (a copy of which has been supplied to the Supplier), as updated from time to time and notified to the Supplier;
"Self Audit Certificate"	means the certificate in the form as set out in DPS Schedule 8 (Self Audit Certificate);
"Serious Fraud Office"	the UK Government body named as such as may be renamed or replaced by an equivalent body from time to time;
"Service Levels"	any service levels applicable to the provision of the Deliverables under the Order Contract (which, where Order Schedule 14 (Service Levels) is used in this Contract, are specified in the Annex to Part A of such Schedule);
"Service Period"	has the meaning given to it in the Order Form;
"Services"	services made available by the Supplier as specified in DPS Schedule 1 (Specification) and in relation to an Order Contract as specified in the Order Form;
"Service Transfer"	any transfer of the Deliverables (or any part of the Deliverables), for whatever reason, from the Supplier or any Subcontractor to a Replacement Supplier or a Replacement Subcontractor;
"Service Transfer Date"	the date of a Service Transfer;
"Sites"	any premises (including the Buyer Premises, the Supplier's premises or third party premises) from, to or at which: rr) the Deliverables are (or are to be) provided; or ss) the Supplier manages, organises or otherwise directs the provision or the use of the Deliverables;
"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 enterprises;
"Special Terms"	any additional Clauses set out in the DPS Appointment Form or Order Form which shall form part of the respective Contract;
"Specific Change in Law"	a Change in Law that relates specifically to the business of the Buyer and which would not affect a Comparable Supply where the effect of that Specific Change in Law on the Deliverables is not reasonably foreseeable at the Start Date;
"Specification"	the specification set out in DPS Schedule 1 (Specification), as may, in relation to an Order Contract, be supplemented by the Order Form;
"Standards"	<p>any:</p> <p>tt) standards published by BSI British Standards, the National Standards Body of the United Kingdom, the International Organisation for Standardisation or other reputable or equivalent bodies (and their successor bodies) that a skilled and experienced operator in the same type of industry or business sector as the Supplier would reasonably and ordinarily be expected to comply with;</p> <p>uu) standards detailed in the specification in DPS Schedule 1 (Specification);</p> <p>vv) standards detailed by the Buyer in the Order Form or agreed between the Parties from time to time;</p> <p>ww) relevant Government codes of practice and guidance applicable from time to time;</p>
"Start Date"	in the case of the DPS Contract, the date specified on the DPS Appointment Form, and in the case of an Order Contract, the date specified in the Order Form;
"Statement of Requirements"	a statement issued by the Buyer detailing its requirements in respect of Deliverables issued in accordance with the Order Procedure;
"Storage Media"	the part of any device that is capable of storing and retrieving data;

"Sub-Contract"	any contract or agreement (or proposed contract or agreement), other than an Order Contract or the DPS Contract, pursuant to which a third party: xx) provides the Deliverables (or any part of them); yy) provides facilities or services necessary for the provision of the Deliverables (or any part of them); and/or zz) is responsible for the management, direction or control of the provision of the Deliverables (or any part of them);
"Subcontractor"	any person other than the Supplier, who is a party to a Sub-Contract and the servants or agents of that person;
"Subprocessor"	any third party appointed to process Personal Data on behalf of that Processor related to a Contract;
"Supplier"	the person, firm or company identified in the DPS Appointment Form;
"Supplier Assets"	all assets and rights used by the Supplier to provide the Deliverables in accordance with the Order Contract but excluding the Buyer Assets;
"Supplier Authorised Representative"	the representative appointed by the Supplier named in the DPS Appointment Form, or later defined in an Order Contract;
"Supplier's Confidential Information"	aaa) any information, however it is conveyed, that relates to the business, affairs, developments, IPR of the Supplier (including the Supplier Existing IPR) trade secrets, Know-How, and/or personnel of the Supplier; bbb) any other information clearly designated as being confidential (whether or not it is marked as "confidential") or which ought reasonably to be considered to be confidential and which comes (or has come) to the Supplier's attention or into the Supplier's possession in connection with a Contract; ccc) Information derived from any of (a) and (b) above;
"Supplier's Contract Manager"	the person identified in the Order Form appointed by the Supplier to oversee the operation of the Order Contract and any alternative person whom the Supplier intends to appoint to the role, provided that the Supplier informs the Buyer prior to the appointment;
"Supplier Equipment"	the Supplier's hardware, computer and telecoms devices, equipment, plant, materials and such other items supplied and used by the Supplier (but not hired, leased or loaned from the Buyer) in the performance of its obligations under this Order Contract;
"Supplier Existing IPR"	any and all IPR that are owned by or licensed to the Supplier and which are or have been developed independently of the Contract (whether prior to the Start Date or otherwise)

"Supplier Existing IPR Licence"	any and all IPR that are owned by or licensed to the Supplier and which are or have been developed independently of the Contract (whether prior to the Start Date or otherwise);
"Supplier Marketing Contact"	shall be the person identified in the DPS Appointment Form;
"Supplier Non-Performance"	where the Supplier has failed to: ddd) Achieve a Milestone by its Milestone Date; eee) provide the Goods and/or Services in accordance with the Service Levels ; and/or fff)comply with an obligation under a Contract;
"Supplier Profit"	in relation to a period, the difference between the total Charges (in nominal cash flow terms but excluding any Deductions and total Costs (in nominal cash flow terms) in respect of an Order Contract for the relevant period;
"Supplier Profit Margin"	in relation to a period or a Milestone (as the context requires), the Supplier Profit for the relevant period or in relation to the relevant Milestone divided by the total Charges over the same period or in relation to the relevant Milestone and expressed as a percentage;
"Supplier Staff"	all directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any Subcontractor engaged in the performance of the Supplier's obligations under a Contract;
"Supply Chain Information Report Template"	the document at Annex 1 of Joint Schedule 12 (Supply Chain Visibility);
"Supporting Documentation"	sufficient information in writing to enable the Buyer to reasonably assess whether the Charges, Reimbursable Expenses and other sums due from the Buyer under the Order Contract detailed in the information are properly payable;
"Tax"	ggg) all forms of taxation whether direct or indirect; hhh) national insurance contributions in the United Kingdom and similar contributions or obligations in any other jurisdiction; iii) all statutory, governmental, state, federal, provincial, local government or municipal charges, duties, imports, contributions, levies or liabilities (other than in return for goods or services supplied or performed or to be performed) and withholdings; and jjj) any penalty, fine, surcharge, interest, charges or costs relating to any of the above, in each case wherever chargeable and whether of the United Kingdom and any other jurisdiction;

"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 a Contract on a specified date and setting out the grounds for termination;
"Test Issue"	any variance or non-conformity of the Deliverables from their requirements as set out in an Order Contract;
"Test Plan"	a plan: kkk) for the Testing of the Deliverables; and lll) setting out other agreed criteria related to the achievement of Milestones;
"Tests "	any tests required to be carried out pursuant to an Order Contract as set out in the Test Plan or elsewhere in an Order Contract and "Tested" and "Testing" shall be construed accordingly;
"Third Party IPR"	Intellectual Property Rights owned by a third party which is or will be used by the Supplier for the purpose of providing the Deliverables;
"Third Party IPR Licence"	means a licence to the Third Party IPR as set out in Paragraph 1.5 of Schedule 24;
"Transferring Supplier Employees"	those employees of the Supplier and/or the Supplier's Subcontractors to whom the Employment Regulations will apply on the Service Transfer Date;
"Transparency Information"	the Transparency Reports and the content of a Contract, including any changes to this Contract agreed from time to time, except for – (i) any information which is exempt from disclosure in accordance with the provisions of the FOIA, which shall be determined by the Relevant Authority; and (ii) Commercially Sensitive Information;
"Transparency Reports"	the information relating to the Deliverables and performance of the Contracts which the Supplier is required to provide to the Buyer in accordance with the reporting requirements in Order Schedule 1 (Transparency Reports);
"TUPE"	Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended or replaced or any other regulations or UK legislation implementing the Acquired Rights Directive;
"United Kingdom"	the country that consists of England, Scotland, Wales, and Northern Ireland;
"UK GDPR"	the retained EU law version of the General Data Protection Regulation (Regulation (EU) 2016/679);
"Variation"	any change to a Contract;

"Variation Form"	the form set out in Joint Schedule 2 (Variation Form);
"Variation Procedure"	the procedure set out in Clause 24 (Changing the contract);
"VAT"	value added tax in accordance with the provisions of the Value Added Tax Act 1994;
"VCSE"	a non-governmental organisation that is value-driven and which principally reinvests its surpluses to further social, environmental or cultural objectives;
"Worker"	any one of the Supplier Staff which the Buyer, in its reasonable opinion, considers is an individual to which Procurement Policy Note 08/15 (Tax Arrangements of Public Appointees) (https://www.gov.uk/government/publications/procurement-policy-note-0815-tax-arrangements-of-appointees) applies in respect of the Deliverables;
"Working Day"	any day other than a Saturday or Sunday or public holiday in England and Wales unless specified otherwise by the Parties in the Order Form;
"Work Day"	7.5 Work Hours, whether or not such hours are worked consecutively and whether or not they are worked on the same day; and
"Work Hours"	the hours spent by the Supplier Staff properly working on the provision of the Deliverables including time spent travelling (other than to and from the Supplier's offices, or to and from the Sites) but excluding lunch breaks.

Joint Schedule 2 (Variation Form)

This form is to be used in order to change a contract in accordance with Clause 24 (Changing the Contract)

Contract Details	
This variation is between:	[delete] as applicable: CCS / Buyer] (" CCS " " the Buyer ") And [insert] name of Supplier] (" the Supplier ")
Contract name:	[insert] name of contract to be changed] (" the Contract ")
Contract reference number:	[insert] contract reference number]
Details of Proposed Variation	
Variation initiated by:	[delete] as applicable: CCS/Buyer/Supplier]
Variation number:	[insert] variation number]
Date variation is raised:	[insert] date]
Proposed variation	
Reason for the variation:	[insert] reason]
An Impact Assessment shall be provided within:	[insert] number] days
Impact of Variation	
Likely impact of the proposed variation:	[Supplier to insert] assessment of impact]
Outcome of Variation	
Contract variation:	This Contract detailed above is varied as follows: <ul style="list-style-type: none"> [CCS/Buyer to insert] original Clauses or Paragraphs to be varied and the changed clause]
Financial variation:	Original Contract Value: £ [insert] amount]
	Additional cost due to variation: £ [insert] amount]
	New Contract value: £ [insert] amount]

1. This Variation must be agreed and signed by both Parties to the Contract and shall only be effective from the date it is signed by **[delete]** as applicable: CCS / Buyer]
2. Words and expressions in this Variation shall have the meanings given to them in the Contract.
3. The Contract, including any previous Variations, shall remain effective and unaltered except as amended by this Variation.

Signed by an authorised signatory for and on behalf of the **[delete]** as applicable: CCS / Buyer]

Signature

Date

Name (in Capitals)

Address

Signed by an authorised signatory to sign for and on behalf of the Supplier

Signature

Date

Name (in Capitals)

Address

Joint Schedule 3 (Insurance Requirements)

1. The insurance you need to have

- 1.1 The Supplier shall take out and maintain, or procure the taking out and maintenance of the insurances as set out in the Annex to this Schedule, any additional insurances required under an Order Contract (specified in the applicable Order Form) ("**Additional Insurances**") 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:
 - 1.1.1 the DPS Start Date in respect of those Insurances set out in the Annex to this Schedule and those required by applicable Law; and
 - 1.1.2 the Order Contract Effective Date in respect of the Additional Insurances.
- 1.2 The Insurances shall be:
 - 1.2.1 maintained in accordance with Good Industry Practice;
 - 1.2.2 (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;
 - 1.2.3 taken out and maintained with insurers of good financial standing and good repute in the international insurance market; and
 - 1.2.4 maintained for at least six (6) years after the End Date.
- 1.3 The Supplier shall ensure that the public and products liability policy contain an indemnity to principals clause under which the Relevant Authority shall be indemnified in respect of claims made against the Relevant Authority in respect of death or bodily injury or third party property damage arising out of or in connection with the Deliverables and for which the Supplier is legally liable.

2. How to manage the insurance

- 2.1 Without limiting the other provisions of this Contract, the Supplier shall:
 - 2.1.1 take or procure the taking of all reasonable risk management and risk control measures in relation to Deliverables 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;
 - 2.1.2 promptly notify the insurers in writing of any relevant material fact under any Insurances of which the Supplier is or becomes aware; and
 - 2.1.3 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. What happens if you aren't insured

- 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 or maintain any of the Insurances in full force and effect, the Relevant Authority may elect (but shall not be obliged) following written notice to the Supplier to purchase the relevant Insurances and recover the reasonable premium and other reasonable costs incurred in connection therewith as a debt due from the Supplier.

4. Evidence of insurance you must provide

- 4.1 The Supplier shall upon the Start Date and within 15 Working Days after the renewal of each of the Insurances, provide evidence, in a form satisfactory to the Relevant Authority, that the Insurances are in force and effect and meet in full the requirements of this Schedule.

5. Making sure you are insured to the required amount

- 5.1 The Supplier shall ensure that any Insurances which are stated to have a minimum limit "in the aggregate" are maintained at all times for the minimum limit of indemnity specified in this Contract and if any claims are made which do not relate to this Contract then the Supplier shall notify the Relevant Authority and provide details of its proposed solution for maintaining the minimum limit of indemnity.

6. Cancelled Insurance

- 6.1 The Supplier shall notify the Relevant Authority in writing at least five (5) Working Days prior to the cancellation, suspension, termination or non-renewal of any of the Insurances.
- 6.2 The Supplier shall ensure that nothing is done which would entitle the relevant insurer to cancel, rescind or suspend any insurance or cover, or to treat any insurance, cover or claim as voided in whole or part. The Supplier shall use all reasonable endeavours to notify the Relevant Authority (subject to third party confidentiality obligations) as soon as practicable when it becomes aware of any relevant fact, circumstance or matter which has caused, or is reasonably likely to provide grounds to, the relevant insurer to give notice to cancel, rescind, suspend or void any insurance, or any cover or claim under any insurance in whole or in part.

7. Insurance claims

- 7.1 The Supplier shall promptly notify to insurers any matter arising from, or in relation to, the Deliverables, or each Contract for which it may be entitled to claim under any of the Insurances. In the event that the Relevant Authority receives a claim relating to or arising out of a Contract or the Deliverables, the Supplier shall co-operate with the Relevant Authority and assist it in

dealing with such claims including without limitation providing information and documentation in a timely manner.

- 7.2 Except where the Relevant Authority is the claimant party, the Supplier shall give the Relevant Authority notice within twenty (20) Working Days after any insurance claim in excess of 10% of the sum required to be insured pursuant to Paragraph 5.1 relating to or arising out of the provision of the Deliverables or this Contract 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 Relevant Authority) full details of the incident giving rise to the claim.
- 7.3 Where any Insurance requires payment of a premium, the Supplier shall be liable for and shall promptly pay such premium.
- 7.4 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 Relevant Authority any sum paid by way of excess or deductible under the Insurances whether under the terms of this Contract or otherwise. [OBJ]

ANNEX: REQUIRED INSURANCES

1. The Supplier shall hold the following [standard] insurance cover from the DPS Start Date in accordance with this Schedule:
 - 1.1 professional indemnity insurance [with cover (for a single event or a series of related events and in the aggregate) of not less than] one million pounds (£1,000,000);
 - 1.2 public liability insurance [with cover (for a single event or a series of related events and in the aggregate)] of not less than one million pounds (£1,000,000); and
 - 1.3 employers' liability insurance [with cover (for a single event or a series of related events and in the aggregate) of not less than] five million pounds (£5,000,000).

Joint Schedule 4 (Commercially Sensitive Information)

1. What is the Commercially Sensitive Information?

- 1.1 In this Schedule the Parties have sought to identify the Supplier's Confidential Information that is genuinely commercially sensitive and the disclosure of which would be the subject of an exemption under the FOIA and the EIRs.
- 1.2 Where possible, the Parties have sought to identify when any relevant Information will cease to fall into the category of Information to which this Schedule applies in the table below and in the Order Form (which shall be deemed incorporated into the table below).
- 1.3 Without prejudice to the Relevant Authority's obligation to disclose Information in accordance with FOIA or Clause 16 (When you can share information), the Relevant Authority will, in its sole discretion, acting reasonably, seek to apply the relevant exemption set out in the FOIA to the following Information:

No.	Date	Item(s)	Duration of Confidentiality
	12/08/25	Pricing breakdown, Tender response.	Lifetime of the contract.

Joint Schedule 6 (Key Subcontractors)

1. Restrictions on certain subcontractors

- 1.1 The Supplier is entitled to sub-contract its obligations under the DPS Contract to the Key Subcontractors identified on the Platform.
- 1.2 The Supplier is entitled to sub-contract its obligations under an Order Contract to Key Subcontractors listed on the Platform who are specifically nominated in the Order Form.
- 1.3 Where during the Contract Period the Supplier wishes to enter into a new Key Sub-contract or replace a Key Subcontractor, it must obtain the prior written consent of CCS and the Buyer and the Supplier shall, at the time of requesting such consent, provide CCS and the Buyer with the information detailed in Paragraph 1.4. The decision of CCS and the Buyer to consent or not will not be unreasonably withheld or delayed. Where CCS consents to the appointment of a new Key Subcontractor then they will be added to the Platform. Where the Buyer consents to the appointment of a new Key Subcontractor then they will be added to the Key Subcontractor section of the Order Form. CCS and the Buyer may reasonably withhold their consent to the appointment of a Key Subcontractor if it considers that:
 - 1.3.1 the appointment of a proposed Key Subcontractor may prejudice the provision of the Deliverables or may be contrary to its interests;
 - 1.3.2 the proposed Key Subcontractor is unreliable and/or has not provided reliable goods and or reasonable services to its other customers; and/or
 - 1.3.3 the proposed Key Subcontractor employs unfit persons.
- 1.4 The Supplier shall provide CCS and the Buyer with the following information in respect of the proposed Key Subcontractor:
 - 1.4.1 the proposed Key Subcontractor's name, registered office and company registration number;
 - 1.4.2 the scope/description of any Deliverables to be provided by the proposed Key Subcontractor;
 - 1.4.3 where the proposed Key Subcontractor is an Affiliate of the Supplier, evidence that demonstrates to the reasonable satisfaction of the CCS and the Buyer that the proposed Key Sub-Contract has been agreed on "arm's-length" terms;
 - 1.4.4 for CCS, the Key Sub-Contract price expressed as a percentage of the total projected DPS Price over the DPS Contract Period;
 - 1.4.5 for the Buyer, the Key Sub-Contract price expressed as a percentage of the total projected Charges over the Order Contract Period; and
 - 1.4.6 (where applicable) Credit Rating Threshold (as defined in Joint Schedule 7 (Financial Distress)) of the Key Subcontractor.

- 1.5 If requested by CCS and/or the Buyer, within ten (10) Working Days of receipt of the information provided by the Supplier pursuant to Paragraph 1.4, the Supplier shall also provide:
 - 1.5.1 a copy of the proposed Key Sub-Contract; and
 - 1.5.2 any further information reasonably requested by CCS and/or the Buyer.
- 1.6 The Supplier shall ensure that each new or replacement Key Sub-Contract shall include:
 - 1.6.1 provisions which will enable the Supplier to discharge its obligations under the Contracts;
 - 1.6.2 a right under CRTPA for CCS and the Buyer to enforce any provisions under the Key Sub-Contract which confer a benefit upon CCS and the Buyer respectively;
 - 1.6.3 a provision enabling CCS and the Buyer to enforce the Key Sub-Contract as if it were the Supplier;
 - 1.6.4 a provision enabling the Supplier to assign, novate or otherwise transfer any of its rights and/or obligations under the Key Sub-Contract to CCS and/or the Buyer;
 - 1.6.5 obligations no less onerous on the Key Subcontractor than those imposed on the Supplier under the DPS Contract in respect of:
 - (a) the data protection requirements set out in Clause 14 (Data protection);
 - (b) the FOIA and other access request requirements set out in Clause 16 (When you can share information);
 - (c) the obligation not to embarrass CCS or the Buyer or otherwise bring CCS or the Buyer into disrepute;
 - (d) the keeping of records in respect of the goods and/or services being provided under the Key Sub-Contract, including the maintenance of Open Book Data; and
 - (e) the conduct of audits set out in Clause 6 (Record keeping and reporting);
 - 1.6.6 provisions enabling the Supplier to terminate the Key Sub-Contract on notice on terms no more onerous on the Supplier than those imposed on CCS and the Buyer under Clauses 10.4 (When CCS or the Buyer can end this contract) and 10.5 (What happens if the contract ends) of this Contract; and
 - 1.6.7 a provision restricting the ability of the Key Subcontractor to sub-contract all or any part of the provision of the Deliverables provided to the Supplier under the Key Sub-Contract without first seeking the written consent of CCS and the Buyer.

Joint Schedule 10 (Rectification Plan)

Request for [Revised] Rectification Plan			
Details of the Default:	[Guidance: Explain the Default, with clear schedule and clause references as appropriate]		
Deadline for receiving the [Revised] Rectification Plan:	[add date (minimum 10 days from request)]		
Signed by [CCS/Buyer] :		Date:	
Supplier [Revised] Rectification Plan			
Cause of the Default	[add cause]		
Anticipated impact assessment:	[add impact]		
Actual effect of Default:	[add effect]		
Steps to be taken to rectification:	Steps	Timescale	
	1.	[date]	
	2.	[date]	
	3.	[date]	
	4.	[date]	
	[...]	[date]	
Timescale for complete Rectification of Default	[X] Working Days		
Steps taken to prevent recurrence of Default	Steps	Timescale	
	1.	[date]	
	2.	[date]	
	3.	[date]	
	4.	[date]	
	[...]	[date]	
Signed by the Supplier:		Date:	
Review of Rectification Plan [CCS/Buyer]			
Outcome of review	[Plan Accepted] [Plan Rejected] [Revised Plan Requested]		
Reasons for Rejection (if applicable)	[add reasons]		

Signed by [CCS/Buyer]		Date:	
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Joint Schedule 11 (Processing Data)

Definitions

1. In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

“Processor Personnel” all directors, officers, employees, agents, consultants and suppliers of the Processor and/or of any Subprocessor engaged in the performance of its obligations under a Contract;

Status of the Controller

2. 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 a Contract dictates the status of each party under the DPA 2018. A Party may act as:

- (a) “Controller” in respect of the other Party who is “Processor”;
- (b) “Processor” in respect of the other Party who is “Controller”;
- (c) “Joint Controller” with the other Party;
- (d) “Independent Controller” of the Personal Data where the other Party is also “Controller”,

in respect of certain Personal Data under a Contract and shall specify in Annex 1 (*Processing Personal Data*) which scenario they think shall apply in each situation.

Where one Party is Controller and the other Party its Processor

3. Where a Party is a Processor, the only Processing that it is authorised to do is listed in Annex 1 (*Processing Personal Data*) by the Controller.
4. The Processor shall notify the Controller immediately if it considers that any of the Controller’s instructions infringe the Data Protection Legislation.
5. 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 and the purpose of the Processing;
 - (b) an assessment of the necessity and proportionality of the Processing in relation to the Deliverables;

- (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.
6. The Processor shall, in relation to any Personal Data Processed in connection with its obligations under the Contract:
- (a) Process that Personal Data only in accordance with Annex 1 (*Processing Personal Data*), unless the Processor is required to do otherwise by Law. If it is so required the Processor shall notify the Controller 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 14.3 of the Core Terms, 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 Personal Data Breach;
 - (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 the Contract (and in particular Annex 1 (*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 Joint Schedule 11, Clauses 14 (*Data protection*), 15 (*What you must keep confidential*) and 16 (*When you can share information*);
 - (B) are subject to appropriate confidentiality undertakings with the Processor or any Subprocessor;
 - (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 the Contract; and
 - (D) have undergone adequate training in the use, care, protection and handling of Personal Data;
 - (d) not transfer Personal Data outside of the UK or EU unless the prior written consent of the Controller has been obtained and the following conditions are fulfilled:

- (i) the Controller or the Processor has provided appropriate safeguards in relation to the transfer (whether in accordance with UK GDPR Article 46 or LED Article 37) as determined by the Controller;
 - (ii) the Data Subject has enforceable rights and effective legal remedies;
 - (iii) 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
 - (iv) 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 Contract unless the Processor is required by Law to retain the Personal Data.
7. Subject to paragraph 7 of this Joint Schedule 11, the Processor shall notify the Controller immediately if in relation to it Processing Personal Data under or in connection with the Contract it:
- (a) receives a Data Subject Access Request (or purported Data Subject Access Request);
 - (b) receives a request to rectify, block or erase any Personal Data;
 - (c) receives any other request, 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 the Contract;
 - (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 Personal Data Breach.
8. The Processor's obligation to notify under paragraph 6 of this Joint Schedule 11 shall include the provision of further information to the Controller, as details become available.
9. Taking into account the nature of the Processing, the Processor shall provide the Controller with assistance in relation to either Party's obligations under Data Protection Legislation and any complaint, communication or request made under paragraph 6 of this Joint Schedule 11 (and insofar as possible within the timescales reasonably required by the Controller) including by immediately 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 Access 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 Personal Data Breach; and/or
 - (e) assistance as requested by the Controller with respect to any request from the Information Commissioner's Office, or any consultation by the Controller with the Information Commissioner's Office.
10. The Processor shall maintain complete and accurate records and information to demonstrate its compliance with this Joint Schedule 11. 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.
11. The Processor shall allow for audits of its Data Processing activity by the Controller or the Controller's designated auditor.
12. The Parties shall designate a Data Protection Officer if required by the Data Protection Legislation.
13. Before allowing any Subprocessor to Process any Personal Data related to the Contract, the Processor must:
- (a) notify the Controller in writing of the intended Subprocessor and Processing;
 - (b) obtain the written consent of the Controller;
 - (c) enter into a written agreement with the Subprocessor which give effect to the terms set out in this Joint Schedule 11 such that they apply to the Subprocessor; and
 - (d) provide the Controller with such information regarding the Subprocessor as the Controller may reasonably require.
14. The Processor shall remain fully liable for all acts or omissions of any of its Subprocessors.
15. The Relevant Authority may, at any time on not less than thirty (30) Working Days' notice, revise this Joint Schedule 11 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 the Contract).

16. The Parties agree to take account of any guidance issued by the Information Commissioner's Office. The Relevant Authority may on not less than thirty (30) Working Days' notice to the Supplier amend the Contract to ensure that it complies with any guidance issued by the Information Commissioner's Office.

Where the Parties are Joint Controllers of Personal Data

17. In the event that the Parties are Joint Controllers in respect of Personal Data under the Contract, the Parties shall implement paragraphs that are necessary to comply with UK GDPR Article 26 based on the terms set out in Annex 2 to this Joint Schedule 11.

Independent Controllers of Personal Data

18. 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.
19. 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.
20. Where a Party has provided Personal Data to the other Party in accordance with paragraph 8 of this Joint Schedule 11 above, 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.
21. The Parties shall be responsible for their own compliance with Articles 13 and 14 UK GDPR in respect of the Processing of Personal Data for the purposes of the Contract.
22. The Parties shall only provide Personal Data to each other:
 - (a) to the extent necessary to perform their respective obligations under the Contract;
 - (b) in compliance with the Data Protection Legislation (including by ensuring all required data privacy information has been given to affected Data Subjects to meet the requirements of Articles 13 and 14 of the UK GDPR); and
 - (c) where it has recorded in Annex 1 (*Processing Personal Data*).
23. 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. A Party Processing Personal Data for the purposes of the Contract shall maintain a record of its Processing activities in accordance with Article 30 UK GDPR and shall make the record available to the other Party upon reasonable request.
25. 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 the Contract (**“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 that 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.
26. Each Party shall promptly notify the other Party upon it becoming aware of any Personal Data Breach relating to Personal Data provided by the other Party pursuant to the Contract and shall:
 - (a) do all such things as reasonably necessary to assist the other Party in mitigating the effects of the Personal 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 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.
- 27. Personal Data provided by one Party to the other Party may be used exclusively to exercise rights and obligations under the Contract as specified in Annex 1 (*Processing Personal Data*).

Personal Data shall not be retained or processed for longer than is necessary to perform each Party's respective obligations under the Contract which is specified in Annex 1 (*Processing Personal Data*).

- 28. Notwithstanding the general application of paragraphs 2 to 16 of this Joint Schedule 11 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 paragraphs 18 to 27 of this Joint Schedule 11.

Annex 1 - Processing Personal Data

This Annex shall be completed by the Controller, who may take account of the view of the Processors; however the final decision as to the content of this Annex shall be with the Relevant Authority at its absolute discretion.

- 1.1 The contact details of the Relevant Authority's Data Protection Officer are:
[REDACTED]
- 1.2 The contact details of the Supplier's Data Protection Officer are: [REDACTED]
- 1.3 The Processor shall comply with any further written instructions with respect to Processing by the Controller.
- 1.4 Any such further instructions shall be incorporated into this Annex.

Description	Details
Identity of Controller for each Category of Personal Data	<p>The Relevant Authority is Controller and the Supplier is Processor</p> <p>The Parties acknowledge that in accordance with paragraph 2 to paragraph 15 and for the purposes of the Data Protection Legislation, the Relevant Authority is the Controller and the Supplier is the Processor of the following Personal Data:</p> <ul style="list-style-type: none">• Business contact details of Buyer Personnel for which the Supplier is the processor. <p>The Parties are Independent Controllers of Personal Data</p> <p><i>The Parties acknowledge that they are Independent Controllers for the purposes of the Data Protection Legislation in respect of:</i></p> <ul style="list-style-type: none">• <i>Business contact details of Supplier Personnel for which the Supplier is the Controller,</i>• <i>Business contact details of any directors, officers, employees, agents, consultants and contractors of Relevant Authority (excluding the Supplier Personnel) engaged in the performance of the Relevant Authority's duties under the Contract) for which the Relevant Authority is the Controller,</i>
Duration of the Processing	Processing will take place from 1 st April 2026 for the duration of the Contract. The Contract will end on 31 st March 2031 but may be extended until 31 st March 2034.
Nature and purposes of the Processing	The nature of the processing will include collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction of data.

UNLESS requirement under Union or Member State law to preserve that type of data	<p>Contractor will certify to the Authority that it has completed such deletion.</p> <p>Where Personal Data is contained within the Contract documentation, this will be retained in line with the Department's privacy notice found within the Invitation to Tender.</p>
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Annex 2 - Joint Controller Agreement

1. Joint Controller Status and Allocation of Responsibilities

1.1 With respect to Personal Data under Joint Control of the Parties, the Parties envisage that they shall each be a Data Controller in respect of that Personal Data in accordance with the terms of this Annex 2 (Joint Controller Agreement) in replacement of paragraphs 2-15 of Joint Schedule 11 (Where one Party is Controller and the other Party is Processor) and paragraphs 7-27 of Joint Schedule 11 (Independent Controllers of Personal Data). Accordingly, the Parties each undertake to comply with the applicable Data Protection Legislation in respect of their Processing of such Personal Data as Data Controllers.

1.2 The Parties agree that the Supplier:

- (a) is the exclusive point of contact for Data Subjects and is responsible for all steps necessary to comply with the UK GDPR regarding the exercise by Data Subjects of their rights under the UK GDPR;
- (b) shall direct Data Subjects to its Data Protection Officer or suitable alternative in connection with the exercise of their rights as Data Subjects and for any enquiries concerning their Personal Data or privacy;
- (c) is solely responsible for the Parties' compliance with all duties to provide information to Data Subjects under Articles 13 and 14 of the UK GDPR;
- (d) is responsible for obtaining the informed consent of Data Subjects, in accordance with the UK GDPR, for Processing in connection with the Deliverables where consent is the relevant legal basis for that Processing; and
- (e) shall make available to Data Subjects the essence of this Annex (and notify them of any changes to it) concerning the allocation of responsibilities as Joint Controller and its role as exclusive point of contact, the Parties having used their best endeavours to agree the terms of that essence. This must be outlined in the [Supplier's/Relevant Authority's] privacy policy (which must be readily available by hyperlink or otherwise on all of its public facing services and marketing).

1.3 Notwithstanding the terms of clause 1.2, the Parties acknowledge that a Data Subject has the right to exercise their legal rights under the Data Protection Legislation as against the relevant Party as Controller.

2. Undertakings of both Parties

2.1 The Supplier and the Relevant Authority each undertake that they shall:

- (a) report to the other Party every 6 months on:
 - (i) the volume of Data Subject Access Request (or purported Data Subject Access Requests) from Data Subjects (or third parties on their behalf);

- (ii) the volume of requests from Data Subjects (or third parties on their behalf) to rectify, block or erase any Personal Data;
- (iii) any other requests, complaints or communications from Data Subjects (or third parties on their behalf) relating to the other Party's obligations under applicable Data Protection Legislation;
- (iv) any communications from the Information Commissioner or any other regulatory authority in connection with Personal Data; and
- (v) any requests from any third party for disclosure of Personal Data where compliance with such request is required or purported to be required by Law,

that it has received in relation to the subject matter of the Contract during that period;

- (b) notify each other immediately if it receives any request, complaint or communication made as referred to in Clauses 2.1(a)(i) to (v);
- (c) provide the other Party with full cooperation and assistance in relation to any request, complaint or communication made as referred to in Clauses 2.1(a)(iii) to (v) to enable the other Party to comply with the relevant timescales set out in the Data Protection Legislation;
- (d) not disclose or transfer the Personal Data to any third party unless necessary for the provision of the Deliverables and, for any disclosure or transfer of Personal Data to any third party, (save where such disclosure or transfer is specifically authorised under the Contract or is required by Law) ensure consent has been obtained from the Data Subject prior to disclosing or transferring the Personal Data to the third party. For the avoidance of doubt, the third party to which Personal Data is transferred must be subject to equivalent obligations which are no less onerous than those set out in this Annex;
- (e) request from the Data Subject only the minimum information necessary to provide the Deliverables and treat such extracted information as Confidential Information;
- (f) ensure that at all times it has in place appropriate Protective Measures to guard against unauthorised or unlawful Processing of the Personal Data and/or accidental loss, destruction or damage to the Personal Data and unauthorised or unlawful disclosure of or access to the Personal Data;
- (g) take all reasonable steps to ensure the reliability and integrity of any of its Personnel who have access to the Personal Data and ensure that its Personnel:

- (i) are aware of and comply with their duties under this Annex 2 (Joint Controller Agreement) and those in respect of Confidential Information;
 - (ii) are informed of the confidential nature of the Personal Data, are subject to appropriate obligations of confidentiality and do not publish, disclose or divulge any of the Personal Data to any third party where the that Party would not be permitted to do so; and
 - (iii) have undergone adequate training in the use, care, protection and handling of personal data as required by the applicable Data Protection Legislation;
 - (h) ensure that it has in place Protective Measures as appropriate to protect against a Personal Data Breach having taken account of the:
 - (i) nature of the data to be protected;
 - (ii) harm that might result from a Personal Data Breach;
 - (iii) state of technological development; and
 - (iv) cost of implementing any measures;
 - (i) ensure that it has the capability (whether technological or otherwise), to the extent required by Data Protection Legislation, to provide or correct or delete at the request of a Data Subject all the Personal Data relating to that Data Subject that it holds; and
 - (j) ensure that it notifies the other Party as soon as it becomes aware of a Personal Data Breach.
- 2.2 Each Joint Controller shall use its reasonable endeavors to assist the other Controller to comply with any obligations under applicable Data Protection Legislation and shall not perform its obligations under this Annex in such a way as to cause the other Joint Controller to breach any of its obligations under applicable Data Protection Legislation to the extent it is aware, or ought reasonably to have been aware, that the same would be a breach of such obligations.
- 3. Data Protection Breach**
- 3.1 Without prejudice to clause 3.2, each Party shall notify the other Party promptly and without undue delay, and in any event within 48 hours, upon becoming aware of any Personal Data Breach or circumstances that are likely to give rise to a Personal Data Breach, providing the other Party and its advisors with:
- (a) sufficient information and in a timescale which allows the other Party to meet any obligations to report a Personal Data Breach under the Data Protection Legislation; and

- (b) all reasonable assistance, including:
 - (i) co-operation with the other Party and the Information Commissioner investigating the Personal Data Breach and its cause, containing and recovering the compromised Personal Data and compliance with the applicable guidance;
 - (ii) co-operation with the other Party including taking such reasonable steps as are directed by the other Party to assist in the investigation, mitigation and remediation of a Personal Data Breach;
 - (iii) co-ordination with the other Party regarding the management of public relations and public statements relating to the Personal Data Breach; and/or
 - (iv) providing the other Party and to the extent instructed by the other Party to do so, and/or the Information Commissioner investigating the Personal Data Breach, with complete information relating to the Personal Data Breach, including, without limitation, the information set out in Clause 3.2.

3.2 Each Party shall take all steps to restore, re-constitute and/or reconstruct any Personal Data where it has lost, damaged, destroyed, altered or corrupted as a result of a Personal Data Breach as it was that Party's own data at its own cost with all possible speed and shall provide the other Party with all reasonable assistance in respect of any such Personal Data Breach, including providing the other Party, as soon as possible and within 48 hours of the Personal Data Breach relating to the Personal Data Breach, in particular:

- (a) the nature of the Personal Data Breach;
- (b) the nature of Personal Data affected;
- (c) the categories and number of Data Subjects concerned;
- (d) the name and contact details of the Supplier's Data Protection Officer or other relevant contact from whom more information may be obtained;
- (e) measures taken or proposed to be taken to address the Personal Data Breach; and
- (f) describe the likely consequences of the Personal Data Breach.

4. **Audit**

4.1 The Supplier shall permit:

- (a) the Relevant Authority, or a third-party auditor acting under the Relevant Authority's direction, to conduct, at the Relevant Authority's cost, data privacy

and security audits, assessments and inspections concerning the Supplier's data security and privacy procedures relating to Personal Data, its compliance with this Annex 2 and the Data Protection Legislation; and/or

- (b) the Relevant Authority, or a third-party auditor acting under the Relevant Authority's direction, access to premises at which the Personal Data is accessible or at which it is able to inspect any relevant records, including the record maintained under Article 30 UK GDPR by the Supplier so far as relevant to the Contract, and procedures, including premises under the control of any third party appointed by the Supplier to assist in the provision of the Deliverables.
- (c) Audits will be limited to once per annum (unless required by regulator more frequently) & on reasonable notice (ie 10 days). Additionally, unless there is supplier poor performance or (for example) a data breach. If these service issues occur, then the department reserves the right to audit more frequently.

4.2 The Relevant Authority may, in its sole discretion, require the Supplier to provide evidence of the Supplier's compliance with Clause 4.1 in lieu of conducting such an audit, assessment or inspection.

5. **Impact Assessments**

5.1 The Parties shall:

- (a) provide all reasonable assistance to each other to prepare any Data Protection Impact Assessment as may be required (including provision of detailed information and assessments in relation to Processing operations, risks and measures); and
- (b) maintain full and complete records of all Processing carried out in respect of the Personal Data in connection with the Contract, in accordance with the terms of Article 30 UK GDPR.

6. **ICO Guidance**

The Parties agree to take account of any guidance issued by the Information Commissioner and/or any relevant Central Government Body. The Relevant Authority may on not less than thirty (30) Working Days' notice to the Supplier amend the Contract to ensure that it complies with any guidance issued by the Information Commissioner and/or any relevant Central Government Body.

7. **Liabilities for Data Protection Breach**

7.1 If financial penalties are imposed by the Information Commissioner on either the Relevant Authority or the Supplier for a Personal Data Breach ("**Financial Penalties**") then the following shall occur:

- (a) if in the view of the Information Commissioner, the Relevant Authority is responsible for the Personal Data Breach, in that it is caused as a result of the actions or inaction of the Relevant Authority, its employees, agents, contractors (other than the Supplier) or systems and procedures controlled by the Relevant Authority, then the Relevant Authority shall be responsible for the payment of such Financial Penalties. In this case, the Relevant Authority will conduct an internal audit and engage at its reasonable cost when necessary, an independent third party to conduct an audit of any such Personal Data Breach. The Supplier shall provide to the Relevant Authority and its third party investigators and auditors, on request and at the Supplier's reasonable cost, full cooperation and access to conduct a thorough audit of such Personal Data Breach;
 - (b) if in the view of the Information Commissioner, the Supplier is responsible for the Personal Data Breach, in that it is not a Personal Data Breach that the Relevant Authority is responsible for, then the Supplier shall be responsible for the payment of these Financial Penalties. The Supplier will provide to the Relevant Authority and its auditors, on request and at the Supplier's sole cost, full cooperation and access to conduct a thorough audit of such Personal Data Breach; or
 - (c) if no view as to responsibility is expressed by the Information Commissioner, then the Relevant Authority and the Supplier shall work together to investigate the relevant Personal Data Breach and allocate responsibility for any Financial Penalties as outlined above, or by agreement to split any financial penalties equally if no responsibility for the Personal Data Breach can be apportioned. In the event that the Parties do not agree such apportionment then such Dispute shall be referred to the Dispute Resolution Procedure set out in Clause 34 of the Core Terms (Resolving disputes).
- 7.2 If either the Relevant Authority or the Supplier is the defendant in a legal claim brought before a court of competent jurisdiction ("Court") by a third party in respect of a Personal Data Breach, then unless the Parties otherwise agree, the Party that is determined by the final decision of the court to be responsible for the Personal Data Breach shall be liable for the losses arising from such Personal Data Breach. Where both Parties are liable, the liability will be apportioned between the Parties in accordance with the decision of the Court.
- 7.3 In respect of any losses, cost claims or expenses incurred by either Party as a result of a Personal Data Breach (the "Claim Losses"):
- (a) if the Relevant Authority is responsible for the relevant Personal Data Breach, then the Relevant Authority shall be responsible for the Claim Losses;
 - (b) if the Supplier is responsible for the relevant Personal Data Breach, then the Supplier shall be responsible for the Claim Losses: and
 - (c) if responsibility for the relevant Personal Data Breach is unclear, then the Relevant Authority and the Supplier shall be responsible for the Claim Losses equally.

- 7.4 Nothing in either clause 7.2 or clause 7.3 shall preclude the Relevant Authority and the Supplier reaching any other agreement, including by way of compromise with a third party complainant or claimant, as to the apportionment of financial responsibility for any Claim Losses as a result of a Personal Data Breach, having regard to all the circumstances of the Personal Data Breach and the legal and financial obligations of the Relevant Authority.

8. **Termination**

If the Supplier is in material Default under any of its obligations under this Annex 2 (*Joint Controller Agreement*), the Relevant Authority shall be entitled to terminate the Contract by issuing a Termination Notice to the Supplier in accordance with Clause 10 of the Core Terms (*Ending the contract*).

9. **Sub-Processing**

- 9.1 In respect of any Processing of Personal Data performed by a third party on behalf of a Party, that Party shall:

- (a) carry out adequate due diligence on such third party to ensure that it is capable of providing the level of protection for the Personal Data as is required by the Contract, and provide evidence of such due diligence to the other Party where reasonably requested; and
- (b) ensure that a suitable agreement is in place with the third party as required under applicable Data Protection Legislation.

10. **Data Retention**

The Parties agree to erase Personal Data from any computers, storage devices and storage media that are to be retained as soon as practicable after it has ceased to be necessary for them to retain such Personal Data under applicable Data Protection Legislation and their privacy policy (save to the extent (and for the limited period) that such information needs to be retained by the a Party for statutory compliance purposes or as otherwise required by the Contract), and taking all further actions as may be necessary to ensure its compliance with Data Protection Legislation and its privacy policy.

Order Schedule 1 (Transparency Reports)

- 1.1 The Supplier recognises that the Buyer is subject to PPN 01/17 (Updates to transparency principles v1.1 (<https://www.gov.uk/government/publications/procurement-policy-note-0117-update-to-transparency-principles>)). The Supplier shall comply with the provisions of this Schedule in order to assist the Buyer with its compliance with its obligations under that PPN.
- 1.2 Without prejudice to the Supplier's reporting requirements set out in the DPS Contract, within three (3) Months of the Start Date the Supplier shall submit to the Buyer for Approval (such Approval not to be unreasonably withheld or delayed) draft Transparency Reports consistent with the content requirements and format set out in the Annex of this Schedule.
- 1.3 If the Buyer rejects any proposed Transparency Report submitted by the Supplier, the Supplier shall submit a revised version of the relevant report for further Approval within five (5) days of receipt of any notice of rejection, taking account of any recommendations for revision and improvement to the report provided by the Buyer. If the Parties fail to agree on a draft Transparency Report the Buyer shall determine what should be included. Any other disagreement in connection with Transparency Reports shall be treated as a Dispute.
- 1.4 The Supplier shall provide accurate and up-to-date versions of each Transparency Report to the Buyer at the frequency referred to in the Annex of this Schedule.

Annex A: List of Transparency Reports

Title	Content	Format	Frequency
[Performance]	[]	[]	[]
[Order Contract Charges]	[]	[]	[]
[Key Subcontractors]	[]	[]	[]
[Technical]	[]	[]	[]
[Performance management]	[]	[]	[]

Order Schedule 2 (Staff Transfer)

Part B shall apply.

1. Definitions

1.1 In this Schedule, the following words have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

“Acquired Rights Directive” 1 the European Council Directive 77/187/EEC on the approximation of laws of European member states relating to the safeguarding of employees’ rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses, as amended or re-enacted from time to time;

2

"Employee Liability" 3 all claims, actions, proceedings, orders, demands, complaints, investigations (save for any claims for personal injury which are covered by insurance) and any award, compensation, damages, tribunal awards, fine, loss, order, penalty, disbursement, payment made by way of settlement and costs, expenses and legal costs reasonably incurred in connection with a claim or investigation including in relation to the following:

- a) redundancy payments including contractual or enhanced redundancy costs, termination costs and notice payments;
- b) unfair, wrongful or constructive dismissal compensation;
- c) compensation for discrimination on grounds of sex, race, disability, age, religion or belief, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation or claims for equal pay;
- d) compensation for less favourable treatment of part-time workers or fixed term employees;
- e) outstanding 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;
- 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;

"Former Supplier"

a supplier supplying services to the Buyer before the Relevant Transfer Date that are the same as or substantially similar to the Services (or any part of the Services) and shall include any Subcontractor of such supplier (or any Subcontractor of any such Subcontractor);

"New Fair Deal"

the revised Fair Deal position set out in the HM Treasury guidance: "*Fair Deal for Staff Pensions: Staff Transfer from Central Government*" issued in October 2013 including:

- (i) any amendments to that document immediately prior to the Relevant Transfer Date; and
- (ii) any similar pension protection in accordance with the Annexes D1-D3 inclusive to Part D of this Schedule as notified to the Supplier by the Buyer;

"Old Fair Deal"

HM Treasury Guidance "*Staff Transfers from Central Government: A Fair Deal for Staff Pensions*" issued in June 1999 including the supplementary guidance "*Fair Deal for Staff pensions: Procurement of Bulk Transfer Agreements and Related Issues*" issued in June 2004;

"Partial Termination"

the partial termination of the relevant Contract to the extent that it relates to the provision of any part of the Services as further provided for in Clause 10.4 (When CCS or the Buyer can end this contract) or 10.6 (When the Supplier can end the contract);

"Relevant Transfer"

a transfer of employment to which the Employment Regulations applies;

"Relevant Transfer Date"

in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place. For the purposes of Part D: Pensions and its Annexes, where the Supplier or a Subcontractor was the Former Supplier and there is no Relevant Transfer of the Fair Deal Employees because they remain continuously employed by the

Supplier (or Subcontractor), references to the Relevant Transfer Date shall become references to the Start Date;

"Staffing Information"

in relation to all persons identified on the Supplier's Provisional Supplier Personnel List or Supplier's Final Supplier Personnel List, as the case may be, such information as the Buyer may reasonably request (subject to all applicable provisions of the Data Protection Legislation), but including in an anonymised format:

- (a) their ages, dates of commencement of employment or engagement, gender and place of work;
- (b) details of whether they are employed, self-employed contractors or consultants, agency workers or otherwise;
- (c) the identity of the employer or relevant contracting Party;
- (d) their relevant contractual notice periods and any other terms relating to termination of employment, including redundancy procedures, and redundancy payments;
- (e) their wages, salaries, bonuses and profit-sharing arrangements as applicable;
- (f) details of other employment-related benefits, including (without limitation) medical insurance, life assurance, pension or other retirement benefit schemes, share option schemes and company car schedules applicable to them;
- (g) any outstanding or potential contractual, statutory or other liabilities in respect of such individuals (including in respect of personal injury claims);
- (h) details of any such individuals on long term sickness absence, parental leave, maternity leave or other authorised long term absence;
- (i) copies of all relevant documents and materials relating to such information, including copies of relevant contracts of employment (or relevant standard contracts if applied generally in respect of such employees); and

	(j) any other "employee liability information" as such term is defined in regulation 11 of the Employment Regulations;
"Supplier's Final Supplier Personnel List"	a list provided by the Supplier of all Supplier Staff whose will transfer under the Employment Regulations on the Service Transfer Date;
"Supplier's Provisional Supplier Personnel List"	a list prepared and updated by the Supplier of all Supplier Staff who are at the date of the list wholly or mainly engaged in or assigned to the provision of the Services or any relevant part of the Services which it is envisaged as at the date of such list will no longer be provided by the Supplier;
"Term"	the period commencing on the Start Date and ending on the expiry of the Initial Period or any Extension Period or on earlier termination of the relevant Contract;
"Transferring Buyer Employees"	those employees of the Buyer to whom the Employment Regulations will apply on the Relevant Transfer Date;
"Transferring Former Supplier Employees"	in relation to a Former Supplier, those employees of the Former Supplier to whom the Employment Regulations will apply on the Relevant Transfer Date.

2. INTERPRETATION

- 2.1 Where a provision in this Schedule imposes any obligation on the Supplier including (without limit) to comply with a requirement or provide an indemnity, undertaking or warranty, the Supplier shall procure that each of its Subcontractors shall comply with such obligation and provide such indemnity, undertaking or warranty to CCS, the Buyer, Former Supplier, Replacement Supplier or Replacement Subcontractor, as the case may be and where the Subcontractor fails to satisfy any claims under such indemnities the Supplier will be liable for satisfying any such claim as if it had provided the indemnity itself.
- 2.2 The provisions of Paragraphs 2.1 and 2.6 of Part A, Paragraph 3.1 of Part B, Paragraphs 1.5, 1.7 and 1.9 of Part C, Part D and Paragraphs 1.4, 2.3 and 2.8 of Part E of this Schedule (together "Third Party Provisions") confer benefits on third parties (each such person a "Third Party Beneficiary") and are intended to be enforceable by Third Party Beneficiaries by virtue of the CRTPA.
- 2.3 Subject to Paragraph 2.2 above, a person who is not a Party to this Order Contract has no right under the CRTPA to enforce any term of this Order Contract but this does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

- 2.4 No Third-Party Beneficiary may enforce, or take any step to enforce, any Third-Party Provision without the prior written consent of the Buyer, which may, if given, be given on and subject to such terms as the Buyer may determine.
- 2.5 Any amendments or modifications to this Order Contract may be made, and any rights created under Paragraph 2.2 above may be altered or extinguished, by the Parties without the consent of any Third-Party Beneficiary.

3. Which parts of this Schedule apply

Only the following parts of this Schedule shall apply to this Call Off Contract:

- Part D (Pensions)
 - - Annex D1 (CSPS)
 - - Annex D2 (NHSPS)
 - - Annex D3 (LGPS)
 - - Annex D4 (Other Schemes) (001)
- Part E (Staff Transfer on Exit)

Part D: Pensions

1. Definitions

In this Part D and Part E, the following words have the following meanings and they shall supplement Joint Schedule 1 (Definitions), and shall be deemed to include the definitions set out in the Annexes to this Part D:

"Actuary"	a Fellow of the Institute and Faculty of Actuaries;
"Admission Agreement"	either or both of the CSPS Admission Agreement (as defined in Annex D1: CSPS) or the LGPS Admission Agreement (as defined in Annex D3: LGPS), as the context requires;
"Best Value Direction"	the Best Value Authorities Staff Transfers (Pensions) Direction 2007 or the Welsh Authorities Staff Transfers (Pensions) Direction 2012 (as appropriate);
"Broadly Comparable"	<p>(a) in respect of a pension scheme, a status satisfying the condition that there are no identifiable employees who will suffer material detriment overall in terms of future accrual of pension benefits as assessed in accordance with Annex A of New Fair Deal and demonstrated by the issue by the Government Actuary's Department of a broad comparability certificate; and/or</p> <p>(b) in respect of benefits provided for or in respect of a member under a pension scheme, benefits that are consistent with that pension scheme's certificate of broad comparability issued by the Government Actuary's Department,</p> <p>and "Broad Comparability" shall be construed accordingly;</p>
"CSPS"	the schemes as defined in Annex D1 to this Part D;
"Direction Letter/Determination"	has the meaning in Annex D2 to this Part D;
"Fair Deal Eligible Employees"	each of the CSPS Eligible Employees, the NHSPS Eligible Employees and/or the LGPS Eligible Employees (as applicable) (and shall include any such employee who has been admitted to and/or remains eligible to join a Broadly Comparable

pension scheme at the relevant time in accordance with paragraph 10 or 11 of this Part D);

"Fair Deal Employees"

any of:

- (a) Transferring Buyer Employees;
- (b) Transferring Former Supplier Employees;
- (c) employees who are not Transferring Buyer Employees or Transferring Former Supplier Employees but to whom the Employment Regulations apply on the Relevant Transfer Date to transfer their employment to the Supplier or a Subcontractor, and whose employment is not terminated in accordance with the provisions of Paragraphs 2.5 of Parts A or B or Paragraph 1.4 of Part C;
- (d) where the Supplier or a Subcontractor was the Former Supplier, the employees of the Supplier (or Subcontractor);

who at the Relevant Transfer Date are or become entitled to New Fair Deal or Best Value Direction protection in respect of any of the Statutory Schemes or a Broadly Comparable pension scheme provided in accordance with paragraph 10 of this Part D as notified by the Buyer;

"Fund Actuary"

a Fund Actuary as defined in Annex D3 to this Part D;

"LGPS"

the scheme as defined in Annex D3 to this Part D;

"NHSPS"

the schemes as defined in Annex D2 to this Part D;

(a)

(b)

"Statutory Schemes"

means CSPA, NHSPS or LGPS.

2. Supplier obligations to participate in the pension schemes

- 2.1 In respect of all or any Fair Deal Employees, each of Annex D1: CSPS, Annex D2: NHSPS and/or Annex D3: LGPS shall apply, as appropriate.
- 2.2 The Supplier undertakes to do all such things and execute any documents (including any relevant Admission Agreement and/or Direction Letter/ Determination, if necessary) as may be required to enable the Supplier to participate in the appropriate Statutory Scheme in respect of the Fair Deal Employees and shall bear its own costs in such regard.
- 2.3 The Supplier undertakes:
 - 2.3.1 to pay to the Statutory Schemes all such amounts as are due under the relevant Admission Agreement and/or Direction Letter/ Determination or otherwise and shall deduct and pay to the Statutory Schemes such employee contributions as are required; and
 - 2.3.2 subject to paragraph 5 of Annex D3: LGPS to be fully responsible for all other costs, contributions, payments and other amounts relating to its participation in the Statutory Schemes, including for the avoidance of doubt any exit payments and the costs of providing any bond, indemnity or guarantee required in relation to such participation.
- 2.4 Where the Supplier is the Former Supplier (or a Subcontractor is a Subcontractor of the Former Supplier) and there is no Relevant Transfer of the Fair Deal Employees because they remain continuously employed by the Supplier (or Subcontractor) at the Start Date, this Part D and its Annexes shall be modified accordingly so that the Supplier (or Subcontractor) shall comply with its requirements from the Start Date or, where it previously provided a Broadly Comparable pension scheme, from the date it is able to close accrual of its Broadly Comparable pension scheme (following appropriate consultation and contractual changes as appropriate) if later. The Supplier (or Subcontractor) shall make arrangements for a bulk transfer from its Broadly Comparable pension scheme to the relevant Statutory Scheme in accordance with the requirements of the previous contract with the Buyer¹.

3. Supplier obligation to provide information

- 3.1 The Supplier undertakes to the Buyer:
 - 3.1.1 to provide all information which the Buyer may reasonably request concerning matters referred to in this Part D as expeditiously as possible; and
 - 3.1.2 not to issue any announcements to any Fair Deal Employee prior to the Relevant Transfer Date concerning the matters stated in this Part D without the consent in writing of the Buyer (such consent not to be unreasonably withheld or delayed);

- 3.1.3 retain such records as would be necessary to manage the pension aspects in relation to any current or former Fair Deal Eligible Employees arising on expiry or termination of the relevant Contract.

4. Indemnities the Supplier must give

- 4.1 The Supplier shall indemnify and keep indemnified CCS, the Buyer and/or any Replacement Supplier and/or any Replacement Subcontractor on demand from and against all and any Losses whatsoever suffered or incurred by it or them which:

- 4.1.1 arise out of or in connection with any liability towards all and any Fair Deal Employees arising in respect of service on or after the Relevant Transfer Date which arise from any breach by the Supplier of this Part D, and/or the CSPA Admission Agreement and/or the Direction Letter/Determination and/or the LGPS Admission Agreement;
- 4.1.2 relate to the payment of benefits under and/or participation in a pension scheme (as defined in section 150(1) Finance Act 2004) provided by the Supplier or a Subcontractor on and after the Relevant Transfer Date until the date of termination or expiry of the relevant Contract, including the Statutory Schemes or any Broadly Comparable pension scheme provided in accordance with paragraphs 10 or 11 of this Part D;
- 4.1.3 relate to claims by Fair Deal Employees of the Supplier and/or of any Subcontractor or by any trade unions, elected employee representatives or staff associations in respect of all or any such Fair Deal Employees which Losses:

Subcontractor:

- (a) relate to any rights to benefits under a pension scheme (as defined in section 150(1) Finance Act 2004) in respect of periods of employment on and after the Relevant Transfer Date until the date of termination or expiry of the relevant Contract; or
- (b) arise out of the failure of the Supplier and/or any relevant Subcontractor to comply with the provisions of this Part D before the date of termination or expiry of the relevant Contract; and/or
- 4.1.4 arise out of or in connection with the Supplier (or its Subcontractor) allowing anyone who is not an NHSPS Fair Deal Employee to join or claim membership of the NHSPS at any time during the Term.

- 4.2 The indemnities in this Part D and its Annexes:

- 4.2.1 shall survive termination of the relevant Contract; and

- 4.2.2 shall not be affected by the caps on liability contained in Clause 11 (How much you can be held responsible for).

5. What happens if there is a dispute

- 5.1 The Dispute Resolution Procedure will not apply to any dispute (i) between the CCS and/or the Buyer and/or the Supplier or (ii) between their respective actuaries and/or the Fund Actuary about any of the actuarial matters referred to in this Part D and its Annexes shall in the absence of agreement between the CCS and/or the Buyer and/or the Supplier be referred to an independent Actuary:
- 5.1.1 who will act as an expert and not as an arbitrator;
 - 5.1.2 whose decision will be final and binding on the CCS and/or the Buyer and/or the Supplier; and
 - 5.1.3 whose expenses shall be borne equally by the CCS and/or the Buyer and/or the Supplier unless the independent Actuary shall otherwise direct.

The independent Actuary shall be agreed by the Parties or, failing such agreement the independent Actuary shall be appointed by the President for the time being of the Institute and Faculty of Actuaries on the application by the Parties.

6. Other people's rights

- 6.1 The Parties agree Clause 19 (Other people's rights in this contract) does not apply and that the CRTPA applies to this Part D to the extent necessary to ensure that any Fair Deal Employee will have the right to enforce any obligation owed to him or her or it by the Supplier under this Part D, in his or her or its own right under section 1(1) of the CRTPA.
- 6.2 Further, the Supplier must ensure that the CRTPA will apply to any Sub-Contract to the extent necessary to ensure that any Fair Deal Employee will have the right to enforce any obligation owed to them by the Subcontractor in his or her or its own right under section 1(1) of the CRTPA.

7. What happens if there is a breach of this Part D

- 7.1 The Supplier agrees to notify the Buyer should it breach any obligations it has under this Part D and agrees that the Buyer shall be entitled to terminate its Contract for material Default in the event that the Supplier:
- 7.1.1 commits an irremediable breach of any provision or obligation it has under this Part D; or
 - 7.1.2 commits a breach of any provision or obligation it has under this Part D which, where capable of remedy, it fails to remedy within a reasonable time and in any event within 28 days of the date of a notice from the Buyer giving particulars of the breach and requiring the Supplier to remedy it.

8. Transferring Fair Deal Employees

- 8.1 Save on expiry or termination of the relevant Contract, if the employment of any Fair Deal Eligible Employee transfers to another employer (by way of a transfer under the Employment Regulations or other form of compulsory transfer of employment) the Supplier shall or shall procure that any relevant Sub-contractor shall:
- 8.1.1 notify the Buyer as far as reasonably practicable in advance of the transfer to allow the Buyer to make the necessary arrangements for participation with the relevant Statutory Scheme(s);
 - 8.1.2 consult with about, and inform those Fair Deal Eligible Employees of the pension provisions relating to that transfer; and
 - 8.1.3 procure that the employer to which the Fair Deal Eligible Employees are transferred (the "**New Employer**") complies with the provisions of this Part D and its Annexes provided that references to the "Supplier" will become references to the New Employer, references to "Relevant Transfer Date" will become references to the date of the transfer to the New Employer and references to "Fair Deal Employees" will become references to the Fair Deal Eligible Employees so transferred to the New Employer.

9. What happens to pensions if this Contract ends

- 9.1 The provisions of Part E: Staff Transfer on Exit (Mandatory) apply in relation to pension issues on expiry or termination of the relevant Contract.
- 9.2 The Supplier shall (and shall procure that any of its Subcontractors shall) prior to the termination of the relevant Contract provide all such co-operation and assistance (including co-operation and assistance from the Broadly Comparable pension scheme's Actuary) as the Replacement Supplier and/or NHS Pension and/or CSPS and/or the relevant Administering Buyer and/or the Buyer may reasonably require, to enable the Replacement Supplier to participate in the appropriate Statutory Scheme in respect of any Fair Deal Eligible Employee that remains eligible for New Fair Deal protection following a Service Transfer.

10. Broadly Comparable Pension Schemes on the Relevant Transfer Date

- 10.1 If the terms of any of paragraphs 4 of Annex D2: NHSPS or 3.1 of Annex D3: LGPS applies, the Supplier must (and must, where relevant, procure that each of its Subcontractors will) ensure that, with effect from the Relevant Transfer Date until the day before the Service Transfer Date, the relevant Fair Deal Employees will be eligible for membership of a pension scheme under which

the benefits are Broadly Comparable to those provided under the relevant Statutory Scheme, and then on such terms as may be decided by the Buyer.

10.2 Such Broadly Comparable pension scheme must be:

- 10.2.1 established by the Relevant Transfer Date²;
- 10.2.2 a registered pension scheme for the purposes of Part 4 of the Finance Act 2004;
- 10.2.3 capable of receiving a bulk transfer payment from the relevant Statutory Scheme or from a Former Supplier's Broadly Comparable pension scheme (unless otherwise instructed by the Buyer);
- 10.2.4 capable of paying a bulk transfer payment to the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (unless otherwise instructed by the Buyer); and
- 10.2.5 maintained until such bulk transfer payments have been received or paid (unless otherwise instructed by the Buyer).

10.3 Where the Supplier has set up a Broadly Comparable pension scheme pursuant to the provisions of this Paragraph 10, the Supplier shall (and shall procure that any of its Subcontractors shall):

- 10.3.1 supply to the Buyer details of its (or its Subcontractor's) Broadly Comparable pension scheme and provide a full copy of the valid certificate of broad comparability (which remains valid as at the Relevant Transfer Date) covering all relevant Fair Deal Employees, as soon as it is able to do so before the Relevant Transfer Date (where possible) and in any event no later than seven (7) days after receipt of the certificate;
- 10.3.2 be fully responsible for all costs, contributions, payments and other amounts relating to the setting up, certification of, ongoing participation in and/or withdrawal and exit from the Broadly Comparable pension scheme, including for the avoidance of doubt any debts arising under section 75 or 75A of the Pensions Act 1995;
- 10.3.3 instruct any such Broadly Comparable pension scheme's Actuary to provide all such co-operation and assistance in agreeing bulk transfer process with the Actuary to the Former Supplier's Broadly Comparable pension scheme or the Actuary to the relevant Statutory Scheme (as appropriate) and to provide all such co-operation and assistance with any other Actuary appointed by the Buyer (where applicable). This will be with a view to the bulk transfer terms providing day for day and/or pound for pound (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes) credits in the

- Broadly Comparable pension scheme in respect of any Fair Deal Eligible Employee who consents to such a transfer³; and
- 10.3.4 provide a replacement Broadly Comparable pension scheme in accordance with this paragraph 10 with immediate effect for those Fair Deal Eligible Employees who are still employed by the Supplier and/or relevant Subcontractor and are still eligible for New Fair Deal protection in the event that the Supplier and/or Subcontractor's Broadly Comparable pension scheme is terminated. The relevant Fair Deal Eligible Employees must be given the option to transfer their accrued benefits from the previous Broadly Comparable pension scheme to the new Broadly Comparable pension scheme on day for day and/or pound for pound terms (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes).
- 10.4 Where the Supplier has provided a Broadly Comparable pension scheme pursuant to the provisions of this paragraph 10, the Supplier shall (and shall procure that any of its Subcontractors shall) prior to the termination of the relevant Contract:
- 10.4.1 allow and make all necessary arrangements to effect, in respect of any Fair Deal Eligible Employee that remains eligible for New Fair Deal protection, following a Service Transfer, the bulk transfer of past service from any such Broadly Comparable pension scheme into the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable). The bulk transfer terms provided shall be on a past service reserve basis which should be calculated allowing for projected final salary at the assumed date of retirement, leaving service or death (in the case of final salary benefits). The actuarial basis for this past service reserve basis should be aligned to the funding requirements of the Broadly Comparable pension scheme in place at the time the bulk transfer terms are offered. The bulk transfer terms shall be subject to an underpin in relation to any service credits awarded in the Broadly Comparable pension scheme in accordance with paragraph 10.3.3 such that the element of the past service reserve amount which relates to such service credits shall be no lower than that required by the bulk transfer terms that were agreed in accordance with paragraph 10.3.3 but using the last day of the Fair Deal Eligible Employees' employment with the Supplier or Subcontractor (as appropriate) as the date used to determine the actuarial assumptions; and
- 10.4.2 if the transfer payment paid by the trustees of the Broadly Comparable pension scheme is less (in the opinion of the Actuary to the Replacement Supplier's Broadly Comparable pension scheme (or to the relevant Statutory Scheme if applicable)) than the transfer payment which would have been paid had paragraph

10.4.1 been complied with, the Supplier shall (or shall procure that the Subcontractor shall) pay the amount of the difference to the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable) or as the Buyer shall otherwise direct. The Supplier shall indemnify the Buyer or the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (as the Buyer directs) for any failure to pay the difference as required under this paragraph.

11. Broadly Comparable Pension Scheme in Other Circumstances

- 11.1 If the terms of any of paragraphs 2.2 of Annex D1: CSPA, 5.2 of Annex D2: NHSPA and/or 3.2 of Annex D3: LGPA apply, the Supplier must (and must, where relevant, procure that each of its Subcontractors will) ensure that, with effect from the cessation of participation in the Statutory Scheme, until the day before the Service Transfer Date, the relevant Fair Deal Eligible Employees will be eligible for membership of a pension scheme under which the benefits are Broadly Comparable to those provided under the relevant Statutory Scheme at the date of cessation of participation in the relevant Statutory Scheme, and then on such terms as may be decided by the Buyer.
- 11.2 Such Broadly Comparable pension scheme must be:
- 11.2.1 established by the date of cessation of participation in the Statutory Scheme⁴;
 - 11.2.2 a registered pension scheme for the purposes of Part 4 of the Finance Act 2004;
 - 11.2.3 capable of receiving a bulk transfer payment from the relevant Statutory Scheme (where instructed to do so by the Buyer);
 - 11.2.4 capable of paying a bulk transfer payment to the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (unless otherwise instructed by the Buyer); and
 - 11.2.5 maintained until such bulk transfer payments have been received or paid (unless otherwise instructed by the Buyer).
- 11.3 Where the Supplier has provided a Broadly Comparable pension scheme pursuant to the provisions of this paragraph 11, the Supplier shall (and shall procure that any of its Subcontractors shall):
- 11.3.1 supply to the Buyer details of its (or its Subcontractor's) Broadly Comparable pension scheme and provide a full copy of the valid certificate of broad comparability (which remains valid as at the date of cessation of participation in the Statutory Scheme) covering all relevant Fair Deal Eligible Employees, as soon as it is able to do so before the cessation of participation in the

- Statutory Scheme (where possible) and in any event no later than seven (7) days after receipt of the certificate;
- 11.3.2 be fully responsible for all costs, contributions, payments and other amounts relating to the setting up, certification of, ongoing participation in and/or withdrawal and exit from the Broadly Comparable pension scheme, including for the avoidance of doubt any debts arising under section 75 or 75A of the Pensions Act 1995;
- 11.3.3 where required to do so by the Buyer, instruct any such Broadly Comparable pension scheme's Actuary to provide all such co-operation and assistance in agreeing a bulk transfer process with the Actuary to the relevant Statutory Scheme and to provide all such co-operation and assistance with any other Actuary appointed by the Buyer (where applicable). The Supplier must ensure that day for day and/or pound for pound (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes) credits in the Broadly Comparable pension scheme are provided in respect of any Fair Deal Employee who consents to such a transfer from the Statutory Scheme and the Supplier shall be fully responsible for any costs of providing those credits in excess of the bulk transfer payment received by the Broadly Comparable pension scheme⁵; and
- 11.3.4 provide a replacement Broadly Comparable pension scheme in accordance with this paragraph 11 with immediate effect for those Fair Deal Eligible Employees who are still employed by the Supplier and/or relevant Subcontractor and are still eligible for New Fair Deal protection in the event that the Supplier and/or Subcontractor's Broadly Comparable pension scheme is closed to future accrual and/or terminated. The relevant Fair Deal Eligible Employees must be given the option to transfer their accrued benefits from the previous Broadly Comparable pension scheme to the new Broadly Comparable pension scheme on day for day and/or pound for pound terms (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes).
- 11.4 Where the Supplier has provided a Broadly Comparable pension scheme pursuant to the provisions of this paragraph 11, the Supplier shall (and shall procure that any of its Subcontractors shall) prior to the termination of the relevant Contract allow and make all necessary arrangements to effect, in respect of any Fair Deal Eligible Employee that remains eligible for New Fair Deal protection, following a Service Transfer, the bulk transfer of past service from any such Broadly Comparable pension scheme into the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable). The bulk transfer terms provided shall be sufficient to secure day for day and/or pound for pound credits (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes) in the

Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable). For the avoidance of doubt, should the amount offered by the Broadly Comparable pension scheme be less than the amount required by the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) to fund the required credits ("**the Shortfall**"), the Supplier or the Subcontractor (as agreed between them) must pay the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable) the Shortfall as required, provided that in the absence of any agreement between the Supplier and any Subcontractor, the Shortfall shall be paid by the Supplier. The Supplier shall indemnify the Buyer or the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (as the Buyer directs) for any failure to pay the Shortfall under this paragraph.

12. Right of Set-off

12.1 The Buyer shall have a right to set off against any payments due to the Supplier under the relevant Contract an amount equal to:

- 12.1.1 any unpaid employer's contributions or employee's contributions or any other financial obligations under the CSPA or any CSPA Admission Agreement in respect of the CSPA Eligible Employees whether due from the Supplier or from any relevant Subcontractor or due from any third party under any indemnity, bond or guarantee;
- 12.1.2 any unpaid employer's contributions or employee's contributions or any other financial obligations under the NHSPA or any Direction Letter/Determination in respect of the NHSPA Eligible Employees whether due from the Supplier or from any relevant Subcontractor or due from any third party under any indemnity, bond or guarantee; or
- 12.1.3 any unpaid employer's contributions or employee's contributions or any other financial obligations under the LGPS or any LGPS Admission Agreement in respect of the LGPS Eligible Employees whether due from the Supplier or from any relevant Subcontractor or due from any third party under any indemnity, bond or guarantee;

and shall pay such set off amount to the relevant Statutory Scheme.

12.2 The Buyer shall also have a right to set off against any payments due to the Supplier under the relevant Contract for all reasonable costs and expenses incurred by the Buyer as result of Paragraphs 12.1 above.

Annex D1:

Civil Service Pensions Schemes (CSPS)

1. Definitions

In this Annex D1: CSPS to Part D: Pensions, the following words have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"CSPS Admission Agreement"	an admission agreement in the form available on the Civil Service Pensions website immediately prior to the Relevant Transfer Date to be entered into for the CSPS in respect of the Services;
"CSPS Eligible Employee"	any CSPS Fair Deal Employee who at the relevant time is an active member or eligible to participate in the CSPS under a CSPS Admission Agreement;
"CSPS Fair Deal Employee"	a Fair Deal Employee who at the Relevant Transfer Date is or becomes entitled to protection in respect of the CSPS in accordance with the provisions of New Fair Deal;
"CSPS"	the Principal Civil Service Pension Scheme available to Civil Servants and employees of bodies under Schedule 1 of the Superannuation Act 1972 (and eligible employees of other bodies admitted to participate under a determination under section 25 of the Public Service Pensions Act 2013), as governed by rules adopted by Parliament; the Partnership Pension Account and its (i) Ill health Benefits Arrangements and (ii) Death Benefits Arrangements; the Civil Service Additional Voluntary Contribution Scheme; and "alpha" introduced under The Public Service (Civil Servants and Others) Pensions Regulations 2014.

2. Access to equivalent pension schemes after transfer

- 2.1 In accordance with New Fair Deal, the Supplier and/or any of its Subcontractors to which the employment of any CSPS Fair Deal Employee compulsorily transfers as a result of either the award of the relevant Contract or a Relevant Transfer, if not an employer which participates automatically in the CSPS, shall each secure a CSPS Admission Agreement to ensure that CSPS Fair Deal Employees or CSPS Eligible Employees as appropriate shall be either admitted into, or offered continued membership of, the relevant section of the CSPS that they currently contribute to, or were eligible to join immediately prior to the Relevant Transfer Date or became eligible to join on the Relevant Transfer Date. The Supplier and/or any of its Subcontractors shall procure that the CSPS Fair Deal Employees continue to accrue benefits in the CSPS in accordance with the provisions governing the relevant section of the CSPS for service from (and including) the Relevant Transfer Date.
- 2.2 If the Supplier and/or any of its Subcontractors enters into a CSPS Admission Agreement in accordance with paragraph 2.1 but the CSPS Admission

Agreement is terminated during the term of the relevant Contract for any reason at a time when the Supplier or Subcontractor still employs any CSPS Eligible Employees, the Supplier shall (and procure that its Subcontractors shall) at no extra cost to the Buyer, offer the remaining CSPS Eligible Employees membership of a pension scheme which is Broadly Comparable to the CSPS on the date those CSPS Eligible Employees ceased to participate in the CSPS in accordance with the provisions of paragraph 11 of Part D.

Annex D2: NHS Pension Schemes

1. Definitions

In this Annex D2: NHSPS to Part D: Pensions, the following words have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"Direction Letter/Determination" an NHS Pensions Direction or Determination (as appropriate) issued by the Secretary of State in exercise of the powers conferred by section 7 of the Superannuation (Miscellaneous Provisions) Act 1967 or by section 25 of the Public Service Pensions Act 2013 (as appropriate) and issued to the Supplier or a Subcontractor of the Supplier (as appropriate) relating to the terms of participation of the Supplier or Subcontractor in the NHSPS in respect of the NHSPS Fair Deal Employees;

"NHS Broadly Comparable Employees" each of the Fair Deal Employees who at a Relevant Transfer Date was a member of, or was entitled to become a member of, or but for their compulsory transfer of employment would have been entitled to be or become a member of, the NHSPS as a result of either:

- (a) their employment with the Buyer, an NHS Body or other employer which participates automatically in the NHSPS; or
- (b) their employment with a Former Supplier who provides access to either the NHSPS pursuant to a Direction Letter/Determination or to a Broadly Comparable pension scheme in respect of their employment with that Former Supplier (on the basis that they are entitled to protection under New Fair Deal (or previous guidance), having been formerly in employment with the Buyer, an NHS Body or other employer who participated automatically in the NHSPS in connection with the Services, prior to being employed by the Former Supplier),

but who is now ineligible to participate in the NHSPS under the rules of the NHSPS and in respect of whom the Buyer has agreed are to be provided with a Broadly Comparable pension scheme to provide Pension Benefits that are Broadly Comparable to those provided under the NHSPS.

"NHSPS Eligible Employees"

any NHSPS Fair Deal Employee who at the relevant time is an active member or eligible to participate in the NHSPS under a Direction Letter/Determination Letter.

"NHSPS Fair Deal Employees"

other than the NHS Broadly Comparable Employees, each of the Fair Deal Employees who at a Relevant Transfer Date was a member of, or was entitled to become a member of, or but for their compulsory transfer of employment would have been entitled to be or become a member of, the NHSPS as a result of either:

- (a) their employment with the Buyer, an NHS Body or other employer which participates automatically in the NHSPS; or
- (b) their employment with a Former Supplier who provides access to the NHSPS pursuant to a Direction Letter/Determination or to a Broadly Comparable pension scheme in respect of their employment with that Former Supplier (on the basis that they are entitled to protection under New Fair Deal (or previous guidance), having been formerly in employment with the Buyer, an NHS Body or other employer who participated automatically in the NHSPS in connection with the Services, prior to being employed by the Former Supplier),

and, in each case, being continuously engaged for more than fifty per cent (50%) of their employed time in the delivery of services (the same as or similar to the Services).

For the avoidance of doubt, an individual who is in or entitled to become a member of the NHSPS as a result of being engaged in the Services and being covered by an "open" Direction Letter/Determination or other NHSPS "access" facility but who has never been employed directly by the Buyer, an NHS Body (or other body which participates automatically in the NHSPS) is not an NHSPS Fair Deal Employee;

"NHS Body"

has the meaning given to it in section 275 of the National Health Service Act 2006 as amended by

	section 138(2)(c) of Schedule 4 to the Health and Social Care Act 2012;
"NHS Pensions"	NHS Pensions as the administrators of the NHSPS or such other body as may from time to time be responsible for relevant administrative functions of the NHSPS;
"NHSPS"	the National Health Service Pension Scheme for England and Wales, established pursuant to the Superannuation Act 1972 and the Public Service Pensions Act 2013 governed by subsequent regulations under those Acts including the NHS Pension Scheme Regulations;
"NHS Pension Scheme Regulations"	as appropriate, any or all of the National Health Service Pension Scheme Regulations 1995 (SI 1995/300), the National Health Service Pension Scheme Regulations 2008 (SI 2008/653), the National Health Service Pension Scheme Regulations 2015 (2015/94) and any subsequent regulations made in respect of the NHSPS, each as amended from time to time;
"NHS Premature Retirement Rights"	rights to which any NHS Fair Deal Employee (had they remained in the employment of the Buyer, an NHS Body or other employer which participates automatically in the NHSPS) would have been or is entitled under the NHS Pension Scheme Regulations, the NHS Compensation for Premature Retirement Regulations 2002 (SI 2002/1311), the NHS (Injury Benefits) Regulations 1995 (SI 1995/866) and section 45 of the General Whitley Council conditions of service, or any other legislative or contractual provision which replaces, amends, extends or consolidates the same from time to time;
"Pension Benefits"	any benefits payable in respect of an individual (including but not limited to pensions related allowances and lump sums) relating to old age, invalidity or survivor's benefits provided under an occupational pension scheme.

2. Membership of the NHS Pension Scheme

- 2.1 In accordance with New Fair Deal, the Supplier and/or any of its Subcontractors to which the employment of any NHSPS Fair Deal Employee compulsorily transfers as a result of either the award of this Contract or a Relevant Transfer, if not an NHS Body or other employer which participates automatically in the NHSPS, shall each secure a Direction Letter/Determination to enable the NHSPS Fair Deal Employees to retain either continuous active membership of or eligibility for the NHSPS for so long as they remain employed in connection with the delivery of the Services under the relevant Contract.
- 2.2 Where it is not possible for the Supplier and/or any of its Subcontractors to secure a Direction Letter/Determination on or before the Relevant Transfer Date, the Supplier must secure a Direction Letter/Determination as soon as possible after the Relevant Transfer Date, and in the period between the Relevant Transfer Date and the date the Direction Letter/Determination is secure, the Supplier must ensure that:
- (a) all employer's and NHSPS Fair Deal Employees' contributions intended to go to the NHSPS are kept in a separate bank account; and*
 - (b) the Pension Benefits and Premature Retirement Rights of NHSPS Fair Deal Employees are not adversely affected.*
- 2.3 The Supplier must supply the Buyer with a complete copy of each Direction Letter/Determination within 5 Working Days of receipt of the Direction Letter/Determination.
- 2.4 The Supplier must ensure (and procure that each of its Sub-Contracts (if any) ensures) that all of its NHSPS Fair Deal Employees have a contractual right to continuous active membership of or eligibility for the NHSPS for so long as they have a right to membership or eligibility of that scheme under the terms of the Direction Letter/Determination.
- 2.5 The Supplier will (and will procure that its Subcontractors (if any) will) comply with the terms of the Direction Letter/Determination, the NHS Pension Scheme Regulations (including any terms which change as a result of changes in Law) and any relevant policy issued by the Department of Health and Social Care in respect of the NHSPS Fair Deal Employees for so long as it remains bound by the terms of any such Direction Letter/Determination.
- 2.6 Where any employee omitted from the Direction Letter/Determination supplied in accordance with Paragraph 2 of this Annex are subsequently found to be an NHSPS Fair Deal Employee, the Supplier will (and will procure that its Subcontractors (if any) will) treat that person as if they had been an NHSPS Fair Deal Employee from the Relevant Transfer Date so that their Pension Benefits and NHS Premature Retirement Rights are not adversely affected.
- 2.7 The Supplier will (and will procure that its Subcontractors (if any) will) Subcontractor provide any guarantee, bond or indemnity required by NHS Pensions in relation to a Direction Letter/Determination.

3. Continuation of early retirement rights after transfer

- 3.1 From the Relevant Transfer Date until the Service Transfer Date, the Supplier must provide (and/or must ensure that its Subcontractors (if any) provide) NHS Premature Retirement Rights in respect of the NHSPS Fair Deal Employees that are identical to the benefits they would have received had they remained employees of the Buyer, an NHS Body or other employer which participates automatically in the NHSPS.

4. NHS Broadly Comparable Employees

- 4.1 The Supplier shall (and procure that its Subcontractors shall), with effect from the Relevant Transfer Date, offer the NHSPS Broadly Comparable Employees membership of a pension scheme which is Broadly Comparable to NHSPS on the Relevant Transfer Date in accordance with paragraph 10 of Part D. For the avoidance of doubt, this requirement is separate from any requirement to offer a Broadly Comparable pension scheme in accordance with paragraph 5.2 below.

5. What the buyer can do if the Supplier breaches its pension obligations

- 5.1 The Supplier agrees that the Buyer is entitled to make arrangements with NHS Pensions for the Buyer to be notified if the Supplier (or its Subcontractor) breaches the terms of its Direction Letter/Determination. Notwithstanding the provisions of the foregoing, the Supplier shall notify the Buyer in the event that it (or its Subcontractor) breaches the terms of its Direction Letter/Determination.
- 5.2 If the Supplier (or its Subcontractors, if relevant) ceases to participate in the NHSPS for whatever reason, the Supplier (or any such Subcontractor, as appropriate) shall offer to offer the NHSPS Eligible Employees membership of a pension scheme which is Broadly Comparable to the NHSPS on the date the NHSPS Eligible Employees ceased to participate in the NHSPS in accordance with the provisions of paragraph 11 of Part D. Subcontractor.

6. Compensation when pension scheme access can't be provided

- 6.1 If the Supplier (or its Subcontractor, if relevant) is unable to provide the NHSPS Fair Deal Employees with either membership of:
- 6.1.1 the NHSPS (having used its best endeavours to secure a Direction Letter/Determination); or
 - 6.1.2 a Broadly Comparable pension scheme,
- the Buyer may in its sole discretion permit the Supplier (or any of its Subcontractors) to compensate the NHSPS Fair Deal Employees in a manner that is Broadly Comparable or equivalent in cash terms, the Supplier (or Subcontractor as relevant) having consulted with a view to reaching agreement with any recognised trade union or, in the absence of such body, the NHSPS Fair Deal Employees. The Supplier must meet (or must procure that the relevant Subcontractor meets) the costs of the Buyer

determining whether the level of compensation offered is reasonable in the circumstances.

- 6.2 This flexibility for the Buyer to allow compensation in place of Pension Benefits is in addition to and not instead of the Buyer's right to terminate the Contract.

7. Indemnities that a Supplier must give

- 7.1 The Supplier must indemnify and keep indemnified the CCS, the Buyer and any Replacement Supplier against all Losses arising out of any claim by any NHSPS Fair Deal Employee or any NHS Broadly Comparable Employees that the provision of (or failure to provide) Pension Benefits and NHS Premature Retirement Rights from the Relevant Transfer Date, or the level of such benefit provided, constitutes a breach of his or her employment rights.

Annex D3:

Local Government Pension Schemes (LGPS)

Note the LGPS unlike the CSPA & NHSPA is a funded scheme which has associated cost implications as follows:

There is not 1 LGPS but approx. 90 different Funds, each with their own separate Scheme Employer and Administering Buyer, it is important to identify the correct one(s) and amend the definition of "Fund" accordingly.

It is important to check whether CCS and or the Buyer can actually participate in the LGPS. Where a government department is taking on services which were formerly the responsibility of a Local Authority it may be necessary to obtain secretary of state approval for participation in the LGPS, this is because the services are being provided to Gov. Dept. and not to a Local Authority.

Unlike New Fair Deal the 2007 Best Value pension direction does not provide a right to bulk transfer past service. Whilst typically before the 2007 direction LA did provide such a right, it is a significant additional cost and therefore bulk transfer wording has been excluded. If required take legal advice due to the exceptionally high costs which can result from a requirement to provide bulk transfers.]

1. Definitions

In this Annex D3: LGPS to Part D: Pensions, the following words have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"2013 Regulations"	the Local Government Pension Scheme Regulations 2013 (SI 2013/2356) (as amended from time to time);
"Administering Buyer"	in relation to the Fund [insert name] , the relevant Administering Buyer of that Fund for the purposes of the 2013 Regulations;
"Fund Actuary"	the actuary to a Fund appointed by the Administering Buyer of that Fund;
"Fund"	[insert name], a pension fund within the LGPS;
["Initial Contribution Rate"⁶]	[XX %] of pensionable pay (as defined in the 2013 Regulations);]
"LGPS"	the Local Government Pension Scheme as governed by the LGPS Regulations, and any other regulations (in each case as amended from time to time) which are from time to time applicable to the Local Government Pension Scheme;
"LGPS Admission Agreement"	an admission agreement within the meaning in Schedule 1 of the 2013 Regulations;
"LGPS Admission Body"	an admission body (within the meaning of Part 3 of Schedule 2 of the 2013 Regulations);

"LGPS Eligible Employees"	any LGPS Fair Deal Employee who at the relevant time is an active member or eligible to participate in the LGPS under an LGPS Admission Agreement;
"LGPS Fair Deal Employees"	any Fair Deal Employee who at the Relevant Transfer Date is or becomes entitled to protection in respect of the LGPS or a pension scheme that is Broadly Comparable to the LGPS in accordance with the provisions in accordance with the provisions of New Fair Deal and/or the Best Value Direction; ;
"LGPS Regulations"	the 2013 Regulations and The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (SI 2014/525), and any other regulations (in each case as amended from time to time) which are from time to time applicable to the LGPS.

2. Supplier to become an LGPS Admission Body

- 2.1 In accordance with the principles of New Fair Deal and/or the Best Value Direction, the Supplier and/or any of its Subcontractors to which the employment of any LGPS Fair Deal Employee compulsorily transfers as a result of either the award of the relevant Contract or a Relevant Transfer, if not a scheme employer which participates automatically in the LGPS, shall each become an LGPS Admission Body by entering into an LGPS Admission Agreement on or before the Relevant Transfer Date to enable the LGPS Fair Deal Employees to retain either continuous active membership of or eligibility for the LGPS on and from the Relevant Transfer Date for so long as they remain employed in connection with the delivery of the Services under the relevant Contract.

OPTION 1⁷

- 2.2 [Any LGPS Fair Deal Employees who:

- 2.2.1 were active members of the LGPS (or a Broadly Comparable pension scheme) immediately before the Relevant Transfer Date shall be admitted to the LGPS with effect on and from the Relevant Transfer Date; and
- 2.2.2 were eligible to join the LGPS (or a Broadly Comparable pension scheme) but were not active members of the LGPS (or a Broadly Comparable pension scheme) immediately before the Relevant Transfer Date shall retain the ability to join the LGPS on or after the Relevant Transfer Date if they wish to do so.]

OPTION 2

- [Any LGPS Fair Deal Employees whether:

2.2.3 active members of the LGPS (or a Broadly Comparable pension scheme) immediately before the Relevant Transfer Date; or

2.2.4 eligible to join the LGPS (or a Broadly Comparable pension scheme) but not active members of the LGPS (or a Broadly Comparable pension scheme) immediately before the Relevant Transfer Date

shall be admitted to the LGPS with effect on and from the Relevant Transfer Date. The Supplier shall not automatically enrol or re-enrol for the purposes of the Pensions Act 2008 any LGPS Fair Deal Employees in any pension scheme other than the LGPS unless they cease to be eligible for membership of the LGPS.]

2.3 The Supplier will (and will procure that its Subcontractors (if any) will) provide at its own cost any indemnity, bond or guarantee required by an Administering Buyer in relation to an LGPS Admission Agreement.

3. Broadly Comparable Scheme

3.1 *If the Supplier and/or any of its Subcontractors is unable to obtain an LGPS Admission Agreement in accordance with paragraph 2.1 because the Administering Buyer will not allow it to participate in the Fund, the Supplier shall (and procure that its Subcontractors shall), with effect from the Relevant Transfer Date, offer the LGPS Fair Deal Employees membership of a pension scheme which is Broadly Comparable to LGPS on the Relevant Transfer Date in accordance with the provisions of paragraph 10 of Part D.*

3.2 *If the Supplier and/or any of its Subcontractors becomes an LGPS Admission Body in accordance with paragraph 2.1 but the LGPS Admission Agreement is terminated during the term of the relevant Contract for any reason at a time when the Supplier or Subcontractors still employs any LGPS Eligible Employees, the Supplier shall (and procure that its Subcontractors shall) at no extra cost to the Buyer, offer the remaining LGPS Eligible Employees membership of a pension scheme which is Broadly Comparable to the LGPS on the date the LGPS Eligible Employees ceased to participate in the LGPS in accordance with the provisions of paragraph 11 of Part D.*

4. Discretionary Benefits

Where the Supplier and/or any of its Subcontractors is an LGPS Admission Body, the Supplier shall (and procure that its Subcontractors shall) comply with its obligations under regulation 60 of the 2013 Regulations in relation to the preparation of a discretionary policy statement.

5. LGPS RISK SHARING^a

5.1 Subject to paragraphs 5.4 to 5.10, if at any time during the term of the relevant Contract the Administering Buyer, pursuant to the LGPS Admission Agreement or the LGPS Regulations, requires the Supplier or any Subcontractor to pay employer contributions or other payments to the Fund in aggregate in excess

of the Initial Contribution Rate, the excess of employer contributions above the Initial Contribution Rate for a Contract Year (the “Excess Amount”) shall be paid by the Supplier or the Subcontractor, as the case may be, and the Supplier shall be reimbursed by the Buyer.

- 5.2 Subject to paragraphs 5.4 to 5.9 and 5.11, if at any time during the term of the relevant Contract, the Administering Buyer, pursuant to the LGPS Admission Agreement or the LGPS Regulations, requires the Supplier or any Subcontractor to pay employer contributions or payments to the Fund in aggregate below the Initial Contribution Rate for a Contract Year, the Supplier shall reimburse the Buyer an amount equal to A–B (the “Refund Amount”) where:

A = the amount which would have been paid if contributions and payments had been paid equal to the Initial Contribution Rate for that Contract Year; and

B = the amount of contributions or payments actually paid by the Supplier or Subcontractor for that Contract Year, as the case may be, to the Fund.

- 5.3 Subject to paragraphs 5.4 to 5.10, where the Administering Buyer obtains an actuarial valuation and a revised rates and adjustment certificate under the LGPS Regulations and/or the terms of the LGPS Admission Agreement when the LGPS Admission Agreement ceases to have effect and the Supplier or any Subcontractor is required to pay any exit payment under Regulation 64(2) of the 2013 Regulations (the “**Exit Payment**”), such Exit Payment shall be paid by the Supplier or any Subcontractor (as the case may be) and the Supplier shall be reimbursed by the Buyer.

- 5.4 The Supplier and any Subcontractors shall at all times be responsible for the following costs:

5.4.1 any employer contributions relating to the costs of early retirement benefits arising on redundancy or as a result of business efficiency under Regulation 30(7) of the 2013 Regulations or otherwise;

5.4.2 any payment of Fund benefits to active members on the grounds of ill health or infirmity of mind or body under Regulation 35 of the 2013 Regulations or otherwise;

5.4.3 any payment of Fund benefits to deferred or deferred pensioner members on the grounds of ill health or infirmity of mind or body under Regulation 38 of the 2013 Regulations or otherwise;

5.4.4 any employer contributions relating to the costs of early or flexible retirement where the actuarial reduction is waived in whole or in part or a cost neutral reduction is not applied with the consent of the Supplier or any relevant Subcontractor including without limitation any decision made under Regulation 30(8) of the 2013 Regulations or Schedule 2 of The Local Government Pension

Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014;

- 5.4.5 any employer contributions relating to the costs of enhanced benefits made at the discretion of the Supplier or any relevant Subcontractors including without limitation additional pension awarded under Regulation 31 of the 2013 Regulations or otherwise;
 - 5.4.6 any increase to the employer contribution rate resulting from the award of pay increases by the Supplier or relevant Subcontractors in respect of all or any of the LGPS Eligible Employees in excess of the pay increases assumed in the Fund's most recent actuarial valuation (unless the Supplier and/or any Subcontractor is contractually bound to provide such increases on the Relevant Transfer Date);
 - 5.4.7 to the extent not covered above, any other costs arising out of or in connection with the exercise of any discretion or the grant of any consent under the LGPS Regulations by the Supplier or any relevant Subcontractors where a member does not have an absolute entitlement to that benefit under the LGPS;
 - 5.4.8 any cost of the administration of the Fund that are not met through the Supplier's or Subcontractor's employer contribution rate, including without limitation an amount specified in a notice given by the Administering Buyer under Regulation 70 of the 2013 Regulations;
 - 5.4.9 the costs of any reports and advice requested by or arising from an instruction given by the Supplier or a Subcontractor from the Fund Actuary; and/or
 - 5.4.10 any interest payable under the 2013 Regulations or LGPS Administration Agreement.
- 5.5 For the purposes of calculating any Exit Payment, Excess Amount or Refund Amount, any part of such an amount which is attributable to any costs which the Supplier or Subcontractors are responsible for in accordance with paragraph 5.4 above shall be disregarded and excluded from the calculation. In the event of any dispute as to level of any cost that should be excluded from the calculation, the opinion of the Fund Actuary shall be final and binding.
- 5.6 Where the Administering Buyer obtains an actuarial valuation and a revised rates and adjustment certificate under the LGPS Regulations and/or the terms of the LGPS Admission Agreement when the LGPS Admission Agreement ceases to have effect and the Supplier or any Subcontractor receives payment of an exit credit payment under Regulation 64(2) of the 2013 Regulations (the **"Exit Credit"**), the Supplier shall (or procure that any Subcontractor shall) reimburse the Buyer an amount equal to the Exit Credit within twenty (20) Working Days of receipt of the Exit Credit.
- 5.7 The Supplier shall (or procure that the Subcontractor shall) notify the Buyer in writing within twenty (20) Working Days:

- 5.7.1 of the end of each Contract Year of any Excess Amount or Refund Amount due in respect of the Contract Year that has just ended and provide a reasonable summary of how the Excess Amount or Refund Amount was calculated; and
 - 5.7.2 of being informed by the Administering Buyer of any Exit Payment or Exit Credit that is determined by as being due from or to the Supplier or a Subcontractor and provide a copy of any revised rates and adjustments certificate detailing the Exit Payment or Exit Credit and its calculation.
- 5.8 Within twenty (20) Working Days of receiving the notification under paragraph 5.7 above, the Buyer shall either:
 - 5.8.1 notify the Supplier in writing of its acceptance of the Excess Amount, Refund Amount or Exit Payment;
 - 5.8.2 request further information or evidence about the Excess Amount, Refund Amount or Exit Payment from the Supplier; and/or
 - 5.8.3 request a meeting with the Supplier to discuss or clarify the information or evidence provided.
- 5.9 Where the Excess Amount, Refund Amount or Exit Payment is agreed following the receipt of further information or evidence or following a meeting in accordance with paragraph 5.8 above, the Buyer shall notify the Supplier in writing. In the event that the Supplier and the Buyer are unable to agree the amount of the Excess Amount, Refund Amount or Exit Payment then they shall follow the Dispute Resolution Procedure.
- 5.10 Any Excess Amount or Exit Payment agreed by the Buyer or in accordance with the Dispute Resolution Procedure shall be paid by the Buyer within timescales as agreed between Buyer and Supplier. The amount to be paid by the Buyer shall be an amount equal to the Excess Amount or Exit Payment less an amount equal to any corporation tax relief which has been claimed in respect of the Excess Amount or Exit Payment by the Supplier or a Subcontractor.
- 5.11 Any Refund Amount agreed by the Buyer or in accordance with the Dispute Resolution Procedure as payable by the Supplier or any Subcontractor to the Buyer, shall be paid by the Supplier or any Subcontractor forthwith as the liability has been agreed. In the event the Supplier or any Subcontractor fails to pay any agreed Refund Amount, the Buyer shall demand in writing the immediate payment of the agreed Refund Amount by the Supplier and the Supplier shall make payment within seven (7) Working Days of such demand.
- 5.12 This paragraph 5 shall survive termination of the relevant Contract.

Annex D4: Other Schemes

[Guidance: Placeholder for Pension Schemes other than LGPS, CSPA & NHSPA]

Part E: Staff Transfer on Exit

1. Obligations before a Staff Transfer

- 1.1 The Supplier agrees that within 20 Working Days of the earliest of:
- 1.1.1 receipt of a notification from the Buyer of a Service Transfer or intended Service Transfer;
 - 1.1.2 receipt of the giving of notice of early termination or any Partial Termination of the relevant Contract;
 - 1.1.3 the date which is 12 Months before the end of the Term; and
 - 1.1.4 receipt of a written request of the Buyer at any time (provided that the Buyer shall only be entitled to make one such request in any 6 Month period),
- it shall provide in a suitably anonymised format so as to comply with the Data Protection Legislation, the Supplier's Provisional Supplier Personnel List, together with the Staffing Information in relation to the Supplier's Provisional Supplier Personnel List and it shall provide an updated Supplier's Provisional Supplier Personnel List at such intervals as are reasonably requested by the Buyer.
- 1.2 At least 20 Working Days prior to the Service Transfer Date, the Supplier shall provide to the Buyer or at the direction of the Buyer to any Replacement Supplier and/or any Replacement Subcontractor (i) the Supplier's Final Supplier Personnel List, which shall identify the basis upon which they are Transferring Supplier Employees and (ii) the Staffing Information in relation to the Supplier's Final Supplier Personnel List (insofar as such information has not previously been provided).
- 1.3 The Buyer shall be permitted to use and disclose information provided by the Supplier under Paragraphs 1.1 and 1.2 for the purpose of informing any prospective Replacement Supplier and/or Replacement Subcontractor.
- 1.4 The Supplier warrants, for the benefit of The Buyer, any Replacement Supplier, and any Replacement Subcontractor that all information provided pursuant to Paragraphs 1.1 and 1.2 shall be true and accurate in all material respects at the time of providing the information.
- 1.5 From the date of the earliest event referred to in Paragraph 1.1.1, 1.1.2 and 1.1.3, the Supplier agrees that it shall not, and agrees to procure that each Subcontractor shall not, assign any person to the provision of the Services who is not listed on the Supplier's Provisional Supplier Personnel List and shall not without the approval of the Buyer (not to be unreasonably withheld or delayed):
- :
- 1.5.1 replace or re-deploy any Supplier Staff listed on the Supplier Provisional Supplier Personnel List other than where any replacement is of equivalent grade, skills, experience and expertise and is employed on the same terms and conditions of employment as the person he/she replaces

- 1.5.2 make, promise, propose, permit or implement any material changes to the terms and conditions of employment of the Supplier Staff (including pensions and any payments connected with the termination of employment);
- 1.5.3 increase the proportion of working time spent on the Services (or the relevant part of the Services) by any of the Supplier Staff save for fulfilling assignments and projects previously scheduled and agreed;
- 1.5.4 introduce any new contractual or customary practice concerning the making of any lump sum payment on the termination of employment of any employees listed on the Supplier's Provisional Supplier Personnel List;
- 1.5.5 increase or reduce the total number of employees so engaged, or deploy any other person to perform the Services (or the relevant part of the Services);
- 1.5.6 terminate or give notice to terminate the employment or contracts of any persons on the Supplier's Provisional Supplier Personnel List save by due disciplinary process;

and shall promptly notify, and procure that each Subcontractor shall promptly notify, the Buyer or, at the direction of the Buyer, any Replacement Supplier and any Replacement Subcontractor of any notice to terminate employment given by the Supplier or relevant Subcontractor or received from any persons listed on the Supplier's Provisional Supplier Personnel List regardless of when such notice takes effect.

- 1.6 On or around each anniversary of the Start Date and up to four times during the last 12 Months of the Term, the Buyer may make written requests to the Supplier for information relating to the manner in which the Services are organised. Within 20 Working Days of receipt of a written request the Supplier shall provide, and shall procure that each Subcontractor shall provide, to the Buyer such information as the Buyer may reasonably require relating to the manner in which the Services are organised, which shall include:

- 1.6.1 the numbers of employees engaged in providing the Services;
- 1.6.2 the percentage of time spent by each employee engaged in providing the Services;
- 1.6.3 the extent to which each employee qualifies for membership of any of the Statutory Schemes or any Broadly Comparable scheme set up pursuant to the provisions of any of the Annexes to Part D (Pensions) (as appropriate); and
- 1.6.4 a description of the nature of the work undertaken by each employee by location.

- 1.7 The Supplier shall provide, and shall procure that each Subcontractor shall provide, all reasonable cooperation and assistance to the Buyer, any Replacement Supplier and/or any Replacement Subcontractor to ensure the smooth transfer of the Transferring Supplier Employees on the Service Transfer Date including providing sufficient information in advance of the Service

Transfer Date to ensure that all necessary payroll arrangements can be made to enable the Transferring Supplier Employees to be paid as appropriate. Without prejudice to the generality of the foregoing, within 5 Working Days following the Service Transfer Date, the Supplier shall provide, and shall procure that each Subcontractor shall provide, to the Buyer or, at the direction of the Buyer, to any Replacement Supplier and/or any Replacement Subcontractor (as appropriate), in respect of each person on the Supplier's Final Supplier Personnel List who is a Transferring Supplier Employee:

- 1.7.1 the most recent month's copy pay slip data;
- 1.7.2 details of cumulative pay for tax and pension purposes;
- 1.7.3 details of cumulative tax paid;
- 1.7.4 tax code;
- 1.7.5 details of any voluntary deductions from pay; and
- 1.7.6 bank/building society account details for payroll purposes.

2. Staff Transfer when the contract ends

- 2.1 The Buyer and the Supplier acknowledge that subsequent to the commencement of the provision of the Services, the identity of the provider of the Services (or any part of the Services) may change (whether as a result of termination or Partial Termination of the relevant Contract or otherwise) resulting in the Services being undertaken by a Replacement Supplier and/or a Replacement Subcontractor. Such change in the identity of the supplier of such services may constitute a Relevant Transfer to which the Employment Regulations and/or the Acquired Rights Directive will apply. The Buyer and the Supplier agree that, as a result of the operation of the Employment Regulations, where a Relevant Transfer occurs, the contracts of employment between the Supplier and the Transferring Supplier Employees (except in relation to any contract terms disappplied through operation of regulation 10(2) of the Employment Regulations) will have effect on and from the Service Transfer Date as if originally made between the Replacement Supplier and/or a Replacement Subcontractor (as the case may be) and each such Transferring Supplier Employee.
- 2.2 The Supplier shall, and shall procure that each Subcontractor shall, comply with all its obligations in respect of the Transferring Supplier Employees arising under the Employment Regulations in respect of the period up to (and including) the Service Transfer Date and shall perform and discharge, and procure that each Subcontractor shall perform and discharge, all its obligations in respect of all the Transferring Supplier Employees arising in respect of the period up to (and including) the Service Transfer Date (including (without limit) the payment of all remuneration, benefits, entitlements, and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions and all such sums due as a result of any Fair Deal Employees' participation in the Schemes which in any case are attributable in whole or in part to the period ending on (and including) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between: (i) the Supplier and/or the

Subcontractor (as appropriate); and (ii) the Replacement Supplier and/or Replacement Subcontractor.

2.3 Subject to Paragraph 2.4, the Supplier shall indemnify the Buyer and/or the Replacement Supplier and/or any Replacement Subcontractor against any Employee Liabilities arising from or as a result of:

2.3.1 any act or omission of the Supplier or any Subcontractor in respect of any Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee whether occurring before, on or after the Service Transfer Date;

2.3.2 the breach or non-observance by the Supplier or any Subcontractor occurring on or before the Service Transfer Date of:

(a) any collective agreement applicable to the Transferring Supplier Employees; and/or

(b) any other custom or practice with a trade union or staff association in respect of any Transferring Supplier Employees which the Supplier or any Subcontractor is contractually bound to honour;

2.3.3 any claim by any trade union or other body or person representing any Transferring Supplier Employees arising from or connected with any failure by the Supplier or a Subcontractor to comply with any legal obligation to such trade union, body or person arising on or before the Service Transfer Date;

2.3.4 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:

(a) in relation to any Transferring Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on and before the Service Transfer Date; and

(b) in relation to any employee who is not identified in the Supplier's Final Supplier Personnel List, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Supplier to the Buyer and/or Replacement Supplier and/or any Replacement Subcontractor, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on or before the Service Transfer Date;

2.3.5 a failure of the Supplier or any Subcontractor to discharge or procure the discharge of all wages, salaries and all other benefits

- and all PAYE tax deductions and national insurance contributions relating to the Transferring Supplier Employees in respect of the period up to (and including) the Service Transfer Date);
- 2.3.6 any claim made by or in respect of any person employed or formerly employed by the Supplier or any Subcontractor other than a Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List for whom it is alleged the Buyer and/or the Replacement Supplier and/or any Replacement Subcontractor may be liable by virtue of the relevant Contract and/or the Employment Regulations and/or the Acquired Rights Directive; and
 - 2.3.7 any claim made by or in respect of a Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee relating to any act or omission of the Supplier or any Subcontractor in relation to its obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the failure by the Buyer and/or Replacement Supplier to comply with regulation 13(4) of the Employment Regulations.
- 2.4 The indemnities in Paragraph 2.3 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Replacement Supplier and/or any Replacement Subcontractor whether occurring or having its origin before, on or after the Service Transfer Date including any Employee Liabilities:
- 2.4.1 arising out of the resignation of any Transferring Supplier Employee before the Service Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Replacement Supplier and/or any Replacement Subcontractor to occur in the period on or after the Service Transfer Date); or
 - 2.4.2 arising from the Replacement Supplier's failure, and/or Replacement Subcontractor's failure, to comply with its obligations under the Employment Regulations.
- 2.5 If any person who is not identified in the Supplier's Final Supplier Employee List claims, or it is determined in relation to any employees of the Supplier, that his/her contract of employment has been transferred from the Supplier to the Replacement Supplier and/or Replacement Subcontractor pursuant to the Employment Regulations or the Acquired Rights Directive, then:
- 2.5.1 the Buyer shall procure that the Replacement Supplier and/or Replacement Subcontractor will, within 5 Working Days of becoming aware of that fact, notify the Buyer and the Supplier in writing; and

- 2.5.2 the Supplier may offer (or may procure that a Subcontractor may offer) employment to such person, or take such other reasonable steps as it considered appropriate to deal the matter provided always that such steps are in compliance with Law, within 15 Working Days of receipt of notice from the Replacement Supplier and/or Replacement Subcontractor.
- 2.6 If such offer of is accepted, or if the situation has otherwise been resolved by the Supplier or a Subcontractor, Buyer shall procure that the Replacement Supplier shall, or procure that the and/or Replacement Subcontractor shall, immediately release or procure the release the person from his/her employment or alleged employment;
- 2.7 If after the 15 Working Day period specified in Paragraph 2.5.2 has elapsed:
- 2.7.1 no such offer has been made:
 - 2.7.2 such offer has been made but not accepted; or
 - 2.7.3 the situation has not otherwise been resolved
- the Buyer shall advise the Replacement Supplier and/or Replacement Subcontractor (as appropriate) that it may within 5 Working Days give notice to terminate the employment or alleged employment of such person;
- 2.8 Subject to the Replacement Supplier's and/or Replacement Subcontractor acting in accordance with the provisions of Paragraphs 2.5 to 2.7 and in accordance with all applicable proper employment procedures set out in applicable Law and subject to Paragraph 2.9 below, the Supplier will indemnify the Replacement Supplier and/or Replacement Subcontractor against all Employee Liabilities arising out of the termination of the employment of any of the Supplier's employees pursuant to the provisions of Paragraph 2.7 provided that the Replacement Supplier takes, or shall procure that the Replacement Subcontractor takes, all reasonable steps to minimise any such Employee Liabilities.
- 2.9 The indemnity in Paragraph 2.8:
- 2.9.1 shall not apply to:
 - (a) any claim for:
 - (i) discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or
 - (ii) equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,
- In any case in relation to any alleged act or omission of the Replacement Supplier and/or Replacement Subcontractor, or

- (b) any claim that the termination of employment was unfair because the Replacement Supplier and/or Replacement Subcontractor neglected to follow a fair dismissal procedure; and

2.9.2 shall apply only where the notification referred to in Paragraph 2.5.1 is made by the Replacement Supplier and/or Replacement Subcontractor to the Supplier within 6 months of the Service Transfer Date.

2.10 If any such person as is described in Paragraph 2.5 is neither re-employed by the Supplier or any Subcontractor nor dismissed by the Replacement Supplier and/or Replacement Subcontractor within the time scales set out in Paragraphs 2.5 to 2.7, such person shall be treated as a Transferring Supplier Employee. .

2.11 The Supplier shall comply, and shall procure that each Subcontractor shall comply, with all its obligations under the Employment Regulations and shall perform and discharge, and shall procure that each Subcontractor shall perform and discharge, all its obligations in respect of any person identified in the Supplier's Final Supplier Personnel List before and on the Service Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions and such sums due as a result of any Fair Deal Employees' participation in the Schemes and any requirement to set up a broadly comparable pension scheme which in any case are attributable in whole or in part in respect of the period up to (and including) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between:

(b) *the Supplier and/or any Subcontractor; and*

(c) *the Replacement Supplier and/or the Replacement Subcontractor.*

2.12 The Supplier shall, and shall procure that each Subcontractor shall, promptly provide the Buyer and any Replacement Supplier and/or Replacement Subcontractor, in writing such information as is necessary to enable the Buyer, the Replacement Supplier and/or Replacement Subcontractor to carry out their respective duties under regulation 13 of the Employment Regulations. The Buyer shall procure that the Replacement Supplier and/or Replacement Subcontractor, shall promptly provide to the Supplier and each Subcontractor in writing such information as is necessary to enable the Supplier and each Subcontractor to carry out their respective duties under regulation 13 of the Employment Regulations.

2.13 Subject to Paragraph 2.14, the Buyer shall procure that the Replacement Supplier indemnifies the Supplier on its own behalf and on behalf of any Replacement Subcontractor and its Subcontractors against any Employee Liabilities arising from or as a result of:

2.13.1 any act or omission of the Replacement Supplier and/or Replacement Subcontractor in respect of any Transferring Supplier Employee in the Supplier's Final Supplier Personnel List

- or any appropriate employee representative (as defined in the Employment Regulations) of any such Transferring Supplier Employee;
- 2.13.2 the breach or non-observance by the Replacement Supplier and/or Replacement Subcontractor on or after the Service Transfer Date of:
- (a) any collective agreement applicable to the Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List; and/or
 - (b) any custom or practice in respect of any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List which the Replacement Supplier and/or Replacement Subcontractor is contractually bound to honour;
- 2.13.3 any claim by any trade union or other body or person representing any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List arising from or connected with any failure by the Replacement Supplier and/or Replacement Subcontractor to comply with any legal obligation to such trade union, body or person arising on or after the Service Transfer Date;
- 2.13.4 any proposal by the Replacement Supplier and/or Replacement Subcontractor to change the terms and conditions of employment or working conditions of any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List on or after their transfer to the Replacement Supplier or Replacement Subcontractor (as the case may be) on the Service Transfer Date, or to change the terms and conditions of employment or working conditions of any person identified in the Supplier's Final Supplier Personnel List who would have been a Transferring Supplier Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Service Transfer Date as a result of or for a reason connected to such proposed changes;
- 2.13.5 any statement communicated to or action undertaken by the Replacement Supplier or Replacement Subcontractor to, or in respect of, any Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List on or before the Service Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Supplier in writing;
- 2.13.6 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:

- (a) in relation to any Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising after the Service Transfer Date; and
 - (b) in relation to any employee who is not a Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Supplier or Subcontractor, to the Replacement Supplier or Replacement Subcontractor to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising after the Service Transfer Date;
- 2.13.7 a failure of the Replacement Supplier or Replacement Subcontractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List in respect of the period from (and including) the Service Transfer Date; and
- 2.13.8 any claim made by or in respect of a Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List or any appropriate employee representative (as defined in the Employment Regulations) of any such Transferring Supplier Employee relating to any act or omission of the Replacement Supplier or Replacement Subcontractor in relation to obligations under regulation 13 of the Employment Regulations.

The indemnities in Paragraph 2.13 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Supplier and/or any Subcontractor (as applicable) whether occurring or having its origin before, on or after the Service Transfer Date, including any Employee Liabilities arising from the failure by the Supplier and/or any Subcontractor (as applicable) to comply with its obligations under the Employment Regulations.

Order Schedule 3 (Continuous Improvement)

1. Buyer's Rights

- 1.1 The Buyer and the Supplier recognise that, where specified in DPS Schedule 4 (DPS Management), the Buyer may give CCS the right to enforce the Buyer's rights under this Schedule.

2. Supplier's Obligations

- 2.1 The Supplier must, throughout the Contract Period, identify new or potential improvements to the provision of the Deliverables with a view to reducing the Buyer's costs (including the Charges) and/or improving the quality and efficiency of the Deliverables and their supply to the Buyer.
- 2.2 The Supplier must adopt a policy of continuous improvement in relation to the Deliverables, which must include regular reviews with the Buyer of the Deliverables and the way it provides them, with a view to reducing the Buyer's costs (including the Charges) and/or improving the quality and efficiency of the Deliverables. The Supplier and the Buyer must provide each other with any information relevant to meeting this objective.
- 2.3 In addition to Paragraph 2.1, the Supplier shall produce at the start of each Contract Year a plan for improving the provision of Deliverables and/or reducing the Charges (without adversely affecting the performance of this Contract) during that Contract Year ("**Continuous Improvement Plan**") for the Buyer's Approval. The Continuous Improvement Plan must include, as a minimum, proposals:
- 2.3.1 identifying the emergence of relevant new and evolving technologies;
 - 2.3.2 changes in business processes of the Supplier or the Buyer and ways of working that would provide cost savings and/or enhanced benefits to the Buyer (such as methods of interaction, supply chain efficiencies, reduction in energy consumption and methods of sale);
 - 2.3.3 new or potential improvements to the provision of the Deliverables including the quality, responsiveness, procedures, benchmarking methods, likely performance mechanisms and customer support services in relation to the Deliverables; and
 - 2.3.4 measuring and reducing the sustainability impacts of the Supplier's operations and supply-chains relating to the Deliverables, and identifying opportunities to assist the Buyer in meeting their sustainability objectives.
- 2.4 The initial Continuous Improvement Plan for the first (1st) Contract Year shall be submitted by the Supplier to the Buyer for Approval within one hundred (100) Working Days of the first Order or six (6) Months following the Start Date, whichever is earlier.

- 2.5 The Buyer shall notify the Supplier of its Approval or rejection of the proposed Continuous Improvement Plan or any updates to it within twenty (20) Working Days of receipt. If it is rejected then the Supplier shall, within ten (10) Working Days of receipt of notice of rejection, submit a revised Continuous Improvement Plan reflecting the changes required. Once Approved, it becomes the Continuous Improvement Plan for the purposes of this Contract.
- 2.6 The Supplier must provide sufficient information with each suggested improvement to enable a decision on whether to implement it. The Supplier shall provide any further information as requested.
- 2.7 If the Buyer wishes to incorporate any improvement into this Contract, it must request a Variation in accordance with the Variation Procedure and the Supplier must implement such Variation at no additional cost to the Buyer or CCS.
- 2.8 Once the first Continuous Improvement Plan has been Approved in accordance with Paragraph 2.5:
- 2.8.1 the Supplier shall use all reasonable endeavours to implement any agreed deliverables in accordance with the Continuous Improvement Plan; and
 - 2.8.2 the Parties agree to meet as soon as reasonably possible following the start of each quarter (or as otherwise agreed between the Parties) to review the Supplier's progress against the Continuous Improvement Plan.
- 2.9 The Supplier shall update the Continuous Improvement Plan as and when required but at least once every Contract Year (after the first (1st) Contract Year) in accordance with the procedure and timescales set out in Paragraph 2.3.
- 2.10 All costs relating to the compilation or updating of the Continuous Improvement Plan and the costs arising from any improvement made pursuant to it and the costs of implementing any improvement, shall have no effect on and are included in the Charges.
- 2.11 Should the Supplier's costs in providing the Deliverables to the Buyer be reduced as a result of any changes implemented, all of the cost savings shall be passed on to the Buyer by way of a consequential and immediate reduction in the Charges for the Deliverables.
- 2.12 At any time during the Contract Period of the Order Contract, the Supplier may make a proposal for gainshare. If the Buyer deems gainshare to be applicable then the Supplier shall update the Continuous Improvement Plan so as to include details of the way in which the proposal shall be implemented in accordance with an agreed gainshare ratio.

Order Schedule 4 (Order Tender)

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Order Schedule 5 (Pricing Details)

Capita Pricing Response:

Year 1 estimated cost:

Part 1 - Monthly Fee:

Part II - Transaction Rate Card:

Part III – Daily FTE Rate Card:

Order Schedule 6 (ICT Services)

1. Definitions

1.1. In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"Buyer Property"	the property, other than real property and IPR, including the Buyer System, any equipment issued or made available to the Supplier by the Buyer in connection with this Contract;
"Buyer Software"	any software which is owned by or licensed to the Buyer and which is or will be used by the Supplier for the purposes of providing the Deliverables;
"Buyer System"	the Buyer's computing environment (consisting of hardware, software and/or telecommunications networks or equipment) used by the Buyer or the Supplier in connection with this Contract which is owned by or licensed to the Buyer by a third party and which interfaces with the Supplier System or which is necessary for the Buyer to receive the Deliverables;
"Commercial off the shelf Software" or "COTS Software"	non-customised software where the IPR may be owned and licensed either by the Supplier or a third party depending on the context, and which is commercially available for purchase and subject to standard licence terms;
"Defect"	<p>any of the following:</p> <ul style="list-style-type: none">a) any error, damage or defect in the manufacturing of a Deliverable; orb) any error or failure of code within the Software which causes a Deliverable to malfunction or to produce unintelligible or incorrect results; orc) any failure of any Deliverable to provide the performance, features and functionality specified in the requirements of the Buyer or the Documentation (including any adverse effect on response times) regardless of whether or not it prevents the relevant

	Deliverable from passing any Test required under this Order Contract; or
	d) any failure of any Deliverable to operate in conjunction with or interface with any other Deliverable in order to provide the performance, features and functionality specified in the requirements of the Buyer or the Documentation (including any adverse effect on response times) regardless of whether or not it prevents the relevant Deliverable from passing any Test required under this Contract;
"Emergency Maintenance"	ad hoc and unplanned maintenance provided by the Supplier where either Party reasonably suspects that the ICT Environment or the Services, or any part of the ICT Environment or the Services, has or may have developed a fault;
"ICT Environment"	the Buyer System and the Supplier System;
"Licensed Software"	all and any Software licensed by or through the Supplier, its Sub-Contractors or any third party to the Buyer for the purposes of or pursuant to this Order Contract, including any COTS Software;
"Maintenance Schedule"	has the meaning given to it in paragraph 8 of this Schedule;
"Malicious Software"	any software program or code intended to destroy, interfere with, corrupt, or cause undesired effects on program files, data or other information, executable code or application software macros, whether or not its operation is immediate or delayed, and whether the malicious software is introduced wilfully, negligently or without knowledge of its existence;
"New Release"	an item produced primarily to extend, alter or improve the Software and/or any Deliverable by providing additional functionality or performance enhancement (whether or not defects in the Software and/or Deliverable are also corrected) while still retaining the original designated purpose of that item;

"Open Source Software"	computer software that has its source code made available subject to an open-source licence under which the owner of the copyright and other IPR in such software provides the rights to use, study, change and distribute the software to any and all persons and for any and all purposes free of charge;
"Operating Environment"	means the Buyer System and any premises (including the Buyer Premises, the Supplier's premises or third party premises) from, to or at which: <ul style="list-style-type: none"> a) the Deliverables are (or are to be) provided; or b) the Supplier manages, organises or otherwise directs the provision or the use of the Deliverables; or c) where any part of the Supplier System is situated;
"Permitted Maintenance"	has the meaning given to it in paragraph 8.2 of this Schedule;
"Quality Plans"	has the meaning given to it in paragraph 6.1 of this Schedule;
"Sites"	has the meaning given to it in Joint Schedule 1 (Definitions), and for the purposes of this Order Schedule shall also include any premises from, to or at which physical interface with the Buyer System takes place;
"Software"	Specially Written Software, COTS Software and non-COTS Supplier and third party Software;
"Software Supporting Materials"	has the meaning given to it in paragraph 9.1 of this Schedule;
"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;

"Specially Written Software"

any software (including database software, linking instructions, test scripts, compilation instructions and test instructions) created by the Supplier (or by a Sub-Contractor or other third party on behalf of the Supplier) specifically for the purposes of this Contract, including any modifications or enhancements to COTS Software. For the avoidance of doubt Specially Written Software does not constitute New IPR;

"Supplier System"

the information and communications technology system used by the Supplier in supplying the Deliverables, including the COTS Software, the Supplier Equipment, configuration and management utilities, calibration and testing tools and related cabling (but excluding the Buyer System).

2. When this Schedule should be used

- 2.1. This Schedule is designed to provide additional provisions necessary to facilitate the provision of ICT Services which are part of the Deliverables.

3. Buyer due diligence requirements

- 3.1. The Supplier shall satisfy itself of all relevant details, including but not limited to, details relating to the following;
- 3.1.1. suitability of the existing and (to the extent that it is defined or reasonably foreseeable at the Start Date) future Operating Environment;
 - 3.1.2. operating processes and procedures and the working methods of the Buyer;
 - 3.1.3. ownership, functionality, capacity, condition and suitability for use in the provision of the Deliverables of the Buyer Assets; and
 - 3.1.4. existing contracts (including any licences, support, maintenance and other contracts 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 Contract and/or which the Supplier will require the benefit of for the provision of the Deliverables.
- 3.2. The Supplier confirms that it has advised the Buyer in writing of:
- 3.2.1. each aspect, if any, of the Operating Environment that is not suitable for the provision of the ICT Services;

- 3.2.2. the actions needed to remedy each such unsuitable aspect; and
- 3.2.3. a timetable for and the costs of those actions.

4. Licensed software warranty

4.1. The Supplier represents and warrants that:

- 4.1.1. it has and shall continue to have all necessary rights in and to the Licensed Software made available by the Supplier (and/or any Sub-Contractor) to the Buyer which are necessary for the performance of the Supplier's obligations under this Contract including the receipt of the Deliverables by the Buyer;
- 4.1.2. all components of the Specially Written Software shall:
 - 4.1.2.1. be free from material design and programming errors;
 - 4.1.2.2. perform in all material respects in accordance with the relevant specifications contained in Order Schedule 14 (Service Levels) and Documentation; and
 - 4.1.2.3. not infringe any IPR.

5. Provision of ICT Services

5.1. The Supplier shall:

- 5.1.1. ensure that the release of any new COTS Software in which the Supplier owns the IPR, or upgrade to any Software in which the Supplier owns the IPR complies with the interface requirements of the Buyer and (except in relation to new Software or upgrades which are released to address Malicious Software) shall notify the Buyer three (3) Months before the release of any new COTS Software or Upgrade;
- 5.1.2. ensure that all Software including upgrades, updates and New Releases used by or on behalf of the Supplier are currently supported versions of that Software and perform in all material respects in accordance with the relevant specification;
- 5.1.3. ensure that the Supplier System will be free of all encumbrances;
- 5.1.4. ensure that the Deliverables are fully compatible with any Buyer Software, Buyer System, or otherwise used by the Supplier in connection with this Contract;
- 5.1.5. minimise any disruption to the Services and the ICT Environment and/or the Buyer's operations when providing the Deliverables;

6. Standards and Quality Requirements

- 6.1. The Supplier shall develop, in the timescales specified in the Order Form, quality plans that ensure that all aspects of the Deliverables 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 seek Approval from the Buyer (not be unreasonably withheld or delayed) of the Quality Plans before implementing them. Approval shall not act as an endorsement of the Quality Plans and shall not relieve the Supplier of its responsibility for ensuring that the Deliverables are provided to the standard required by this Contract.
- 6.3. Following the approval of the Quality Plans, the Supplier shall provide all Deliverables in accordance with the Quality Plans.
- 6.4. The Supplier shall ensure that the Supplier Personnel shall at all times during the Order Contract Period:
 - 6.4.1. be appropriately experienced, qualified and trained to supply the Deliverables in accordance with this Contract;
 - 6.4.2. apply all due skill, care, diligence in faithfully performing those duties and exercising such powers as necessary in connection with the provision of the Deliverables; and
 - 6.4.3. obey all lawful instructions and reasonable directions of the Buyer (including, if so required by the Buyer, the ICT Policy) and provide the Deliverables to the reasonable satisfaction of the Buyer.

7. ICT Audit

- 7.1. The Supplier shall allow any auditor access to the Supplier premises to:
 - 7.1.1. inspect the ICT Environment and the wider service delivery environment (or any part of them);
 - 7.1.2. review any records created during the design and development of the Supplier System and pre-operational environment such as information relating to Testing;
 - 7.1.3. review the Supplier's quality management systems including all relevant Quality Plans.
 - 7.1.4. Audits will be limited to once per annum (unless required by regulator more frequently) & on reasonable notice (ie 10 days). Additionally, unless there is supplier poor performance or (for example) a data breach. If these service issues occur, then the department reserves the right to audit more frequently.

8. Maintenance of the ICT Environment

- 8.1. If specified by the Buyer in the Order Form, the Supplier shall create and maintain a rolling schedule of planned maintenance to the ICT Environment ("**Maintenance Schedule**") and make it available to the Buyer for Approval in accordance with the timetable and instructions specified by the Buyer.
- 8.2. Once the Maintenance Schedule has been Approved, the Supplier shall only undertake such planned maintenance (which shall be known as "**Permitted Maintenance**") in accordance with the Maintenance Schedule.
- 8.3. The Supplier shall give as much notice as is reasonably practicable to the Buyer prior to carrying out any Emergency Maintenance.
- 8.4. The Supplier shall carry out any necessary maintenance (whether Permitted Maintenance or Emergency Maintenance) where it reasonably suspects that the ICT Environment and/or the Services or any part thereof has or may have developed a fault. Any such maintenance shall be carried out in such a manner and at such times so as to avoid (or where this is not possible so as to minimise) disruption to the ICT Environment and the provision of the Deliverables.

9. Intellectual Property Rights in ICT

9.1. Assignments granted by the Supplier: Specially Written Software

- 9.1.1. The Supplier assigns (by present assignment of future rights to take effect immediately on it coming into existence) to the Buyer with full guarantee (or shall procure assignment to the Buyer), title to and all rights and interest in the Specially Written Software together with and including:
 - 9.1.1.1. the Documentation, Source Code and the Object Code of the Specially Written Software; and
 - 9.1.1.2. all build instructions, test instructions, test scripts, test data, operating instructions and other documents and tools necessary for maintaining and supporting the Specially Written Software and the New IPR (together the "**Software Supporting Materials**").
- 9.1.2. The Supplier shall:
 - 9.1.2.1. inform the Buyer of all Specially Written Software or New IPRs that are a modification, customisation, configuration or enhancement to any COTS Software;
 - 9.1.2.2. deliver to the Buyer the Specially Written Software and any computer program elements of the New IPRs in both Source Code and Object Code forms together with relevant Documentation and all related Software Supporting Materials

within seven days of completion or, if a relevant Milestone has been identified in an Implementation Plan, Achievement of that Milestone and shall provide updates of them promptly following each new release of the Specially Written Software, in each case on media that is reasonably acceptable to the Buyer and the Buyer shall become the owner of such media upon receipt; and

9.1.2.3. without prejudice to paragraph 9.1.2.2, provide full details to the Buyer of any of the Supplier's Existing IPRs or Third Party IPRs which are embedded or which are an integral part of the Specially Written Software or New IPR and the Supplier hereby grants to the Buyer and shall procure that any relevant third party licensor shall grant to the Buyer a perpetual, irrevocable, non-exclusive, assignable, royalty-free licence to use, sub-license and/or commercially exploit such Supplier's Existing IPRs and Third Party IPRs to the extent that it is necessary to enable the Buyer to obtain the full benefits of ownership of the Specially Written Software and New IPRs.

9.1.3. The Supplier shall promptly execute all such assignments as are required to ensure that any rights in the Specially Written Software and New IPRs are properly transferred to the Buyer.

9.2. Licences for non-COTS IPR from the Supplier and third parties to the Buyer

9.2.1. Unless the Buyer gives its Approval the Supplier must not use any:

- a) of its own Existing IPR that is not COTS Software;
- b) third party software that is not COTS Software

9.2.2. Where the Buyer Approves the use of the Supplier's Existing IPR that is not COTS Software the Supplier shall grants to the Buyer a perpetual, royalty-free and non-exclusive licence to use adapt, and sub-license the same for any purpose relating to the Deliverables (or substantially equivalent deliverables) or for any purpose relating to the exercise of the Buyer's (or, if the Buyer is a Central Government Body, any other Central Government Body's) business or function including the right to load, execute, store, transmit, display and copy (for the purposes of archiving, backing-up, loading, execution, storage, transmission or display) for the Call Off Contract Period and after expiry of the Contract to the extent necessary to ensure continuity of service and an effective transition of Services to a Replacement Supplier.

9.2.3. Where the Buyer Approves the use of third-party Software that is not COTS Software the Supplier shall procure that the owners or the

authorised licensors of any such Software grant a direct licence to the Buyer on terms at least equivalent to those set out in Paragraph 9.2.2. If the Supplier cannot obtain such a licence for the Buyer it shall:

- 9.2.3.1. notify the Buyer in writing giving details of what licence terms can be obtained and whether there are alternative software providers which the Supplier could seek to use; and
- 9.2.3.2. only use such third party IPR as referred to at paragraph 9.2.3.1 if the Buyer Approves the terms of the licence from the relevant third party.

9.2.4. Where the Supplier is unable to provide a license to the Supplier's Existing IPR in accordance with Paragraph 9.2.2 above, it must meet the requirement by making use of COTS Software or Specially Written Software.

9.2.5. The Supplier may terminate a licence granted under paragraph 9.2.1 by giving at least thirty (30) days' notice in writing if there is an Authority Cause which constitutes a material Default which, if capable of remedy, is not remedied within twenty (20) Working Days after the Supplier gives the Buyer written notice specifying the breach and requiring its remedy.

9.3. Licenses for COTS Software by the Supplier and third parties to the Buyer

- 9.3.1. The Supplier shall either grant, or procure that the owners or the authorised licensors of any COTS Software grant, a direct licence to the Buyer on terms no less favourable than those standard commercial terms on which such software is usually made commercially available.
- 9.3.2. Where the Supplier owns the COTS Software it shall make available the COTS software to a Replacement Supplier at a price and on terms no less favourable than those standard commercial terms on which such software is usually made commercially available.
- 9.3.3. Where a third party is the owner of COTS Software licensed in accordance with this Paragraph 9.3 the Supplier shall support the Replacement Supplier to make arrangements with the owner or authorised licensee to renew the license at a price and on terms no less favourable than those standard commercial terms on which such software is usually made commercially available.
- 9.3.4. The Supplier shall notify the Buyer within seven (7) days of becoming aware of any COTS Software which in the next thirty-six (36) months:
 - 9.3.4.1. will no longer be maintained or supported by the developer; or
 - 9.3.4.2. will no longer be made commercially available

9.4. Buyer's right to assign/novate licences

9.4.1. The Buyer may assign, novate or otherwise transfer its rights and obligations under the licences granted pursuant to paragraph 9.2 to:

9.4.1.1. a Central Government Body; or

9.4.1.2. 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 Buyer.

9.4.2. If the Buyer ceases to be a Central Government Body, the successor body to the Buyer shall still be entitled to the benefit of the licences granted in paragraph 9.2.

9.5. Licence granted by the Buyer

9.5.1. The Buyer grants to the Supplier a royalty-free, non-exclusive, non-transferable licence during the Contract Period to use the Buyer Software and the Specially Written Software solely to the extent necessary for providing the Deliverables in accordance with this Contract, including the right to grant sub-licences to Sub-Contractors provided that any relevant Sub-Contractor has entered into a confidentiality undertaking with the Supplier on the same terms as set out in Clause 15 (Confidentiality).

9.6. Open Source Publication

9.6.1. Unless the Buyer otherwise agrees in advance in writing (and subject to paragraph 9.6.3) all Specially Written Software and computer program elements of New IPR shall be created in a format, or able to be converted (in which case the Supplier shall also provide the converted format to the Buyer) into a format, which is:

9.6.1.1. suitable for publication by the Buyer as Open Source; and

9.6.1.2. based on Open Standards (where applicable),

and the Buyer may, at its sole discretion, publish the same as Open Source.

9.6.2. The Supplier hereby warrants that the Specially Written Software and the New IPR:

9.6.2.1. are suitable for release as Open Source and that the Supplier has used reasonable endeavours when developing the same to ensure that publication by the Buyer will not enable a third party to use them in any way which could reasonably be foreseen to compromise the operation, running or security of the Specially Written Software, New IPRs or the Buyer System;

- 9.6.2.2. have been developed using reasonable endeavours to ensure that their publication by the Buyer shall not cause any harm or damage to any party using them;
 - 9.6.2.3. do not contain any material which would bring the Buyer into disrepute;
 - 9.6.2.4. can be published as Open Source without breaching the rights of any third party;
 - 9.6.2.5. will be supplied in a format suitable for publication as Open Source ("**the Open Source Publication Material**") no later than the date notified by the Buyer to the Supplier; and
 - 9.6.2.6. do not contain any Malicious Software.
- 9.6.3. Where the Buyer has Approved a request by the Supplier for any part of the Specially Written Software or New IPRs to be excluded from the requirement to be in an Open Source format due to the intention to embed or integrate Supplier Existing IPRs and/or Third Party IPRs (and where the Parties agree that such IPRs are not intended to be published as Open Source), the Supplier shall:
- 9.6.3.1. as soon as reasonably practicable, provide written details of the nature of the IPRs and items or Deliverables based on IPRs which are to be excluded from Open Source publication; and
 - 9.6.3.2. include in the written details and information about the impact that inclusion of such IPRs or Deliverables based on such IPRs, will have on any other Specially Written Software and/or New IPRs and the Buyer's ability to publish such other items or Deliverables as Open Source.

9.7. **Malicious Software**

- 9.7.1. The Supplier shall, throughout the Contract Period, use the latest versions of anti-virus definitions and software available from an industry accepted anti-virus software vendor to check for, contain the spread of, and minimise the impact of Malicious Software.
- 9.7.2. If Malicious Software is found, the Parties shall co-operate to reduce the effect of the Malicious Software and, particularly if Malicious Software causes loss of operational efficiency or loss or corruption of Government Data, assist each other to mitigate any losses and to restore the provision of the Deliverables to its desired operating efficiency.

- 9.7.3. Any cost arising out of the actions of the Parties taken in compliance with the provisions of paragraph 9.7.2 shall be borne by the Parties as follows:
- 9.7.3.1. by the Supplier, where the Malicious Software originates from the Supplier Software, the third party Software supplied by the Supplier or the Government Data (whilst the Government Data was under the control of the Supplier) unless the Supplier can demonstrate that such Malicious Software was present and not quarantined or otherwise identified by the Buyer when provided to the Supplier; and
 - 9.7.3.2. by the Buyer, if the Malicious Software originates from the Buyer Software or the Government Data (whilst the Government Data was under the control of the Buyer).

Order Schedule 7 (Key Supplier Staff)

1.1 The Order Form lists the key roles (“**Key Roles**”) and names of the persons who the Supplier shall appoint to fill those Key Roles at the Start Date.

1.2 The Supplier shall ensure that the Key Staff fulfil the Key Roles at all times during the Contract Period.

1.3 The Buyer 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 Staff.

1.4 The Supplier shall not and shall procure that any Subcontractor shall not remove or replace any Key Staff unless:

1.4.1 requested to do so by the Buyer or the Buyer Approves such removal or replacement (not to be unreasonably withheld or delayed);

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

1.4.3 the person’s employment or contractual arrangement with the Supplier or Subcontractor is terminated for material breach of contract by the employee.

1.5 The Supplier shall:

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

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

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

1.5.4 ensure that all arrangements for planned changes in Key Staff provide adequate periods during which incoming and outgoing staff work together

to transfer responsibilities and ensure that such change does not have an adverse impact on the provision of the Deliverables; and

1.5.5 ensure that any replacement for a Key Role has a level of qualifications and experience appropriate to the relevant Key Role and is fully competent to carry out the tasks assigned to the Key Staff whom he or she has replaced.

1.6 The Buyer may require the Supplier to remove or procure that any Subcontractor shall remove any Key Staff that the Buyer considers unsatisfactory in any respect. The Buyer shall not be liable for the cost of replacing any Key Staff.

Order Schedule 8 (Business Continuity and Disaster Recovery)

1. Definitions

1.1 In this Schedule, the following words shall have the following meanings, and they shall supplement Joint Schedule 1 (Definitions):

“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:

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

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;

“Appropriate Authority” or “Appropriate Authorities”

means the Buyer and the Cabinet Office Markets and Suppliers Team or, where the Supplier is a Strategic Supplier, the Cabinet Office Markets and Suppliers Team;

“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;

"BCDR Plan"

has the meaning given to it in Paragraph 2.2 of this Schedule;

"Business Continuity Plan"

has the meaning given to it in Paragraph 2.3.2 of this Schedule;

“Class 1 Transaction”

has the meaning set out in the listing rules issued by the UK Listing Authority;

“Control”

the possession by a 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 interpreted accordingly;

**“Corporate
Change Event”**

means:

- (1) any change of Control of the Supplier or a Parent Undertaking of the Supplier;
- (2) any change of Control of any member of the Supplier Group which, in the reasonable opinion of the Buyer, could have a material adverse effect on the Deliverables;
- (3) any change to the business of the Supplier or any member of the Supplier Group which, in the reasonable opinion of the Buyer, could have a material adverse effect on the Deliverables;
- (4) 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;
- (5) 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;
- (6) 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;
- (7) an order is made or an effective resolution is passed for the winding up of any member of the Supplier Group;
- (8) 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;

- (9) 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

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;

“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:

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 significant impact on the national security, national defence, or the functioning of the UK;

“Critical Service Contract”

a service contract which the Buyer has categorised as a Gold Contract using the Cabinet Office Contract Tiering Tool or which the Buyer otherwise considers should be classed as a Critical Service Contract;

“CRP Information”

means, together, the:

Group Structure Information and Resolution Commentary; and

UK Public Sector and CNI Contract Information;

“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 the Contract, including for the avoidance of doubt the provision of the Deliverables in accordance with the terms of the Contract;

"Disaster"	the occurrence of one or more events which, either separately or cumulatively, mean that the Deliverables, or a material part thereof will be unavailable (or could reasonably be anticipated to be unavailable);
"Disaster Recovery Deliverables"	the Deliverables embodied in the processes and procedures for restoring the provision of Deliverables following the occurrence of a Disaster;
"Disaster Recovery Plan"	has the meaning given to it in Paragraph 2.3.3 of this Schedule;
"Disaster Recovery System"	the system embodied in the processes and procedures for restoring the provision of Deliverables following the occurrence of a Disaster;
"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 and Appendix 1 to Part B;
"Parent Undertaking"	has the meaning set out in section 1162 of the Companies Act 2006;
"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;
"Related Supplier"	any person who provides Deliverables to the Buyer which are related to the Deliverables from time to time;
"Review Report"	has the meaning given to it in Paragraph 6.3 of this Schedule; and
"Strategic Supplier"	means those suppliers to government listed at https://www.gov.uk/government/publications/strategic-suppliers ;

“Subsidiary Undertaking”	has the meaning set out in section 1162 of the Companies Act 2006;
“Supplier Group”	means the Supplier, its Dependent Parent Undertakings and all Subsidiary Undertakings and Associates of such Dependent Parent Undertakings;
"Supplier's Proposals"	has the meaning given to it in Paragraph 6.3 of this Schedule;
“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; and
“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 and Appendix 2 of Part B;

Part A: BCDR Plan

1. BCDR Plan

- 1.1 The Buyer and the Supplier recognise that, where specified in DPS Schedule 4 (DPS Management), CCS shall have the right to enforce the Buyer's rights under this Schedule.
- 1.2 There is a requirement for an annual DR exercise with the first exercise carried out by the supplier by Dec 2026 with a full report by Jan 2027. As stated in the ITT the DRP must be approved by the Department and the SP must, in the event of interruption of the services, act in accordance with the same, which shall detail the processes and arrangements that the Supplier shall follow to:
 - 1.2.1 ensure continuity of the business processes and operations supported by the Services following any failure or disruption of any element of the Deliverables; and
 - 1.2.2 the recovery of the Deliverables in the event of a Disaster
- 1.3 The BCDR Plan shall be divided into four sections:
 - 1.3.1 Section 1 which shall set out general principles applicable to the BCDR Plan;
 - 1.3.2 Section 2 which shall relate to business continuity (the **"Business Continuity Plan"**);

- 1.3.3 Section 3 which shall relate to disaster recovery (the "**Disaster Recovery Plan**"); and
- 1.3.4 Section 4 which shall relate to an Insolvency Event of the Supplier, and Key Subcontractors and/or any Supplier Group member (the "**Insolvency Continuity Plan**").
- 1.2 Following receipt of the draft BCDR Plan from the Supplier, the Parties shall use reasonable endeavours to agree the contents of the BCDR Plan. If the Parties are unable to agree the contents of the BCDR Plan within twenty (20) Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.
- 2. General Principles of the BCDR Plan (Section 1)**
- 2.1 Section 1 of the BCDR Plan shall:
- 2.1.1 set out how the business continuity and disaster recovery elements of the BCDR Plan link to each other;
 - 2.1.2 provide details of how the invocation of any element of the BCDR Plan may impact upon the provision of the Deliverables and any goods and/or services provided to the Buyer by a Related Supplier;
 - 2.1.3 contain an obligation upon the Supplier to liaise with the Buyer and any Related Suppliers with respect to business continuity and disaster recovery;
 - 2.1.4 detail how the BCDR Plan interoperates with any overarching disaster recovery or business continuity plan of the Buyer and any of its other Related Supplier in each case as notified to the Supplier by the Buyer from time to time;
 - 2.1.5 contain a communication strategy including details of an incident and problem management service and advice and help desk facility which can be accessed via multiple channels;
 - 2.1.6 contain a risk analysis, including:
 - (a) failure or disruption scenarios and assessments of likely frequency of occurrence;
 - (b) identification of any single points of failure within the provision of Deliverables and processes for managing those risks;
 - (c) identification of risks arising from the interaction of the provision of Deliverables with the goods and/or services provided by a Related Supplier; and
 - (d) a business impact analysis of different anticipated failures or disruptions;

- 2.1.7 provide for documentation of processes, including business processes, and procedures;
- 2.1.8 set out key contact details for the Supplier (and any Subcontractors) and for the Buyer;
- 2.1.9 identify the procedures for reverting to "normal service";
- 2.1.10 set out method(s) of recovering or updating data collected (or which ought to have been collected) during a failure or disruption to minimise data loss;
- 2.1.11 identify the responsibilities (if any) that the Buyer has agreed it will assume in the event of the invocation of the BCDR Plan;
- 2.1.12 provide for the provision of technical assistance to key contacts at the Buyer as required by the Buyer to inform decisions in support of the Buyer's business continuity plans;
- 2.1.13 set out how the business continuity and disaster recovery elements of the BCDR Plan link to the Insolvency Continuity Plan, and how the Insolvency Continuity Plan links to the business continuity and disaster recovery elements of the BCDR Plan;
- 2.1.14 contain an obligation upon the Supplier to liaise with the Buyer and (at the Buyer's request) any Related Supplier with respect to issues concerning insolvency continuity where applicable; and
- 2.1.15 detail how the BCDR Plan links and interoperates with any overarching and/or connected insolvency continuity plan of the Buyer and any of its other Related Suppliers in each case as notified to the Supplier by the Buyer from time to time.
- 2.2 The BCDR Plan shall be designed so as to ensure that:
 - 2.2.1 the Deliverables are provided in accordance with this Contract at all times during and after the invocation of the BCDR Plan;
 - 2.2.2 the adverse impact of any Disaster is minimised as far as reasonably possible;
 - 2.2.3 it complies with the relevant provisions of ISO/IEC 27002; ISO22301/ISO22313 and all other industry standards from time to time in force; and
 - 2.2.4 it details a process for the management of disaster recovery testing.
- 2.3 The BCDR Plan shall be upgradeable and sufficiently flexible to support any changes to the Deliverables and the business operations supported by the provision of Deliverables.
- 2.4 The Supplier shall not be entitled to any relief from its obligations under the Performance Indicators (PI's) or Service Levels, or to any increase in the

Charges to the extent that a Disaster occurs as a consequence of any breach by the Supplier of this Contract.

3. Business Continuity (Section 2)

- 3.1 The Business Continuity Plan shall set out the arrangements that are to be invoked to ensure that the business processes facilitated by the provision of Deliverables remain supported and to ensure continuity of the business operations supported by the Services including:
 - 3.1.1 the alternative processes, options and responsibilities that may be adopted in the event of a failure in or disruption to the provision of Deliverables; and
 - 3.1.2 the steps to be taken by the Supplier upon resumption of the provision of Deliverables in order to address the effect of the failure or disruption.
- 3.2 The Business Continuity Plan shall:
 - 3.2.1 address the various possible levels of failures of or disruptions to the provision of Deliverables;
 - 3.2.2 set out the goods and/or services to be provided and the steps to be taken to remedy the different levels of failures of and disruption to the Deliverables;
 - 3.2.3 specify any applicable Performance Indicators with respect to the provision of the Business Continuity Services and details of any agreed relaxation to the Performance Indicators (PI's) or Service Levels in respect of the provision of other Deliverables during any period of invocation of the Business Continuity Plan; and
 - 3.2.4 set out the circumstances in which the Business Continuity Plan is invoked.

4. Disaster Recovery (Section 3)

- 4.1 The Disaster Recovery Plan (which shall be invoked only upon the occurrence of a Disaster) shall be designed to ensure that upon the occurrence of a Disaster the Supplier ensures continuity of the business operations of the Buyer supported by the Services following any Disaster or during any period of service failure or disruption with, as far as reasonably possible, minimal adverse impact.
- 4.2 The Supplier's BCDR Plan shall include an approach to business continuity and disaster recovery that addresses the following:
 - 4.2.1 loss of access to the Buyer Premises;
 - 4.2.2 loss of utilities to the Buyer Premises;
 - 4.2.3 loss of the Supplier's helpdesk or CAFM system;

- 4.2.4 loss of a Subcontractor;
- 4.2.5 emergency notification and escalation process;
- 4.2.6 contact lists;
- 4.2.7 staff training and awareness;
- 4.2.8 BCDR Plan testing;
- 4.2.9 post implementation review process;
- 4.2.10 any applicable Performance Indicators (PI's) with respect to the provision of the disaster recovery services and details of any agreed relaxation to the Performance Indicators (PI's) or Service Levels in respect of the provision of other Deliverables during any period of invocation of the Disaster Recovery Plan;
- 4.2.11 details of how the Supplier shall ensure compliance with security standards ensuring that compliance is maintained for any period during which the Disaster Recovery Plan is invoked;
- 4.2.12 access controls to any disaster recovery sites used by the Supplier in relation to its obligations pursuant to this Schedule; and
- 4.2.13 testing and management arrangements.

5. Insolvency Continuity Plan (Section 4)

- 5.1 The Insolvency Continuity Plan shall be designed by the Supplier to permit continuity of the business operations of the Buyer supported by the Deliverables through continued provision of the Deliverables following an Insolvency Event of the Supplier, any Key Sub-contractor and/or any Supplier Group member with, as far as reasonably possible, minimal adverse impact.
- 5.2 The Insolvency Continuity Plan shall include the following:
 - 5.2.1 communication strategies which are designed to minimise the potential disruption to the provision of the Deliverables, including key contact details in respect of the supply chain and key contact details for operational and contract Supplier Staff, Key Subcontractor personnel and Supplier Group member personnel;
 - 5.2.2 identification, explanation, assessment and an impact analysis of risks in respect of dependencies between the Supplier, Key Subcontractors and Supplier Group members where failure of those dependencies could reasonably have an adverse impact on the Deliverables;
 - 5.2.3 plans to manage and mitigate identified risks;
 - 5.2.4 details of the roles and responsibilities of the Supplier, Key Subcontractors and/or Supplier Group members to minimise and mitigate the effects of an Insolvency Event of such persons on the Deliverables;

- 5.2.5 details of the recovery team to be put in place by the Supplier (which may include representatives of the Supplier, Key Subcontractors and Supplier Group members); and
- 5.2.6 sufficient detail to enable an appointed insolvency practitioner to invoke the plan in the event of an Insolvency Event of the Supplier.

6. Review and changing the BCDR Plan

- 6.1 The Supplier shall review the BCDR Plan:
 - 6.1.1 on a regular basis and as a minimum once every six (6) Months;
 - 6.1.2 within three (3) calendar Months of the BCDR Plan (or any part) having been invoked pursuant to Paragraph 8; and
 - 6.1.3 where the Buyer requests in writing any additional reviews (over and above those provided for in Paragraphs 6.1.1 and 6.1.2 of this Schedule) whereupon the Supplier shall conduct such reviews in accordance with the Buyer's written requirements. Prior to starting its review, the Supplier shall provide an accurate written estimate of the total costs payable by the Buyer for the Buyer's approval. The costs of both Parties of any such additional reviews shall be met by the Buyer except that the Supplier shall not be entitled to charge the Buyer for any costs that it may incur above any estimate without the Buyer's prior written approval.
- 6.2 Each review of the BCDR Plan pursuant to Paragraph 6.1 shall assess its suitability having regard to any change to the Deliverables or any underlying business processes and operations facilitated by or supported by the Services which have taken place since the later of the original approval of the BCDR Plan or the last review of the BCDR Plan, and shall also have regard to any occurrence of any event since that date (or the likelihood of any such event taking place in the foreseeable future) which may increase the likelihood of the need to invoke the BCDR Plan. The review shall be completed by the Supplier within such period as the Buyer shall reasonably require.
- 6.3 The Supplier shall, within twenty (20) Working Days of the conclusion of each such review of the BCDR Plan, provide to the Buyer a report (a "**Review Report**") setting out the Supplier's proposals (the "**Supplier's Proposals**") for addressing any changes in the risk profile and its proposals for amendments to the BCDR Plan.
- 6.4 Following receipt of the Review Report and the Supplier's Proposals, the Parties shall use reasonable endeavours to agree the Review Report and the Supplier's Proposals. If the Parties are unable to agree Review Report and the Supplier's Proposals within twenty (20) Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.

- 6.5 The Supplier shall as soon as is reasonably practicable after receiving the approval of the Supplier's Proposals effect any change in its practices or procedures necessary so as to give effect to the Supplier's Proposals. Any such change shall be at the Supplier's expense unless it can be reasonably shown that the changes are required because of a material change to the risk profile of the Deliverables.

7. Testing the BCDR Plan

- 7.1 The Supplier shall test the BCDR Plan:
- 7.1.1 regularly and in any event not less than once in every Contract Year;
 - 7.1.2 in the event of any major reconfiguration of the Deliverables
 - 7.1.3 at any time where the Buyer considers it necessary (acting in its sole discretion).
- 7.2 If the Buyer requires an additional test of the BCDR Plan, it shall give the Supplier written notice and the Supplier shall conduct the test in accordance with the Buyer's requirements and the relevant provisions of the BCDR Plan. The Supplier's costs of the additional test shall be borne by the Buyer unless the BCDR Plan fails the additional test in which case the Supplier's costs of that failed test shall be borne by the Supplier.
- 7.3 The Supplier shall undertake and manage testing of the BCDR Plan in full consultation with and under the supervision of the Buyer and shall liaise with the Buyer in respect of the planning, performance, and review, of each test, and shall comply with the reasonable requirements of the Buyer.
- 7.4 The Supplier shall ensure that any use by it or any Subcontractor of "live" data in such testing is first approved with the Buyer. Copies of live test data used in any such testing shall be (if so required by the Buyer) destroyed or returned to the Buyer on completion of the test.
- 7.5 The Supplier shall, within twenty (20) Working Days of the conclusion of each test, provide to the Buyer a report setting out:
- 7.5.1 the outcome of the test;
 - 7.5.2 any failures in the BCDR Plan (including the BCDR Plan's procedures) revealed by the test; and
 - 7.5.3 the Supplier's proposals for remedying any such failures.
- 7.6 Following each test, the Supplier shall take all measures requested by the Buyer to remedy any failures in the BCDR Plan and such remedial activity and re-testing shall be completed by the Supplier, at its own cost, by the date reasonably required by the Buyer.

8. Invoking the BCDR Plan

- 8.1 In the event of a complete loss of service or in the event of a Disaster, the Supplier shall immediately invoke the BCDR Plan (and shall inform the Buyer promptly of such invocation). In all other instances the Supplier shall invoke or test the BCDR Plan only with the prior consent of the Buyer.
- 8.2 The Insolvency Continuity Plan element of the BCDR Plan, including any linked elements in other parts of the BCDR Plan, shall be invoked by the Supplier:
 - 8.2.1 Where an Insolvency Event of a Key Sub-contractor and/or Supplier Group member (other than the Supplier) could reasonably be expected to adversely affect delivery of the Deliverables; and/or
 - 8.2.2 Where there is an Insolvency Event of the Supplier and the insolvency arrangements enable the Supplier to invoke the plan.

9. Circumstances beyond your control

- 9.1 The Supplier shall not be entitled to relief under Clause 20 (Circumstances beyond your control) if it would not have been impacted by the Force Majeure Event had it not failed to comply with its obligations under this Schedule.

10. Amendments to this Schedule in respect of Bronze Contracts

10.1 Where a Buyer's Order Contract is a Bronze Contract, if specified in the Order Form, the following provisions of this Order Schedule 8, shall be disappplied in respect of that Contract:

- 10.1.1 Paragraph 1.3.4 of Part A so that the BCDR plan shall only be required to be split into the three sections detailed in paragraphs 1.3.1 to 1.3.3 inclusive;
- 10.1.2 Paragraphs 2.1.13 to 2.1.15 of Part A, inclusive;
- 10.1.3 Paragraph 5 (Insolvency Continuity Plan) of Part A;
- 10.1.4 Paragraph 8.2 of Part A; and
- 10.1.5 The entirety of Part B of this Schedule.

10.2 Where a Buyer's Order Contract is a Bronze Contract, if specified in the Order Form, the following definitions in Paragraph 1 of this Order Schedule 8, shall be deemed to be deleted:

- 10.2.1 Annual Review;
- 10.2.2 Appropriate Authority or Appropriate Authorities;
- 10.2.3 Associates;
- 10.2.4 Class 1 Transaction;

10.2.5 Control;
10.2.6 Corporate Change Event;
10.2.7 Critical National Infrastructure;
10.2.8 Critical Service Contract;
10.2.9 CRP Information;
10.2.10 Dependent Parent Undertaking;
10.2.11 Group Structure Information and Resolution Commentary;
10.2.12 Parent Undertaking;
10.2.13 Public Sector Dependent Supplier;
10.2.14 Subsidiary Undertaking;
10.2.15 Supplier Group;
10.2.16 UK Public Sector Business; and
10.2.17 UK Public Sector/CNI Contract Information.

Part B: Corporate Resolution Planning

1. Service Status and Supplier Status

- 1.1 This Contract is a Critical Service Contract.
- 1.2 The Supplier shall notify the Buyer in writing within 5 Working Days of the Effective Date and throughout the Order Contract Period within 120 days after each Accounting Reference Date as to whether or not it is a Public Sector Dependent Supplier.

2. Provision of Corporate Resolution Planning Information

- 2.1 Paragraphs 2 to 4 of this Part B shall apply if the Contract has been specified as a Critical Service Contract under Paragraph 1.1 of this Part B or the Supplier is or becomes a Public Sector Dependent Supplier.
- 2.2 Subject to Paragraphs 2.6, 2.10 and 2.11 of this Part B:
 - 2.2.1 where the Contract is a Critical Service Contract, the Supplier shall provide the Appropriate Authority or Appropriate Authorities with the CRP Information within 60 days of the Effective Date; and
 - 2.2.2 except where it has already been provided, where the Supplier is a Public Sector Dependent Supplier, it shall provide the Appropriate Authority or Appropriate Authorities with the CRP Information within 60 days of the date of the Appropriate Authority's or Appropriate Authorities' request.
- 2.3 The Supplier shall ensure that the CRP Information provided pursuant to Paragraphs 2.2, 2.8 and 2.9 of this Part B:
 - 2.3.1 is full, comprehensive, accurate and up to date;
 - 2.3.2 is split into two parts:
 - (a) Group Structure Information and Resolution Commentary;
 - (b) UK Public Service / CNI Contract Information and is structured and presented in accordance with the requirements and explanatory notes set out at Annex I of the latest published version of the Resolution Planning Guidance published by the Cabinet Office Government Commercial Function and available at <https://www.gov.uk/government/publications/the-outsourcingplaybook> and contains the level of detail required (adapted as necessary to the Supplier's circumstances);
 - 2.3.3 incorporates any additional commentary, supporting documents and evidence which would reasonably be required by the Appropriate

- Authority or Appropriate Authorities to understand and consider the information for approval;
- 2.3.4 provides a clear description and explanation of the Supplier Group members that have agreements for goods, services or works provision in respect of UK Public Sector Business and/or Critical National Infrastructure and the nature of those agreements; and
- 2.3.5 complies with the requirements set out at Appendix 1 (Group Structure Information and Resolution Commentary) and Appendix 2 (UK Public Sector / CNI Contract Information) respectively.
- 2.4 Following receipt by the Appropriate Authority or Appropriate Authorities of the CRP Information pursuant to Paragraphs 2.2, 2.8 and 2.9 of this Part B, the Buyer shall procure that the Appropriate Authority or Appropriate Authorities shall discuss in good faith the contents of the CRP Information with the Supplier and no later than 60 days after the date on which the CRP Information was delivered by the Supplier either provide an Assurance to the Supplier that the Appropriate Authority or Appropriate Authorities approves the CRP Information or that the Appropriate Authority or Appropriate Authorities rejects the CRP Information.
- 2.5 If the Appropriate Authority or Appropriate Authorities rejects the CRP Information:
- 2.5.1 the Buyer shall (and shall procure that the Cabinet Office Markets and Suppliers Team shall) inform the Supplier in writing of its reasons for its rejection; and
- 2.5.2 Supplier shall revise the CRP Information, taking reasonable account of the Appropriate Authority's or Appropriate Authorities' comments, and shall re-submit the CRP Information to the Appropriate Authority or Appropriate Authorities for approval within 30 days of the date of the Appropriate Authority's or Appropriate Authorities' rejection. The provisions of paragraph 2.3 to 2.5 of this Part B shall apply again to any resubmitted CRP Information provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure under Clause 34 of the Core Terms at any time.
- 2.6 Where the Supplier or a member of the Supplier Group has already provided CRP Information to a Department or the Cabinet Office Markets and Suppliers Team (or, in the case of a Strategic Supplier, solely to the Cabinet Office Markets and Suppliers Team) and has received an Assurance of its CRP Information from that Department and the Cabinet Office Markets and Suppliers Team (or, in the case of a Strategic Supplier, solely from the Cabinet Office Markets and Suppliers Team), then provided that the Assurance remains Valid (which has the meaning in paragraph 2.7 below) on the date by which the CRP Information would otherwise be required, the Supplier shall not be required to provide the CRP Information under Paragraph 2.2 if it provides a copy of the Valid Assurance

to the Appropriate Authority or Appropriate Authorities on or before the date on which the CRP Information would otherwise have been required.

2.7 An Assurance shall be deemed Valid for the purposes of Paragraph 2.6 of this Part B if:

2.7.1 the Assurance is within the validity period stated in the Assurance (or, if no validity period is stated, no more than 12 months has elapsed since it was issued and no more than 18 months has elapsed since the Accounting Reference Date on which the CRP Information was based); and

2.7.2 no Corporate Change Events or Financial Distress Events (or events which would be deemed to be Corporate Change Events or Financial Distress Events if the Contract had then been in force) have occurred since the date of issue of the Assurance.

2.8 If the Contract is a Critical Service Contract, the Supplier shall provide an updated version of the CRP Information (or, in the case of Paragraph 2.8.3 of this Part B its initial CRP Information) to the Appropriate Authority or Appropriate Authorities:

2.8.1 within 14 days of the occurrence of a Financial Distress Event (along with any additional highly confidential information no longer exempted from disclosure under Paragraph 2.11 of this Part B) unless the Supplier is relieved of the consequences of the Financial Distress Event under Paragraph 7.1 of Joint Schedule 7 (Financial Distress) (if applicable);

2.8.2 within 30 days of a Corporate Change Event unless not required pursuant to Paragraph 2.10;

2.8.3 within 30 days of the date that:

(a) the credit rating(s) of each of the Supplier and its Parent Undertakings fail to meet any of the criteria specified in Paragraph 2.10; or

(b) none of the credit rating agencies specified at Paragraph 2.10 hold a public credit rating for the Supplier or any of its Parent Undertakings; and

2.8.4 in any event, within 6 months after each Accounting Reference Date or within 15 months of the date of the previous Assurance received from the Appropriate Authority (whichever is the earlier), unless:

(a) updated CRP Information has been provided under any of Paragraphs 2.8.1 2.8.2 or 2.8.3 since the most recent Accounting Reference Date (being no more than 12 months previously) within the timescales that would ordinarily be required for the provision of that information under this Paragraph 2.8.4; or

(b) unless not required pursuant to Paragraph 2.10.

- 2.9 Where the Supplier is a Public Sector Dependent Supplier and the Contract is not a Critical Service Contract, then on the occurrence of any of the events specified in Paragraphs 2.8.1 to 2.8.4 of this Part B, the Supplier shall provide at the request of the Appropriate Authority or Appropriate Authorities and within the applicable timescales for each event as set out in Paragraph 2.8 (or such longer timescales as may be notified to the Supplier by the Buyer), the CRP Information to the Appropriate Authority or Appropriate Authorities..
- 2.10 Where the Supplier or a Parent Undertaking of the Supplier has a credit rating of either:
- 2.10.1 Aa3 or better from Moody's;
 - 2.10.2 AA- or better from Standard and Poors;
 - 2.10.3 AA- or better from Fitch;
- the Supplier will not be required to provide any CRP Information unless or until either (i) a Financial Distress Event occurs (unless the Supplier is relieved of the consequences of the Financial Distress Event under Paragraph 7.1 to Joint Schedule 7 (Financial Distress), if applicable) or (ii) the Supplier and its Parent Undertakings cease to fulfil the criteria set out in this Paragraph 2.10, in which cases the Supplier shall provide the updated version of the CRP Information in accordance with paragraph 2.8.
- 2.11 Subject to Paragraph 4, where the Supplier demonstrates to the reasonable satisfaction of the Appropriate Authority or Appropriate Authorities that a particular item of CRP Information is highly confidential, the Supplier may, having orally disclosed and discussed that information with the Appropriate Authority or Appropriate Authorities, redact or omit that information from the CRP Information provided that if a Financial Distress Event occurs, this exemption shall no longer apply and the Supplier shall promptly provide the relevant information to the Appropriate Authority or Appropriate Authorities to the extent required under Paragraph 2.8.

3. Termination Rights

- 3.1 The Buyer shall be entitled to terminate the Contract if the Supplier is required to provide CRP Information under Paragraph 2 of this Part B and either:
- 3.1.1 the Supplier fails to provide the CRP Information within 4 months of the Effective Date if this is a Critical Service Contract or otherwise within 4

months of the Appropriate Authority's or Appropriate Authorities' request;
or

- 3.1.2 the Supplier fails to obtain an Assurance from the Appropriate Authority or Appropriate Authorities within 4 months of the date that it was first required to provide the CRP Information under the Contract,

which shall be deemed to be an event to which Clause 10.4.1 of the Core Terms applies and Clauses 10.6.1 and 10.6.2 of the Core Terms shall apply accordingly.

4. Confidentiality and usage of CRP Information

- 4.1 The Buyer agrees to keep the CRP Information confidential and use it only to understand the implications of an Insolvency Event of the Supplier and/or Supplier Group members on its UK Public Sector Business and/or services in respect of CNI and to enable contingency planning to maintain service continuity for end users and protect CNI in such eventuality.
- 4.2 Where the Appropriate Authority is the Cabinet Office Markets and Suppliers Team, at the Supplier's request, the Buyer shall use reasonable endeavours to procure that the Cabinet Office enters into a confidentiality and usage agreement with the Supplier containing terms no less stringent than those placed on the Buyer under paragraph 4.1 of this Part B and Clause 15 of the Core Terms.
- 4.3 The Supplier shall use reasonable endeavours to obtain consent from any third party which has restricted the disclosure of the CRP Information to enable disclosure of that information to the Appropriate Authority or Appropriate Authorities pursuant to Paragraph 2 of this Part B subject, where necessary, to the Appropriate Authority or Appropriate Authorities entering into an appropriate confidentiality agreement in the form required by the third party.
- 4.4 Where the Supplier is unable to procure consent pursuant to Paragraph 4.3 of this Part B, the Supplier shall use all reasonable endeavours to disclose the CRP Information to the fullest extent possible by limiting the amount of information it withholds including by:
- 4.4.1 redacting only those parts of the information which are subject to such obligations of confidentiality;
 - 4.4.2 providing the information in a form that does not breach its obligations of confidentiality including (where possible) by:
 - (a) summarising the information;
 - (b) grouping the information;
 - (c) anonymising the information; and
 - (d) presenting the information in general terms

- 4.5 The Supplier shall provide the Appropriate Authority or Appropriate Authorities with contact details of any third party which has not provided consent to disclose CRP Information where that third party is also a public sector body and where the Supplier is legally permitted to do so.

Appendix 1: Group structure information and resolution commentary

1. The Supplier shall:

- 1.1 provide sufficient information to allow the Appropriate Authority to understand the implications on the Supplier Group's UK Public Sector Business and CNI contracts listed pursuant to Appendix 2 if the Supplier or another member of the Supplier Group is subject to an Insolvency Event;
- 1.2 ensure that the information is presented so as to provide a simple, effective and easily understood overview of the Supplier Group; and
- 1.3 provide full details of the importance of each member of the Supplier Group to the Supplier Group's UK Public Sector Business and CNI contracts listed pursuant to Appendix 2 and the dependencies between each.

Appendix 2: UK Public Sector / CNI Contract Information

1. The Supplier shall:
 - 1.1 provide details of all agreements held by members of the Supplier Group where those agreements are for goods, services or works provision and:
 - 1.1.1 are with any UK public sector bodies including: central Government departments and their arms-length bodies and agencies, non-departmental public bodies, NHS bodies, local authorities, health bodies, police fire and rescue, education bodies and the devolved administrations;
 - 1.1.2 are with any private sector entities where the end recipient of the service, goods or works provision is any of the bodies set out in paragraph 1.1.1 of this Appendix 2 and where the member of the Supplier Group is acting as a key sub-contractor under the agreement with the end recipient; or
 - 1.1.3 involve or could reasonably be considered to involve CNI;
 - 1.2 provide the Appropriate Authority with a copy of the latest version of each underlying contract worth more than £5m per contract year and their related key sub-contracts, which shall be included as embedded documents within the CRP Information or via a directly accessible link.

Order Schedule 9 (Security)

Part B: Long Form Security Requirements

1. Definitions

1.1 In this Schedule the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"Breach of Security"

1 means the occurrence of:

- a) any unauthorised access to or use of the Goods and/or Deliverables, the Sites and/or any Information and Communication Technology ("ICT"), information or data (including the Confidential Information and the Government Data) used by the Buyer and/or the Supplier in connection with this Contract; and/or
- b) the loss and/or unauthorised disclosure of any information or data (including the Confidential Information and the Government Data), including any copies of such information or data, used by the Buyer and/or the Supplier in connection with this Contract,

2 in either case as more particularly set out in the security requirements in the Security Policy where the Buyer has required compliance therewith in accordance with paragraph 3.4.3 d;

"ISMS"

3 the information security management system and process developed by the Supplier in accordance with Paragraph 3 (ISMS) as updated from time to time in accordance with this Schedule; and

"Security Tests"

4 tests to validate the ISMS and security of all relevant processes, systems, incident response plans, patches to vulnerabilities and mitigations to Breaches of Security.

2. Security Requirements

- 2.1 The Buyer and the Supplier recognise that, where specified in DPS Schedule 4 (DPS Management), CCS shall have the right to enforce the Buyer's rights under this Schedule.
- 2.2 The Parties acknowledge that the purpose of the ISMS and Security Management Plan are to ensure a good organisational approach to security under which the specific requirements of this Contract will be met.
- 2.3 The Parties shall each appoint a security representative to be responsible for Security. The initial security representatives of the Parties are:
 - 2.3.1 Jeremy Cousins – Buyer
 - 2.3.2 Steve Parker - Supplier
- 2.4 The Buyer shall clearly articulate its high level security requirements so that the Supplier can ensure that the ISMS, security related activities and any mitigations are driven by these fundamental needs.
- 2.5 Both Parties shall provide a reasonable level of access to any members of their staff for the purposes of designing, implementing and managing security.
- 2.6 The Supplier shall use as a minimum Good Industry Practice in the day to day operation of any system holding, transferring or processing Government Data and any system that could directly or indirectly have an impact on that information, and shall ensure that Government Data remains under the effective control of the Supplier at all times.
- 2.7 The Supplier shall ensure the up-to-date maintenance of a security policy relating to the operation of its own organisation and systems and on request shall supply this document as soon as practicable to the Buyer.
- 2.8 The Buyer and the Supplier acknowledge that information security risks are shared between the Parties and that a compromise of either the Supplier or the Buyer's security provisions represents an unacceptable risk to the Buyer requiring immediate communication and co-operation between the Parties.

3. Information Security Management System (ISMS)

- 3.1 The Supplier shall develop and submit to the Buyer, within twenty (20) Working Days after the Start Date, an information security management system for the purposes of this Contract and shall comply with the requirements of Paragraphs 3.4 to 3.6.
- 3.2 The Supplier acknowledges that the Buyer places great emphasis on the reliability of the performance of the Deliverables, confidentiality, integrity and availability of information and consequently on the security provided by the ISMS and that the Supplier shall be responsible for the effective performance of the ISMS.

3.3 The Buyer acknowledges that;

- 3.3.1 If the Buyer has not stipulated during a Further Competition that it requires a bespoke ISMS, the ISMS provided by the Supplier may be an extant ISMS covering the Services and their implementation across the Supplier's estate; and
- 3.3.2 Where the Buyer has stipulated that it requires a bespoke ISMS then the Supplier shall be required to present the ISMS for the Buyer's Approval.

3.4 The ISMS shall:

- 3.4.1 if the Buyer has stipulated that it requires a bespoke ISMS, be developed to protect all aspects of the Deliverables and all processes associated with the provision of the Deliverables, including the Buyer Premises, the Sites, the Supplier System, the Buyer System (to the extent that it is under the control of the Supplier) and any ICT, information and data (including the Buyer's Confidential Information and the Government Data) to the extent used by the Buyer or the Supplier in connection with this Contract;
- 3.4.2 meet the relevant standards in ISO/IEC 27001 and ISO/IEC27002 in accordance with Paragraph 7;
- 3.4.3 at all times provide a level of security which:
 - (a) is in accordance with the Law and this Contract;
 - (b) complies with the Baseline Security Requirements;
 - (c) as a minimum demonstrates Good Industry Practice;
 - (d) where specified by a Buyer that has undertaken a Further Competition - complies with the Security Policy and the ICT Policy;
 - (e) complies with at least the minimum set of security measures and standards as determined by the Security Policy Framework (Tiers 1-4)(<https://www.gov.uk/government/publications/security-policy-framework/hmg-security-policy-framework>)
 - (f) takes account of guidance issued by the Centre for Protection of National Infrastructure <https://www.cpni.gov.uk/>
 - (g) complies with HMG Information Assurance Maturity Model and Assurance Framework (<https://www.ncsc.gov.uk/articles/hmg-ia-maturity-model-iamm>);
 - (h) meets any specific security threats of immediate relevance to the ISMS, the Deliverables and/or Government Data;

- (i) addresses issues of incompatibility with the Supplier's own organisational security policies; and
 - (j) complies with ISO/IEC27001 and ISO/IEC27002 in accordance with Paragraph 7;
 - 3.4.4 document the security incident management processes and incident response plans;
 - 3.4.5 document the vulnerability management policy including processes for identification of system vulnerabilities and assessment of the potential impact on the Deliverables of any new threat, vulnerability or exploitation technique of which the Supplier becomes aware, prioritisation of security patches, testing of security patches, application of security patches, a process for Buyer approvals of exceptions, and the reporting and audit mechanism detailing the efficacy of the patching policy; and
 - 3.4.6 be certified by (or by a person with the direct delegated authority of) a Supplier's main board representative, being the "Chief Security Officer", "Chief Information Officer", "Chief Technical Officer" or "Chief Financial Officer" (or equivalent as agreed in writing by the Buyer in advance of issue of the relevant Security Management Plan).
- 3.5 Subject to Paragraph 2 the references to Standards, guidance and policies contained or set out in Paragraph 3.3 shall be deemed to be references to such items as developed and updated and to any successor to or replacement for such standards, guidance and policies, as notified to the Supplier from time to time.
- 3.6 In the event that the Supplier becomes aware of any inconsistency in the provisions of the standards, guidance and policies set out in Paragraph 3.3, the Supplier shall immediately notify the Buyer Representative of such inconsistency and the Buyer Representative shall, as soon as practicable, notify the Supplier as to which provision the Supplier shall comply with.
- 3.7 If the bespoke ISMS submitted to the Buyer pursuant to Paragraph 3.1 is Approved by the Buyer, it shall be adopted by the Supplier immediately and thereafter operated and maintained in accordance with this Schedule. If the ISMS is not Approved by the Buyer, the Supplier shall amend it within ten (10) Working Days of a notice of non-approval from the Buyer and re-submit it to the Buyer for Approval. The Parties shall use all reasonable endeavours to ensure that the Approval process takes as little time as possible and in any event no longer than fifteen (15) Working Days from the date of the first submission of the ISMS to the Buyer. If the Buyer does not Approve the ISMS following its resubmission, the matter shall be resolved in accordance with the Dispute Resolution Procedure. No Approval to be given by the Buyer pursuant to this Paragraph 3 may be unreasonably withheld or delayed. However any failure to approve the ISMS on the grounds that it does not comply with any of

the requirements set out in Paragraphs 3.4 to 3.6 shall be deemed to be reasonable.

3.8 Approval by the Buyer of the ISMS pursuant to Paragraph 3.6 or of any change to the ISMS shall not relieve the Supplier of its obligations under this Schedule.

4. Security Management Plan

4.1 Within twenty (20) Working Days after the Start Date, the Supplier shall prepare and submit to the Buyer for Approval in accordance with Paragraph 4 fully developed, complete and up-to-date Security Management Plan which shall comply with the requirements of Paragraph 4.2.

4.2 The Security Management Plan shall:

- 4.2.1 be based on the initial Security Management Plan set out in Annex 2 (Security Management Plan);
- 4.2.2 comply with the Baseline Security Requirements and, where specified by the Buyer in accordance with paragraph 3.4.3 d, the Security Policy;
- 4.2.3 identify the necessary delegated organisational roles defined for those responsible for ensuring this Schedule is complied with by the Supplier;
- 4.2.4 detail the process for managing any security risks from Subcontractors and third parties authorised by the Buyer with access to the Goods and/or Services, processes associated with the delivery of the Goods and/or Services, the Buyer Premises, the Sites, the Supplier System, the Buyer System (to the extent that it is under the control of the Supplier) and any ICT, Information and data (including the Buyer's Confidential Information and the Government Data) and any system that could directly or indirectly have an impact on that information, data and/or the Deliverables;
- 4.2.5 unless otherwise specified by the Buyer in writing, be developed to protect all aspects of the Deliverables and all processes associated with the delivery of the Deliverables, including the Buyer Premises, the Sites, the Supplier System, the Buyer System (to the extent that it is under the control of the Supplier) and any ICT, Information and data (including the Buyer's Confidential Information and the Government Data) to the extent used by the Buyer or the Supplier in connection with this Contract or in connection with any system that could directly or indirectly have an impact on that Information, data and/or the Deliverables;
- 4.2.6 set out the security measures to be implemented and maintained by the Supplier in relation to all aspects of the Deliverables and all processes associated with the delivery of the Deliverables and at all times comply with and specify security measures and procedures which are sufficient to ensure that the Deliverables comply with the provisions of this Schedule (including the requirements set out in Paragraph 3.4);

- 4.2.7 demonstrate that the Supplier's approach to delivery of the Deliverables has minimised the Buyer and Supplier effort required to comply with this Schedule through consideration of available, appropriate and practicable pan-government accredited services (for example, 'platform as a service' offering from the G-Cloud catalogue);
- 4.2.8 set out the plans for transitioning all security arrangements and responsibilities from those in place at the Start Date to those incorporated in the ISMS within the timeframe agreed between the Parties;
- 4.2.9 set out the scope of the Buyer System that is under the control of the Supplier;
- 4.2.10 be structured in accordance with ISO/IEC27001 and ISO/IEC27002, cross-referencing if necessary to other Schedules which cover specific areas included within those standards; and
- 4.2.11 be written in plain English in language which is readily comprehensible to the staff of the Supplier and the Buyer engaged in the Deliverables and shall reference only documents which are in the possession of the Parties or whose location is otherwise specified in this Schedule.

4.3 If the Security Management Plan submitted to the Buyer pursuant to Paragraph 4.1 is Approved by the Buyer, it shall be adopted by the Supplier immediately and thereafter operated and maintained in accordance with this Schedule. If the Security Management Plan is not approved by the Buyer, the Supplier shall amend it within ten (10) Working Days of a notice of non-approval from the Buyer and re-submit it to the Buyer for Approval. The Parties shall use all reasonable endeavours to ensure that the Approval process takes as little time as possible and in any event no longer than fifteen (15) Working Days from the date of the first submission to the Buyer of the Security Management Plan. If the Buyer does not Approve the Security Management Plan following its resubmission, the matter shall be resolved in accordance with the Dispute Resolution Procedure. No Approval to be given by the Buyer pursuant to this Paragraph may be unreasonably withheld or delayed. However any failure to approve the Security Management Plan on the grounds that it does not comply with the requirements set out in Paragraph 4.2 shall be deemed to be reasonable.

4.4 Approval by the Buyer of the Security Management Plan pursuant to Paragraph 4.3 or of any change or amendment to the Security Management Plan shall not relieve the Supplier of its obligations under this Schedule.

5. Amendment of the ISMS and Security Management Plan

5.1 The ISMS and Security Management Plan shall be fully reviewed and updated by the Supplier and at least annually to reflect:

- 5.1.1 emerging changes in Good Industry Practice;

- 5.1.2 any change or proposed change to the Supplier System, the Deliverables and/or associated processes;
- 5.1.3 any new perceived or changed security threats;
- 5.1.4 where required in accordance with paragraph 3.4.3 d, any changes to the Security Policy;
- 5.1.5 any new perceived or changed security threats; and
- 5.1.6 any reasonable change in requirement requested by the Buyer.

5.2 The Supplier shall provide the Buyer with the results of such reviews as soon as reasonably practicable after their completion and amend the ISMS and Security Management Plan at no additional cost to the Buyer. The results of the review shall include, without limitation:

- 5.2.1 suggested improvements to the effectiveness of the ISMS;
- 5.2.2 updates to the risk assessments;
- 5.2.3 proposed modifications to the procedures and controls that affect information security to respond to events that may impact on the ISMS; and
- 5.2.4 suggested improvements in measuring the effectiveness of controls.

5.3 Subject to Paragraph 5.4, any change which the Supplier proposes to make to the ISMS or Security Management Plan (as a result of a review carried out pursuant to Paragraph 5.1, a Buyer request, a change to Annex 1 (Security) or otherwise) shall be subject to the Variation Procedure and shall not be implemented until Approved in writing by the Buyer.

5.4 The Buyer may, acting reasonably, Approve and require changes or amendments to the ISMS or Security Management Plan to be implemented on timescales faster than set out in the Variation Procedure but, without prejudice to their effectiveness, all such changes and amendments shall thereafter be subject to the Variation Procedure for the purposes of formalising and documenting the relevant change or amendment.

6. Security Testing

6.1 The Supplier shall conduct Security Tests from time to time (and at least annually across the scope of the ISMS) and additionally after any change or amendment to the ISMS (including security incident management processes and incident response plans) or the Security Management Plan. Security Tests shall be designed and implemented by the Supplier so as to minimise the impact on the delivery of the Deliverables and the date, timing, content and conduct of such Security Tests shall be agreed in advance with the Buyer. Subject to compliance by the Supplier with the foregoing requirements, if any Security Tests adversely affect the Supplier's ability to deliver the Deliverables so as to

meet the KPIs, the Supplier shall be granted relief against any resultant under-performance for the period of the Security Tests.

6.2 The Buyer shall be entitled to send a representative to witness the conduct of the Security Tests. The Supplier shall provide the Buyer with the results of such Security Tests (in a form approved by the Buyer in advance) as soon as practicable after completion of each Security Test.

6.3 Without prejudice to any other right of audit or access granted to the Buyer pursuant to this Contract, the Buyer and/or its authorised representatives shall be entitled, at any time upon giving reasonable notice to the Supplier, to carry out such tests (including penetration tests) as it may deem necessary in relation to the ISMS and the Supplier's compliance with the ISMS and the Security Management Plan. The Buyer may notify the Supplier of the results of such tests after completion of each such test. If any such Buyer's test adversely affects the Supplier's ability to deliver the Deliverables so as to meet the KPIs, the Supplier shall be granted relief against any resultant under-performance for the period of the Buyer's test.

6.4 Where any Security Test carried out pursuant to Paragraphs 6.2 or 6.3 reveals any actual or potential Breach of Security or weaknesses (including un-patched vulnerabilities, poor configuration and/or incorrect system management), the Supplier shall promptly notify the Buyer of any changes to the ISMS and to the Security Management Plan (and the implementation thereof) which the Supplier proposes to make in order to correct such failure or weakness. Subject to the Buyer's prior written Approval, the Supplier shall implement such changes to the ISMS and the Security Management Plan and repeat the relevant Security Tests in accordance with the timetable agreed with the Buyer or, otherwise, as soon as reasonably possible. For the avoidance of doubt, where the change to the ISMS or Security Management Plan is to address a non-compliance with the Security Policy or security requirements (as set out in Annex 1 (Baseline Security Requirements) to this Schedule) or the requirements of this Schedule, the change to the ISMS or Security Management Plan shall be at no cost to the Buyer.

6.5 If any repeat Security Test carried out pursuant to Paragraph 6.4 reveals an actual or potential Breach of Security exploiting the same root cause failure, such circumstance shall constitute a material Default of this Contract.

7. Complying with the ISMS

7.1 The Buyer shall be entitled to carry out such security audits as it may reasonably deem necessary in order to ensure that the ISMS maintains compliance with the principles and practices of ISO 27001 and/or the Security Policy where such compliance is required in accordance with paragraph 3.4.3 d.

7.2 If, on the basis of evidence provided by such security audits, it is the Buyer's reasonable opinion that compliance with the principles and practices of ISO/IEC

27001 and/or, where relevant, the Security Policy are not being achieved by the Supplier, then the Buyer shall notify the Supplier of the same and give the Supplier a reasonable time (having regard to the extent and criticality of any non-compliance and any other relevant circumstances) to implement and remedy. If the Supplier does not become compliant within the required time then the Buyer shall have the right to obtain an independent audit against these standards in whole or in part.

7.3 If, as a result of any such independent audit as described in Paragraph the Supplier is found to be non-compliant with the principles and practices of ISO/IEC 27001 and/or, where relevant, the Security Policy then the Supplier shall, at its own expense, undertake those actions required in order to achieve the necessary compliance and shall reimburse in full the costs incurred by the Buyer in obtaining such audit.

8. Security Breach

8.1 Either Party shall notify the other in accordance with the agreed security incident management process as defined by the ISMS upon becoming aware of any breach of security or any potential or attempted Breach of Security.

8.2 Without prejudice to the security incident management process, upon becoming aware of any of the circumstances referred to in Paragraph 8.1, the Supplier shall:

- 8.2.1 immediately take all reasonable steps (which shall include any action or changes reasonably required by the Buyer) necessary to:
- (a) minimise the extent of actual or potential harm caused by any Breach of Security;
 - (b) remedy such Breach of Security or any potential or attempted Breach of Security in order to protect the integrity of the Buyer Property and/or Buyer Assets and/or ISMS to the extent that this is within the Supplier's control;
 - (c) apply a tested mitigation against any such Breach of Security or attempted Breach of Security and provided that reasonable testing has been undertaken by the Supplier, if the mitigation adversely affects the Supplier's ability to provide the Deliverables so as to meet the relevant Service Level Performance Indicators, the Supplier shall be granted relief against any resultant under-performance for such period as the Buyer, acting reasonably, may specify by written notice to the Supplier;
 - (d) prevent a further Breach of Security or any potential or attempted Breach of Security in the future exploiting the same root cause failure; and

- (e) supply any requested data to the Buyer (or the Computer Emergency Response Team for UK Government ("GovCertUK")) on the Buyer's request within two (2) Working Days and without charge (where such requests are reasonably related to a possible incident or compromise); and
- (f) as soon as reasonably practicable provide to the Buyer full details (using the reporting mechanism defined by the ISMS) of the Breach of Security or attempted Breach of Security, including a root cause analysis where required by the Buyer.

8.3 In the event that any action is taken in response to a Breach of Security or potential or attempted Breach of Security that demonstrates non-compliance of the ISMS with the Security Policy (where relevant) or the requirements of this Schedule, then any required change to the ISMS shall be at no cost to the Buyer.

9. Vulnerabilities and fixing them

9.1.1 ://nvd.nist.gov/cvss.cfm); and

9.1.2 Microsoft's 'Security Bulletin Severity Rating System' ratings 'Critical', 'Important', and the two remaining levels ('Moderate' and 'Low') respectively.

9.2 The Supplier shall procure the application of security patches to vulnerabilities within a maximum period from the public release of such patches with those vulnerabilities categorised as 'Critical' within 14 days of release, 'Important' within 30 days of release and all 'Other' within 60 Working Days of release, except where:

9.3 the Supplier can demonstrate that a vulnerability is not exploitable within the context of any Service (e.g. because it resides in a software component which is not running in the service) provided vulnerabilities which the Supplier asserts cannot be exploited within the context of a Service must be remedied by the Supplier within the above timescales if the vulnerability becomes exploitable within the context of the Service. The Buyer and the Supplier acknowledge that from time to time vulnerabilities in the ICT Environment will be discovered which unless mitigated will present an unacceptable risk to the Buyer's information.

9.4 The severity of threat vulnerabilities for COTS Software shall be categorised by the Supplier as 'Critical', 'Important' and 'Other' by aligning these categories to the vulnerability scoring according to the agreed method in the ISMS and using the appropriate vulnerability scoring systems including:

9.4.1 the 'National Vulnerability Database' 'Vulnerability Severity Ratings': 'High', 'Medium' and 'Low' respectively (these in turn are aligned to CVSS scores as set out by NIST <http://nvd.nist.gov/cvss.cfm>); and

9.4.2 the application of a 'Critical' or 'Important' security patch adversely affects the Supplier's ability to deliver the Services in which case the Supplier shall be granted an extension to such timescales of 5 days, provided the Supplier had followed and continues to follow the security patch test plan agreed with the Buyer; or

9.4.3 the Buyer agrees a different maximum period after a case-by-case consultation with the Supplier under the processes defined in the ISMS.

9.5 The Specification and Mobilisation Plan (if applicable) shall include provisions for major version upgrades of all COTS Software to be upgraded within 6 Months of the release of the latest version, such that it is no more than one major version level below the latest release (normally codified as running software no older than the 'n-1 version') throughout the Term unless:

9.5.1 where upgrading such COTS Software reduces the level of mitigations for known threats, vulnerabilities or exploitation techniques, provided always that such upgrade is made within 12 Months of release of the latest version; or

9.5.2 is agreed with the Buyer in writing.

9.6 The Supplier shall:

9.6.1 implement a mechanism for receiving, analysing and acting upon threat information supplied by GovCertUK, or any other competent Central Government Body;

9.6.2 ensure that the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier) is monitored to facilitate the detection of anomalous behaviour that would be indicative of system compromise;

9.6.3 ensure it is knowledgeable about the latest trends in threat, vulnerability and exploitation that are relevant to the ICT Environment by actively monitoring the threat landscape during the Contract Period;

9.6.4 pro-actively scan the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier) for vulnerable components and address discovered vulnerabilities through the processes described in the ISMS as developed under Paragraph 3.3.5;

9.6.5 from the date specified in the Security Management Plan provide a report to the Buyer within five (5) Working Days of the end of each Month detailing both patched and outstanding vulnerabilities in the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier) and any elapsed time between the public release date of patches and either time of application or for outstanding vulnerabilities the time of issue of such report;

9.6.6 propose interim mitigation measures to vulnerabilities in the ICT Environment known to be exploitable where a security patch is not immediately available;

- 9.6.7 remove or disable any extraneous interfaces, services or capabilities that are not needed for the provision of the Services (in order to reduce the attack surface of the ICT Environment); and
 - 9.6.8 inform the Buyer when it becomes aware of any new threat, vulnerability or exploitation technique that has the potential to affect the security of the ICT Environment and provide initial indications of possible mitigations.
- 9.7 If the Supplier is unlikely to be able to mitigate the vulnerability within the timescales under this Paragraph 9, the Supplier shall immediately notify the Buyer.
- 9.8 A failure to comply with Paragraph 9.3 shall constitute a Default, and the Supplier shall comply with the Rectification Plan Process.

Part B – Annex 1: Baseline security requirements

1. Handling Classified information

- 1.1 The Supplier shall not handle Buyer information classified SECRET or TOP SECRET except if there is a specific requirement and in this case prior to receipt of such information the Supplier shall seek additional specific guidance from the Buyer.

2. End user devices

- 2.1 When Government Data resides on a mobile, removable or physically uncontrolled device it must be stored encrypted using a product or system component which has been formally assured through a recognised certification process of the National Cyber Security Centre ("NCSC") to at least Foundation Grade, for example, under the NCSC Commercial Product Assurance scheme ("CPA").
- 2.2 Devices used to access or manage Government Data and services must be under the management authority of Buyer or Supplier and have a minimum set of security policy configuration enforced. These devices must be placed into a 'known good' state prior to being provisioned into the management authority of the Buyer. Unless otherwise agreed with the Buyer in writing, all Supplier devices are expected to meet the set of security requirements set out in the End User Devices Security Guidance ([REDACTED]). Where the guidance highlights shortcomings in a particular platform the Supplier may wish to use, then these should be discussed with the Buyer and a joint decision shall be taken on whether the residual risks are acceptable. Where the Supplier wishes to deviate from the NCSC guidance, then this should be agreed in writing on a case by case basis with the Buyer.

3. Data Processing, Storage, Management and Destruction

- 3.1 The Supplier and Buyer recognise the need for the Buyer's information to be safeguarded under the UK Data Protection regime or a similar regime. To that end, the Supplier must be able to state to the Buyer the physical locations in which data may be stored, processed and managed from, and what legal and regulatory frameworks Government Data will be subject to at all times.
- 3.2 The Supplier shall agree any change in location of data storage, processing and administration with the Buyer in accordance with Clause 14 (Data protection).
- 3.3 The Supplier shall:
- 3.3.1 provide the Buyer with all Government Data on demand in an agreed open format;

- 3.3.2 have documented processes to guarantee availability of Government Data in the event of the Supplier ceasing to trade;
- 3.3.3 securely destroy all media that has held Government Data at the end of life of that media in line with Good Industry Practice; and
- 3.3.4 securely erase any or all Government Data held by the Supplier when requested to do so by the Buyer.

4. Ensuring secure communications

- 4.1 The Buyer requires that any Government Data transmitted over any public network (including the Internet, mobile networks or un-protected enterprise network) or to a mobile device must be encrypted using a product or system component which has been formally assured through a certification process recognised by NCSC, to at least Foundation Grade, for example, under CPA.
- 4.2 The Buyer requires that the configuration and use of all networking equipment to provide the Services, including those that are located in secure physical locations, are at least compliant with Good Industry Practice.

5. Security by design

- 5.1 The Supplier shall apply the 'principle of least privilege' (the practice of limiting systems, processes and user access to the minimum possible level) to the design and configuration of IT systems which will process or store Government Data.
- 5.2 When designing and configuring the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier) the Supplier shall follow Good Industry Practice and seek guidance from recognised security professionals with the appropriate skills and/or NCSC certification ([REDACTED]) for all bespoke or complex components of the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier).

6. Security of Supplier Staff

- 6.1 Supplier Staff shall be subject to pre-employment checks that include, as a minimum: identity, unspent criminal convictions and right to work.
- 6.2 The Supplier shall agree on a case by case basis Supplier Staff roles which require specific government clearances (such as 'SC') including system administrators with privileged access to IT systems which store or process Government Data.
- 6.3 The Supplier shall prevent Supplier Staff who are unable to obtain the required security clearances from accessing systems which store, process, or are used to manage Government Data except where agreed with the Buyer in writing.

6.4 All Supplier Staff that have the ability to access Government Data or systems holding Government Data shall undergo regular training on secure information management principles. Unless otherwise agreed with the Buyer in writing, this training must be undertaken annually.

6.5 Where the Supplier or Subcontractors grants increased ICT privileges or access rights to Supplier Staff, those Supplier Staff shall be granted only those permissions necessary for them to carry out their duties. When staff no longer need elevated privileges or leave the organisation, their access rights shall be revoked within one (1) Working Day.

7. Restricting and monitoring access

7.1 The Supplier shall operate an access control regime to ensure all users and administrators of the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier) are uniquely identified and authenticated when accessing or administering the Services. Applying the 'principle of least privilege', users and administrators shall be allowed access only to those parts of the ICT Environment that they require. The Supplier shall retain an audit record of accesses.

8. Audit

8.1 The Supplier shall collect audit records which relate to security events in the systems or that would support the analysis of potential and actual compromises. In order to facilitate effective monitoring and forensic readiness such Supplier audit records should (as a minimum) include:

- 8.1.1 Logs to facilitate the identification of the specific asset which makes every outbound request external to the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier). To the extent the design of the Deliverables allows such logs shall include those from DHCP servers, HTTP/HTTPS proxy servers, firewalls and routers.
- 8.1.2 Security events generated in the ICT Environment (to the extent that the ICT Environment is within the control of the Supplier) and shall include: privileged account log-on and log-off events, the start and termination of remote access sessions, security alerts from desktops and server operating systems and security alerts from third party security software.

8.2 The Supplier and the Buyer shall work together to establish any additional audit and monitoring requirements for the ICT Environment.

8.3 The Supplier shall retain audit records collected in compliance with this Paragraph 8 for a period of at least 6 Months.

Part B – Annex 2 - Security Management Plan

[REDACTED]

Order Schedule 10 (Exit Management)

1. Definitions

1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"Exclusive Assets"	1 Supplier Assets used exclusively by the Supplier [or a Key Subcontractor] in the provision of the Deliverables;
"Exit Information"	2 has the meaning given to it in Paragraph 3.1 of this Schedule;
"Exit Manager"	3 the person appointed by each Party to manage their respective obligations under this Schedule;
"Exit Plan"	4 the plan produced and updated by the Supplier during the Initial Period in accordance with Paragraph 4 of this Schedule;
"Net Book Value"	5 the current net book value of the relevant Supplier Asset(s) calculated in accordance with the DPS Application or Order Tender (if stated) or (if not stated) the depreciation policy of the Supplier (which the Supplier shall ensure is in accordance with Good Industry Practice);
"Non-Exclusive Assets"	6 those Supplier Assets used by the Supplier [or a Key Subcontractor] in connection with the Deliverables but which are also used by the Supplier [or Key Subcontractor] for other purposes;
"Registers"	7 the register and configuration database referred to in Paragraph 2.2 of this Schedule;
"Replacement Goods"	8 any goods which are substantially similar to any of the Goods and which the Buyer receives in substitution for any of the Goods following the End Date, whether those goods are provided by the Buyer internally and/or by any third party;

"Replacement Services"	9 any services which are substantially similar to any of the Services and which the Buyer receives in substitution for any of the Services following the End Date, whether those goods are provided by the Buyer internally and/or by any third party;
"Termination Assistance"	10 the activities to be performed by the Supplier pursuant to the Exit Plan, and other assistance required by the Buyer pursuant to the Termination Assistance Notice;
"Termination Assistance Notice"	11 has the meaning given to it in Paragraph 5.1 of this Schedule;
"Termination Assistance Period"	12 the period specified in a Termination Assistance Notice for which the Supplier is required to provide the Termination Assistance as such period may be extended pursuant to Paragraph 5.2 of this Schedule;
"Transferable Assets"	13 Exclusive Assets which are capable of legal transfer to the Buyer;
"Transferable Contracts"	14 Sub-Contracts, licences for Supplier's Software, licences for Third Party Software or other agreements which are necessary to enable the Buyer or any Replacement Supplier to provide the Deliverables or the Replacement Goods and/or Replacement Services, including in relation to licences all relevant Documentation;
"Transferring Assets"	15 has the meaning given to it in Paragraph 8.2.1 of this Schedule;
"Transferring Contracts"	16 has the meaning given to it in Paragraph 8.2.3 of this Schedule.

2. Supplier must always be prepared for contract exit

2.1 During the Contract Period, the Supplier shall promptly:

- 2.1.1 create and maintain a detailed register of all Supplier Assets (including description, condition, location and details of ownership and status as either Exclusive Assets or Non-Exclusive Assets and Net Book Value) and Sub-

contracts and other relevant agreements required in connection with the Deliverables; and

- 2.1.2 create and maintain a configuration database detailing the technical infrastructure and operating procedures through which the Supplier provides the Deliverables

("Registers").

2.2 The Supplier shall:

- 2.2.1 ensure that all Exclusive Assets listed in the Registers are clearly physically identified as such; and
 - 2.2.2 procure that all licences for Third Party Software and all Sub-Contracts shall be assignable and/or capable of novation (at no cost or restriction to the Buyer) at the request of the Buyer to the Buyer (and/or its nominee) and/or any Replacement Supplier upon the Supplier ceasing to provide the Deliverables (or part of them) and if the Supplier is unable to do so then the Supplier shall promptly notify the Buyer and the Buyer may require the Supplier to procure an alternative Subcontractor or provider of Deliverables.
- 2.3 Each Party shall appoint an Exit Manager within three (3) Months of the Start Date. The Parties' Exit Managers will liaise with one another in relation to all issues relevant to the expiry or termination of this Contract.

3. Assisting re-competition for Deliverables

- 3.1 The Supplier shall, on reasonable notice, provide to the Buyer and/or its potential Replacement Suppliers (subject to the potential Replacement Suppliers entering into reasonable written confidentiality undertakings), such information (including any access) as the Buyer shall reasonably require in order to facilitate the preparation by the Buyer of any invitation to tender and/or to facilitate any potential Replacement Suppliers undertaking due diligence (the "**Exit Information**").
- 3.2 The Supplier acknowledges that the Buyer may disclose the Supplier's Confidential Information (excluding the Supplier's or its Subcontractors' prices or costs) to an actual or prospective Replacement Supplier to the extent that such disclosure is necessary in connection with such engagement.
- 3.3 The Supplier shall provide complete updates of the Exit Information on an as-requested basis as soon as reasonably practicable and notify the Buyer within five (5) Working Days of any material change to the Exit Information which may adversely impact upon the provision of any Deliverables (and shall consult the Buyer in relation to any such changes).
- 3.4 The Exit Information shall be accurate and complete in all material respects and shall be sufficient to enable a third party to prepare an informed offer for

those Deliverables; and not be disadvantaged in any procurement process compared to the Supplier.

4. Exit Plan

4.1 The Supplier shall, within three (3) Months after the Start Date, deliver to the Buyer an Exit Plan which complies with the requirements set out in Paragraph 4.3 of this Schedule and is otherwise reasonably satisfactory to the Buyer.

4.2 The Parties shall use reasonable endeavors to agree the contents of the Exit Plan. If the Parties are unable to agree the contents of the Exit Plan within twenty (20) Working Days of the latest date for its submission pursuant to Paragraph 4.1, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.

4.3 The Exit Plan shall set out, as a minimum:

- 4.3.1 a detailed description of both the transfer and cessation processes, including a timetable;
- 4.3.2 how the Deliverables will transfer to the Replacement Supplier and/or the Buyer;
- 4.3.3 details of any contracts which will be available for transfer to the Buyer and/or the Replacement Supplier upon the Expiry Date together with any reasonable costs required to effect such transfer;
- 4.3.4 proposals for the training of key members of the Replacement Supplier's staff in connection with the continuation of the provision of the Deliverables following the Expiry Date;
- 4.3.5 proposals for providing the Buyer or a Replacement Supplier copies of all documentation relating to the use and operation of the Deliverables and required for their continued use;
- 4.3.6 proposals for the assignment or novation of all services utilised by the Supplier in connection with the supply of the Deliverables;
- 4.3.7 proposals for the identification and return of all Buyer Property in the possession of and/or control of the Supplier or any third party;
- 4.3.8 proposals for the disposal of any redundant Deliverables and materials;
- 4.3.9 how the Supplier will ensure that there is no disruption to or degradation of the Deliverables during the Termination Assistance Period; and
- 4.3.10 any other information or assistance reasonably required by the Buyer or a Replacement Supplier.

4.4 The Supplier shall:

- 4.4.1 maintain and update the Exit Plan (and risk management plan) no less frequently than:
- (a) every six (6) months throughout the Contract Period; and
 - (b) no later than twenty (20) Working Days after a request from the Buyer for an up-to-date copy of the Exit Plan;
 - (c) as soon as reasonably possible following a Termination Assistance Notice, and in any event no later than ten (10) Working Days after the date of the Termination Assistance Notice;
 - (d) as soon as reasonably possible following, and in any event no later than twenty (20) Working Days following, any material change to the Deliverables (including all changes under the Variation Procedure); and
- 4.4.2 jointly review and verify the Exit Plan if required by the Buyer and promptly correct any identified failures.
- 4.5 Only if (by notification to the Supplier in writing) the Buyer agrees with a draft Exit Plan provided by the Supplier under Paragraph 4.2 or 4.4 (as the context requires), shall that draft become the Exit Plan for this Contract.
- 4.6 A version of an Exit Plan agreed between the parties shall not be superseded by any draft submitted by the Supplier.

5. Termination Assistance

- 5.1 The Buyer shall be entitled to require the provision of Termination Assistance at any time during the Contract Period by giving written notice to the Supplier (a "**Termination Assistance Notice**") at least four (4) Months prior to the Expiry Date or as soon as reasonably practicable (but in any event, not later than one (1) Month) following the service by either Party of a Termination Notice. The Termination Assistance Notice shall specify:
- 5.1.1 the nature of the Termination Assistance required; and
 - 5.1.2 the start date and initial period during which it is anticipated that Termination Assistance will be required, which shall continue no longer than twelve (12) Months after the End Date.
- 5.2 The Buyer shall have an option to extend the Termination Assistance Period beyond the initial period specified in the Termination Assistance Notice in one or more extensions, in each case provided that:
- 5.2.1 no such extension shall extend the Termination Assistance Period beyond the date twelve (12) Months after the End Date; and

5.2.2 the Buyer shall notify the Supplier of any such extension no later than twenty (20) Working Days prior to the date on which the Termination Assistance Period is otherwise due to expire.

5.3 The Buyer shall have the right to terminate its requirement for Termination Assistance by serving not less than (20) Working Days' written notice upon the Supplier.

5.4 In the event that Termination Assistance is required by the Buyer but at the relevant time the parties are still agreeing an update to the Exit Plan pursuant to Paragraph 4, the Supplier will provide the Termination Assistance in good faith and in accordance with the principles in this Schedule and the last Buyer approved version of the Exit Plan (insofar as it still applies).

6. Termination Assistance Period

6.1 Throughout the Termination Assistance Period the Supplier shall:

- 6.1.1 continue to provide the Deliverables (as applicable) and otherwise perform its obligations under this Contract and, if required by the Buyer, provide the Termination Assistance;
- 6.1.2 provide to the Buyer and/or its Replacement Supplier any reasonable assistance and/or access requested by the Buyer and/or its Replacement Supplier including assistance and/or access to facilitate the orderly transfer of responsibility for and conduct of the Deliverables to the Buyer and/or its Replacement Supplier;
- 6.1.3 use all reasonable endeavours to reallocate resources to provide such assistance without additional costs to the Buyer;
- 6.1.4 subject to Paragraph 6.3, provide the Deliverables and the Termination Assistance at no detriment to the Performance Indicators (PI's) or Service Levels, the provision of the Management Information or any other reports nor to any other of the Supplier's obligations under this Contract;
- 6.1.5 at the Buyer's request and on reasonable notice, deliver up-to-date Registers to the Buyer;
- 6.1.6 seek the Buyer's prior written consent to access any Buyer Premises from which the de-installation or removal of Supplier Assets is required.

6.2 If it is not possible for the Supplier to reallocate resources to provide such assistance as is referred to in Paragraph 6.1.2 without additional costs to the Buyer, any additional costs incurred by the Supplier in providing such reasonable assistance shall be subject to the Variation Procedure.

6.3 If the Supplier demonstrates to the Buyer's reasonable satisfaction that the provision of the Termination Assistance will have a material, unavoidable adverse effect on the Supplier's ability to meet one or more particular Service

Levels, the Parties shall vary the relevant Service Levels and/or the applicable Service Credits accordingly.

7. Obligations when the contract is terminated

7.1 Both parties (the supplier and the department) shall comply with all of its obligations contained in the Exit Plan.

7.2 Upon termination or expiry or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Deliverables and the Termination Assistance), the Supplier shall:

7.2.1 vacate any Buyer Premises;

7.2.2 remove the Supplier Equipment together with any other materials used by the Supplier to supply the Deliverables and shall leave the Sites in a clean, safe and tidy condition. The Supplier is solely responsible for making good any damage to the Sites or any objects contained thereon, other than fair wear and tear, which is caused by the Supplier;

7.2.3 provide access during normal working hours to the Buyer and/or the Replacement Supplier for up to twelve (12) Months after expiry or termination to:

- (a) such information relating to the Deliverables as remains in the possession or control of the Supplier; and
- (b) such members of the Supplier Staff as have been involved in the design, development and provision of the Deliverables and who are still employed by the Supplier, provided that the Buyer and/or the Replacement Supplier shall pay the reasonable costs of the Supplier actually incurred in responding to such requests for access.

7.3 Except where this Contract provides otherwise, all licences, leases and authorisations granted by the Buyer to the Supplier in relation to the Deliverables shall be terminated with effect from the end of the Termination Assistance Period.

8. Assets, Sub-contracts and Software

8.1 Following notice of termination of this Contract and during the Termination Assistance Period, the Supplier shall not, without the Buyer's prior written consent:

8.1.1 terminate, enter into or vary any Sub-contract or licence for any software in connection with the Deliverables; or

8.1.2 (subject to normal maintenance requirements) make material modifications to, or dispose of, any existing Supplier Assets or acquire any new Supplier Assets.

8.2 Within twenty (20) Working Days of receipt of the up-to-date Registers provided by the Supplier, the Buyer shall notify the Supplier setting out:

8.2.1 which, if any, of the Transferable Assets the Buyer requires to be transferred to the Buyer and/or the Replacement Supplier ("**Transferring Assets**");

8.2.2 which, if any, of:

(a) the Exclusive Assets that are not Transferable Assets;
and

(b) the Non-Exclusive Assets,

the Buyer and/or the Replacement Supplier requires the continued use of; and

8.2.3 which, if any, of Transferable Contracts the Buyer requires to be assigned or novated to the Buyer and/or the Replacement Supplier (the "**Transferring Contracts**"),

in order for the Buyer and/or its Replacement Supplier to provide the Deliverables from the expiry of the Termination Assistance Period. The Supplier shall provide all reasonable assistance required by the Buyer and/or its Replacement Supplier to enable it to determine which Transferable Assets and Transferable Contracts are required to provide the Deliverables or the Replacement Goods and/or Replacement Services.

8.3 With effect from the expiry of the Termination Assistance Period, the Supplier shall sell the Transferring Assets to the Buyer and/or the Replacement Supplier for their Net Book Value less any amount already paid for them through the Charges.

8.4 Risk in the Transferring Assets shall pass to the Buyer or the Replacement Supplier (as appropriate) at the end of the Termination Assistance Period and title shall pass on payment for them.

8.5 Where the Buyer and/or the Replacement Supplier requires continued use of any Exclusive Assets that are not Transferable Assets or any Non-Exclusive Assets, the Supplier shall as soon as reasonably practicable:

8.5.1 procure a non-exclusive, perpetual, royalty-free licence for the Buyer and/or the Replacement Supplier to use such assets (with a right of sub-licence or assignment on the same terms); or failing which

8.5.2 procure a suitable alternative to such assets, the Buyer or the Replacement Supplier to bear the reasonable proven costs of procuring the same.

8.6 The Supplier shall as soon as reasonably practicable assign or procure the novation of the Transferring Contracts to the Buyer and/or the Replacement Supplier. The Supplier shall execute such documents and provide such other

assistance as the Buyer reasonably requires to effect this novation or assignment.

8.7 The Buyer shall:

- 8.7.1 accept assignments from the Supplier or join with the Supplier in procuring a novation of each Transferring Contract; and
 - 8.7.2 once a Transferring Contract is novated or assigned to the Buyer and/or the Replacement Supplier, discharge all the obligations and liabilities created by or arising under that Transferring Contract and exercise its rights arising under that Transferring Contract, or as applicable, procure that the Replacement Supplier does the same.
- 8.8 The Supplier shall hold any Transferring Contracts on trust for the Buyer until the transfer of the relevant Transferring Contract to the Buyer and/or the Replacement Supplier has taken place.
- 8.9 The Supplier shall indemnify the Buyer (and/or the Replacement Supplier, as applicable) against each loss, liability and cost arising out of any claims made by a counterparty to a Transferring Contract which is assigned or novated to the Buyer (and/or Replacement Supplier) pursuant to Paragraph 8.6 in relation to any matters arising prior to the date of assignment or novation of such Transferring Contract. Clause 19 (Other people's rights in this contract) shall not apply to this Paragraph 8.9 which is intended to be enforceable by Third Parties Beneficiaries by virtue of the CRTPA.

9. No charges

- 9.1 Unless otherwise stated, the Buyer shall not be obliged to pay for costs incurred by the Supplier in relation to its compliance with this Schedule.

10. Dividing the bills

- 10.1 All outgoings, expenses, rents, royalties and other periodical payments receivable in respect of the Transferring Assets and Transferring Contracts shall be apportioned between the Buyer and/or the Replacement and the Supplier as follows:
 - 10.1.1 the amounts shall be annualised and divided by 365 to reach a daily rate;
 - 10.1.2 the Buyer or Replacement Supplier (as applicable) shall be responsible for or entitled to (as the case may be) that part of the value of the invoice pro rata to the number of complete days following the transfer, multiplied by the daily rate; and
 - 10.1.3 the Supplier shall be responsible for or entitled to (as the case may be) the rest of the invoice

Order Schedule 13 (Implementation Plan and Testing)

Part A - Implementation

1. definitions

- 1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"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;
"Deliverable Item"	1 an item or feature in the supply of the Deliverables delivered or to be delivered by the Supplier at or before a Milestone Date listed in the Implementation Plan;
"Implementation Period"	2 has the meaning given to it in Paragraph 7.1;
"Milestone Payment"	3 a payment identified in the Implementation Plan to be made following the issue of a Satisfaction Certificate in respect of Achievement of the relevant Milestone.

2. Agreeing and following the Implementation Plan

- 2.1 A draft of the Implementation Plan is set out in the Annex to this Schedule. The Supplier shall provide a further draft Implementation Plan 60 days after the Order Start Date.
- 2.2 The draft Implementation Plan:
- 2.2.1 must contain information at the level of detail necessary to manage the implementation stage effectively and as the Buyer may otherwise require; and
 - 2.2.2 it shall take account of all dependencies known to, or which should reasonably be known to, the Supplier.
- 2.3 Following receipt of the draft Implementation Plan from the Supplier, the Parties shall use reasonable endeavours to agree the contents of the Implementation Plan. If the Parties are unable to agree the contents of the Implementation Plan within twenty (20) Working Days

of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.

- 2.4 The Supplier shall provide each of the Deliverable Items identified in the Implementation Plan by the date assigned to that Deliverable Item in the Implementation Plan so as to ensure that each Milestone identified in the Implementation Plan is Achieved on or before its Milestone Date.
- 2.5 The Supplier shall monitor its performance against the Implementation Plan and Milestones (if any) and report to the Buyer on such performance.

3. Reviewing and changing the Implementation Plan

- 3.1 Subject to Paragraph 4.3, the Supplier shall keep the Implementation Plan under review in accordance with the Buyer's instructions and ensure that it is updated on a regular basis.
- 3.2 The Buyer shall have the right to require the Supplier to include any reasonable changes or provisions in each version of the Implementation Plan.
- 3.3 Changes to any Milestones, Milestone Payments and Delay Payments shall only be made in accordance with the Variation Procedure.
- 3.4 Time in relation to compliance with the Implementation Plan shall be of the essence and failure of the Supplier to comply with the Implementation Plan shall be a material Default.

4. Security requirements before the Start Date

- 4.1 The Supplier shall note that it is incumbent upon them to understand the lead-in period for security clearances and ensure that all Supplier Staff have the necessary security clearance in place before the Order Start Date. The Supplier shall ensure that this is reflected in their Implementation Plans.
- 4.2 The Supplier shall ensure that all Supplier Staff and Subcontractors do not access the Buyer's IT systems, or any IT systems linked to the Buyer, unless they have satisfied the Buyer's security requirements.
- 4.3 The Supplier shall be responsible for providing all necessary information to the Buyer to facilitate security clearances for Supplier Staff and Subcontractors in accordance with the Buyer's requirements.

- 4.4 The Supplier shall provide the names of all Supplier Staff and Subcontractors and inform the Buyer of any alterations and additions as they take place throughout the Order Contract.
- 4.5 The Supplier shall ensure that all Supplier Staff and Subcontractors requiring access to the Buyer Premises have the appropriate security clearance. It is the Supplier's responsibility to establish whether or not the level of clearance will be sufficient for access. Unless prior approval has been received from the Buyer, the Supplier shall be responsible for meeting the costs associated with the provision of security cleared escort services.
- 4.6 If a property requires Supplier Staff or Subcontractors to be accompanied by the Buyer's Authorised Representative, the Buyer must be given reasonable notice of such a requirement, except in the case of emergency access.

5. What to do if there is a Delay

- 5.1 If the Supplier becomes aware that there is, or there is reasonably likely to be, a Delay under this Contract it shall:
 - 5.1.1 notify the Buyer as soon as practically possible and no later than within two (2) Working Days from becoming aware of the Delay or anticipated Delay;
 - 5.1.2 include in its notification an explanation of the actual or anticipated impact of the Delay;
 - 5.1.3 comply with the Buyer's instructions in order to address the impact of the Delay or anticipated Delay; and
 - 5.1.4 use all reasonable endeavours to eliminate or mitigate the consequences of any Delay or anticipated Delay.

6. Compensation for a Delay

- 6.1 If Delay Payments have been included in the Implementation Plan and a Milestone has not been achieved by the relevant Milestone Date, the Supplier shall pay to the Buyer such Delay Payments (calculated as set out by the Buyer in the Implementation Plan) and the following provisions shall apply:
 - 6.1.1 the Supplier acknowledges and agrees that any Delay Payment is a price adjustment and not an estimate of the Loss that may be suffered by the Buyer as a result of the Supplier's failure to Achieve the corresponding Milestone;

- 6.1.2 Delay Payments shall be the Buyer's exclusive financial remedy for the Supplier's failure to Achieve a Milestone by its Milestone Date except where:
- (a) the Buyer is otherwise entitled to or does terminate this Contract pursuant to Clause 10.4 (When CCS or the Buyer can end this contract); or
 - (b) the delay exceeds the number of days (the "**Delay Period Limit**") specified in the Implementation Plan commencing on the relevant Milestone Date;
- 6.1.3 the Delay Payments will accrue on a daily basis from the relevant Milestone Date until the date when the Milestone is Achieved;
- 6.1.4 no payment or other act or omission of the Buyer shall in any way affect the rights of the Buyer to recover the Delay Payments or be deemed to be a waiver of the right of the Buyer to recover any such damages; and
- 6.1.5 Delay Payments shall not be subject to or count towards any limitation on liability set out in Clause 11 (How much you can be held responsible for).

7. Implementation Plan

- 7.1 The Implementation Period will be a six 6 Month period.
- 7.2 During the Implementation Period, the incumbent supplier shall retain full responsibility for all existing services until the Order Start Date or as otherwise formally agreed with the Buyer. The Supplier's full service obligations shall formally be assumed on the Order Start Date as set out in Order Form.
- 7.3 In accordance with the Implementation Plan, the Supplier shall:
- 7.3.1 work cooperatively and in partnership with the Buyer, incumbent supplier, and other DPS Supplier(s), where applicable, to understand the scope of Services to ensure a mutually beneficial handover of the Services;
 - 7.3.2 work with the incumbent supplier and Buyer to assess the scope of the Services and prepare a plan which demonstrates how they will mobilise the Services;
 - 7.3.3 liaise with the incumbent Supplier to enable the full completion of the Implementation Period activities; and

- 7.3.4 produce an Implementation Plan, to be agreed by the Buyer, for carrying out the requirements within the Implementation Period including, key Milestones and dependencies.

7.4 The Implementation Plan will include detail stating:

- 7.4.1 how the Supplier will work with the incumbent Supplier and the Buyer Authorised Representative to capture and load up information such as asset data; and
- 7.4.2 a communications plan, to be produced and implemented by the Supplier, but to be agreed with the Buyer, including the frequency, responsibility for and nature of communication with the Buyer and end users of the Services.

7.5 In addition, the Supplier shall:

- 7.5.1 appoint a Supplier Authorised Representative who shall be responsible for the management of the Implementation Period, to ensure that the Implementation Period is planned and resourced adequately, and who will act as a point of contact for the Buyer;
- 7.5.2 mobilise all the Services specified in the Specification within the Order Contract;
- 7.5.3 produce a Implementation Plan report for each Buyer Premises to encompass programmes that will fulfil all the Buyer's obligations to landlords and other tenants:
 - (a) the format of reports and programmes shall be in accordance with the Buyer's requirements and particular attention shall be paid to establishing the operating requirements of the occupiers when preparing these programmes which are subject to the Buyer's approval; and
 - (b) the Parties shall use reasonable endeavours to agree the contents of the report but if the Parties are unable to agree the contents within twenty (20) Working Days of its submission by the Supplier to the Buyer, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.
- 7.5.4 manage and report progress against the Implementation Plan;
- 7.5.5 construct and maintain a Implementation risk and issue register in conjunction with the Buyer detailing how risks and issues will be effectively communicated to the Buyer in order to mitigate them;

- 7.5.6 attend progress meetings (frequency of such meetings shall be as set out in the Order Form) in accordance with the Buyer's requirements during the Implementation Period. Implementation meetings shall be chaired by the Buyer and all meeting minutes shall be kept and published by the Supplier; and
- 7.5.7 ensure that all risks associated with the Implementation Period are minimised to ensure a seamless change of control between incumbent provider and the Supplier.]

Annex 1: Implementation Plan

The Implementation Plan is set out below and the Milestones to be Achieved are identified below:

Milestone	Deliverable Items	Duration	Milestone Date	Buyer Responsibilities	Milestone Payments	Delay Payments
[]	[]	[]	[]	[]	[]	[]
<p>The Milestones will be Achieved in accordance with this Order Schedule 13: (Implementation Plan and Testing)</p> <p>For the purposes of Paragraph 9.1.2 the Delay Period Limit shall be [insert number of days].</p>						

Part B - Testing

1. Definitions

1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"Component"	1 any constituent parts of the Deliverables;
"Material Test Issue"	2 a Test Issue of Severity Level 1 or Severity Level 2;
"Satisfaction Certificate"	3 a certificate materially in the form of the document contained in Annex 2 issued by the Buyer when a Deliverable and/or Milestone has satisfied its relevant Test Success Criteria;
"Severity Level"	4 the level of severity of a Test Issue, the criteria for which are described in Annex 1;
"Test Issue Management Log"	5 a log for the recording of Test Issues as described further in Paragraph 8.1 of this Schedule;
"Test Issue Threshold"	6 in relation to the Tests applicable to a Milestone, a maximum number of Severity Level 3, Severity Level 4 and Severity Level 5 Test Issues as set out in the relevant Test Plan;
"Test Reports"	7 the reports to be produced by the Supplier setting out the results of Tests;
"Test Specification"	8 the specification that sets out how Tests will demonstrate that the Test Success Criteria have been satisfied, as described in more detail in Paragraph 6 of this Schedule;
"Test Strategy"	9 a strategy for the conduct of Testing as described further in Paragraph 3 of this Schedule;
"Test Success Criteria"	10 in relation to a Test, the test success criteria for that Test as

	referred to in Paragraph 5 of this Schedule;
"Test Witness"	11 any person appointed by the Buyer pursuant to Paragraph 9 of this Schedule; and
"Testing Procedures"	12 the applicable testing procedures and Test Success Criteria set out in this Schedule.

2. How testing should work

- 2.1 All Tests conducted by the Supplier shall be conducted in accordance with the Test Strategy, Test Specification and the Test Plan.
- 2.2 The Supplier shall not submit any Deliverable for Testing:
 - 2.2.1 unless the Supplier is reasonably confident that it will satisfy the relevant Test Success Criteria;
 - 2.2.2 until the Buyer has issued a Satisfaction Certificate in respect of any prior, dependant Deliverable(s); and
 - 2.2.3 until the Parties have agreed the Test Plan and the Test Specification relating to the relevant Deliverable(s).
- 2.3 The Supplier shall use reasonable endeavours to submit each Deliverable for Testing or re-Testing by or before the date set out in the Implementation Plan for the commencement of Testing in respect of the relevant Deliverable.
- 2.4 Prior to the issue of a Satisfaction Certificate, the Buyer shall be entitled to review the relevant Test Reports and the Test Issue Management Log.

3. Planning for testing

- 3.1 The Supplier shall develop the final Test Strategy as soon as practicable after the Start Date but in any case no later than twenty (20) Working Days after the Start Date.
- 3.2 The final Test Strategy shall include:
 - 3.2.1 an overview of how Testing will be conducted in relation to the Implementation Plan;
 - 3.2.2 the process to be used to capture and record Test results and the categorisation of Test Issues;
 - 3.2.3 the procedure to be followed should a Deliverable fail a Test, fail to satisfy the Test Success Criteria or where the Testing of a

Deliverable produces unexpected results, including a procedure for the resolution of Test Issues;

- 3.2.4 the procedure to be followed to sign off each Test;
- 3.2.5 the process for the production and maintenance of Test Reports and a sample plan for the resolution of Test Issues;
- 3.2.6 the names and contact details of the Buyer and the Supplier's Test representatives;
- 3.2.7 a high level identification of the resources required for Testing including Buyer and/or third party involvement in the conduct of the Tests;
- 3.2.8 the technical environments required to support the Tests; and
- 3.2.9 the procedure for managing the configuration of the Test environments.

4. Preparing for Testing

- 4.1 The Supplier shall develop Test Plans and submit these for Approval as soon as practicable but in any case no later than twenty (20) Working Days prior to the start date for the relevant Testing as specified in the Implementation Plan.
- 4.2 Each Test Plan shall include as a minimum:
 - 4.2.1 the relevant Test definition and the purpose of the Test, the Milestone to which it relates, the requirements being Tested and, for each Test, the specific Test Success Criteria to be satisfied; and
 - 4.2.2 a detailed procedure for the Tests to be carried out.
- 4.3 The Buyer shall not unreasonably withhold or delay its approval of the Test Plan provided that the Supplier shall implement any reasonable requirements of the Buyer in the Test Plan.

5. Passing Testing

- 5.1 The Test Success Criteria for all Tests shall be agreed between the Parties as part of the relevant Test Plan pursuant to Paragraph 4.

6. How Deliverables will be tested

- 6.1 Following approval of a Test Plan, the Supplier shall develop the Test Specification for the relevant Deliverables as soon as reasonably practicable and in any event at least 10 Working Days prior to the start of the relevant Testing (as specified in the Implementation Plan).

6.2 Each Test Specification shall include as a minimum:

- 6.2.1 the specification of the Test data, including its source, scope, volume and management, a request (if applicable) for relevant Test data to be provided by the Buyer and the extent to which it is equivalent to live operational data;
- 6.2.2 a plan to make the resources available for Testing;
- 6.2.3 Test scripts;
- 6.2.4 Test pre-requisites and the mechanism for measuring them; and
- 6.2.5 expected Test results, including:
 - (a) a mechanism to be used to capture and record Test results; and
 - (b) a method to process the Test results to establish their content.

7. Performing the tests

- 7.1 Before submitting any Deliverables for Testing the Supplier shall subject the relevant Deliverables to its own internal quality control measures.
- 7.2 The Supplier shall manage the progress of Testing in accordance with the relevant Test Plan and shall carry out the Tests in accordance with the relevant Test Specification. Tests may be witnessed by the Test Witnesses in accordance with Paragraph 9.
- 7.3 The Supplier shall notify the Buyer at least 10 Working Days in advance of the date, time and location of the relevant Tests and the Buyer shall ensure that the Test Witnesses attend the Tests.
- 7.4 The Buyer may raise and close Test Issues during the Test witnessing process.
- 7.5 The Supplier shall provide to the Buyer in relation to each Test:
 - 7.5.1 a draft Test Report not less than 2 Working Days prior to the date on which the Test is planned to end; and
 - 7.5.2 the final Test Report within 5 Working Days of completion of Testing.
- 7.6 Each Test Report shall provide a full report on the Testing conducted in respect of the relevant Deliverables, including:
 - 7.6.1 an overview of the Testing conducted;

- 7.6.2 identification of the relevant Test Success Criteria that have/have not been satisfied together with the Supplier's explanation of why any criteria have not been met;
 - 7.6.3 the Tests that were not completed together with the Supplier's explanation of why those Tests were not completed;
 - 7.6.4 the Test Success Criteria that were satisfied, not satisfied or which were not tested, and any other relevant categories, in each case grouped by Severity Level in accordance with Paragraph 8.1; and
 - 7.6.5 the specification for any hardware and software used throughout Testing and any changes that were applied to that hardware and/or software during Testing.
- 7.7 When the Supplier has completed a Milestone it shall submit any Deliverables relating to that Milestone for Testing.
 - 7.8 Each party shall bear its own costs in respect of the Testing. However, if a Milestone is not Achieved the Buyer shall be entitled to recover from the Supplier, any reasonable additional costs it may incur as a direct result of further review or re-Testing of a Milestone.
 - 7.9 If the Supplier successfully completes the requisite Tests, the Buyer shall issue a Satisfaction Certificate as soon as reasonably practical following such successful completion. Notwithstanding the issuing of any Satisfaction Certificate, the Supplier shall remain solely responsible for ensuring that the Deliverables are implemented in accordance with this Contract.

8. Discovering Problems

- 8.1 Where a Test Report identifies a Test Issue, the Parties shall agree the classification of the Test Issue using the criteria specified in Annex 1 and the Test Issue Management Log maintained by the Supplier shall log Test Issues reflecting the Severity Level allocated to each Test Issue.
- 8.2 The Supplier shall be responsible for maintaining the Test Issue Management Log and for ensuring that its contents accurately represent the current status of each Test Issue at all relevant times. The Supplier shall make the Test Issue Management Log available to the Buyer upon request.
- 8.3 The Buyer shall confirm the classification of any Test Issue unresolved at the end of a Test in consultation with the Supplier. If the Parties are unable to agree the classification of any unresolved Test Issue, the Dispute shall be dealt with in accordance with the Dispute Resolution Procedure using the Expedited Dispute Timetable.

9. Test witnessing

- 9.1 The Buyer may, in its sole discretion, require the attendance at any Test of one or more Test Witnesses selected by the Buyer, each of whom shall have appropriate skills to fulfil the role of a Test Witness.
- 9.2 The Supplier shall give the Test Witnesses access to any documentation and Testing environments reasonably necessary and requested by the Test Witnesses to perform their role as a Test Witness in respect of the relevant Tests.
- 9.3 The Test Witnesses:
 - 9.3.1 shall actively review the Test documentation;
 - 9.3.2 will attend and engage in the performance of the Tests on behalf of the Buyer so as to enable the Buyer to gain an informed view of whether a Test Issue may be closed or whether the relevant element of the Test should be re-Tested;
 - 9.3.3 shall not be involved in the execution of any Test;
 - 9.3.4 shall be required to verify that the Supplier conducted the Tests in accordance with the Test Success Criteria and the relevant Test Plan and Test Specification;
 - 9.3.5 may produce and deliver their own, independent reports on Testing, which may be used by the Buyer to assess whether the Tests have been Achieved;
 - 9.3.6 may raise Test Issues on the Test Issue Management Log in respect of any Testing; and
- 9.4 may require the Supplier to demonstrate the modifications made to any defective Deliverable before a Test Issue is closed.

10. Auditing the quality of the test

- 10.1 The Buyer or an agent or contractor appointed by the Buyer may perform on-going quality audits in respect of any part of the Testing (each a "**Testing Quality Audit**") subject to the provisions set out in the agreed Quality Plan.
- 10.2 The Supplier shall allow sufficient time in the Test Plan to ensure that adequate responses to a Testing Quality Audit can be provided.
- 10.3 The Buyer will give the Supplier at least 5 Working Days' written notice of the Buyer's intention to undertake a Testing Quality Audit.
- 10.4 The Supplier shall provide all reasonable necessary assistance and access to all relevant documentation required by the Buyer to enable it to carry out the Testing Quality Audit.

- 10.5 If the Testing Quality Audit gives the Buyer concern in respect of the Testing Procedures or any Test, the Buyer shall prepare a written report for the Supplier detailing its concerns and the Supplier shall, within a reasonable timeframe, respond in writing to the Buyer's report.
- 10.6 In the event of an inadequate response to the written report from the Supplier, the Buyer (acting reasonably) may withhold a Satisfaction Certificate until the issues in the report have been addressed to the reasonable satisfaction of the Buyer.

11. Outcome of the testing

- 11.1 The Buyer will issue a Satisfaction Certificate when the Deliverables satisfy the Test Success Criteria in respect of that Test without any Test Issues.
- 11.2 If the Deliverables (or any relevant part) do not satisfy the Test Success Criteria then the Buyer shall notify the Supplier and:
 - 11.2.1 the Buyer may issue a Satisfaction Certificate conditional upon the remediation of the Test Issues;
 - 11.2.2 the Buyer may extend the Test Plan by such reasonable period or periods as the Parties may reasonably agree and require the Supplier to rectify the cause of the Test Issue and re-submit the Deliverables (or the relevant part) to Testing; or
 - 11.2.3 where the failure to satisfy the Test Success Criteria results, or is likely to result, in the failure (in whole or in part) by the Supplier to meet a Milestone, then without prejudice to the Buyer's other rights and remedies, such failure shall constitute a material Default.
- 11.3 The Buyer shall be entitled, without prejudice to any other rights and remedies that it has under this Contract, to recover from the Supplier any reasonable additional costs it may incur as a direct result of further review or re-Testing which is required for the Test Success Criteria for that Deliverable to be satisfied.
- 11.4 The Buyer shall issue a Satisfaction Certificate in respect of a given Milestone as soon as is reasonably practicable following:
 - 11.4.1 the issuing by the Buyer of Satisfaction Certificates and/or conditional Satisfaction Certificates in respect of all Deliverables related to that Milestone which are due to be Tested; and
 - 11.4.2 performance by the Supplier to the reasonable satisfaction of the Buyer of any other tasks identified in the Implementation Plan as associated with that Milestone.

- 11.5 The grant of a Satisfaction Certificate shall entitle the Supplier to the receipt of a payment in respect of that Milestone in accordance with the provisions of any Implementation Plan and Clause 4 (Pricing and payments).
- 11.6 If a Milestone is not Achieved, the Buyer shall promptly issue a report to the Supplier setting out the applicable Test Issues any other reasons for the relevant Milestone not being Achieved.
- 11.7 If there are Test Issues but these do not exceed the Test Issues Threshold, then provided there are no Material Test Issues, the Buyer shall issue a Satisfaction Certificate.
- 11.8 If there is one or more Material Test Issue(s), the Buyer shall refuse to issue a Satisfaction Certificate and, without prejudice to the Buyer's other rights and remedies, such failure shall constitute a material Default.
- 11.9 If there are Test Issues which exceed the Test Issues Threshold but there are no Material Test Issues, the Buyer may at its discretion (without waiving any rights in relation to the other options) choose to issue a Satisfaction Certificate conditional on the remediation of the Test Issues in accordance with an agreed Rectification Plan provided that:
 - 11.9.1 any Rectification Plan shall be agreed before the issue of a conditional Satisfaction Certificate unless the Buyer agrees otherwise (in which case the Supplier shall submit a Rectification Plan for approval by the Buyer within 10 Working Days of receipt of the Buyer's report pursuant to Paragraph 10.5); and
 - 11.9.2 where the Buyer issues a conditional Satisfaction Certificate, it may (but shall not be obliged to) revise the failed Milestone Date and any subsequent Milestone Date.

12. Risk

- 12.1 The issue of a Satisfaction Certificate and/or a conditional Satisfaction Certificate shall not:
 - 12.1.1 operate to transfer any risk that the relevant Deliverable or Milestone is complete or will meet and/or satisfy the Buyer's requirements for that Deliverable or Milestone; or
 - 12.1.2 affect the Buyer's right subsequently to reject all or any element of the Deliverables and/or any Milestone to which a Satisfaction Certificate relates.

Annex 1: Test Issues – Severity Levels

1. Severity 1 Error

- 1.1 This is an error that causes non-recoverable conditions, e.g. it is not possible to continue using a Component.

2. Severity 2 Error

- 2.1 This is an error for which, as reasonably determined by the Buyer, there is no practicable workaround available, and which:
 - 2.1.1 causes a Component to become unusable;
 - 2.1.2 causes a lack of functionality, or unexpected functionality, that has an impact on the current Test; or
 - 2.1.3 has an adverse impact on any other Component(s) or any other area of the Deliverables;

3. Severity 3 Error

- 3.1 This is an error which:
 - 3.1.1 causes a Component to become unusable;
 - 3.1.2 causes a lack of functionality, or unexpected functionality, but which does not impact on the current Test; or
 - 3.1.3 has an impact on any other Component(s) or any other area of the Deliverables;but for which, as reasonably determined by the Buyer, there is a practicable workaround available;

4. Severity 4 Error

- 4.1 This is an error which causes incorrect functionality of a Component or process, but for which there is a simple, Component based, workaround, and which has no impact on the current Test, or other areas of the Deliverables; and

5. Severity 5 Error

- 5.1 This is an error that causes a minor problem, for which no workaround is required, and which has no impact on the current Test, or other areas of the Deliverables.

Annex 2: Satisfaction Certificate

To: [insert name of Supplier]
From: [insert name of Buyer]
[insert Date dd/mm/yyyy]

Dear Sirs,

Satisfaction Certificate

Deliverable/Milestone(s): [Insert relevant description of the agreed Deliverables/Milestones].

We refer to the agreement ("**Order Contract**") [insert Order Contract reference number] relating to the provision of the [insert description of the Deliverables] between the [*insert Buyer name*] ("**Buyer**") and [*insert Supplier name*] ("**Supplier**") dated [*insert Order Start Date dd/mm/yyyy*]. The definitions for any capitalised terms in this certificate are as set out in the Order Contract.

[We confirm that all the Deliverables relating to [insert relevant description of Deliverables/agreed Milestones and/or reference number(s) from the Implementation Plan] have been tested successfully in accordance with the Test Plan [or that a conditional Satisfaction Certificate has been issued in respect of those Deliverables that have not satisfied the relevant Test Success Criteria].

[OR]

[This Satisfaction Certificate is granted on the condition that any Test Issues are remedied in accordance with the Rectification Plan attached to this certificate.]

[You may now issue an invoice in respect of the Milestone Payment associated with this Milestone in accordance with Clause 4 (Pricing and payments)].

Yours faithfully
[insert Name]
[insert Position]
acting on behalf of [insert name of Buyer]

Order Schedule 14 (Service Levels)

Definitions

In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"Critical Service Level Failure"	1 has the meaning given to it in the Order Form;
"Service Credits"	2 any service credits specified in the Annex to Part A of this Schedule being payable by the Supplier to the Buyer in respect of any failure by the Supplier to meet one or more Service Levels;
"Service Credit Cap"	3 has the meaning given to it in the Order Form;
"Service Level Failure"	4 means a failure to meet the Service Level Performance Measure in respect of a Service Level;
"Service Level Performance Measure"	5 shall be as set out against the relevant Service Level in the Annex to Part A of this Schedule; and
"Service Level Threshold"	6 shall be as set out against the relevant Service Level in the Annex to Part A of this Schedule.

What happens if you don't meet the Service Levels

The Supplier shall at all times provide the Deliverables to meet or exceed the Service Level Performance Measure for each Service Level.

The Supplier acknowledges that any Service Level Failure shall entitle the Buyer to the rights set out in Part A of this Schedule including the right to any Service Credits and that any Service Credit is a price adjustment and not an estimate of the Loss that may be suffered by the Buyer as a result of the Supplier's failure to meet any Service Level Performance Measure.

The Supplier shall send Performance Monitoring Reports to the Buyer detailing the level of service which was achieved in accordance with the provisions of Part B (Performance Monitoring) of this Schedule.

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

the Service Level Failure:

exceeds the relevant Service Level Threshold;

has arisen due to a Prohibited Act or wilful Default by the Supplier;

results in the corruption or loss of any Government Data; and/or

results in the Buyer being required to make a compensation payment to one or more third parties; and/or

the Buyer is otherwise entitled to or does terminate this Contract pursuant to Clause 10.4 (CCS and Buyer Termination Rights).

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

the total number of Service Levels for which the weighting is to be changed does not exceed the number applicable as at the Start Date;

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

Critical Service Level Failure

On the occurrence of a Critical Service Level Failure:

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

the Buyer shall be entitled to withhold and retain as compensation a sum equal to any Charges which would otherwise have been due to the Supplier in respect of that Service Period ("**Compensation for Critical Service Level Failure**"),

provided that the operation of this paragraph 3 shall be without prejudice to the right of the Buyer to terminate this Contract and/or to claim damages from the Supplier for material Default.

Part A: Service Levels and Service Credits

1. Service Levels

If the level of performance of the Supplier:

- 1.1 is likely to or fails to meet any Service Level Performance Measure; or
- 1.2 is likely to cause or causes a Critical Service Failure to occur,

the Supplier shall immediately notify the Buyer in writing and the Buyer, in its absolute discretion and without limiting any other of its rights, may:

- require the Supplier to immediately take all remedial action that is reasonable to mitigate the impact on the Buyer and to rectify or prevent a Service Level Failure or Critical Service Level Failure from taking place or recurring;

- instruct the Supplier to comply with the Rectification Plan Process;

- if a Service Level Failure has occurred, deduct the applicable Service Level Credits payable by the Supplier to the Buyer; and/or

- if a Critical Service Level Failure has occurred, exercise its right to Compensation for Critical Service Level Failure (including the right to terminate for material Default).

2. Service Credits

- 2.1 The Buyer shall use the Performance Monitoring Reports supplied by the Supplier to verify the calculation and accuracy of the Service Credits, if any, applicable to each Service Period.
- 2.2 Service Credits are a reduction of the amounts payable in respect of the Deliverables and do not include VAT. The Supplier shall set-off the value of any Service Credits against the appropriate invoice in accordance with calculation formula in the Annex to Part A of this Schedule.

Annex A to Part A: Services Levels and Service Credits Table

Service credits as outlined in ITT apply:

11. SERVICE CREDIT

- 11.1 In the event of a major CIL payroll failure, the SP will be required to pay a Service Credit to the Department of £[REDACTED] per day, from the day the CIL payroll failure takes place and for every subsequent day until the failure is resolved.
- 11.2 A major CIL payroll failure is where at least 25% of the CIL payroll is not made correctly. This can be because the wrong amount is paid and/or it is paid into the wrong account and/or there are delays in payment.
- 11.3 An analysis of the failure should be included in the monthly Contract Performance report, including steps to prevent future failures.
- 11.4 The service credit should be reflected in the following month's invoice.
- 11.5 Where Service Credits are payable by the SP in accordance with paragraph 11.1, Service Credits shall not in any calendar year exceed £[REDACTED] as a deduction from the fees paid or payable by the Department in that calendar year.

The following are included by way of example only including Service Levels relating to Social Value (Social Value KPIs). Procurement-specific Service Levels should be incorporated. In line with the Sourcing Playbook, it is HMG's intention to publish the top KPIs for the Government's most important contracts. Where this publication requirement applies to this Contract, the Buyer must select at least three Service Levels (KPIs) which shall be publishable and must also select the single most important Social Value KPI, which shall also be publishable (four KPIs in total). Buyers can indicate which are publishable in the table below.

Service Levels				Service Credit for each Service Period	
Service Level Performance Criterion	Key Indicator	Service Level Performance Measure	Service Level Threshold		Publishable KPI
[Accurate and timely billing of Buyer]	[Accuracy /Timelines]	[at least 98% at all times]	[]	[0.5% Service Credit gained for each percentage under the specified Service Level Performance Measure]	[Yes/No]
[Access to Buyer support]	[Availability]	[at least 98% at all times]	[]	[0.5% Service Credit gained for each percentage under the specified Service Level Performance Measure]	[Yes/No]
[KPI]	[]	[]	[]	[]	[Yes/No]
[Social Value KPI 1]	[]	[]	[]	[]	[Yes/No]
[Social Value KP1 2]	[]	[]	[]	[]	[Yes/No]

Service Levels				Service Credit for each Service Period	Publishable KPI
Service Level Performance Criterion	Key Indicator	Service Level Performance Measure	Service Level Threshold		
[Social Value KPI 3]	[]	[]	[]	[]	[Yes/No]

The Service Credits shall be calculated on the basis of the following formula:

[Example:

Formula: $x\% (\text{Service Level Performance Measure}) - x\% (\text{actual Service Level performance})$

Worked example: 98% (e.g. Service Level Performance Measure requirement for accurate and timely billing Service Level) - 75% (e.g. actual performance achieved against this Service Level in a Service Period)

= $x\%$ of the Charges payable to the Buyer as Service Credits to be deducted from the next Invoice payable by the Buyer

= 23% of the Charges payable to the Buyer as Service Credits to be deducted from the next Invoice payable by the Buyer]

Part B: Performance Monitoring

3. Performance Monitoring and Performance Review

- 3.1 Within twenty (20) Working Days of the Start Date the Supplier shall provide the Buyer with details of how the process in respect of the monitoring and reporting of Service Levels will operate between the Parties and the Parties will endeavour to agree such process as soon as reasonably possible.
- 3.2 The Supplier shall provide the Buyer with performance monitoring reports ("**Performance Monitoring Reports**") in accordance with the process and timescales agreed pursuant to paragraph 1.1 of Part B of this Schedule which shall contain, as a minimum, the following information in respect of the relevant Service Period just ended:
 - 3.2.1 for each Service Level, the actual performance achieved over the Service Level for the relevant Service Period;
 - 3.2.2 a summary of all failures to achieve Service Levels that occurred during that Service Period;
 - 3.2.3 details of any Critical Service Level Failures;
 - 3.2.4 for any repeat failures, actions taken to resolve the underlying cause and prevent recurrence;
 - 3.2.5 the Service Credits to be applied in respect of the relevant period indicating the failures and Service Levels to which the Service Credits relate; and
 - 3.2.6 such other details as the Buyer may reasonably require from time to time.
- 3.3 The Parties shall attend meetings to discuss Performance Monitoring Reports ("**Performance Review Meetings**") on a quarterly basis. The Performance Review Meetings will be the forum for the review by the Supplier and the Buyer of the Performance Monitoring Reports. The Performance Review Meetings shall:
 - 3.3.1 take place within one (1) week of the Performance Monitoring Reports being issued by the Supplier at such location and time (within normal business hours) as the Buyer shall reasonably require;
 - 3.3.2 be attended by the Supplier's Representative and the Buyer's Representative; and
 - 3.3.3 be fully minuted by the Supplier and the minutes will be circulated by the Supplier to all attendees at the relevant meeting and also

to the Buyer's Representative and any other recipients agreed at the relevant meeting.

- 3.4 The minutes of the preceding Performance Review Meeting will be agreed and signed by both the Supplier's Representative and the Buyer's Representative at each meeting.
- 3.5 The Supplier shall provide to the Buyer such documentation as the Buyer may reasonably require in order to verify the level of the performance by the Supplier and the calculations of the amount of Service Credits for any specified Service Period.

4. Satisfaction Surveys

- 4.1 The Buyer may undertake satisfaction surveys in respect of the Supplier's provision of the Deliverables. The Buyer shall be entitled to notify the Supplier of any aspects of their performance of the provision of the Deliverables which the responses to the Satisfaction Surveys reasonably suggest are not in accordance with this Contract.

Order Schedule 15 (Order Contract Management)

1. Definitions

- 1.1 In this Schedule, the following words shall have the following meanings and they shall supplement Joint Schedule 1 (Definitions):

"Operational Board"	the board established in accordance with paragraph 2.1 of this Schedule;
"Project Manager"	the manager appointed in accordance with paragraph 2.1 of this Schedule;

2. Project Management

- 2.1 The Supplier and the Buyer shall each appoint a Project Manager for the purposes of this Contract through whom the provision of the Services and the Deliverables shall be managed day-to-day.
- 2.2 The Parties shall ensure that appropriate resource is made available on a regular basis such that the aims, objectives and specific provisions of this Contract can be fully realised.
- 2.3 Without prejudice to paragraph 4 below, the Parties agree to operate the boards specified as set out in the Annex to this Schedule.

3. Role of the Supplier Contract Manager

- 3.1 The Supplier's Contract Manager shall be:
- 3.1.1 the primary point of contact to receive communication from the Buyer and will also be the person primarily responsible for providing information to the Buyer;
 - 3.1.2 able to delegate his position to another person at the Supplier but must inform the Buyer before proceeding with the delegation and it will be the delegated person's responsibility to fulfil the Contract Manager's responsibilities and obligations;
 - 3.1.3 able to cancel any delegation and recommence the position himself; and
 - 3.1.4 replaced only after the Buyer has received notification of the proposed change.
- 3.2 The Buyer may provide revised instructions to the Supplier's Contract Manager in regards to the Contract and it will be the Supplier's Contract

Manager's responsibility to ensure the information is provided to the Supplier and the actions implemented.

- 3.3 Receipt of communication from the Supplier's Contract Manager by the Buyer does not absolve the Supplier from its responsibilities, obligations or liabilities under the Contract.

4. Role of the Operational Board

- 4.1 The Operational Board shall be established by the Buyer for the purposes of this Contract on which the Supplier and the Buyer shall be represented.
- 4.2 The Operational Board members, frequency and location of board meetings and planned start date by which the board shall be established are set out in the Order Form.
- 4.3 In the event that either Party wishes to replace any of its appointed board members, that Party shall notify the other in writing for approval by the other Party (such approval not to be unreasonably withheld or delayed). Each Buyer board member shall have at all times a counterpart Supplier board member of equivalent seniority and expertise.
- 4.4 Each Party shall ensure that its board members shall make all reasonable efforts to attend board meetings at which that board member's attendance is required. If any board member is not able to attend a board meeting, that person shall use all reasonable endeavours to ensure that a delegate attends the Operational Board meeting in his/her place (wherever possible) and that the delegate is properly briefed and prepared and that he/she is debriefed by such delegate after the board meeting.
- 4.5 The purpose of the Operational Board meetings will be to review the Supplier's performance under this Contract. The agenda for each meeting shall be set by the Buyer and communicated to the Supplier in advance of that meeting.

5. Contract Risk Management

- 5.1 Both Parties shall pro-actively manage risks attributed to them under the terms of this Order Contract.
- 5.2 The Supplier shall develop, operate, maintain and amend, as agreed with the Buyer, processes for:
- 5.2.1 the identification and management of risks;
 - 5.2.2 the identification and management of issues; and
 - 5.2.3 monitoring and controlling project plans.

- 5.3 The Supplier allows the Buyer to inspect at any time within working hours the accounts and records which the Supplier is required to keep.
- 5.4 The Supplier will maintain a risk register of the risks relating to the Order Contract which the Buyer and the Supplier have identified.

Annex: Contract Boards

The Parties agree to operate the following boards at the locations and at the frequencies set out below:

[**Guidance note:** Details of additional boards to be inserted.]

Order Schedule 20 (Order Specification)

This Schedule sets out the characteristics of the Deliverables that the Supplier will be required to make to the Buyers under this Order Contract

Administration and Delivery of Benefit Services for Former British Coal Corporation Employees (and certain prescribed others) under the National Concessionary Fuel Scheme
Agreements (trading under the name of National Concessionary Fuel Office)

Tender Reference Number: prj_4797

SPECIFICATION FOR SERVICES REQUIRED

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Definitions

Unless otherwise stated below, any defined terms used in this Specification shall have the same meaning as given in the Terms and Conditions of the contract.

AM

means Assembly Member (for Welsh Assembly);

APEX

means Association of Professional, Executive and Computer Staff;

BACM

means British Association of Colliery Management;

BCC

means British Coal Corporation;

BCP

means Business Continuity Planning;

Beneficiary

means a person entitled to Concessionary Fuel or Cash in Lieu under the National Concessionary Fuel Scheme (NCFS);

CISWO

Means the Coal Industry Social Welfare Organisation

CV

means a Contract Variation;

CLU

means the Coal Liabilities Unit

Contract Manager

means the person(s) responsible for overseeing the contract;

DESNZ

means the Department for Energy Security and Net Zero; also referred to as 'the Department'

DTI

means the Department of Trade and Industry;

DPA

means Data Protection Act 1988;

DRP

means the Disaster Recovery Plan;

EIR

means Environmental Information Regulation;

FOI

means the Freedom of Information Act 2000;

Fuel Agreements

means the Agreements between the various mining Unions and the British Coal Corporation. **Fuel**

Distribution Agent

means the party contracted to DESNZ to supply solid fuel and distribute all Concessionary Fuel to beneficiaries under the National Concessionary Fuel Scheme (NCFS);

Fuel Year

means the 52 (occasionally 53) week period, which normally commences with the first week in April and end with the last week in March;

GAD

means the Government Actuary Department

GDPR

means the General Data Protection Regulation

Internal Audit

means the function which scrutinises the activities undertaken by CLU and their contractors;

ICT

means Information and Communication Technology;

MP

means Member of Parliament;

MSP

means Member of the Scottish Parliament;

NACODS

means the National Association of Colliery Overmen, Deputies and Shotfirers;

NAO

means the National Audit Office;

NCFA

means the National Concessionary Fuel Agreement;

NCFO

means the National Concessionary Fuel Office;

NCFS

means the National Concessionary Fuel Scheme;

NUM

means the National Union of Mineworkers;

NUM (COSA)

means the National Union of Mineworkers (Clerical Officers Staff Association);

Personal Data

means data that a third party would use to identify the living identifiable individual;

Proxy

Means a person authorised to act on behalf of another.

RARs

means Regulatory Access Requests;

Risk Log

means a written record of risks and issues which could affect any part of the services maintained by the SP;

SARs

means Subject Access Requests;

SLA

means the agreements in a formal contract to define a level of service;

SP

means the Service Provider;

SRB

means Scheme Reference Booklet;

Supply Agents

means the producers of manufactured smokeless fuel contracted to DESNZ to supply the Fuel Distribution Agent with solid fuel under the NCFS;

UDM

means the Union of Democratic Mineworkers;

VFM

means Value for Money.

1 Introduction

1.1 Overview

In January 1995, the Energy Group of the Department of Trade and Industry (DTI), now part of the Department for Energy Security and Net Zero (DESNZ or the Department), assumed responsibility for the National Concessionary Fuel Scheme (NCFS) following privatisation of the British Coal Corporation (BCC) mining businesses in 1994.

The scheme allows ex-employees of BCC and their dependants to receive an entitlement of cash in lieu (CIL) or solid fuel providing that they meet the qualifying criteria of the National Concessionary Fuel Agreement (NCFA) or the British Association of Colliery Management (BACM) Agreements agreed between BCC and the Mining Unions in 1983. These agreements form the basis of the NCFS which is administered by the National Concessionary Fuel Office (NCFO) on behalf of the Department.

DESNZ also assumed responsibility (following Government announcements in November 2013 and March 2015) of a further two cohorts of certain ex-employees of UK Coal. These entitlements are separate from the NCFS with different rules and qualifying criteria. The servicing of these Beneficiaries will form part of the contractual arrangements for the administration of the NCFS. These entitlements are serviced under the same terms of the relevant UK Coal scheme they were under at the time of the demise of the company.

Under the current arrangements, the Department has a responsibility to provide either CIL or solid fuel to 24,012 Beneficiaries (figure as at 31 December 2024). Of these, 21,311 Beneficiaries have opted for CIL and 2,701 are in receipt of solid fuel. Core entitlements are to the original employees and their widow or widower.

The number of Beneficiaries is continually decreasing and by the time the new contract commences in April 2026, it is estimated that there will be approximately 22,357 in total with 19,918 CIL Beneficiaries and 2,439 solid fuel in the NCFS. The estimated profile for the 8 years from April 2026 to March 2034 is shown in Table 1 below:

Table 1. Beneficiaries Profile (April 2026 – March 2034)

Financial Year		2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Beneficiary Numbers	Fuel	2,439	2,131	1,845	1,604	1,392	1,209	1,053	917
	Cash	19,918	18,041	16,240	14,527	12,925	11,430	10,060	8,813
	Total	22,357	20,172	18,085	16,131	14,317	12,639	11,113	9,730

In the long term, it is estimated that the liability will exist for up to around 40 years from now, i.e. until around 2065 based on actuarial modelling.

1.2 Overall Contract Objectives

Alongside meeting our legal obligations to former BCC employees, the Department is responsible for ensuring that all contracts deliver Value for Money (VFM) to the public purse and has set out below its main objectives. These align with DESNZ's overall strategic objective to manage energy related liabilities efficiently. The SP must proactively meet the following objectives:

- The SP must be able to deliver the services as described in the Specification.
- The SP must manage the business efficiently and contribute to strategic and operational matters to ensure the provision of a quality service which is reliable, fit for purpose, consistent and delivers VFM.
- The SP must work in partnership with the Department's staff, the Fuel Distribution Agent and other contractors and stakeholders as required.
- The SP must be able to provide a flexible service over the duration of the contract period.

The Department is open to the SP proposing different ways of working, which must meet the requirements of the Fuel Agreements and the objectives above. These should be set out in the new NCFO working procedures, which should be agreed with the Department during the transition period.

In developing any proposals for revised ways of working with beneficiaries, the SP should take full account of the age profile and other characteristics of the beneficiary community serviced by the Scheme which may limit the potential for full digital transition.

2 Core Services

2.1 Overview

The core services involve:

- Determination of eligibility and entitlement for both Cash in Lieu and Solid Fuel;
- Payments to Cash in Lieu Beneficiaries and recovery of overpayments;
- General administration of the Scheme, including effective liaison with the Solid Fuel Distributor to ensure efficient delivery of services to solid fuel beneficiaries and consistency in the information provided to the Department on beneficiary numbers and volume of payments and deliveries;
- Stakeholder management and communication;
- Financial management including forecasting and financial modelling;
- Fraud management.

2.2 Determination of Eligibility and Entitlement

2.2.1 Background

The SP needs to determine whether a person is eligible to receive cash in lieu (CIL) or a solid fuel entitlement under the terms of the Fuel Agreements. These Agreements can be found at (Ref. 1a–1e). Eligibility is based on the Scheme Rules in the Fuel Agreements. If they are eligible, the SP needs to determine the level of the entitlement. As an illustrative example, the number of new applications received during 2024 is shown in Table 2 below.

Table 2. New Applications (2024)

New Applications	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Applications received for Fuel entitlement	0	0	0	0	1	0	0	0	0	3	2	0
Application received for Cash entitlement	2	3	1	3	1	2	2	0	2	2	3	0

The SP will also have to administer changes in circumstances such as a switch from Solid Fuel to CIL, death of a Beneficiary, transfer of entitlement, change of residents at the Beneficiaries' property, remarriage, etc. As an illustrative example, the volumes of such changes during 2024 are shown in Table 3 below. Note that the figures

do not include changes which have been informed by telephone calls, in circumstances where a paper application is not required.

Table 3. Volume of Changes in Circumstances (2024)

Other Requests	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fuel to Cash	30	22	25	32	17	19	23	22	25	7	16	3
Cash to Fuel	0	1	0	0	0	0	0	0	0	0	1	0
Widows (cash)	53	32	32	31	26	25	35	21	26	26	33	20
Widows (fuel)	4	2	3	0	4	2	5	1	1	3	3	1
Changes in Cash Entitlements	85	84	73	79	56	73	71	65	67	135	71	61
Changes in Fuel Entitlements	2	1	0	1	0	1	1	0	1	0	0	2

Additionally, on an annual basis, the SP will need to verify the entitlement for every Beneficiary (CIL and solid fuel beneficiaries) in the form of a Life Certificate. An example of a Life Certificate can be found at Ref. 2 and a copy of the current Life Certificate checklist is at Ref 3.

Life Certificates are currently issued around the birthday date of each Beneficiary, which has the effect of smoothing out the resource requirements over the year. Table 4 shows the number of Life Certificates issued in 2024:

Table 4. Life Certificates Issued (2024)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Life Certificates issued	2282	2406	2538	2524	1859	2080	2392	1968	2310	2021	2007	2181

Typically, around 5% of Life Certificates require a follow up action.

At all times, the SP must work within the rules of the Fuel Agreements.

At all times, the SP must ensure that the IT systems used to manage the Scheme are accurate and up to date, providing an audit trail on applications, beneficiaries details, entitlement, change of circumstances, etc.

2.2.2 Requirements

A) New Application for CIL or Solid Fuel

- B) Annual verification of Entitlement
- C) Change to a Beneficiary's circumstances
- D) Switch from Solid Fuel to CIL (and vice versa)
- E) Suspension of entitlement
- F) Termination of entitlement
- G) Anomalies

A) New Application for CIL or Solid Fuel	a) On receipt of a paper application, the SP will scan the correspondence to required standards. The hard copy can be securely destroyed once the electronic copy has been saved.
	b) The SP will write to the applicant to acknowledge the application within 10 working days.
	c) The SP will collect sufficient information concerning the applicant in order to be able to determine their eligibility for CIL or Solid Fuel. The information may come from the applicant themselves, records which the SP already holds on databases, paper records or microfiche, or in a few cases, the Department's Records Management contractor (Iron Mountain).
	d) Within 10 working days of having received sufficient information to make the determination, the SP will notify the applicant of the determination and provide successful applicants ("Beneficiaries") with a letter of their entitlement (see example at Ref. 4) and a copy of the Frequently Asked Questions (FAQ) sheet. A FAQ sheet should be developed with the Department during the Transition Period, which will replace the Scheme Reference Booklet. For information, the current Scheme Reference Booklet can be found at Ref. 5.
	e) The SP will create a new record on the IT system used to manage the NCFS.
	f) Where the Beneficiary is incapable of dealing with their own affairs, the SP will ensure that any person acting on their behalf is a properly appointed representative, known as a proxy.

B) Annual verification of Entitlement	a) The SP will check each Beneficiary's eligibility and the level of their entitlement on an annual basis by issuing a questionnaire by post, known as a "Life Certificate".
	b) The Life Certificates are currently issued to each Beneficiary near the date of their birthday. The timing of this process can be amended if there is a strong business case for doing so, with prior written approval from the Department.
	c) The Life Certificate will request information about the Beneficiary's personal circumstances, including those circumstances listed below, which could lead to a change in entitlement: <ul style="list-style-type: none"> ▪ Change of address; ▪ Change of heating system; ▪ Taking up employment/self employment; ▪ Re-marriage (widows/ers only); ▪ Move to a Nursing/Care home or hospital stays; ▪ Change in ownership/tenancy of the Beneficiary's property; ▪ Change in residents in the Beneficiary's property including tenants; ▪ Change in the size of the Beneficiary's property; ▪ Death.
	d) A pre-paid envelope should be enclosed with the Life Certificate.
	e) Should the SP not receive a signed Life Certificate back within 28 calendar days, the SP should issue a reminder letter giving a further 14 days from date of letter for response and warning that non reply will lead to suspension of entitlement. A pre-paid return envelope should be included in the reminder letter.
	f) If the SP has still not received a signed Life Certificate back after the 14 calendar days deadline of the reminder letter, the SP should follow the procedures for suspending the entitlement until the relevant information is received in order to reinstate, amend or terminate the entitlement.

C) Change to a Beneficiary's circumstances	a) The SP may be notified of a change to a Beneficiary's circumstance by written correspondence, email or telephone. This communication may come from the Beneficiary themselves or from a spouse/relative/other if the Beneficiary has died.
	b) A change of circumstance could be as follows: <ul style="list-style-type: none"> ▪ Change of address; ▪ Change of heating system; ▪ Taking up employment/self employment; ▪ Re-marriage (widows/ers only); ▪ Move to a Nursing/Care home or hospital stays; ▪ Change in ownership/tenancy of the Beneficiary's property; ▪ Change in residents in the Beneficiary's property including tenants/lodgers; ▪ Change in the size of the Beneficiary's property; ▪ Change to payment arrangements e.g. bank details, giro to BACS, etc. ▪ Appointing a proxy or change of existing proxy; ▪ Death. This list is not exhaustive.
	c) This change of circumstance may affect the entitlement such as: <ul style="list-style-type: none"> ▪ reallocation of entitlement to widow(er), either cash or fuel; ▪ cash to fuel (more information is given below in 2.2.2D); ▪ fuel to cash (more information is given below in 2.2.2D); ▪ amendment of cash (cash to cash); ▪ amendment of fuel (fuel to fuel).
	d) The SP will write to the Beneficiary/other to acknowledge the notification within 10 working days.
	e) The SP will review the information provided and collect such further information as necessary.
	f) The SP will review the Beneficiary's eligibility.

	g) Within 10 working days of receipt of sufficient information regarding the change of circumstances, the SP will notify the Beneficiary in writing of any changes to, or termination of, their entitlement.
	h) In some cases, the information about a change of circumstances may come from a different source such as the Miners Pension Schemes notification of death, fraudulent activity reported by another beneficiary or a member of the public, notification from the Fuel Distribution Agent, etc. Where this occurs, the SP should write to the Beneficiary/other either notifying them of a change to their entitlement, or to request further information as necessary to validate their circumstances. In some circumstances follow up by the SP via telephone contact with the beneficiary may be appropriate to secure a response.
	i) Where further information is required, the SP will, within 10 working days of receipt of sufficient information regarding the change of circumstances, notify the Beneficiary/other in writing of any changes to, or termination of, their entitlement.
	j) Where there is a change of entitlement, the SP should include a FAQ sheet with the entitlement letter.
D) Switch from Solid Fuel to CIL (and vice versa)	a) In the event that a Beneficiary wants to switch from Solid Fuel to CIL (or vice versa which is possible under the Fuel Agreements but very rare), the SP will write to the Beneficiary to acknowledge the notification within 10 working days.
	b) For a switch from cash to fuel, there are additional checks which need to be conducted by the SP. For example, if the property is a Council property or is rented from a private landlord, the SP should contact the Council/landlord to ensure the stated solid fuel appliance is at the property. If the property is owned by the Beneficiary, a site visit may be required, if receipts and other documentation cannot confirm that the appliance is suitable. The SP will need to check if the area is designated a smokeless fuel zone.
	c) The SP will review the information provided and collect such further information as necessary.

	d) The SP will review the Beneficiary's eligibility.
	e) Within 10 working days of receipt of sufficient information regarding the switch from Solid Fuel to CIL (and vice versa), the SP will notify the Beneficiary in writing of any changes to their entitlement.
E) Suspension of entitlement	a) Beneficiaries entitlement may be suspended for a number of reasons. For example, they may not have returned the annual Life Certificates and not responded to chasing letters.
	b) Every quarter, the SP will review all the accounts which have been suspended for 6 months or more, and take appropriate action.
F) Termination of entitlement	a) Beneficiaries entitlement may be terminated for a number of reasons. For example, due to fraud or death of a widow (er).
	b) The SP should administer the termination as appropriate, but where the Beneficiary appeals against the decision, the SP may require a decision from the Department (see below).
G) Anomalies	a) Where there are anomalies for eligibility and entitlement, or escalated issues and disputes, the SP may request a decision from the Department on how to proceed.
	b) The request should be accompanied by relevant background information and a recommendation for the course of action. But the final decision is ultimately for the Department, based on the information provided by the SP.

2.3 Payments to Cash in Lieu Beneficiaries and Recovery of Overpayments

2.3.1 Background

The majority of Scheme Beneficiaries now receive their entitlement as cash in lieu. The SP needs to administer and process the 'cash' payments to CIL Beneficiaries. These payments are made quarterly and via BACS. The volume and value of payments made in 2024 are shown in Table 5 below:

Table 5. Volume and Value of CIL Payments (2024)

2024	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Total volume of payments	0	0	22454	0	0	21895	0	0	21357	0	0	20759
BACS volume	0	0	22454	0	0	21895	0	0	21357	0	0	20759
BACS Value (Net)	0	0	7,015,556.37	0	0	6,870,388.02	0	0	6,687,465.75	0	0	6,502,109.44
Cheque Volume	0	0	0	0	0	0	0	0	0	0	0	0
Cheque Value (Net)	0	0	0	0	0	0	0	0	0	0	0	0
Giro cheque Volume	0	0	0	0	0	0	0	0	0	0	0	0
Giro Cheque Value (Net)	0	0	0	0	0	0	0	0	0	0	0	0
Total value paid (Gross)	0	0	7,468,957.44	0	0	7,353,910.14	0	0	7,153,837.97	0	0	6,962,607.76

The BACS payment process sometimes either fails or is rejected by the bank. The volumes for 2024 are shown in Table 6 below:

Table 6. BACS Failures and Bank Rejections (2024)

2024	31 Jan	28 Feb	31 Mar	29 Apr	31 May	30 Jun	29 Jul	30 Aug	31 Sep	30 Oct	Nov	Dec
Failed BACS	0	0	0	0	0	0	0	0	0	0	0	0
Rejected by Bank	119	0	0	107	0	0	141	0	0	132	0	0

In terms of tax, CIL Payments to former managers, clerical workers, coke workers and their heirs are subject to income tax. Income tax is payable direct to HMRC and this is known as “payroll tax”. Cash back tax is the income tax payable to HMRC on payments of cash made to certain Beneficiaries (see below for more information on cash back).

The NCFO is required to send P60s to all beneficiaries who pay tax, whether for cash back or CIL. Please note that HMRC require P14s, P35s and P45s for those beneficiaries who pay tax.

In some circumstances, Beneficiaries who are in the BACM Scheme require a “cash back”. For example, if an ex-BCC manager receives solid fuel, but they do not use all their solid fuel entitlement, they can request the shortfall in monetary value, known as a cash back.

In the previous three years, the number of Beneficiaries claiming cash back is as follows:

Paid	Numbers	Gross Value
2022	63	£52,473.12
2023	73	£83,223.50
2024	43	£53,173.79

Additionally, there are a number of tax related issues which the SP will need to manage. This includes the production of end of tax year documentation for CIL payments and cash backs.

In terms of overpayments, there are 4 main categories of overpayments.

- A. Late or non-receipt of information from beneficiary**
Overpayments that occur as result of a beneficiary, a family member, or any other person connected to the beneficiary, failing to notify the NCFO promptly of a change in the circumstances of the beneficiary as the Scheme obliges.
- B. Potential fraudulent activity by the beneficiary**
Overpayments that occur as a result of a beneficiary, family member, or any other person connected to the beneficiary, knowingly providing incorrect or insufficient information so as to receive a benefit to which they are not entitled. This includes failing to respond correctly to the annual Life Certificate validation process.
- C. Service Provider Error**
Overpayments that occur as a result of the incorrect application of the administration processes, failure to apply the Scheme rules correctly, failure to act within the provisions of the Service Specification, or due to structural errors in the database software, used to manage entitlements by the SP.
- D. Potential fraudulent behaviour by the Service Provider employees**
This relates to money that has been obtained as a result of fraudulent activity by an individual employed by the SP.

The Department is financially liable for A and B, and the SP is financially liable for C and D above. The Overpayments Policy can be found at Ref. 6 and it contains further details on the recovery procedures.

The number and values of overpayments discovered and current SP’s liabilities in 2024 are shown in Table 7 below:

Table 7. Overpayments (2024)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Overpayments discovered (no.)	0	2	0	0	0	0	0	0	0	0	5	2
Overpayments discovered (£)	0	£1,656.72	0	0	0	0	0	0	0	0	£4,617.46	£2,292.22

2.3.2 Requirements

- A) Payments
- B) Increases to CIL Payments
- C) Recovery of Overpayments
- D) Cash back
- E) Tax-related Issues
- F) Failed Payments
- G) Other Payment Issues

A) Payments	a) Payments must be made to the right Beneficiary, at the right time, for the right amount. The SP will need to ensure there are robust controls to ensure this is achieved along with appropriate checks and audits.
	b) The SP will make payments to CIL Beneficiaries from the Department's shared bank account held for that purpose.
	c) With reference to section 2.6 Financial Management, the SP must send a quarterly funding authorisation request to ensure there are adequate funds in the bank account in advance of the requirement to pay. An example of a CIL funding authorisation request can be found at Ref. 7.

	d) Where funds are required in addition to the usual quarterly payments (e.g. for emergency payments such as where a Beneficiary dies and the account needs to be settled promptly), the SP must send a funding request to the Department.
	e) Payments will be made in arrears on the last working day of the month when the payment is due.
	f) A robust reconciliation process must be carried out to ensure that the correct amount has been paid. For example, ensure the payroll information matches the data on the NCFO entitlement database.
B) Increases to CIL payments	a) Each August/September, the SP will calculate, in line with the Fuel Agreements, any changes to the CIL payable due from 1 October based on the RPI (Fuel and Light element) rate as at 31 July for that year.
	b) Authority from the Department will be sought to implement the revised rates.
	c) Implementation will require amending the level of CIL payments in the entitlement database and through the payroll, which the SP will be required to operate, in order to make such payments in the relevant quarter with effect from 1 October.
	d) The SP will implement the revised rates with effect from 1 October following notification to the Beneficiary (refer to 2.5.2).
C) Recovery of Overpayments	a) The SP must identify, calculate and actively seek recovery of overpayments in accordance with the Overpayments Policy.
	b) The SP should use the Overpayments Policy to write detailed procedures for identifying, calculating and recovering overpayments to be included in the NCFO Working Procedures.
	c) The SP will ensure that any repaid amounts go into the Department's Bank Account.
	d) The SP will maintain accurate records of the overpayment, amounts recovered, outstanding balance, and anticipated date of recovery for each Beneficiary who has been overpaid and total numbers. This report can be found at Ref. 8.
	e) The SP must ensure that overpayments are held in tax years.

	f) The SP will also be required to adhere to the Government Accounting guidelines as well as comply with Inland Revenue regulations on funding for tax purposes. This includes calculating and paying all relevant tax to HMRC and sending all relevant documents to the Beneficiaries (e.g. P60).
	g) The SP will report to the Department any irrecoverable losses resulting from overpayments where recovery has not been achieved. An irrecoverable losses report (Ref. 9) will be submitted to DESNZ, at the end of each financial quarter, at the point the overpayment is classified as irrecoverable. Losses can only be written off as irrecoverable by DESNZ when the Department is fully satisfied that there is no feasible alternative, or when the write off can be justified on value for money grounds.
	h) In respect of all overpayments which have occurred as a result of a default, error, act or omission of the SP in the provision of the service, the SP is referred to the Overpayments Policy.
	i) The SP will review the existing Overpayment Policy annually in conjunction with the Department to ensure the process is still effective and relevant. This may result in the policy itself as well processes and procedures being amended.
D) Cash back	a) Where a Beneficiary is entitled to a cash back, the SP will calculate the correct amount and process the payment.
	b) Cash back payments are currently paid in May of each year.
E) Tax related issues	a) CIL Payments to former managers, clerical workers, coke workers and their heirs are subject to income tax. Payroll tax relates to income tax paid direct to HMRC. Cash back tax is the income tax paid to HMRC on payments of cash back.
	b) The SP will be required to calculate tax payments and produce end of year tax documents such as P60s. Note that HMRC require P14s, P35s and P45s for those beneficiaries who pay tax.
	c) P60s are sent to all beneficiaries who pay tax, whether for CIL payments or cash back. P60s are currently issued in April/May of each year.

	d) Where there are recoveries of CIL overpayment, this may affect tax, and a tax rebate may need to be calculated and requested from HMRC.
F) Failed payments	a) Where there is a BACS failure or the payment is rejected by the bank, the SP must review each rejected payment to identify the beneficiary to whom the payment was made.
	b) If the beneficiary can be identified, the database is updated to reflect payment status of not paid and the beneficiaries cumulative gross and net pay must be adjusted.
	c) The SP will suspend the entitlement and commence investigations to try to identify the reason for the rejected payment and resulting corrective action to take.
	d) If it cannot be identified why the payment was rejected, and the SP cannot take corrective action, the entitlement must remain suspended, eventually moving to dormant status if the beneficiary does not make contact.
G) Other payment issues	a) From time to time, there are other payment issues. For example, there may be change in a Beneficiaries circumstances after the payroll cut off dates, which may necessitate a one off BACS payment.
	b) An out of date cheque may be returned, which will necessitate investigation and appropriate action.
	c) There may be circumstances where a manual adjustment is required, e.g. amending bank details, suspension, termination, etc.
	d) There may be circumstances where the SP has over-deducted money from a Beneficiary, and therefore a refund is required.
	e) There should be a robust audit trail for all adjustments.

2.4 General Administration of the Scheme

2.4.1 Background

The SP needs to administer the Scheme on behalf of the Department in accordance with the rules set out in the Fuel Agreements. As previously mentioned, the Department is open to new ways of working. The SP will need to

develop a new set of NCFO working procedures which should meet the requirements of the Fuel Agreements and the contract objectives. For guidance, a copy of the current working procedures can be found at Ref. 10.

2.4.2 Requirements

A) Administration Procedures

B) Amendments to the Fuel Agreements or NCFO Working Procedures

C) Frequently Asked Questions (FAQ) Sheet

D) Administering Coal Charges

E) Casual Workers

F) Others

A) Administration Procedures	a) During the Transition Period, the SP will be required to produce its own NCFO Working Procedures. This should be agreed by the Department. The SP must ensure that working procedures fully meet the requirements of the Fuel Agreements and this remains the responsibility of the SP. Note that in signing off the procedures, the risk does not transfer to the Department
	b) In the event that there is a conflict between the NCFO Working Procedures and the Fuel Agreements, the Fuel Agreements shall take precedence, except where the Department otherwise approves in writing.
	c) Following agreement of the new NCFO Working Procedures by the Department, the SP will follow the administration procedures set out in those procedures.
	d) The SP should administer any other tasks as required by the Department which may be required to support the efficient running of the NCFS.
B) Amendments to the Fuel Agreements or NCFO Working Procedures	a) With the prior written agreement of the Department, the SP will amend or modify the Fuel Agreements as necessary. For example, there may be a change in the retirement age in line with relevant legislation.

	<p>b) The SP will amend the NCFO Working Procedures from time to time to incorporate:</p> <ul style="list-style-type: none"> ▪ Modifications to the Fuel Agreements; ▪ Any changes to the SP's internal working practices; ▪ Any amendments reasonably requested by the Department within a reasonable period of time.
	<p>c) If the modification results in a conflict between the NCFO Working Procedures and the Fuel Agreements, the Fuel Agreements shall take precedence, except where the Department otherwise approves in writing.</p>
	<p>d) The SP must support the Department in any negotiations which might occur related to changes to the Fuel Agreements and work with the Department and its advisers to amend or update the Agreements where changes are agreed.</p>
C) Frequently Asked Questions (FAQ) Sheet	<p>a) The SP must work with the Department to develop a FAQ sheet during the Transition Period.</p>
	<p>b) If there are any subsequent significant changes in the Fuel Agreements or policies and procedures, the SP will be required to amend the FAQ sheet.</p>
	<p>c) The revised FAQ sheet (or amendment notification) should be included in correspondence being sent to Beneficiaries.</p>
D) Administering Coal Charges	<p>a) For those Beneficiaries who still pay a coal charge the SP will calculate, annually, any change in those coal charges, in line with the Department's Policy.</p>
	<p>b) Authority from the Department will be sought to implement any revision in coal charges at the commencement of the new Fuel Year.</p>
E) Casual workers	<p>a) With regards to casual workers, the SP will be required to obtain relevant information from the Beneficiary's employer every quarter in order to confirm the Beneficiary is receiving the correct level of entitlement.</p>
F) Others	<p>a) There are other related services which the SP may have to carry out as part of the general administration of the scheme.</p>

	b) For example, the local authority may designate an area as a smokeless zone, which may affect the Beneficiaries and entitlement in that area.
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2.5 Communications and Stakeholder Management

2.5.1 Background

Beyond the Department itself, the SP will need to interact, communicate and build effective working relationships with a number of stakeholders, including:

- The Beneficiaries, spouse/family, former BCC employees querying entitlement and members of the public
- The Department's contractors
- Other government departments
- The Trade Unions, CISWO, MPs, MEPs, etc.

In terms of telephone communication with the Beneficiaries and members of the public, the volumes in 2024 are shown in Table 8 below.

Table 8. Call volumes (2024)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Calls received	1073	868	789	702	685	596	745	634	869	830	660	560
Calls answered	1043	842	769	693	679	589	738	625	866	826	656	549

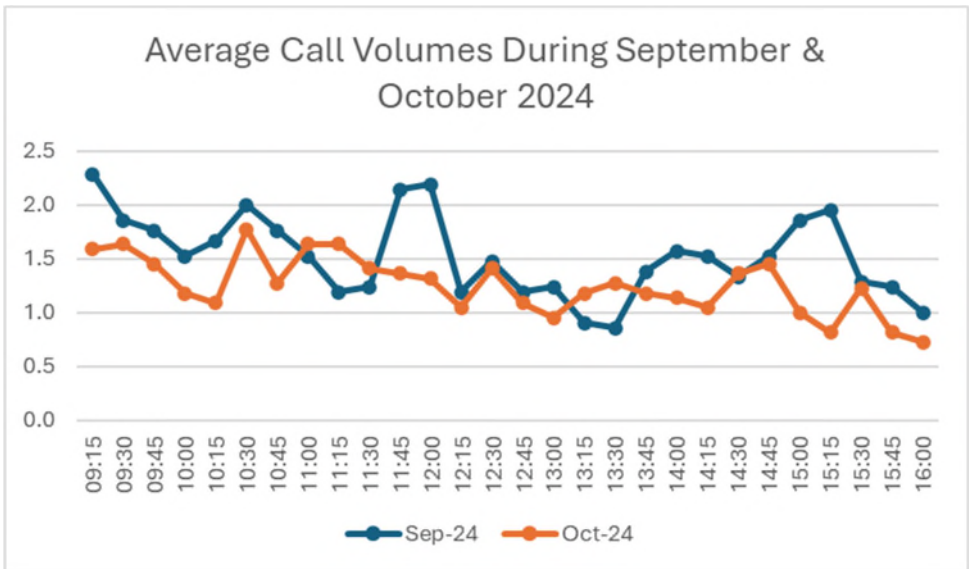
The majority of telephone calls are from Beneficiaries themselves. They call to inform the NCFO that their circumstances have changed, to query their entitlement, to request a transfer from Solid Fuel to CIL, etc. Calls are also received from the Beneficiary's spouse, family member, proxy or executor to inform the NCFO of the death of a Beneficiary, etc. A minority of calls are from members of the public with general queries or enquiring whether they are eligible for the Concessionary Fuel entitlement.

Fuel Beneficiaries will call the Fuel Distribution Agent directly on all matters except issues of eligibility and entitlement. Any call received by the SP regarding solid fuel services and deliveries, will need to be redirected to the Fuel Distribution Agent. It will be acceptable to have an automated message to inform callers of the Fuel Distribution Agent details.

The average call length is currently 2-3 minutes. The average abandonment rate is currently approximately 1%.

Table 9 below shows the call patterns on a daily basis (in 15 minute intervals) for September 2024 and October 2024:

Table 9. Average number of calls through the day (Sept 2024 and Oct 2024)



Call volumes are different for each day of the week but this is not shown as the figures are “averaged” above. However, Mondays tend to be more busy than the other days of the week.

Currently, there is no requirement to record the nature of the calls being received. However, an indication of the types of calls received is shown in Table 10 below:

Table 10. Indication of types of calls received (31 Oct 2024)

Call Type	No of calls	Comments
Fuel to CIL	1	

CIL Change of Address	11	
Eligibility Queries	3	
Death CIL – no Future Entitlement	3	
Other Query	9	
Life Cert General Enquiry	3	
Fuel Call – Advised to Call HFG	1	
Payment Queries	5	
Proxy Set-Up	1	

In terms of written correspondence and emails, the volumes received in 2024 are shown in Table 11 below:

Table 11. Correspondence volumes (2024)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Written correspondence received	425	470	376	341	376	316	504	386	393	397	366	362
Emails received	65	137	126	116	94	83	118	99	107	150	100	111
Life certificates/ further action correspondence received	4,099	1,959	2,401	753	3,351	1,890	2,081	1,472	2,387	520	2,694	1,576

Correspondence from MPs and Trade Unions is recorded separately. The volumes received in 2024 are shown in Table 12 below:

Table 12. Correspondence from MPs and Trade Unions (2024)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
MP letters received	1	0	0	0	0	0	0	0	0	0	0	1
Union letters received	1	0	0	0	1	0	1	0	0	3	4	2

In addition to general calls and correspondence, formal requests may be received under the Freedom of Information Act (FOIA), Regulatory Access Requests, Subject Access Requests and Environmental Information

Regulation. During 2024, 3 requests of this nature were received. Information regarding the requests under the FOIA can be found in the Terms and Conditions.

As part of handling calls and correspondence with various stakeholders, the SP will be required to manage a complaints process. The formal complaint volumes in 2024 are shown in Table 13 below:

Table 13. Formal Complaints Received (2024)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Complaints received	1	0	1	1	0	3	0	0	1	1	0	0

2.5.2 Requirements: The Department

A) The Department (CLU)

B) Press Office

A) The Department (CLU)	a) The SP will work closely and effectively with the Department.
	b) The SP will work with the Department to seek ways to improve the process and improve value for money.
	c) The SP should assist the Department, contributing to and analysing strategic options for the medium and long term future of the NCFS. This will include supporting the Department with any proposals in future Energy liability NCFS related legislation.
	d) The SP will need to also work with the Department in policy and operational matters, for example, changes to the retirement age in line with relevant legislation and the subsequent implementation of these changes in the SP entitlement database.
	e) The SP will be required to produce a monthly contract performance report and meet with the Department at least quarterly to discuss the performance of the contract. Further details can be found in the Pricing and Performance Schedule.

	f) The SP must be proactive and co-operate fully with the Department in fulfilling its obligations of this contract. This includes the provision of management and financial information to the Department, as well as meetings as and when required.
B) Press / Media	<p>a) The SP must put in place arrangements to ensure that all contact with the media is referred to the Department. This includes enquiries from the press/media, and the release of any marketing or publicity material.</p> <p>b) The SP must provide the Department with any necessary information in order to respond to media queries accurately and within the agreed deadline. Such enquiries normally require urgent responses subject to the nature of the enquiry.</p>

2.5.3 Requirements: Beneficiaries, spouse/family and members of the public

A) Call Centre

B) Written Communications Received

C) Written Communications Sent: Life Certificates

D) Written Communications Sent: Cash Letters

E) Written Communications Sent: Other

F) Beneficiary Home Visits

A) Call Centre	<p>a) The SP will operate a local rate telephone call centre from 9.00 to 16.00, every Monday to Friday both inclusive (except public holidays in England and Wales).</p> <p>b) The SP should endeavour to respond to the query during the call, but where they are unable to do so, the SP should be clear to the caller, what actions will be taken and the timescales.</p> <p>c) If the call is regarding a Beneficiary's account e.g. entitlement, bank details, etc., the SP must have procedures in place to verify the caller's identity.</p>
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	<p>d) The SP should have the ability to monitor, record on the IT system and produce management reports on the following information:</p> <ul style="list-style-type: none"> ▪ Number of calls ▪ Call patterns/trends ▪ Duration ▪ Abandonment rate ▪ Nature of call (categories of calls are to be determined during the Transition Period between the Department and the SP)
	<p>e) If queries are received relating to the obligations of the Fuel Distribution Agent or the delivery of solid fuel, the SP will inform the caller of the Fuel Distribution Agent's contact details. It will be acceptable to have an automated message to inform callers of the Fuel Distribution Agent details.</p>
	<p>f) For clarity, if queries are received relating to potential changes in entitlement including a change to the type of solid fuel, this remains the responsibility of the SP.</p>
	<p>g) The SP should have the ability to digitally record the telephone calls for fraud and training purposes.</p>
	<p>B) Written communication received</p> <p>a) On receipt of written correspondence, whether by letter or email, the SP will scan the correspondence to required standards. The hard copy for general correspondence can be securely destroyed once the electronic copy has been saved.</p>
	<p>b) The SP should take the appropriate course of action, depending on what correspondence is received. As an example, returned post will need to be investigated to establish whether the Beneficiary has moved or died.</p>
	<p>c) If necessary, the SP will respond to written communication, either by letter or email, within 10 working days.</p> <p>d) On receipt of the signed Life Certificates, the SP will scan these to the required standards. The hard copy should be sent to the Department's Records Management Contractor, Iron Mountain.</p>

	<p>e) If the SP receives correspondence about the solid fuel itself, or the delivery of solid fuel, the SP will scan the correspondence to the required standards and the electronic copy must be forwarded to the Fuel Distribution Agent . Note, if the correspondence relates to the eligibility or entitlement of solid fuel, this remains the responsibility of the SP.</p>
	<p>f) For clarity, if correspondence is received relating to potential changes in entitlement including a change to the type of solid fuel, this remains the responsibility of the SP.</p>
<p>C) Written communication sent: Life Certificates</p>	<p>a) As stated in 2.2.2, the SP will be required to verify all Beneficiaries' entitlements on an annual basis (currently around their birthday date). There may also be a requirement to send written reminders to Beneficiaries requesting the signed Life Certificates to be returned and suspension letters (with the subsequent suspension of entitlement) if the Beneficiary has still not responded. All written communications should comply with relevant legislation such as Equalities duties and be provided in alternative formats where requested. For clarity, the SP will not be able to charge separately for this type of communication.</p>
<p>D) Written communication sent: Cash Letters</p>	<p>a) For Beneficiaries in receipt of CIL payments, the SP will write to each Beneficiary on an annual basis, informing them of their entitlement. This is known as a "Cash Letter". An example is at Ref. 11.</p> <p>b) Cash Letters should be sent to each CIL Beneficiary by mid September. This follows the assessment of the RPI uplift trigger for CIL payments which is based on the fuel and light rate as at 31 July and applied from 1 October every year. This process or timetable may be amended if there is a strong business case for doing so, with prior written approval from the Department.</p>

	<p>c) The Cash Letters must include the following information:</p> <ul style="list-style-type: none"> ▪ Payment dates ▪ Payment amount ▪ Guidance on the importance of informing the NCFO of any change to circumstances and include the details of how the NCFO can be informed. It should also include a warning of the consequences of a failure to notify the NCFO of a change of circumstances. All written communications should comply with relevant legislation such as Equalities duties and be provided in alternative formats where requested. For clarity, the SP will not be able to charge separately for this type of communication.
E) Written communication sent: Other	<p>a) There are a number of standard, “business as usual” letters which the SP will be required to send out as part of the core service. For example, letters should be sent to Beneficiaries to confirm a change of entitlement or bank details, request or chase information, inform a Beneficiary of a suspension or termination of their account, etc. All written communications should comply with relevant legislation such as Equalities duties and be provided in alternative formats where requested. For clarity, the SP will not be able to charge separately for this type of communication.</p> <p>b) Where necessary and, subject to the Department’s agreement, the SP may be required to issue special ad-hoc messages to a large cohort of Beneficiaries. If this occurs, additional reasonable postage and printing costs, this will be separately funded by the Department in accordance with the Pricing Schedule.</p>
F) Beneficiary home visits	<p>a) The SP will undertake approximately 12 visits to Beneficiaries’ homes in each Fuel Year.</p> <p>b) The visits can be for a range of reasons:</p> <ul style="list-style-type: none"> ▪ Investigation of fraud, which may require the Beneficiary to be interviewed; ▪ To check information provided to assess the level and type of entitlement; ▪ To follow up complaints; ▪ To secure overpayment recoveries; ▪ At the reasonable request of the Department.

2.5.4 Requirements: Department's Contractors

A) Fuel Distribution Agent

B) Records Management Contractor, Iron Mountain,

C) Legal Advisors

D) Others

A) Fuel Distribution Agent	a) The SP is required to work closely and effectively with the Department's Fuel Distribution Agent.
	b) On a daily basis, the SP should send information about any changes in solid fuel entitlement to the Fuel Distribution Agent and the Fuel Distribution Agent will send confirmed delivery information to the SP. Ref. 12 flowchart shows the interface between SP and Fuel Distribution Agent.
	c) On a monthly basis, the SP and the Fuel Distribution Agent should work together to ensure that both the entitlement database and delivery database reconcile.
	d) On an ad-hoc basis, or when the interface is required, the SP and the Fuel Distribution Agent should work together to provide each other, and the Department as necessary, the required information to manage the services effectively. This includes, but is not limited to, the following: <ul style="list-style-type: none">• Annual changes to fuel rate• Suspected fraud or other information which may affect entitlement e.g. empty property, no burning facility, etc.• Forecast information
	e) In terms of the electronic data exchange between the SP and the Fuel Distribution Agent, high level requirements can be found at Ref. 12.
	f) If any calls or correspondence for the Fuel Distribution Agent are received by the SP, please refer to section 2.5.3 A) and B) above.

	g) The SP and Fuel Distribution Agent must also actively communicate with each other in circumstances where the amount of fuel required, delivered or retrieved (“uplifted”) changes. The SP will need to update the entitlement database as required.
	h) The SP and the Fuel Distribution Agent may want to meet on a regular or ad-hoc basis to discuss operational issues and improvements to the process. This should be agreed with the Fuel Distribution Agent.
	i) The SP will be required to assist the Department, as directed by the Department, with the re-tendering of the contract for Fuel supply and Fuel Distribution Agent of solid fuel. Refer to section 3.9.
B) Records Management Contractor, Iron Mountain,	a) The SP is required to work closely and effectively with the Department’s Records Management Contractor, Iron Mountain.
	b) The SP must adhere to the Department’s data handling policies and procedures at all times. Refer to section 3.6.
	c) The SP is required to deposit hard copies of Life Certificates with the Records Management Contractor, Iron Mountain (typically 3-4 deposits per year). The SP is required to liaise with the Records Management Contractor, Iron Mountain, during the Transition Period to confirm the delivery mode, delivery schedule (for example, by secure van 3-4 times per year) and indexing requirements. This will need to be agreed by the Department.
	d) It is envisaged that the Records Management Contractor, Iron Mountain, will provide the SP with an updated list of names, box numbers and piece numbers for the hard copy records.
	e) From time to time, the SP will need to request hard copy records back from the Records Management Contractor, Iron Mountain. This may not only be for Life Certificates, but could also be other records such as microfiche. These requests will usually be for fraud investigation or verifying entitlement purposes. The SP must provide the Records Management Contractor, Iron Mountain, with the name, box number and piece number.

	f) On a periodic basis, the SP must send electronic data to the Records Management Contractor, Iron Mountain. The type of electronic record, format and delivery method will be determined during the Transition Period.
	g) The SP will work with the Department and the Records Management Contractor, Iron Mountain, to agree a suitable retention and destruction policy.
C) Legal Advisors	a) The Department may ask the SP to liaise with the Department's legal advisers in relation to matters such as follow-up on suspected or established fraud.
D) Others	a) Periodically, the Department also appoints other contractors, for example, to undertake actuarial reviews of the Scheme to review forecasting and projections related to the profile of expenditure.
	b) The SP will be expected to liaise with such contractors including providing operational advice on the Scheme eligibility and management information as required.

2.5.5 Requirements: Government Departments and Bodies

A) Other Government Departments and Bodies

A) Other Government Departments and Bodies	<p>a) Where necessary, the SP will co-operate fully with other Government departments and bodies. For example, this may include:</p> <ul style="list-style-type: none"> • HM Revenue and Customs for tax purposes; • HM Treasury for financial purposes; • GAD for forecasting/actuarial purposes; • National Audit Office for audit purposes; • Public Accounts Committee (PAC) as required; • DWP for possible changes in future benefit; • Parliamentary Ombudsman; • Other.
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2.5.6 Requirements: Trade Unions, MPs, others

A) Trade Unions

B) MPs, MSPs, and AMs of the Welsh Assembly

C) Others

A) Trade Unions	a) The SP should maintain a professional working relationship with the Mining Trade Unions, without going over and above the requirements set out in the Fuel Agreements. However, the SP should be mindful that the co-operation of the unions may be required to implement future changes to the NCFS/Fuel Agreements.
	b) The SP will produce an annual Scheme update for the unions, informing them of key facts and figures such as total number of Beneficiaries, CIL Beneficiaries, Solid Fuel Beneficiaries, etc relevant to their cohorts of beneficiaries. The update must be agreed by the Department prior to being sent to the unions. The key unions involved are the NUM, NUM COSA, UDM, BACM and NACODS. The timing of these annual updates (which can issue in the form of a letter will be around the end of the calendar year).
	c) The SP will be required to assist the Department in preparing for any meetings with the unions, as well as participating in the meetings and actioning items which are appropriate to its role. The SP may also be asked to host the meetings.
	d) If a member of the union telephones or writes to the SP about an operational matter/specific entitlement issue, the SP should (taking point a) above into account) assist the union member as appropriate taking into account DPA/GDPR obligations with regard to information about individual beneficiaries.
	e) If a member of the union telephones or write to the SP about a policy issue or any issues which may affect the Fuel Agreements or have financial consequences, the matter must be referred to the Department for agreement on what the response options might be.

B) MPs, MSPs, and AMs of the Welsh Assembly	a) Where the enquiries are directly addressed to the SP, the SP will respond, on behalf of the Department, to the enquiry within 10 working days, unless such enquiries are an issue of policy, in which case the SP will recommend a course of action and request approval of such action from the Department. Copies of replies sent should be provided to the Department.
	b) Where the enquiries are addressed to the Department, the SP will supply the Department, within 3 working days, a brief on the issue and a suggested draft response to enable the Department to respond by Departmental deadlines for such cases.
	c) The SP will supply to the Department a monthly report of the number and type of enquiries and action taken.
C) Others	a) There may be a requirement to liaise or respond to queries from other bodies such as the Miners Pension Schemes. These should be referred to the Department with a recommendation on the course of action and request approval of such action from the Department.

2.5.7 Requirements: Managing Complaints and Disputes

A) Managing Complaints and Disputes

A) Managing Complaints and Disputes	a) The SP must ensure that all formal complaints are managed effectively. A complaint is any expression of dissatisfaction, whether oral or written, from or on behalf of an eligible complainant about the SP's provision of, or failure to provide the services specified as part of this contract. For the avoidance of doubt, issues raised about policy or eligibility criteria under the Fuel Agreements will not be regarded as a justified complaint.
	b) If the SP receives a complaint directly, they must record and track the complaint through to resolution with all associated actions and provide a monthly report of all complaints as part of the monthly management reporting.

	c) The SP must respond in writing to the complainant within 10 working days from receipt of the complaint.
	d) The SP must use all reasonable endeavours to resolve the complaint. Where complaints cannot be resolved to the satisfaction of the complainant, the SP must report these to the Department.
	e) The SP must assess and categorise the complaints received each quarter, to determine whether there are any systemic reasons for them and take steps to rectify this in discussion with the Department. Where a systemic issue is identified a rectification process will be agreed and implemented within a reasonable timescale agreed with the Department.

2.6 Financial Management

2.6.1 Background

Strong financial management is a core service required in the provision of the Services. Importantly, the SP must be able to demonstrate a commitment to deliver VFM throughout the lifetime of the contract.

2.6.2 Requirements

A) Financial Controls

B) Invoices

C) Reports

A) Financial controls	a) The SP must have clear audit trails for all financial transactions.
	b) The SP must have strong financial controls in place to ensure that it can record and report accurately to the Department and other third parties.
	c) The SP must ensure adequate financial controls are in place for any sub-contractors where used or where the SP is required to monitor other contractor's financial matters as required by the Specification.

	d) The SP must allow the Department, or its nominated advisers, to examine its financial controls as and when required. The SP must provide suitable resource to support this process.
B) Invoices	a) The SP must submit accurate invoices on a monthly basis for processing and payment, no later than 10 working days following the end of the month. Payments will be submitted and processed in arrears of services provided.
	b) The SP must ensure invoices are submitted together with all supporting documentation for the billed services for anything other than the monthly fee. The required documentation will be confirmed during the Transition Period.
C) Reports	a) The SP must be able to provide the Department with the following forecasts: <ul style="list-style-type: none"> ▪ in year expenditure forecasts (broken down by month and CIL and Solid Fuel beneficiaries) ▪ five year expenditure forecasts (broken down by financial year and CIL and Solid Fuel beneficiaries) ▪ full liability costs forecasts (broken down by financial year and CIL and Solid Fuel beneficiaries)
	b) This information should be provided at least twice a year: in October to coincide with changes in the CIL entitlements (due to the application of RPI rates) and in March, to coincide with changes in the value of solid fuel entitlement (due to the application of the relevant inflation rates on fuel prices). A copy of the forecast model is included at Ref. 13.
	c) The SP must be able to produce ad hoc financial reports from time to time as required by the Department. These reports may be used to support the submissions to the Department's Financial Management team, forecasting or actuarial reviews or externally with parties such as HM Treasury and the NAO.

2.7 Fraud and Error Management

2.7.1 Background

Fraud management - monitoring, identifying and preventing fraud - is an important obligation of the contract. As with many other self verified entitlement-based benefits, the NCFS is at risk of fraud.

Fraud can be committed by the Beneficiaries themselves, family members/others or employees of either the SP or Fuel Distribution Agent. The situation is sometimes made more complicated, for example, if an overpayment has resulted because of a change of circumstances, which may be a genuine oversight or mistake, rather than deliberate fraud. Each case will need to be assessed and determined on its own merit.

A copy of the current counter fraud policy is included at Ref. 14.

The table below shows the “potential” number of fraud cases identified per month in 2024.

Table 14. Potential Fraud Cases (2024)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Potential fraud cases	2	1	3	0	0	3	1	2	2	2	0	0

2.7.2 Requirements

A) Policy and Procedures

B) Suspected Fraud

C) Home Visits

D) Fraud Initiatives

E) Fraud Reports

A) Policy and procedures	a) The SP must put in place adequate fraud and error management controls, processes and procedures to minimise the risk of fraudulent activity.
	b) The SP must have a suitable fraud policy, which should be agreed with the Department during the Transition Period. This should be reviewed and updated on an annual basis.
	c) The SP may be alerted to fraud (potential or actual) from different routes. It could be from anonymous allegations, from the Fuel Distribution Agent, from Key Fraud Indicators, from information on the Life Certificates, from home visits, etc. This is not an exhaustive list.
	d) The SP must ensure that all staff are aware of the fraud policies and procedures.
B) Suspected fraud	a) The SP will inform the Department immediately or as soon as practicable (within 24 hours) if it suspects any serious fraud relating to the payment of Cash in Lieu or supply of solid fuel or operation of the Service (which shall include any suspected significant fraud by a Beneficiary or any member of the SP's staff or a Fuel Distribution Agent) that has occurred.
	b) The SP will take whatever immediate steps it considers to be appropriate in the circumstances, and in consultation with the Department, on further steps including obtaining the Department's approval for commencing any legal proceedings in respect of any suspected fraud.
	c) The SP will proactively take steps to minimise fraud by a Beneficiary or others and, where it occurs, ensure relevant evidence is identified and protected to enable effective follow-up.
	d) On approval of the Department, the SP will be required to prepare and present the evidence of fraud to the relevant Police Force and/or agency. The SP will then maintain contact with the agency to track progress of the prosecution. It is expected that the SP will stand as a witness in a court of law for the Prosecution if required.

C) Home visits	a) As stated in 2.5.3(F), the SP may be required to make proactive visits to the homes of Beneficiaries. This may be to investigate suspected fraudulent claims or levels of entitlement. Such visits would need to be conducted in a way to ensure that they do not jeopardise the ability to follow-up. Typically this requires a full record of the visit and questions asked to be prepared following the visit.
D) Fraud initiatives	a) The SP should be proactive in managing fraud. As part of this, the SP should develop and implement its own fraud prevention initiatives drawing on benefit management administration best practice and agreed with the Department during the Transition Period.
	b) Additionally, the SP may be required to participate in any HMG fraud prevention initiatives as applicable at the time. This includes the National Fraud Initiative https://www.gov.uk/government/collections/national-fraud-initiative
E) Fraud reports	a) The SP should develop a suite of Key Fraud Indicators during the Transition Period. This must be agreed with the Department. The current fraud risk indicators are included at Ref. 15.
	b) The SP should develop a suite of fraud reports, some of which may be exception reports. This could include a report on duplicate records, results of a cross check from other sources such as the Mineworkers Pension Scheme (MPS) or Industry Wide Coal Staff Superannuation Scheme (IWCSSS) (ex British Coal pension schemes), or matching the SP's employee bank accounts to the Beneficiaries database, etc.

3 Support Services

3.1 Introduction to the Services to be provided

The SP must provide services for the following:

- Account Governance and Management
- Management Information and Reporting
- Audit and Risk Management
- Business Continuity and Disaster Recovery
- Data Handling
- IT Requirements
- Transition
- Exit Management

3.2 Account Governance and Management

A) General	a) The SP must have in place an effective management structure with a named Contract Manager.
	b) The SP must ensure that there is appropriate governance and controls to prevent any compromise to the services.
B) Staff	a) The SP must put in place an appropriately sized and skilled team to deliver the required services and have knowledge transfer and continuity arrangements in place to manage absences and departures.
	b) The SP must employ staff of the correct competency and level of experience to ensure that the SP can deliver the required service.
	c) The SP must have a suitable training and development programme for staff. In particular, staff must be fully aware of their roles and responsibilities throughout the life of the contract and have an awareness of rules on data handling, security, DPA etc.

3.3 Management Information & Reporting

A) MI and reporting	a) The SP must have information tools to deliver accurate and effective MI to the Department derived from the beneficiary data held. The type of reports, timescales and frequency of the MI will be agreed during the Transition Period. It will be reviewed at least every six months to ensure it continues to meet the Department's requirements.
	b) MI reporting may change from time to time or ad hoc reports may be requested. These are at the discretion of the Department and all such reasonable changes will be implemented at no additional charge by the SP.
	c) The SP must ensure appropriate liaison with the Fuel Distribution Agent to ensure consistency of information on both CIL and solid fuel beneficiaries, specifically in relation to mortality rates and transfer rates (from solid fuel to CIL or vice versa).

3.4 Audit and Risk Management

A) Audit	a) The SP must proactively support and co-operate with all audit activity commissioned by the Department.
	b) The SP must have an appropriate management structure in place to ensure that sufficient resources are available at a senior level to support the audit process.
	c) The SP must have appropriate internal audit processes and procedures in place to ensure a quality service. For example, there should be audits in the following areas: <ul style="list-style-type: none"> ▪ payroll / payments; ▪ overpayments; ▪ financial controls; ▪ fraud management ▪ data quality and MI.

	d) The Department's audit team or another Government body such as the National Audit Office (NAO) must have complete right of access to all related information, relevant locations, IT systems, documentation and personnel in order to undertake any audits as required by the Department.
	e) The data and information provided to the auditors must be accurate, transparent and consistent. For the avoidance of doubt, the Department will not pay for the collation and provision of data to enable audits to proceed.
	f) Information requests, queries and responses must be provided in a timely manner.
	g) Recommendations arising from any audits carried out must be implemented within agreed timescales or alternative arrangements agreed with the Department.
B) Risk Management	a) The SP must have an effective risk management process in place.
	b) The SP must maintain a written record of risks and issues (Risk Log) which could affect any part of the services. This Risk Log must be shared with the Department on a regular basis as part of contract compliance meetings.
	c) The SP must raise any new risk concerns with the Department and work with the Department to confirm the relevant ratings and actions to be taken to mitigate these.

3.5 Business Continuity and Disaster Recovery

A) Procedures	<p>a) The SP must have in place procedures to recover and restore partially or completely interrupted critical function(s) within a predetermined time after a disaster or extended disruption. The details will be confirmed during the Transition Period, but the timescales are likely to be:</p> <ul style="list-style-type: none"> ▪ Telephone service back up within 24 hours; ▪ IT systems available within 48 hours; ▪ Staff at desks available within 48 hours.
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	b) The SP must have in place procedures to handle incidents which might include cyber attack and other IT downtime, bad weather (including snow), fires, floods, a prolonged loss of power and other events determined from time to time.
	c) The procedures must cover both operational issues (such as staff, buildings, and facilities) and IT systems.
B) DRP	a) The SP must develop and maintain a Disaster Recovery Plan (DRP) to include preventative and remedial steps to be taken in the event of interruption to the services or business processes, to ensure continuity of the service or to recover data and other IPR. The DRP must be approved by the Department and the SP must, in the event of interruption of the services, act in accordance with the same. The cost of such act will not be charged to the Department.
	b) The SP must recover the applications to a consistent point at the end of Standard Service Hours before the disaster occurred within the timescale for recovery as defined in the DRP for the applications.
	c) The SP must conduct an annual Disaster Recovery Exercise. The first annual test must take place no later than December 2026 with a full report on the outcome made available to the Department by the end of January 2027.
	d) The SP must inform the Department immediately of any necessity to invoke the DRP.
	e) If the DRP involves the SP entering into any agreement with a disaster recovery service provider, such an agreement shall be subject to the Department's prior written approval. Any such agreement or approval must not prejudice or affect the liabilities of the SP under or in connection with the contract and the SP should be fully liable for the acts and/or omissions of any recovery service provider acting on its behalf.

3.6 Data Handling

A) Policies, procedures and plans	a) The SP must ensure that all of its data storage and handling policies comply fully with all relevant UK regulations. The SP must have Cyber Essentials accreditation. Cyber Essentials - https://www.gov.uk/government/publications/cyber-essentials-scheme-overview .
	b) In particular, the SP must adhere to the requirements of the Data Protection Act (DPA) and support the Department in its compliance when processing Personal Data - see Annex 1.
	c) The SP must ensure that its own data handling policies and procedures are designed and operate effectively, ensuring that the security and integrity of this data is maintained at all times.
	d) At the beginning of the contract and subsequently on an annual basis, the Department will ask the SP to undertake a self compliance check review against the 30 requirements for data handling and security. A copy of the 30 requirements and audit proforma is contained at Ref 16. The Department reserves the right to deploy short notice Audit checks to confirm the information provided in the self assessment compliance response.
	e) The SP must produce a Security Plan during the Transition Period, which will require approval from the Department.
B) Staff	a) The SP must ensure that all staff are aware about the data handling policies and procedures.
	b) In particular, the SP must take steps to ensure that those staff processing Personal Data on behalf of the Department are adequately trained and made aware of their roles and responsibilities on at least an annual basis.
	c) Staff handling Personal Data must be BPSS cleared (Baseline Personnel Security Standard). Further information is contained here https://www.gov.uk/government/publications/united-kingdom-security-vetting-clearance-levels/national-security-vetting-clearance-levels#baseline-personnel-security-standard-bpss

C) Infrastructure	a) The SP must maintain an appropriate infrastructure, procedural and resource framework to ensure that the Personal Data held by the SP, is managed in compliance with the DPA at all times.
	b) The SP must have adequate technical and organisational measures in place to prevent unauthorised and unlawful processing of Personal Data and accidental loss or destruction of, or damage to, Personal Data.
D) Incidents and breaches	a) The SP must operate to defined procedures and organisational controls for monitoring and reporting all incidents involving Personal Data.
	b) The SP must have a process in place to identify, log and report all unauthorised and unlawful processing of Personal Data and accidental loss or destruction of, or damage to, Personal Data.
	c) The SP must ensure that any breaches in data security are reported as soon as possible, which must be within 24 hours of the breach, through the appropriate channels to the Department and any other appropriate Governmental Department or Agency as directed by the Department.

3.7 IT Requirements

A number of IT solutions currently exist to support the delivery of the NCFO. These are:

- Confuel111 – An SQL database, which currently manages the CIL and fuel entitlements. This holds data since 1996.
- AREVNCFO and AFCFARCHIVE– An SQL database which holds historical information to verify service delivery and historical entitlement data.
- File and print server – a system which holds scanned images of correspondence since 2008 and images of Life Certificates since 2010.

Further information on the current IT systems can be found at Ref. 20¹⁰. However, the SP may offer to provide alternative IT solutions as part of the provision of service. If the SP proposes developing a new system, or amending an existing system to meet the requirements as set out in this specification, all IT

¹⁰ Note Ref docs 17-19 not used in this specification

costs must be wrapped up in the monthly fee. No separate or additional charges for IT development, etc. will be acceptable.

A) General	a) The SP must provide a resilient IT infrastructure to ensure minimal downtime in the event of software or hardware failure.
	b) This must also include appropriate levels of backup and recovery procedures and processes.
	c) The systems must conform to the requirements specified by the Risk Management and Accreditation Documentation Set (RMADS) ¹¹ process adopted by Government or equivalent. The SP must have Cyber Essentials accreditation.
B) Data	a) The SP will manage the master entitlement database, (currently Confuel111), ensuring that the data is accurate and up-to-date.
	b) The unique Beneficiary reference number must be retained.
	c) Information to and from the Fuel Distribution Agent must be sent via secure ftp. A flowchart showing the interface between the two parties, and a description of the file transfer protocol, file format and daily file specification is included at Ref. 12. More detailed information will be available during the Transition Period.
C) Transition	a) The SP must ensure that the transition of systems and data is secure, complete and accurate.
	b) In the event that the SP develops a new system, the SP must ensure the integrity of the data and minimise disruption to the operations.
D) Refresh / upgrade	a) Any future upgrade or refresh of the systems must already be included in the fixed fee. There will be no additional charge for this exercise(s).
	b) Any upgrade or refresh must ensure the integrity of the data and minimise disruption to the operations.

¹¹ For public bodies, a key part of the government accreditation process is preparation of a Risk Management Accreditation Document Set (RMADS) - a formal analysis that demonstrates that a system delivers appropriate levels of information assurance

3.8 Transition

It is expected that the date of contract award will be 30 September 2025 and therefore the transition period will be 6 months from 1 October 2025 to 31 March 2026.

A) Governance	a) The SP must ensure adequate governance arrangements during transition including, inter alia, MI and risk reporting, assets inventory, business continuity & disaster recovery plans, service manual, working procedures and invoice process.
	b) The SP must work constructively with the current incumbent and other third parties as required to enable the SP to meet their responsibilities.
B) Planning and monitoring	a) The SP must develop a robust transition plan which minimises disruption of the current services, but ensures that the new service requirements can be fully operational by 1 April 2026.
	b) The plan must be discussed and agreed in advance with the Department.
	c) The SP must regularly update the Department with progress, risks and issues.
	d) The SP must provide the Department, at the end of transition, with written and signed assurances that the transition has been successfully completed.

Note, transition costs cannot be charged separately to the Department. The inclusion of transition costs in the tender is for information only.

3.9 Retender of Fuel and Supply Contract

The contract to supply and distribute the solid fuel to Beneficiaries is due to expire on 31 March 2028 (with an optional extension available until 2031).

A) General	a) The SP will work closely with the Department to develop the tender documentation including the collation of relevant information and development of the requirements/specification and the performance measures. We expect the majority of this work to be in 2027.
	b) The SP will be required to attend regular Tender Board meetings, and may be required to assist the Department with bidders queries, presentations and evaluation of bids.

	c) The SP will be required to work closely with both the Department and the selected bidder during the transition period, following the award of the Supply and Distribution contract.
	d) There may be further retenders for the Fuel and Supply Contract during the duration of this contract.

3.10 Exit Management

A) General	a) The SP must ensure adequate governance arrangements to ensure a smooth exit from the contract.
	b) The SP must work constructively with the Department and the future SP to ensure an effective handover.
B) Planning and monitoring	a) The SP must provide and implement an exit management plan which must be agreed by the Department.
	b) The plan should include: <ul style="list-style-type: none"> ▪ all activities needed in the transfer of the services from the SP to any potential new SP within timescales directed by the Department; ▪ individual activities relating to the SP and how they will be exited; ▪ staff; ▪ assets; ▪ premises; ▪ licenses and Intellectual Property Rights; ▪ data and records; ▪ communications between stakeholders; and ▪ MI.
	c) The SP must regularly update the Department with progress, risks and issues.
C) Lessons learnt	a) The SP is required to produce a lessons learnt report covering the term of the contract.

4 MBS and CIPCS

4.1 Background to MBS and CIPCS

In addition to the core services and support services specified in sections 2 and 3, there is an additional requirement outside of the management of the NCFO, to provide payroll and associated administrative functions in respect of the Minor Benefits Scheme (MBS) and the weekly payments of the Coal Industry Pneumoconiosis Compensation Scheme (CIPCS). Table 15 below shows the number of beneficiaries under each of these schemes, and the frequency and value of these payments :

Table 15. MBS and CIPCS Payments (as at end March 2024)

Scheme	Number of Beneficiaries	Frequency of Payments	Total Amount to be Paid	Average Amount of Payments
MBS	12	Quarterly	£377.26	£31.44
CWPS	3	Weekly	£1773.15	£591.05

The MBS is a closed scheme with 8 members. Since June 2011, when the current SP took over the responsibility to manage the CIPCS, there have been 4 new beneficiaries.

The Department's Legal Services Provider work with the SP to calculate the annual inflation rates which the SP will need to implement.

4.2 Requirements for MBS and CIPCS

A) MBS	a) Responsibility for the issuing of all MBS payments.
	b) Confirmation of on-going eligibility for payment via an annual process of verification or suitable alternative methods (in line with current methods used by the NCFO in relation to NCFS beneficiaries related to whether a claimant remains eligible)
	c) The SP must send a quarterly funding authorisation request to ensure there are adequate funds in the bank account in advance of the requirement to pay. An example of a funding authorisation request can be found at Ref. 21.
	d) Provision of regular MI to the Department in respect of claims activity and payments over a period of time.

	e) Provision of regular forecasts to the Department of the costs of the liabilities associated with the Scheme until estimated end date for payments.
	f) Implementing annual inflation rates.
	g) Liaison as required with the Department's Legal Services Provider in relation to any strategic changes, operational guidance and/or advice on current legislation and policy agreements as required by the Department from time to time.
B) CIPCS	a) Responsibility for the issuing of the weekly/regular payments to existing claimants in receipt of these payments and setting up payments to new claimants following instructions from the Legal Services Provider to confirm a new entitlement should be established;
	b) Confirmation of on-going eligibility via an annual process of verification or suitable alternative methods (in line with current methods used by the NCFO in relation to NCFS beneficiaries related to whether a claimant remains eligible);
	c) The SP must send a weekly funding authorisation request to ensure there are adequate funds in the bank account in advance of the requirement to pay. An example of a funding authorisation request can be found at Ref. 21.
	d) Provision of regular MI to the Department in respect of claims activity and payments over a period of time;
	e) Provision of regular forecasts to the Department of the costs of the liabilities associated with the Scheme's regular payment obligations until estimated end date for payments;
	f) Implementing annual inflation rates as calculated by the Department's Legal Services Provider.

	g) Liaison as required with the Department's Legal Services Provider in relation to any strategic changes, operational guidance and or advice on current legislation and policy agreements as required by the Department from time to time.
C) Support transitional arrangements	a) A letter is sent to all existing beneficiaries of the MBS payments and weekly CIPCS entitlement to inform them of the changes, who they should contact in the event of any questions about their entitlement and who to inform should their circumstances change.
	b) Provision of a contact number/helpline – this could be the same as the one currently being used by the NCFO as main contact number for NCFS beneficiaries – for relevant MBS and CIPCS beneficiaries to use in the event of any questions about their entitlement.

**Administration and Delivery of Benefit Services for Former British Coal Corporation Employees
(and certain prescribed others) under the National Concessionary Fuel Scheme Agreements
(trading under the name of National Concessionary Fuel Office))**

PRICING AND PERFORMANCE SCHEDULE

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PART 1

1. GENERAL

- 1.1 The Service Charges relating to the provision of the Services as defined in the Specifications are detailed within this Pricing Schedule.
- 1.2 No other charges will be made unless expressly stated elsewhere in the Contract.
- 1.3 The Service Charges shall only be indexed in accordance with paragraph 8 (Indexation of Service Charges) below.
- 1.4 Invoices in respect of the Service Charges shall be prepared and issued to the Department in accordance with clause 11 (Invoices and Payment) of the Contract.

2. SERVICE CHARGES

- 2.1 The main Service Charge payable by the Department is the monthly fee (see section 3 below). It is expected that for most of the duration of the contract, this will be the only charge.
- 2.2 In the event that additional resources are required due to a contract variation, where it is agreed by the Department, additional transactional costs and/or full time equivalent (FTE) resources costs may be charged (see section 4 below).
- 2.3 The Service Charges are to be invoiced monthly in arrears.

3. MONTHLY FEE

- 3.1 The monthly fee shall include the following:
 - 3.1.1 Provision of management and staff structure including a named Contract Manager and all other required personnel to deliver the services as specified in the Specifications.
 - 3.1.2 Provision of the service to fully comply with the Specifications, including:
 - Determination of beneficiary eligibility and ongoing entitlement verification;
 - General administration of the Scheme;
 - Payments to Beneficiaries and recovery of overpayments;
 - Communications and stakeholder management including liaison with the solid fuel distribution contractor;
 - Financial management and control;
 - Fraud management;
 - Account governance and management;
 - Management information and reporting;
 - Audit and risk management;
 - Business continuity and disaster recovery;
 - Data handling compliance;

- Provision of IT systems and IT services;
- Assistance with the Retender of the Solid Fuel Supply and Distribution Contract
- Contract Exit planning and management.

- 3.2 At the Commencement Date, the monthly fee will be charged in accordance with the prices submitted in the Pricing Matrix (Appendix 1).
- 3.3 The monthly fee is dependent on the total volume of Beneficiaries (both CIL and Solid Fuel Beneficiaries) being administered under the Scheme. As the number of Beneficiaries reduces over time, the monthly fee will be amended in accordance with the prices submitted in the Pricing Matrix.
- 3.4 The volume bands are as follows:
- Band A : 20,000 or more Beneficiaries
 - Band B : 10,000 – 19,999 Beneficiaries
 - Band C : Less than 10,000 Beneficiaries
- 3.5 Where the number of Beneficiaries moves from one volume band to another volume band during the course of a month, the new price will be applicable from the beginning of the following month. For example, if there are 20,300 Beneficiaries on the 1st August (Band A), but the volume has fallen to 19,999 by the 31st August, then the monthly fee for August will be charged at Band A. The monthly fee for Band B will then be charged for the period commencing 1st September.
- 3.6 For clarity, the monthly fee is not a unit rate for each Beneficiary. The monthly fee is a total fee for managing all the Beneficiaries in a particular volume band as well as the wider service obligations. Conversely, the unit rates used in the Transaction Rate Card below, are not fees based on all the Beneficiaries in the volume band. Rather, they are unit rates for calls and correspondence (as specified in paragraphs 4.8 to 4.13 below) for each Beneficiary. Therefore, the rate will be applied to each call and or letter in accordance with the price attributed to the total volume band. These rates will not be applied in a cumulative basis but in accordance with the relevant volume band per campaign/project.

4. ADDITIONAL COSTS DUE TO CONTRACT VARIATIONS

- 4.1 The Department or the SP may request a contract variation (CV). A CV prompted by the Department will be documented setting out the requirements involved.
- 4.2 The SP must provide a change proposal for any CV raised either by the Department or the SP. The proposal must include a business case for why the change is required, how it is going to be managed, the business benefits, the timescales, the resources required and the proposed costs (if any).
- 4.3 The SP must at all times, demonstrate evidence of seeking to minimise costs proportionate to the tasks involved, ensuring value for money for the Department whilst at the same ensuring issues like data security and fraud risks are managed proactively.
- 4.4 Not all variations to the Services will increase the monthly fee or incur additional costs, under the Transaction Rate Card or the Daily FTE Rate Card. Where the Department reasonably considers that

the SP can provide the CV within the existing resources (in respect of staff, equipment, premises, etc), there shall be no change to the monthly fee and there shall be no additional charges.

- 4.5 This includes minor changes to the operations (for example, where there is an amendment to the Fuel Agreements and working procedures) and minor changes to the IT systems (for example, implementing national legislation changes in the retirement (pension) age) or minor activities (for example, targeting 500 Beneficiaries to encourage them to move to more efficient payment arrangements).
- 4.6 Where there are opportunities to achieve cost savings through a CV originated by the SP or the Department (note, this must be compatible with the Fuel Agreements and other legal obligations), the costs for implementing the change and the savings derived from the change, will be shared equally between the Department and the SP.
- 4.7 The Department must give written confirmation accepting the SP's proposals and costs prior to the commencement of the relevant project.

Transaction Rate Card

- 4.8 Where 4.4, 4.5 and 4.6 above do not apply, and additional resources are required to implement a transactional based CV, the SP shall price the CV in accordance with the Transaction Rate Card submitted in the Pricing Matrix.
- 4.9 The Transaction Rate Card will apply for the following:
- 4.10 Additional Outbound Correspondence
- 4.10.1 The unit rate is for outbound correspondence being sent to each targeted Beneficiary.
- 4.10.2 The unit rate may change according to the following volume bands:
- Outbound correspondence sent to less than 10,000 Beneficiaries
 - Outbound correspondence sent to 10,000 – 19,999 Beneficiaries
 - Outbound correspondence sent to 20,000 or more Beneficiaries
- 4.10.3 The SP should state the unit cost for sending out 2 sheets of A4 in the Pricing Matrix. If the CV requires more or less sheets to be sent, the SP and the Department should agree reasonable costs, based on the benchmark given in the Pricing Matrix.
- 4.10.4 The unit rate for sending correspondence to each targeted Beneficiary must be fully wrapped, to include the cost of resources, design, proof, printing, fulfilment, postage, etc.
- 4.10.5 The unit rate shall include printing on both sides of an A4 sheet of paper. In the majority of cases, this will be in black and white ink, although some printing may be required in colour. The latter will only be necessary in exceptional cases and as such we will not expect the SP to charge a different rate from the ones specified for standard correspondence.
- 4.10.6 The unit cost shall be for standard white recycled A4 office paper, which is at least 80gms. The cost may be adjusted if heavier or glossy paper is required.
- 4.11 Additional Outbound Telephone Calls
- 4.11.1 The unit rate is for outbound telephone calls being made to the Beneficiaries.

- 4.11.2 The unit rate may change according to the following volume bands:
- Outbound calls to less than 10,000 Beneficiaries
 - Outbound calls to 10,000 – 19,999 Beneficiaries
 - Outbound calls to 20,000 or more Beneficiaries
- 4.11.3 The SP should state the unit cost for calls of approximately 5 minutes in duration. If the CV requires more or less time for the call, the SP and the Department should agree reasonable costs, based on the benchmark given in the Pricing Matrix.
- 4.11.4 The unit rate for calling each targeted Beneficiary must be fully wrapped, including the cost of resources, development of script, telephone charges, etc.
- 4.11.5 The unit rate is chargeable for successful contacts only.

4.12 Additional Inbound Correspondence

- 4.12.1 The unit rate is for clearly identified additional work generated by inbound correspondence from Beneficiaries as a direct result of a CV being implemented. For example, a letter may have been sent by the SP to 5,000 Beneficiaries as part of a CV, which then directly generates 1,000 inbound letters. The SP must be able to monitor and provide evidence that the inbound correspondence has resulted directly from the CV.
- 4.12.2 The unit rate shall change according to the following volume bands:
- Inbound correspondence received from less than 10,000 Beneficiaries
 - Inbound correspondence received from 10,000 – 19,999 Beneficiaries
 - Inbound correspondence received from 20,000 or more Beneficiaries
- 4.12.3 The SP should state the unit rate for handling and actioning the inbound correspondence which has been directly generated as a result of a CV. This should be based on a handling time of approximately 15 minutes. If the CV requires more or less time, then the SP and Department should agree reasonable costs, based on the benchmark given in the Pricing Matrix.
- 4.12.4 Unit rates are to be fully wrapped, including the cost of resources, opening of correspondence, scanning, new procedures, workflow, data inputting, etc.

4.13 Additional Inbound Calls

- 4.13.1 The unit rate is for additional work generated by inbound calls from Beneficiaries as a direct result of a CV being implemented. For example, a letter may have been sent by the SP to 3,000 Beneficiaries as part of a CV, which then directly generates 500 inbound calls. The SP must be able to monitor and provide evidence that the inbound calls has resulted directly from the CV.
- 4.13.2 The unit rate shall change according to the following volume bands:
- Inbound calls received from less than 10,000 Beneficiaries
 - Inbound calls received from 10,000 – 19,999 Beneficiaries
 - Inbound calls received from 20,000 or more Beneficiaries

4.13.3 The SP should state the unit rate for handling and actioning additional inbound calls which have been directly generated as a result of a CV. This should be based on a handling time of approximately 10 minutes. If the CV requires more or less time, then the SP and the Department should agree reasonable costs, based on the benchmark given in the Pricing Matrix.

4.13.4 Unit rates are to be fully wrapped, including the cost of resources, new procedures or instructions, telephony, data inputting, etc.

Daily FTE Rate Card

4.14 Where 4.4, 4.5 and 4.6 above do not apply, and it is agreed by the Department that additional resources are required which have not been captured by the monthly fee or the transaction rate card, the SP shall price the CV in accordance with the Daily Full Time Equivalent (FTE) Rate Card submitted in the Pricing Matrix.

4.15 The Daily FTE Rate Card will apply for the following, where they are additional resources:

- Project Manager
- IT/Systems staff (Technical Developer, Tester)
- Admin staff
- HR Specialist

4.16 Any other substantial roles will need to be agreed with the Department.

4.17 This rate card is more likely to be used when a significant time limited change project is being implemented and additional resources are clearly required. For example, a large cohort of Beneficiaries may be affected by new scheme specific legislation changes requiring a Project Manager and some IT resources to implement significant system changes.

4.18 Where the resource is not required for the full day, the daily rate should be pro-rated.

5. TRANSITION COSTS

5.1 During the Transition Period prior to the commencement of the provision of Services, transition costs may be incurred.

5.2 The SP must identify transition costs in the Pricing Matrix, providing a breakdown of the proposed work and associated costs.

5.3 Transition costs cannot be separately charged to the Department.

5.4 In the event that issues arise relating to the TUPE regulations, it is the responsibility of the outgoing and incoming providers to ensure that they properly manage their respective obligations. Costs cannot be recovered from the Department.

6. INVOICE INFORMATION

- 6.1 Monthly invoices must be prepared and issued to the Department in accordance with clause 11 (Invoices and Payment) of the Contract.
- 6.2 The invoice must clearly identify the following:
 - 6.2.1 The relevant purchase order number;
 - 6.2.2 The period the charges relate to;
 - 6.2.3 The monthly fee against the appropriate volume band of Beneficiaries;
 - 6.2.4 Any additional costs against the Transaction Rate Card and Daily FTE Rate Card (if applicable in the month and applied with prior agreement of the Department);
 - 6.2.5 Service credit due, if applicable;
 - 6.2.6 The relevant VAT rate;
 - 6.2.7 Total value of the invoice excluding and including VAT.
- 6.3 The SP shall provide a draft invoice during the Transition Period which must be agreed by the Department prior to the Commencement of the Services.
- 6.4 The Service Charges will be invoiced in arrears.
- 6.5 VAT will be charged in accordance with clause 14 (Value Added Tax) of the Contract.
- 6.6 Supporting documentation must be provided to assist with invoice validation or auditing. This includes:
 - 6.6.1 The monthly fee must be supported by the total volume of Beneficiaries;
 - 6.6.2 CVs using the Transaction Rate Card must be supported by transaction activities and volumes and number of Beneficiaries;
 - 6.6.3 CVs using the Daily FTE Rate Card must be supported by detailed resource utilisation including named individual's timesheets.

7. AUDIT

- 7.1 The SP must ensure that the Department, its agents and professional advisers are allowed access to premises at all reasonable times, and shall grant the Department access to the SP and sub-contractor Staff, and the right of access to records (whether held by the SP or a sub-contractor) and all other information in respect of the provision of the Services. This access shall be for the purpose of performing inspections or audits in order to:
 - 7.1.1 Verify the accuracy of the Service Charges and/or any other amounts payable by the Department under the Contract and under invoices;
 - 7.1.2 Verify the SP's and SP's sub-contractor's fulfilment of the Specification and compliance with the terms and conditions of this Contract;
 - 7.1.3 Verify the SP's performance against the SLAs and supporting information/calculations including measurement and monitoring tools and procedures.

- 7.2 The rights granted to the Department under this paragraph 7 may also be exercised by (or in conjunction with) the Department's internal auditors or external auditors appointed by the Department.
- 7.3 Following any inspection or audit, review meetings will be held between the parties to deal with issues arising. If any investigation or audit reveals that the Department has over paid any sums, the SP shall forthwith pay those sums to the Department. If the Department has underpaid any sums, the SP should raise an invoice for the appropriate amount.

8. INDEXATION OF SERVICE CHARGES

- 8.1 The initial monthly fee for the Core Services of the contract will be fixed for the first 24 months from the Service Commencement Date. The fixed monthly fee for the remaining months of the contract, i.e. from 1st April 2028 until 31st March 2031, will increase annually in line with the RPIX rate (using April rate).
- 8.2 The Transaction Rate Card and Daily FTE Rate Card will increase upon each anniversary following the Commencement Date in line with the RPIX (April rate).

PART 2

PERFORMANCE MANAGEMENT

9. INTRODUCTION

9.1 The Specification states that a core objective of the contract is:

“The SP must manage the business efficiently and contribute to strategic and operational matters to ensure the provision of a quality service which is reliable, fit for purpose, consistent and delivers VFM.”

9.2 The SP is required to establish a quality management system to ensure that all aspects of the contract are delivered to the required standards.

10. CONTRACT PERFORMANCE

10.1 The SP's performance will be measured and reported in the Contract Performance Report. The measures will be based on a “Balanced Scorecard” which has 4 main perspectives:

- Operations
- Financial
- People
- Customer

10.2 SP will be required to produce a monthly report no later than 10 working days following the period it relates to. These monthly Contract Performance Reports will feed into the quarterly meetings between the SP and the Department.

10.3 The Department and the SP will agree the content and format during the Transition Period, but the report is likely to include the following information:

Operational

- number of beneficiaries,
- number of new applications/change in circumstance/fuel to cash/etc,
- successful payroll run in terms of accuracy and timeliness and any service credits as a result of payroll failures (refer to paragraph 11 below),
- number of failed and rejected BACS payments,
- meeting the timescales as set out in the Specification (summarised in Appendix 5),
- meeting the data exchange obligations with the Fuel Distribution Agent,

- response times for calls and correspondence and call abandonment rates,
- fraud indicators,
- operational issues and risks,
- production of all MI reports within 10 working days,
- exception reporting such as data security breaches, IT disruption, etc.
- Contentious correspondence summaries

Financial

- funding and cashflow positions,
- overpayments split by category,
- irrecoverable losses split by category
- accuracy and timeliness of invoicing.

People

- up to date organogram,
- staff absence levels.

Customer

- beneficiary complaints split into complaints about the service and complaints about policy/entitlement,
- audit results,
- relationship with the Department and the other stakeholders.

10.4 The SP should provide a RAG (Red – Amber – Green) status for each component:

- Green – there are no issues or where there are a few issues, these issues are being managed in a controlled and effective manner
- Amber – there are some issues but there is a clear plan to address these issues.
- Red – there are some issues but there is only a limited plan to address the issues or that the plan has been implemented but does not appear to be working well.

11. SERVICE CREDIT

- 11.1 In the event of a major CIL payroll failure, the SP will be required to pay a Service Credit to the Department of £[REDACTED] per day, from the day the CIL payroll failure takes place and for every subsequent day until the failure is resolved.
- 11.2 A major CIL payroll failure is where at least 25% of the CIL payroll is not made correctly. This can be because the wrong amount is paid and/or it is paid into the wrong account and/or there are delays in payment.
- 11.3 An analysis of the failure should be included in the monthly Contract Performance report, including steps to prevent future failures.
- 11.4 The service credit should be reflected in the following month's invoice.

APPENDIX 1

MONTHLY FEE

Total number of beneficiaries	BAND A 20,000 or more	BAND B 10,000 to 19,999	BAND C Less than 10,000			
Monthly fee (£)				Not in use	Not in use	Not in use

(to be completed with bidders submitted prices)

APPENDIX 2

TRANSACTION RATE CARD

Additional outbound correspondence	Less than 10,000	10,000 - 19,999	20,000 or more
Approx. 2 sheets of A4	<div></div>	<div></div>	<div></div>
Additional outbound calls	Less than 10,000	10,000 - 19,999	20,000 or more
Approx. 5 minutes	<div></div>	<div></div>	<div></div>
Additional inbound correspondence	Less than 10,000	10,000 - 19,999	20,000 or more
Approx. 15 minutes to handle and action	<div></div>	<div></div>	<div></div>
Additional inbound calls	Less than 10,000	10,000 - 19,999	20,000 or more
Approx. 10 minutes to handle and action	<div></div>	<div></div>	<div></div>

(to be completed with bidders submitted prices)

APPENDIX 3
DAILY FTE RATE CARD

	Daily rate (£)
Project Manager	<input type="text"/>
IT/Systems Staff	<input type="text"/>
Admin Staff	<input type="text"/>
HR Specialist	<input type="text"/>

(to be completed with bidders submitted prices)

APPENDIX 4
TRANSITION COSTS

Transition description of activity / cost item	Cost (£)
<i>Total cost during transition (1 Oct 2025 to 31 Mar 2026)</i>	0

(to be completed with bidders submitted prices)

APPENDIX 5

SUMMARY OF OPERATIONAL TIMESCALES – Key Performance Indicators

Clause	Work	Task	Timescale
2.2.2 A.b	New application for CIL or solid fuel	The SP will write to the applicant to acknowledge the application within 10 working days.	10 working days
2.2.2.A.d	New application for CIL or solid fuel	Within 10 working days of having received sufficient information to make the determination, the SP will notify the applicant of the determination and provide successful applicants (“Beneficiaries”) with a letter of their entitlement (see example at ref 4) and a copy of the Frequently Asked Questions (FAQ) sheet.	10 working days
2.2.2 B.e	Annual verification of entitlement	Should the SP not receive a signed Life Certificate back within 28 calendar days, the SP should issue a reminder letter giving a further 14 days from date of letter for response and warning that non reply will lead to suspension of entitlement.	28 calendar days 14 calendar days
2.2.2 B.f	Annual verification of entitlement	If the SP has still not received a signed Life Certificate back after the 14 calendar days deadline of the reminder letter, the SP should follow the procedures for suspending the entitlement until the relevant information is received in order to reinstate, amend or terminate the entitlement.	14 calendar days
2.2.2 C.d	Change to a beneficiaries circumstance	The SP will write to the Beneficiary/other to acknowledge the notification within 5 working days.	10 working days
2.2.2 C.g	Change to a beneficiaries circumstance	Within 5 working days of receipt of sufficient information regarding the change of circumstances, the SP will notify the Beneficiary in writing of any changes to, or termination of, their entitlement.	10 working days
2.2.2 C.i	Change to a beneficiaries circumstance	Where further information is required, the SP will, within 5 working days of receipt of sufficient information regarding the change of circumstances, notify the Beneficiary/other in writing of any changes to, or termination of, their entitlement.	10 working days
2.2.2 D.a	Switch from solid fuel to CIL (and vice versa)	a) In the event that a Beneficiary wants to switch from Solid Fuel to CIL (or vice versa which is possible under the Fuel Agreements but very rare), the SP will write to the Beneficiary to acknowledge the notification within 5 working days.	10 working days
2.2.2 D.e	Switch from solid fuel to CIL (and vice versa)	Within 5 working days of receipt of sufficient information regarding the switch from Solid Fuel to CIL (and vice versa), the SP will notify the Beneficiary in writing of any changes to their entitlement.	10 working days
2.3.2 A.c	Payments	With reference to section 2.6 Financial Management, the SP must send a quarterly funding authorisation request to ensure there are adequate funds in the bank account in advance of the requirement to pay.	(in time for payments)
2.3.2 B.e	Payments	Payments will be made in arrears on the last working day of the month.	(last working day of month)
2.3.2 C.a	Recovery of Overpayments	The SP must actively seek recovery of overpayments in accordance with the Overpayments Policy following the procedures set out in the NCFO Working Procedures.	(as set out in procedures)
2.5.2 B.b	Press Office	The SP must provide the Department with any necessary information in order to respond to media queries accurately and within the agreed deadline. Such enquiries normally require urgent responses subject to the nature of the enquiry.	(as agreed)
2.5.3 B.c	Written communications received	If necessary, the SP will respond to written communication, either by letter or email, within 10 working days.	10 working days
2.5.3 B.e	Written communications received	If the SP receives correspondence about the solid fuel itself, or the delivery of solid fuel, the SP will scan the correspondence to the	2 working days

		required standards and the electronic copy must be forwarded to the Fuel Distribution Agent within 2 working days.	
2.5.4 A.e	Liaison with Distribution Agent	In addition to the annual transmission of entitlement data, when there is a change of circumstance which alters a Beneficiary's fuel entitlement, the SP must inform the Distribution Agent within 2 working days.	2 working days
2.5.6 B.a	MPs, MSPs, and AMs of the Welsh Assembly	Where the enquiries are directly addressed to the SP, the SP will respond, on behalf of the Department, to the enquiry within 10 working days, unless such enquiries are an issue of policy, in which case the SP will recommend a course of action and request approval of such action from the Department.	10 working days
2.5.6 B.b	MPs, MSPs, and AMs of the Welsh Assembly	Where the enquiries are addressed to the Department, the SP will supply the Department within 3 working days, a brief on the issue and a suggested draft response to enable the Department to respond by Departmental deadlines for such cases.	3 working days
2.5.8 A.c	Managing complaints and disputes	The SP must respond in writing to the complainant within 10 working days from receipt of the complaint.	10 working days
2.6.2 B.a	Invoices	The SP must submit accurate invoices on a monthly basis for processing and payment, no later than 10 working days following the end of the month. Payments will be submitted and processed in arrears of services provided.	10 working days
2.7.2 B.a	Suspected fraud	The SP will inform the Department immediately or as soon as practicable (within 24 hours) if it suspects any serious fraud relating to the payment of Cash in Lieu or supply of solid fuel or operation of the Service (which shall include any suspected significant fraud by a Beneficiary or any member of the SP's staff or a Distribution Agent) that has occurred.	24 hours
3.3 A.b	MI	The type of reports, timescales and frequency of the MI will be agreed during the Transition Period.	(to be agreed)
3.5 A.a	Business Continuity/DR	(i) telephone service backup within 24 hours (ii) IT systems available within 48 hours (iii) staff at desks available within 48 hours	(24-48 hours)
3.6 D.c	Data Handling	The SP must ensure that any breaches in data security are reported as soon as possible, which must be within 24 hours of the breach.	Within 24 hours

NCFO PRICING EVALUATION MODEL – INPUT SHEET

NCFO Pricing Evaluation Model - Input Sheet

Instructions to Tenderers

1. The Pricing and Performance Schedule specifies how the services, as defined in the Specification, will be charged.
2. Tenderers must submit monthly fees, transaction rates, daily FTE rates and transition costs, in accordance with the Schedule, by completing the coloured cells below.
3. Prices and rates should be exclusive of VAT.

Part I - Monthly Fee

4. The monthly fee (in British Pounds) for each volume band must be entered.
5. Tenderers are allowed to submit the same fee for different volume bands. As an example, the fee may be the same for 10,000-19,999 Beneficiaries as it is for over 20,000 Beneficiaries.
6. Tenderers must complete all the blue cells. Do not type the pound sign (£). Input whole numbers and do not use pence.

Part II - Transaction Rate Card

7. The transaction rate (in British Pounds) must be entered for all the items identified in the Pricing and Performance Schedule.
8. Tenderers are allowed to submit the same unit rate for different volumes of transactions. As an example, the rate for each outbound correspondence may be the same for sending out 1,000 letters as it is for sending out 20,000 letters.
9. Tenderers must complete all the orange cells. Do not type the pound sign (£). Input whole numbers and do not use pence.

Part III - Daily FTE Rate Card

10. The daily rate (in British Pounds) must be entered for all FTE roles identified in the Pricing and Performance Schedule.
11. Tenderers must complete all the green cells. Do not type the pound sign (£). Input whole numbers and do not use pence.

Part IV - Transition Costs

12. Tenderers must propose itemised transition costs for the period 1 October 2025 to 31 March 2026.
13. Tenderers do not need to complete every row if they have less than 10 transaction activities/items.
14. Conversely, tenderers may include more transaction activities/items by inserting more rows, but please ensure the total cost cell captures all transition costs.
15. Type the description and the cost in the yellow cells.
16. Do not type the pound sign (£). Input whole numbers and do not use pence.

PART I - MONTHLY FEE

Beneficiary Volume	Less than 10,000	10,000 - 19,999	20,000 and over
Monthly charge (£)	<input type="text"/>	<input type="text"/>	<input type="text"/>

PART II - TRANSACTION RATE CARD

Outbound correspondence	Less than 10,000	10,000 - 19,999	20,000 and over
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1 to 2 sheets of A4			
3 to 4 sheets of A4			
5 sheets of A4 & over			
Outbound calls	Less than 10,000	10,000 - 19,999	20,000 and over
Less than 5 minutes			
More than 5 minutes			
Additional inbound correspondence	Less than 10,000	10,000 - 19,999	20,000 and over
Less than 5 minutes to handle and action			
More than 5 minutes to handle and action			
Additional inbound calls	Less than 10,000	10,000 - 19,999	20,000 and over
Less than 5 minutes to handle and action			
More than 5 minutes to handle and action			

PART III - DAILY FTE RATE CARD

	Daily rate (£)
Project Manager	
Admin / Clerical	
IT/Systems Manager	
IT/Systems Developer	
IT/Systems Tester	

PART IV - PROPOSED COSTS DURING TRANSITION

Transition description of activity / cost item	Cost (£)
Total proposed cost during transition (1 Oct 2025 to 31 Mar 2026)	0

Schedule 24 (Intellectual Property Rights)

Part A

1. Default IPR Clause

In the event that this Schedule is not amended to select only one option, the default option that will apply to the Contract is Option 1.

Part B

1. Intellectual Property Rights

1.1. Each Party keeps ownership of its own Existing IPR. Neither Party has the right to use the other Party's IPR, including any use of the other Party's names, logos or trademarks, except as expressly granted elsewhere under the Contract or otherwise agreed in writing.

1.2. Except as expressly granted elsewhere under the Contract, neither Party acquires any right, title or interest in or to the IPR owned by the other Party or any third party.

1.3. Licences granted by the Supplier: Supplier Existing IPR

1.3.1. Where the Buyer orders Deliverables which contain or rely upon Supplier Existing IPR, the Supplier hereby grants the Buyer a Supplier Existing IPR Licence on the terms set out in Paragraph 1.3.2.

1.3.2. The Supplier Existing IPR Licence granted by the Supplier to the Buyer is a non-exclusive, perpetual, royalty-free, irrevocable, transferable, worldwide licence to use, change and sub-license any Supplier Existing IPR which is reasonably required by the Buyer to enable it:

1.3.2.1. or any End User to use and receive the Deliverables; or

1.3.2.2. to use, sub-licence or commercially exploit (including by publication under Open Licence) the New IPR and New IPR Items,

for any purpose relating to the exercise of the Buyer's (or, if the Buyer is a Public Sector Body, any other Public Sector Body's) business or function.

1.4. Licences granted by the Buyer and New IPR

- 1.4.1. Any New IPR created under the Contract is owned by the Buyer. The Buyer gives the Supplier a licence to use the Buyer Existing IPR and the New IPR which the Supplier reasonably requires for the purpose of fulfilling its obligations during the Contract Period or using or exploiting the New IPR developed under the Contract, including (but not limited to) the right to grant sub-licences to Subcontractors provided that:
- 1.4.1.1. any relevant Subcontractor has entered into a confidentiality undertaking with the Supplier on the same terms as set out in Clause 15 (Confidentiality) of the Core Terms; and
 - 1.4.1.2. The Supplier shall not without Approval use the materials licensed under this clause for any other purpose or for the benefit of any person other than the Buyer. Where a Party acquires ownership of IPR incorrectly under this Contract it must do everything reasonably necessary to complete a transfer assigning them in writing to the other Party on request and at its own cost.
- 1.4.2. Unless otherwise agreed in writing, the Supplier and the Buyer will record any New IPR in the table at Annex 1 to this Schedule 24 and keep this updated throughout the Contract Period.

1.5. Third Party IPR

- 1.5.1. The Supplier shall not use in the delivery of the Deliverables any Third Party IPR unless Approval is granted by the Buyer and it has procured that the owner or an authorised licensor of the relevant Third Party IPR has granted a Third Party IPR Licence on the terms set out in Paragraph 1.5.2. If the Supplier cannot obtain for the Buyer a licence on the terms set out in Paragraph 1.5.2 in respect of any Third Party IPR the Supplier shall:
- 1.5.1.1. notify the Buyer in writing; and
 - 1.5.1.2. use the relevant Third Party IPR only if the Buyer has provided authorisation in writing, with reference to the acts authorised and the specific IPR involved.
- 1.5.2. In spite of any other provisions of the Contract and for the avoidance of doubt, award of this Contract by the Buyer and the ordering of any Deliverable under it does not constitute an authorisation by the Crown under Sections 55 and 56 of the Patents Act 1977 Section 12 of the Registered Designs Act 1949 or Sections 240 – 243 of the Copyright, Designs and Patents Act 1988.

- 1.5.3. The Third Party IPR Licence granted to the Buyer shall be a non-exclusive, perpetual, royalty-free, irrevocable, transferable, worldwide licence to use, change and sub-licence any Third Party IPR which is reasonably required by the Buyer to enable it or any End User to receive and use the Deliverables and make use of the deliverables provided by a Replacement Supplier.

1.6. Termination of licences

- 1.6.1. The Supplier Existing IPR Licence granted pursuant to Paragraph 1.3 and the Third Party IPR Licence granted pursuant to Paragraph 1.5 shall survive the Expiry Date and termination of this Contract.
- 1.6.2. The Supplier shall, if requested by the Buyer in accordance with Order Schedule 10 (Exit Management) and to the extent reasonably necessary to ensure continuity of service during exit and transition to any Replacement Supplier, grant (or procure the grant) to the Replacement Supplier a licence to use any Supplier Existing IPR or Third Party IPR on terms equivalent to the Supplier Existing IPR Licence or Third Party IPR Licence (as applicable) subject to the Replacement Supplier entering into reasonable confidentiality undertakings with the Supplier.
- 1.6.3. On expiry of the licence granted to the Supplier pursuant to Paragraph 1.4 (Licence granted by the Buyer) the Supplier shall:
- 1.6.3.1. immediately cease all use of the New IPR and Buyer Existing IPR (including the Buyer Data within which the Buyer Existing IPR may subsist);
 - 1.6.3.2. at the discretion of the Buyer, return or destroy documents and other tangible materials that contain any of the New IPR, Buyer Existing IPR and the Buyer Data, provided that if the Buyer has not made an election within six months of the termination of the licence, the Supplier may destroy the documents and other tangible materials that contain any of the New IPR, the Buyer Existing IPR and the Buyer Data (as the case may be); and
 - 1.6.3.3. ensure, so far as reasonably practicable, that any New IPR, Buyer Existing IPR and Buyer Data that are held in electronic, digital or other machine-readable form ceases to be readily accessible from any computer, word processor, voicemail system or any other device of the Supplier containing such New IPR, Buyer Existing IPR or Buyer Data."

1.7. Supplier's Exploitation of New IPR

- 1.7.1. Notwithstanding the Supplier's ownership of the New IPR or licence which allows it to 3 montexploit and commercialise the New IPR:

- 1.7.1.1. the Supplier must always offer a price and solution to the Buyer which is in accordance with the Charges and must licence the New IPR and Supplier Existing IPR to the Buyer on equivalent terms as apply under this Contract;
- 1.7.1.2. where the Supplier proposes to exploit the New IPR, that it provides a detailed proposal of its plans for exploitation of the New IPR and the forecast returns, including (but not limited to) details of the goods and services to be offered by the Supplier which use the New IPR, the target markets and territory, the estimated level of orders, the marketing strategy; full details of the estimated costs, prices, revenues and profits; impact assessment on services delivered under the Contract; and any other information that would reasonably be required by the Buyer to enable it to consider the commercial, legal and financial implications to the Parties of the proposal and any further information which the Buyer may reasonably request; and
- 1.7.1.3. where the Supplier proposes to discount the prices offered to the Buyer in return for the right to exploit the New IPR, that it provides clear evidence to demonstrate how the exploitation plans and financial information provided under Paragraph 1.7.1.2 above have been applied to the price for the Deliverables offered to the Buyer and other potential End Users;
- 1.7.1.4. The Buyer shall be under no obligation to:
 - (a) offer the New IPR (where this is owned by the Buyer) or the Buyer Existing IPR on an exclusive licence basis or on any other alternative terms of licensing and ownership; or

- 1.7.1.5. accept any alternative arrangement proposed by the Supplier under this Clause and the Buyer shall be entitled to require the Supplier to deliver the solution on the basis of the same position on ownership and licensing of the New IPR (where this is owned by the Buyer) or Buyer Existing IPR as applies under this Contract. Such agreement does not confer any exclusive right on the Supplier to negotiate with the Buyer in relation to the New IPR (where this is owned by the Buyer), Buyer Existing IPR or any Crown IPR and the Buyer shall be entitled to licence, assign and otherwise deal with such IPR (where it owns such IPR) with any other person (except to the extent that the Buyer has entered into an exclusive licence with the Supplier in respect of such IPR pursuant to this Contract).
- 1.7.1.6. The Supplier acknowledges and agrees that the Buyer is under an obligation to comply with procurement Laws and state aid rules when considering proposals for alternative IPR arrangements and the Buyer will need to consider its position and approach on a case by case basis.

ANNEX 1: NEW IPR

Name of New IPR	Details



Crown
Commercial
Service

Core Terms - DPS

1. Definitions used in the contract

Interpret this Contract using Joint Schedule 1 (Definitions).

2. How the contract works

- 2.1 The Supplier is eligible for the award of Order Contracts during the DPS Contract Period.
- 2.2 CCS does not guarantee the Supplier any exclusivity, quantity or value of work under the DPS Contract.
- 2.3 CCS has paid one penny to the Supplier legally to form the DPS Contract. The Supplier acknowledges this payment.
- 2.4 If the Buyer decides to buy Deliverables under the DPS Contract it must use DPS Schedule 7 (Order Procedure) and must state its requirements using DPS Schedule 6 (Order Form Template and Order Schedules). If allowed by the Regulations, the Buyer can:
 - (a) make changes to DPS Schedule 6 (Order Form Template and Order Schedules);
 - (b) create new Order Schedules;
 - (c) exclude optional template Order Schedules; and/or
 - (d) use Special Terms in the Order Form to add or change terms.
- 2.5 Each Order Contract:
 - (a) is a separate Contract from the DPS Contract;
 - (b) is between a Supplier and a Buyer;
 - (c) includes Core Terms, Schedules and any other changes or items in the completed Order Form; and
 - (d) survives the termination of the DPS Contract.
- 2.6 Where the Supplier is approached by any Other Contracting Authority requesting Deliverables or substantially similar goods or services, the Supplier must tell them about this DPS Contract before accepting their order.
- 2.7 The Supplier acknowledges it has all the information required to perform its obligations under each Contract before entering into a Contract. When information is provided by a Relevant Authority no warranty of its accuracy is given to the Supplier.
- 2.8 The Supplier will not be excused from any obligation, or be entitled to additional Costs or Charges because it failed to either:
 - (a) verify the accuracy of the Due Diligence Information; or
 - (b) properly perform its own adequate checks.
- 2.9 CCS and the Buyer will not be liable for errors, omissions or misrepresentation of any information.

- 2.10 The Supplier warrants and represents that all statements made and documents submitted as part of the procurement of Deliverables are and remain true and accurate.
- 2.11 An Order Contract can only be created using the electronic procedures described in the OJEU Notice as required by the Regulations.
- 2.12 A Supplier can only receive Orders under the DPS Contract while it meets the basic access requirements for the DPS stated in the OJEU Notice. CCS can audit whether a Supplier meets the basic access requirements at any point during the DPS Contract Period.

3. What needs to be delivered

3.1 All deliverables

3.1.1 The Supplier must provide Deliverables:

- (a) that comply with the Specification, the DPS Application and, in relation to an Order Contract, the Order Tender (if there is one);
- (b) to a professional standard;
- (c) using reasonable skill and care;
- (d) using Good Industry Practice;
- (e) using its own policies, processes and internal quality control measures as long as they do not conflict with the Contract;
- (f) on the dates agreed; and
- (g) that comply with Law.

3.1.2 The Supplier must provide Deliverables with a warranty of at least 90 days from Delivery against all obvious defects.

3.2 Goods clauses

3.2.1 All Goods delivered must be new, or as new if recycled, unused and of recent origin.

3.2.2 All manufacturer warranties covering the Goods must be assignable to the Buyer on request and for free.

3.2.3 The Supplier transfers ownership of the Goods on Delivery or payment for those Goods, whichever is earlier.

3.2.4 Risk in the Goods transfers to the Buyer on Delivery of the Goods, but remains with the Supplier if the Buyer notices damage following Delivery and lets the Supplier know within 3 Working Days of Delivery.

3.2.5 The Supplier warrants that it has full and unrestricted ownership of the Goods at the time of transfer of ownership.

3.2.6 The Supplier must deliver the Goods on the date and to the specified location during the Buyer's working hours.

- 3.2.7 The Supplier must provide sufficient packaging for the Goods to reach the point of Delivery safely and undamaged.
- 3.2.8 All deliveries must have a delivery note attached that specifies the order number, type and quantity of Goods.
- 3.2.9 The Supplier must provide all tools, information and instructions the Buyer needs to make use of the Goods.
- 3.2.10 The Supplier must indemnify the Buyer against the costs of any Recall of the Goods and give notice of actual or anticipated action about the Recall of the Goods.
- 3.2.11 The Buyer can cancel any order or part order of Goods which has not been Delivered. If the Buyer gives less than 14 days notice then it will pay the Supplier's reasonable and proven costs already incurred on the cancelled order as long as the Supplier takes all reasonable steps to minimise these costs.
- 3.2.12 The Supplier must at its own cost repair, replace, refund or substitute (at the Buyer's option and request) any Goods that the Buyer rejects because they do not conform with Clause 3. If the Supplier does not do this it will pay the Buyer's costs including repair or re-supply by a third party.

3.3 Services clauses

- 3.3.1 Late Delivery of the Services will be a Default of an Order Contract.
- 3.3.2 The Supplier must co-operate with the Buyer and third party suppliers on all aspects connected with the Delivery of the Services and ensure that Supplier Staff comply with any reasonable instructions.
- 3.3.3 The Supplier must at its own risk and expense provide all Supplier Equipment required to Deliver the Services.
- 3.3.4 The Supplier must allocate sufficient resources and appropriate expertise to each Contract.
- 3.3.5 The Supplier must take all reasonable care to ensure performance does not disrupt the Buyer's operations, employees or other contractors.
- 3.3.6 The Supplier must ensure all Services, and anything used to Deliver the Services, are of good quality and free from defects.
- 3.3.7 The Buyer is entitled to withhold payment for partially or undelivered Services, but doing so does not stop it from using its other rights under the Contract.

4. Pricing and payments

- 4.1 In exchange for the Deliverables, the Supplier must invoice the Buyer for the Charges in the Order Form.
- 4.2 CCS must invoice the Supplier for the Management Levy and the Supplier must pay it using the process

in DPS Schedule 5 (Management Levy and Information).

4.3 All Charges and the Management Levy:

- (a) exclude VAT, which is payable on provision of a valid VAT invoice; and
- (b) include all costs connected with the Supply of Deliverables.

4.4 The Buyer must pay the Supplier the Charges within 30 days of receipt by the Buyer of a valid, undisputed invoice, in cleared funds using the payment method and details stated in the Order Form.

4.5 A Supplier invoice is only valid if it:

- (a) includes all appropriate references including the Contract reference number and other details reasonably requested by the Buyer;
- (b) includes a detailed breakdown of Delivered Deliverables and Milestone(s) (if any); and
- (c) does not include any Management Levy (the Supplier must not charge the Buyer in any way for the Management Levy).

4.6 The Buyer must accept and process for payment an undisputed Electronic Invoice received from the Supplier.

4.7 The Buyer may retain or set-off payment of any amount owed to it by the Supplier if notice and reasons are provided.

4.8 The Supplier must ensure that all Subcontractors are paid, in full, within 30 days of receipt of a valid, undisputed invoice. If this does not happen, CCS or the Buyer can publish the details of the late payment or non-payment.

4.9 If CCS or the Buyer can get more favourable commercial terms for the supply at cost of any materials, goods or services used by the Supplier to provide the Deliverables, then CCS or the Buyer may require the Supplier to replace its existing commercial terms with the more favourable terms offered for the relevant items.

4.10 If CCS or the Buyer uses Clause 4.9 then the DPS Pricing (and where applicable, the Charges) must be reduced by an agreed amount by using the Variation Procedure.

4.11 The Supplier has no right of set-off, counterclaim, discount or abatement unless they are ordered to do so by a court.

5. The buyer's obligations to the supplier

5.1 If Supplier Non-Performance arises from an Authority Cause:

- (a) neither CCS or the Buyer can terminate a Contract under Clause 10.4.1;
- (b) the Supplier is entitled to reasonable and proven additional expenses and to relief from liability and

Deduction under this Contract;

- (c) the Supplier is entitled to additional time needed to make the Delivery; and
- (d) the Supplier cannot suspend the ongoing supply of Deliverables.

5.2 Clause 5.1 only applies if the Supplier:

- (a) gives notice to the Party responsible for the Authority Cause within 10 Working Days of becoming aware;
- (b) demonstrates that the Supplier Non-Performance would not have occurred but for the Authority Cause; and
- (c) mitigated the impact of the Authority Cause.

6. Record keeping and reporting

6.1 The Supplier must attend Progress Meetings with the Buyer and provide Progress Reports when specified in the Order Form.

6.2 The Supplier must keep and maintain full and accurate records and accounts on everything to do with the Contract:

- (a) during the Contract Period;
 - (b) for 7 years after the End Date; and
 - (c) in accordance with UK GDPR,
- including but not limited to the records and accounts stated in the definition of Audit in Joint Schedule 1.

6.3 The Relevant Authority or an Auditor can Audit the Supplier.

6.4 During an Audit, the Supplier must:

- (a) allow the Relevant Authority or any Auditor access to their premises to verify all contract accounts and records of everything to do with the Contract and provide copies for an Audit; and
- (b) provide information to the Relevant Authority or to the Auditor and reasonable co-operation at their request.

6.5 Where the Audit of the Supplier is carried out by an Auditor, the Auditor shall be entitled to share any information obtained during the Audit with the Relevant Authority.

6.6 If the Supplier is not providing any of the Deliverables, or is unable to provide them, it must immediately:

- (a) tell the Relevant Authority and give reasons;
- (b) propose corrective action; and
- (c) provide a deadline for completing the corrective action.

- 6.7 The Supplier must provide CCS with a Self Audit Certificate supported by an audit report at the end of each Contract Year. The report must contain:
- (a) the methodology of the review;
 - (b) the sampling techniques applied;
 - (c) details of any issues; and
 - (d) any remedial action taken.
- 6.8 The Self Audit Certificate must be completed and signed by an auditor or senior member of the Supplier's management team that is qualified in either a relevant audit or financial discipline.

7. Supplier staff

- 7.1 The Supplier Staff involved in the performance of each Contract must:
- (a) be appropriately trained and qualified;
 - (b) be vetted using Good Industry Practice and the Security Policy; and
 - (c) comply with all conduct requirements when on the Buyer's Premises.
- 7.2 Where a Buyer decides one of the Supplier's Staff is not suitable to work on a contract, the Supplier must replace them with a suitably qualified alternative.
- 7.3 If requested, the Supplier must replace any person whose acts or omissions have caused the Supplier to breach Clause 27.
- 7.4 The Supplier must provide a list of Supplier Staff needing to access the Buyer's Premises and say why access is required.
- 7.5 The Supplier indemnifies CCS and the Buyer against all claims brought by any person employed by the Supplier caused by an act or omission of the Supplier or any Supplier Staff.

8. Rights and protection

- 8.1 The Supplier warrants and represents that:
- (a) it has full capacity and authority to enter into and to perform each Contract;
 - (b) each Contract is executed by its authorised representative;
 - (c) it is a legally valid and existing organisation incorporated in the place it was formed;
 - (d) there are no known legal or regulatory actions or investigations before any court, administrative body or arbitration tribunal pending or threatened against it or its Affiliates that might affect its ability to perform each Contract;
 - (e) it maintains all necessary rights, authorisations, licences and consents to perform its obligations under each Contract;
 - (f) it does not have any contractual obligations which are likely to have a material adverse effect on its ability to perform each Contract;

- (g) it is not impacted by an Insolvency Event; and
- (h) it will comply with each Order Contract.

- 8.2 The warranties and representations in Clauses 2.10 and 8.1 are repeated each time the Supplier provides Deliverables under the Contract.
- 8.3 The Supplier indemnifies both CCS and every Buyer against each of the following:
- (a) wilful misconduct of the Supplier, Subcontractor and Supplier Staff that impacts the Contract; and
 - (b) non-payment by the Supplier of any Tax or National Insurance.
- 8.4 All claims indemnified under this Contract must use Clause 26.
- 8.5 The description of any provision of this Contract as a warranty does not prevent CCS or a Buyer from exercising any termination right that it may have for breach of that clause by the Supplier.
- 8.6 If the Supplier becomes aware of a representation or warranty that becomes untrue or misleading, it must immediately notify CCS and every Buyer.
- 8.7 All third party warranties and indemnities covering the Deliverables must be assigned for the Buyer's benefit by the Supplier.

9. Intellectual Property Rights (IPRs)

- 9.1 Each Party keeps ownership of its own Existing IPRs. The Supplier gives the Buyer a non-exclusive, perpetual, royalty-free, irrevocable, transferable worldwide licence to use, change and sub-license the Supplier's Existing IPR to enable it to both:
- (a) receive and use the Deliverables; and
 - (b) make use of the deliverables provided by a Replacement Supplier.
- 9.2 Any New IPR created under a Contract is owned by the Buyer. The Buyer gives the Supplier a licence to use any Existing IPRs and New IPRs for the purpose of fulfilling its obligations during the Contract Period.
- 9.3 Where a Party acquires ownership of IPRs incorrectly under this Contract it must do everything reasonably necessary to complete a transfer assigning them in writing to the other Party on request and at its own cost.
- 9.4 Neither Party has the right to use the other Party's IPRs, including any use of the other Party's names, logos or trademarks, except as provided in Clause 9 or otherwise agreed in writing.
- 9.5 If there is an IPR Claim, the Supplier indemnifies CCS and each Buyer against all losses, damages, costs or expenses (including professional fees and fines) incurred as a result.
- 9.6 If an IPR Claim is made or anticipated the Supplier must at its own expense and the Buyer's sole option,

either:

- (a) obtain for CCS and the Buyer the rights in Clause 9.1 and 9.2 without infringing any third party IPR; or
- (b) replace or modify the relevant item with substitutes that do not infringe IPR without adversely affecting the functionality or performance of the Deliverables.

9.7 In spite of any other provisions of a Contract and for the avoidance of doubt, award of a Contract by the Buyer and placement of any contract task under it does not constitute an authorisation by the Crown under Sections 55 and 56 of the Patents Act 1977 or Section 12 of the Registered Designs Act 1949. The Supplier acknowledges that any authorisation by the Buyer under its statutory powers must be expressly provided in writing, with reference to the acts authorised and the specific IPR involved.

10. Ending the contract or any subcontract

10.1 Contract Period

10.1.1 The Contract takes effect on the Start Date and ends on the End Date or earlier if required by Law.

10.1.2 The Relevant Authority can extend the Contract for the Extension Period by giving the Supplier no less than 3 Months' written notice before the Contract expires.

10.2 Ending the contract without a reason

10.2.1 CCS has the right to terminate the DPS Contract at any time without reason by giving the Supplier at least 30 days' notice.

10.2.2 Each Buyer has the right to terminate their Order Contract at any time without reason by giving the Supplier not less than 90 days' written notice.

10.3 Rectification plan process

10.3.1 If there is a Default, the Relevant Authority may, without limiting its other rights, request that the Supplier provide a Rectification Plan.

10.3.2 When the Relevant Authority receives a requested Rectification Plan it can either:

- (a) reject the Rectification Plan or revised Rectification Plan, giving reasons; or
- (b) accept the Rectification Plan or revised Rectification Plan (without limiting its rights) and the Supplier must immediately start work on the actions in the Rectification Plan at its own cost, unless agreed otherwise by the Parties.

10.3.3 Where the Rectification Plan or revised Rectification Plan is rejected, the Relevant Authority:

- (a) must give reasonable grounds for its decision; and
- (b) may request that the Supplier provides a revised Rectification Plan within 5 Working Days.

10.3.4 If the Relevant Authority rejects any Rectification Plan, including any revised Rectification Plan, the Relevant Authority does not have to request a revised Rectification Plan before exercising its right to terminate its Contract under Clause 10.4.3(a).

10.4 When CCS or the buyer can end a contract

10.4.1 If any of the following events happen, the Relevant Authority has the right to immediately terminate its Contract by issuing a Termination Notice to the Supplier:

- (a) there is a Supplier Insolvency Event;
- (b) there is a Default that is not corrected in line with an accepted Rectification Plan;
- (c) the Supplier does not provide a Rectification Plan within 10 days of the request;
- (d) there is any material Default of the Contract;
- (e) there is any material Default of any Joint Controller Agreement relating to any Contract;
- (f) there is a Default of Clauses 2.10, 9, 14, 15, 27, 32 or DPS Schedule 9 (Cyber Essentials) (where applicable) relating to any Contract;
- (g) there is a consistent repeated failure to meet the Performance Indicators in DPS Schedule 4 (DPS Management);
- (h) the right to terminate cannot be prior to request for consent (such consent not to be unreasonably delayed or withheld).
- (i) if the Relevant Authority discovers that the Supplier was in one of the situations in 57 (1) or 57(2) of the Regulations at the time the Contract was awarded; or
- (j) the Supplier or its Affiliates embarrass or bring CCS or the Buyer into disrepute or diminish the public trust in them.

10.4.2 CCS may terminate the DPS Contract if a Buyer terminates an Order Contract for any of the reasons listed in Clause 10.4.1.

10.4.3 If any of the following non-fault based events happen, the Relevant Authority has the right to immediately terminate its Contract by issuing a Termination Notice to the Supplier:

- (a) the Relevant Authority rejects a Rectification Plan;
- (b) there is a Variation which cannot be agreed using Clause 24 (Changing the contract) or resolved using Clause 34 (Resolving disputes);
- (c) if there is a declaration of ineffectiveness in respect of any Variation; or
- (d) any of the events in 73 (1) (a) or (c) of the Regulations happen.

10.5 When the supplier can end the contract

The Supplier can issue a Reminder Notice if the Buyer does not pay an undisputed invoice on time. The Supplier can terminate an Order Contract if the Buyer fails to pay an undisputed invoiced sum due and worth over 10% of the annual Contract Value within 30 days of the date of the Reminder Notice.

10.6 What happens if the contract ends

10.6.1 Where a Party terminates a Contract under any of Clauses 10.2.1, 10.2.2, 10.4.1, 10.4.2, 10.4.3, 10.5 or

20.2 or a Contract expires all of the following apply:

- (a) The Buyer's payment obligations under the terminated Contract stop immediately.
- (b) Accumulated rights of the Parties are not affected.
- (c) The Supplier must promptly repay to the Buyer any and all Charges the Buyer has paid in advance in respect of Deliverables not provided by the Supplier as at the End Date.
- (d) The Supplier must promptly delete or return the Government Data except where required to retain copies by Law.
- (e) The Supplier must promptly return any of CCS or the Buyer's property provided under the terminated Contract.
- (f) The Supplier must, at no cost to CCS or the Buyer, co-operate fully in the handover and re-procurement (including to a Replacement Supplier).

10.6.2 In addition to the consequences of termination listed in Clause 10.6.1, where the Relevant Authority terminates a Contract under Clause 10.4.1 the Supplier is also responsible for the Relevant Authority's reasonable costs of procuring Replacement Deliverables for the rest of the Contract Period.

10.6.3 In addition to the consequences of termination listed in Clause 10.6.1, if either the Relevant Authority terminates a Contract under Clause 10.2.1 or 10.2.2 or a Supplier terminates an Order Contract under Clause 10.5:

- (a) the Buyer must promptly pay all outstanding Charges incurred to the Supplier; and
- (b) the Buyer must pay the Supplier reasonable committed and unavoidable Losses as long as the Supplier provides a fully itemised and costed schedule with evidence - the maximum value of this payment is limited to the total sum payable to the Supplier if the Contract had not been terminated.

10.6.4 In addition to the consequences of termination listed in Clause 10.6.1, where a Party terminates under Clause 20.2 each Party must cover its own Losses.

10.6.5 The following Clauses survive the termination or expiry of each Contract: 3.2.10, 4.2, 6, 7.5, 9, 11, 12.2, 14, 15, 16, 17, 18, 31.3, 34, 35 and any Clauses and Schedules which are expressly or by implication intended to continue.

10.7 Partially ending and suspending the contract

10.7.1 Where CCS has the right to terminate the DPS Contract it can suspend the Supplier's ability to accept Orders (for any period) and the Supplier cannot enter into any new Order Contracts during this period. If this happens, the Supplier must still meet its obligations under any existing Order Contracts that have already been signed.

10.7.2 Where CCS has the right to terminate a DPS Contract it is entitled to terminate all or part of it.

10.7.3 Where the Buyer has the right to terminate an Order Contract it can terminate or suspend (for any period), all or part of it. If the Buyer suspends a Contract it can provide the Deliverables itself or buy them from a third party.

10.7.4 The Relevant Authority can only partially terminate or suspend a Contract if the remaining parts of that Contract can still be used to effectively deliver the intended purpose.

10.7.5 The Parties must agree any necessary Variation required by Clause 10.7 using the Variation Procedure, but the Supplier may not either:

- (a) reject the Variation; or
- (b) increase the Charges, except where the right to partial termination is under Clause 10.2.

10.7.6 The Buyer can still use other rights available, or subsequently available to it if it acts on its rights under Clause 10.7.

10.8 When subcontracts can be ended

At the Buyer's request, the Supplier must terminate any Subcontracts in any of the following events:

- (a) there is a Change of Control of a Subcontractor which is not pre-approved by the Relevant Authority in writing;
- (b) the acts or omissions of the Subcontractor have caused or materially contributed to a right of termination under Clause 10.4; or
- (c) a Subcontractor or its Affiliates embarrasses or brings into disrepute or diminishes the public trust in the Relevant Authority.

11. How much you can be held responsible for

11.1 Each Party's total aggregate liability in each Contract Year under this DPS Contract (whether in tort, contract or otherwise) is no more than £1,000,000.

11.2 Each Party's total aggregate liability in each Contract Year under each Order Contract (whether in tort, contract or otherwise) is no more than the greater of £5 million or 150% of the Estimated Yearly Charges unless specified in the Order Form.

11.3 No Party is liable to the other for:

- (a) any indirect Losses; or
- (b) Loss of profits, turnover, savings, business opportunities or damage to goodwill (in each case whether direct or indirect).

11.4 In spite of Clause 11.1 and 11.2, neither Party limits or excludes any of the following:

- (a) its liability for death or personal injury caused by its negligence, or that of its employees, agents or Subcontractors;
- (b) its liability for bribery or fraud or fraudulent misrepresentation by it or its employees;
- (c) any liability that cannot be excluded or limited by Law;

(d) its obligation to pay the required Management Levy or Default Management Levy.

11.5 In spite of Clauses 11.1 and 11.2, the Supplier does not limit or exclude its liability for any indemnity given under Clauses 7.5, 8.3(b), 9.5, 31.3 or Order Schedule 2 (Staff Transfer) of a Contract.

11.6 In spite of Clauses 11.1, 11.2 but subject to Clauses 11.3 and 11.4, the Supplier's aggregate liability in each and any Contract Year under each Contract under Clause 14.8 shall in no event exceed the Data Protection Liability Cap.

11.7 Each Party must use all reasonable endeavours to mitigate any Loss or damage which it suffers under or in connection with each Contract, including any indemnities.

11.8 When calculating the Supplier's liability under Clause 11.1 or 11.2 the following items will not be taken into consideration:

- (a) Deductions; and
- (b) any items specified in Clauses 11.5 or 11.6.

11.9 If more than one Supplier is party to a Contract, each Supplier Party is jointly and severally liable for their obligations under that Contract.

12. Obeying the law

12.1 The Supplier must use reasonable endeavours to comply with the provisions of Joint Schedule 5 (Corporate Social Responsibility).

12.2 To the extent that it arises as a result of a Default by the Supplier, the Supplier indemnifies the Relevant Authority against any fine or penalty incurred by the Relevant Authority pursuant to Law and any costs incurred by the Relevant Authority in defending any proceedings which result in such fine or penalty.

12.3 The Supplier must appoint a Compliance Officer who must be responsible for ensuring that the Supplier complies with Law, Clause 12.1 and Clauses 27 to 32.

13. Insurance

The Supplier must, at its own cost, obtain and maintain the Required Insurances in Joint Schedule 3 (Insurance Requirements) and any Additional Insurances in the Order Form.

14. Data protection

14.1 The Supplier must process Personal Data and ensure that Supplier Staff process Personal Data only in accordance with Joint Schedule 11 (Processing Data).

14.2 The Supplier must not remove any ownership or security notices in or relating to the Government Data.

- 14.3 The Supplier must make accessible back-ups of all Government Data, stored in an agreed off-site location and send the Buyer copies every 6 Months.
- 14.4 The Supplier must ensure that any Supplier system holding any Government Data, including back-up data, is a secure system that complies with the Security Policy and any applicable Security Management Plan.
- 14.5 If at any time the Supplier suspects or has reason to believe that the Government Data provided under a Contract is corrupted, lost or sufficiently degraded, then the Supplier must notify the Relevant Authority and immediately suggest remedial action.
- 14.6 If the Government Data is corrupted, lost or sufficiently degraded so as to be unusable the Relevant Authority may either or both:
- (a) tell the Supplier to restore or get restored Government Data as soon as practical but no later than 5 Working Days from the date that the Relevant Authority receives notice, or the Supplier finds out about the issue, whichever is earlier; and/or
 - (b) restore the Government Data itself or using a third party.
- 14.7 The Supplier must pay each Party's reasonable costs of complying with Clause 14.6 unless CCS or the Buyer is at fault.
- 14.8 The Supplier:
- (a) must provide the Relevant Authority with all Government Data in an agreed open format within 10 Working Days of a written request;
 - (b) must have documented processes to guarantee prompt availability of Government Data if the Supplier stops trading;
 - (c) must securely destroy all Storage Media that has held Government Data at the end of life of that media using Good Industry Practice;
 - (d) securely erase all Government Data and any copies it holds when asked to do so by CCS or the Buyer unless required by Law to retain it; and
 - (e) indemnifies CCS and each Buyer against any and all Losses incurred if the Supplier breaches Clause 14 and any Data Protection Legislation.

15. What you must keep confidential

15.1 Each Party must:

- (a) keep all Confidential Information it receives confidential and secure;
- (b) except as expressly set out in the Contract at Clauses 15.2 to 15.4 or elsewhere in the Contract, not disclose, use or exploit the Disclosing Party's Confidential Information without the Disclosing Party's prior written consent; and
- (c) immediately notify the Disclosing Party if it suspects unauthorised access, copying, use or disclosure of the Confidential Information.

15.2 In spite of Clause 15.1, a Party may disclose Confidential Information which it receives from the Disclosing Party in any of the following instances:

- (a) where disclosure is required by applicable Law or by a court with the relevant jurisdiction if, to the extent not prohibited by Law, the Recipient Party notifies the Disclosing Party of the full circumstances, the affected Confidential Information and extent of the disclosure;
- (b) if the Recipient Party already had the information without obligation of confidentiality before it was disclosed by the Disclosing Party;
- (c) if the information was given to it by a third party without obligation of confidentiality;
- (d) if the information was in the public domain at the time of the disclosure;
- (e) if the information was independently developed without access to the Disclosing Party's Confidential Information;
- (f) on a confidential basis, to its auditors;
- (g) on a confidential basis, to its professional advisers on a need-to-know basis; or
- (h) to the Serious Fraud Office where the Recipient Party has reasonable grounds to believe that the Disclosing Party is involved in activity that may be a criminal offence under the Bribery Act 2010.

15.3 In spite of Clause 15.1, the Supplier may disclose Confidential Information on a confidential basis to Supplier Staff on a need-to-know basis to allow the Supplier to meet its obligations under the Contract. The Supplier Staff must enter into a direct confidentiality agreement with the Relevant Authority at its request.

15.4 In spite of Clause 15.1, CCS or the Buyer may disclose Confidential Information in any of the following cases:

- (a) on a confidential basis to the employees, agents, consultants and contractors of CCS or the Buyer;
- (b) on a confidential basis to any other Central Government Body, any successor body to a Central Government Body or any company that CCS or the Buyer transfers or proposes to transfer all or any part of its business to;
- (c) if CCS or the Buyer (acting reasonably) considers disclosure necessary or appropriate to carry out its public functions;
- (d) where requested by Parliament; or
- (e) under Clauses 4.7 and 16.

15.5 For the purposes of Clauses 15.2 to 15.4 references to disclosure on a confidential basis means disclosure under a confidentiality agreement or arrangement including terms as strict as those required in Clause 15.

15.6 Transparency Information is not Confidential Information.

15.7 The Supplier must not make any press announcement or publicise the Contracts or any part of them in any way, without the prior written consent of the Relevant Authority and must take all reasonable steps to ensure that Supplier Staff do not either.

16. When you can share information

16.1 The Supplier must tell the Relevant Authority within 48 hours if it receives a Request For Information.

16.2 Within five (5) Working Days of the Buyer's request the Supplier must give CCS and each Buyer full cooperation and information needed so the Buyer can:

- (a) publish the Transparency Information;
- (b) comply with any Freedom of Information Act (FOIA) request; and/or
- (c) comply with any Environmental Information Regulations (EIR) request.

16.3 The Relevant Authority may talk to the Supplier to help it decide whether to publish information under Clause 16. However, the extent, content and format of the disclosure is the Relevant Authority's decision in its absolute discretion.

17. Invalid parts of the contract

If any part of a Contract is prohibited by Law or judged by a court to be unlawful, void or unenforceable, it must be read as if it was removed from that Contract as much as required and rendered ineffective as far as possible without affecting the rest of the Contract, whether it is valid or enforceable.

18. No other terms apply

The provisions incorporated into each Contract are the entire agreement between the Parties. The Contract replaces all previous statements, agreements and any course of dealings made between the Parties, whether written or oral, in relation to its subject matter. No other provisions apply.

19. Other people's rights in a contract

No third parties may use the Contracts (Rights of Third Parties) Act 1999 (CRTPA) to enforce any term of the Contract unless stated (referring to CRTPA) in the Contract. This does not affect third party rights and remedies that exist independently from CRTPA.

20. Circumstances beyond your control

20.1 Any Party affected by a Force Majeure Event is excused from performing its obligations under a Contract while the inability to perform continues, if it both:

- (a) provides a Force Majeure Notice to the other Party; and
- (b) uses all reasonable measures practical to reduce the impact of the Force Majeure Event.

20.2 Either Party can partially or fully terminate the affected Contract if the provision of the Deliverables is materially affected by a Force Majeure Event which lasts for 90 days continuously.

21. Relationships created by the contract

No Contract creates a partnership, joint venture or employment relationship. The Supplier must represent themselves accordingly and ensure others do so.

22. Giving up contract rights

A partial or full waiver or relaxation of the terms of a Contract is only valid if it is stated to be a waiver in writing to the other Party.

23. Transferring responsibilities

23.1 The Supplier cannot assign, novate or transfer a Contract or any part of a Contract without the Relevant Authority's written consent.

23.2 The Relevant Authority can assign, novate or transfer its Contract or any part of it to any Central Government Body, public or private sector body which performs the functions of the Relevant Authority.

23.3 When CCS or the Buyer uses its rights under Clause 23.2 the Supplier must enter into a novation agreement in the form that CCS or the Buyer specifies.

23.4 The Supplier can terminate a Contract novated under Clause 23.2 to a private sector body that is experiencing an Insolvency Event.

23.5 The Supplier remains responsible for all acts and omissions of the Supplier Staff as if they were its own.

23.6 If CCS or the Buyer asks the Supplier for details about Subcontractors, the Supplier must provide details of Subcontractors at all levels of the supply chain including:

- (a) their name;
- (b) the scope of their appointment; and
- (c) the duration of their appointment.

24. Changing the contract

24.1 Either Party can request a Variation which is only effective if agreed in writing and signed by both Parties.

24.2 The Supplier must provide an Impact Assessment either:

- (a) with the Variation Form, where the Supplier requests the Variation; or
- (b) within the time limits included in a Variation Form requested by CCS or the Buyer.

24.3 If the Variation cannot be agreed or resolved by the Parties, CCS or the Buyer can

either: (a) agree that the Contract continues without the Variation; or

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- (b) terminate the affected Contract, unless in the case of an Order Contract, the Supplier has already provided part or all of the provision of the Deliverables, or where the Supplier can show evidence of substantial work being carried out to provide them; or
- (c) refer the Dispute to be resolved using Clause 34 (Resolving Disputes).

24.4 CCS and the Buyer are not required to accept a Variation request made by the Supplier.

24.5 If there is a General Change in Law, the Supplier must bear the risk of the change and is not entitled to ask for an increase to the DPS Pricing or the Charges.

24.6 If there is a Specific Change in Law or one is likely to happen during the Contract Period the Supplier must give CCS and the Buyer notice of the likely effects of the changes as soon as reasonably practical. They must also say if they think any Variation is needed either to the Deliverables, DPS Pricing or a Contract and provide evidence:

- (a) that the Supplier has kept costs as low as possible, including in Subcontractor costs; and
- (b) of how it has affected the Supplier's costs.

24.7 Any change in the DPS Pricing or relief from the Supplier's obligations because of a Specific Change in Law must be implemented using Clauses 24.1 to 24.4.

24.8 For 101(5) of the Regulations, if the Court declares any Variation ineffective, the Parties agree that their mutual rights and obligations will be regulated by the terms of the Contract as they existed immediately prior to that Variation and as if the Parties had never entered into that Variation.

25. How to communicate about the contract

25.1 All notices under the Contract must be in writing and are considered effective on the Working Day of delivery as long as they are delivered before 5:00pm on a Working Day. Otherwise the notice is effective on the next Working Day. An email is effective at 9:00am on the first Working Day after sending unless an error message is received.

25.2 Notices to CCS must be sent to the CCS Authorised Representative's address or email address indicated on the Platform.

25.3 Notices to the Buyer must be sent to the Buyer Authorised Representative's address or email address in the Order Form.

25.4 This Clause does not apply to the service of legal proceedings or any documents in any legal action, arbitration or dispute resolution.

26. Dealing with claims

26.1 If a Beneficiary is notified of a Claim then it must notify the Indemnifier as soon as reasonably

26.2 At the Indemnifier's cost the Beneficiary must both:

- (a) allow the Indemnifier to conduct all negotiations and proceedings to do with a Claim; and
- (b) give the Indemnifier reasonable assistance with the claim if requested.

26.3 The Beneficiary must not make admissions about the Claim without the prior written consent of the Indemnifier which can not be unreasonably withheld or delayed.

26.4 The Indemnifier must consider and defend the Claim diligently using competent legal advisors and in a way that does not damage the Beneficiary's reputation.

26.5 The Indemnifier must not settle or compromise any Claim without the Beneficiary's prior written consent which it must not unreasonably withhold or delay.

26.6 Each Beneficiary must take all reasonable steps to minimise and mitigate any losses that it suffers because of the Claim.

26.7 If the Indemnifier pays the Beneficiary money under an indemnity and the Beneficiary later recovers money which is directly related to the Claim, the Beneficiary must immediately repay the Indemnifier the lesser of either:

- (a) the sum recovered minus any legitimate amount spent by the Beneficiary when recovering this money; or
- (b) the amount the Indemnifier paid the Beneficiary for the Claim.

27. Preventing fraud, bribery and corruption

27.1 The Supplier must not during any Contract Period:

- (a) commit a Prohibited Act or any other criminal offence in the Regulations 57(1) and 57(2); or
- (b) do or allow anything which would cause CCS or the Buyer, including any of their employees, consultants, contractors, Subcontractors or agents to breach any of the Relevant Requirements or incur any liability under them.

27.2 The Supplier must during the Contract Period:

- (a) create, maintain and enforce adequate policies and procedures to ensure it complies with the Relevant Requirements to prevent a Prohibited Act and require its Subcontractors to do the same;
- (b) keep full records to show it has complied with its obligations under Clause 27 and give copies to CCS or the Buyer on request; and
- (c) if required by the Relevant Authority, within 20 Working Days of the Start Date of the relevant Contract, and then annually, certify in writing to the Relevant Authority, that they have complied with Clause 27, including compliance of Supplier Staff, and provide reasonable supporting evidence of this on request, including its policies and procedures.

27.3 The Supplier must immediately notify CCS and the Buyer if it becomes aware of any breach of Clauses 27.1 or 27.2 or has any reason to think that it, or any of the Supplier Staff, has either:

- (a) been investigated or prosecuted for an alleged Prohibited Act;
- (b) been debarred, suspended, proposed for suspension or debarment, or is otherwise ineligible to take part in procurement programmes or contracts because of a Prohibited Act by any government department or agency;
- (c) received a request or demand for any undue financial or other advantage of any kind related to a Contract; or
- (d) suspected that any person or Party directly or indirectly related to a Contract has committed or attempted to commit a Prohibited Act.

27.4 If the Supplier notifies CCS or the Buyer as required by Clause 27.3, the Supplier must respond promptly to their further enquiries, co-operate with any investigation and allow the Audit of any books, records and relevant documentation.

27.5 In any notice the Supplier gives under Clause 27.3 it must specify the:

- (a) Prohibited Act;
- (b) identity of the Party who it thinks has committed the Prohibited Act; and
- (c) action it has decided to take.

28. Equality, diversity and human rights

28.1 The Supplier must follow all applicable equality Law when they perform their obligations under the Contract, including:

- (a) protections against discrimination on the grounds of race, sex, gender reassignment, religion or belief, disability, sexual orientation, pregnancy, maternity, age or otherwise; and
- (b) any other requirements and instructions which CCS or the Buyer reasonably imposes related to equality Law.

28.2 The Supplier must take all necessary steps, and inform CCS or the Buyer of the steps taken, to prevent anything that is considered to be unlawful discrimination by any court or tribunal, or the Equality and Human Rights Commission (or any successor organisation) when working on a Contract.

29. Health and safety

29.1 The Supplier must perform its obligations meeting the requirements of:

- (a) all applicable Law regarding health and safety; and
- (b) the Buyer's current health and safety policy while at the Buyer's Premises, as provided to the Supplier.

29.2 The Supplier and the Buyer must as soon as possible notify the other of any health and safety incidents

or material hazards they are aware of at the Buyer Premises that relate to the performance of a Contract.

30. Environment

30.1 When working on Site the Supplier must perform its obligations under the Buyer's current Environmental Policy, which the Buyer must provide.

30.2 The Supplier must ensure that Supplier Staff are aware of the Buyer's Environmental Policy.

31. Tax

31.1 The Supplier must not breach any Tax or social security obligations and must enter into a binding agreement to pay any late contributions due, including where applicable, any interest or any fines. CCS and the Buyer cannot terminate a Contract where the Supplier has not paid a minor Tax or social security contribution.

31.2 Where the Charges payable under a Contract with the Buyer are or are likely to exceed £5 million at any point during the relevant Contract Period, and an Occasion of Tax Non-Compliance occurs, the Supplier must notify CCS and the Buyer of it within 5 Working Days including:

- (a) the steps that the Supplier is taking to address the Occasion of Tax Non-Compliance and any mitigating factors that it considers relevant; and
- (b) other information relating to the Occasion of Tax Non-Compliance that CCS and the Buyer may reasonably need.

31.3 Where the Supplier or any Supplier Staff are liable to be taxed or to pay National Insurance contributions in the UK relating to payment received under an Order Contract, the Supplier must both:

- (a) comply with the Income Tax (Earnings and Pensions) Act 2003 and all other statutes and regulations relating to income tax, the Social Security Contributions and Benefits Act 1992 (including IR35) and National Insurance contributions; and
- (b) indemnify the Buyer against any Income Tax, National Insurance and social security contributions and any other liability, deduction, contribution, assessment or claim arising from or made during or after the Contract Period in connection with the provision of the Deliverables by the Supplier or any of the Supplier Staff.

31.4 If any of the Supplier Staff are Workers who receive payment relating to the Deliverables, then the Supplier must ensure that its contract with the Worker contains the following requirements:

- (a) the Buyer may, at any time during the Contract Period, request that the Worker provides information which demonstrates they comply with Clause 31.3, or why those requirements do not apply, the Buyer can specify the information the Worker must provide and the deadline for responding;
- (b) the Worker's contract may be terminated at the Buyer's request if the Worker fails to provide the

information requested by the Buyer within the time specified by the Buyer;

- (c) the Worker's contract may be terminated at the Buyer's request if the Worker provides information which the Buyer considers is not good enough to demonstrate how it complies with Clause 31.3 or confirms that the Worker is not complying with those requirements; and
- (d) the Buyer may supply any information they receive from the Worker to HMRC for revenue collection and management.

32. Conflict of interest

32.1 The Supplier must take action to ensure that neither the Supplier nor the Supplier Staff are placed in the position of an actual or potential Conflict of Interest.

32.2 The Supplier must promptly notify and provide details to CCS and each Buyer if a Conflict of Interest happens or is expected to happen.

32.3 CCS and each Buyer can terminate its Contract immediately by giving notice in writing to the Supplier or take any steps it thinks are necessary where there is or may be an actual or potential Conflict of Interest.

33. Reporting a breach of the contract

33.1 As soon as it is aware of it the Supplier and Supplier Staff must report to CCS or the Buyer any actual or suspected breach of:

- (a) Law;
- (b) Clause 12.1; or
- (c) Clauses 27 to 32.

33.2 The Supplier must not retaliate against any of the Supplier Staff who in good faith reports a breach listed in Clause 33.1 to the Buyer or a Prescribed Person.

34. Resolving disputes

34.1 If there is a Dispute, the senior representatives of the Parties who have authority to settle the Dispute will, within 28 days of a written request from the other Party, meet in good faith to resolve the Dispute.

34.2 If the Dispute is not resolved at that meeting, the Parties can attempt to settle it by mediation using the Centre for Effective Dispute Resolution (CEDR) Model Mediation Procedure current at the time of the Dispute. If the Parties cannot agree on a mediator, the mediator will be nominated by CEDR. If either Party does not wish to use, or continue to use mediation, or mediation does not resolve the Dispute, the Dispute must be resolved using Clauses 34.3 to 34.5.

34.3 Unless the Relevant Authority refers the Dispute to arbitration using Clause 34.4, the Parties irrevocably agree that the courts of England and Wales have the exclusive jurisdiction to:

- (a) determine the Dispute;

(c) grant any other provisional or protective relief.

34.4 The Supplier agrees that the Relevant Authority has the exclusive right to refer any Dispute to be finally resolved by arbitration under the London Court of International Arbitration Rules current at the time of the Dispute. There will be only one arbitrator. The seat or legal place of the arbitration will be London and the proceedings will be in English.

34.5 The Relevant Authority has the right to refer a Dispute to arbitration even if the Supplier has started or has attempted to start court proceedings under Clause 34.3, unless the Relevant Authority has agreed to the court proceedings or participated in them. Even if court proceedings have started, the Parties must do everything necessary to ensure that the court proceedings are stayed in favour of any arbitration proceedings if they are started under Clause 34.4.

34.6 The Supplier cannot suspend the performance of a Contract during any Dispute.

35. Which law applies

This Contract and any Disputes arising out of, or connected to it, are governed by English law.

Joint Schedule 5 (Corporate Social Responsibility)

1. What we expect from our Suppliers

- 1.1 In September 2017, HM Government published a Supplier Code of Conduct setting out the standards and behaviours expected of suppliers who work with government.
(https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/646497/2017-09-13_Official_Sensitive_Supplier_Code_of_Conduct_September_2017.pdf)
- 1.2 CCS expects its suppliers and subcontractors to meet the standards set out in that Code. In addition, CCS expects its suppliers and subcontractors to comply with the standards set out in this Schedule.
- 1.3 The Supplier acknowledges that the Buyer may have additional requirements in relation to corporate social responsibility. The Buyer expects that the Supplier and its Subcontractors will comply with such corporate social responsibility requirements as the Buyer may notify to the Supplier from time to time.

2. Equality and Accessibility

- 2.1 In addition to legal obligations, the Supplier shall support CCS and the Buyer in fulfilling its Public Sector Equality duty under S149 of the Equality Act 2010 by ensuring that it fulfils its obligations under each Contract in a way that seeks to:
 - 2.1.1 eliminate discrimination, harassment or victimisation of any kind; and
 - 2.1.2 advance equality of opportunity and good relations between those with a protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage and civil partnership) and those who do not share it.

3. Modern Slavery, Child Labour and Inhumane Treatment

"Modern Slavery Helpline" means the mechanism for reporting suspicion, seeking help or advice and information on the subject of modern slavery available online at <https://www.modernslaveryhelpline.org/report> or by telephone on 08000 121 700.

- 3.1 The Supplier:
 - 3.1.1 shall not use, nor allow its Subcontractors to use forced, bonded or involuntary prison labour;
 - 3.1.2 shall not require any Supplier Staff or Subcontractor Staff to lodge deposits or identify papers with the Employer and shall be free to leave their employer after reasonable notice;
 - 3.1.3 warrants and represents that it has not been convicted of any slavery or human trafficking offences anywhere around the world.
 - 3.1.4 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.

- 3.1.5 shall make reasonable enquires to ensure that its officers, employees and Subcontractors have not been convicted of slavery or human trafficking offences anywhere around the world.
- 3.1.6 shall have and maintain throughout the term of each Contract its own policies and procedures to ensure its compliance with the Modern Slavery Act and include in its contracts with its Subcontractors anti-slavery and human trafficking provisions;
- 3.1.7 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 a Contract;
- 3.1.8 shall prepare and deliver to CCS, 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 with its annual certification of compliance with Paragraph 3;
- 3.1.9 shall not use, nor allow its employees or Subcontractors 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 Subcontractors;
- 3.1.10 shall not use or allow child or slave labour to be used by its Subcontractors;
- 3.1.11 shall report the discovery or suspicion of any slavery or trafficking by it or its Subcontractors to CCS, the Buyer and Modern Slavery Helpline.

4. Income Security

4.1 The Supplier shall:

- 4.1.1 ensure that all wages and benefits paid for a standard working week meet, at a minimum, national legal standards in the country of employment;
- 4.1.2 ensure that all Supplier Staff are provided with written and understandable Information about their employment conditions in respect of wages before they enter;
- 4.1.3 ensure that all workers are provided with written and understandable Information about their employment conditions in respect of wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid;
- 4.1.4 not make deductions from wages:
 - (a) as a disciplinary measure
 - (b) except where permitted by law; or
 - (c) without expressed permission of the worker concerned;
- 4.1.5 record all disciplinary measures taken against Supplier Staff; and

- 4.1.6 ensure that Supplier Staff are engaged under a recognised employment relationship established through national law and practice.

5. Working Hours

5.1 The Supplier shall:

- 5.1.1 ensure that the working hours of Supplier Staff comply with national laws, and any collective agreements;
- 5.1.2 ensure that the working hours of Supplier Staff, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week unless the individual has agreed in writing;
- 5.1.3 ensure that use of overtime is used responsibly, taking into account:
 - (a) the extent;
 - (b) frequency; and
 - (c) hours worked;

by individuals and by the Supplier Staff as a whole;

- 5.2 The total hours worked in any seven day period shall not exceed 60 hours, except where covered by Paragraph 5.3 below.
- 5.3 Working hours may exceed 60 hours in any seven day period only in exceptional circumstances where all of the following are met:
 - 5.3.1 this is allowed by national law;
 - 5.3.2 this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
 - 5.3.3 appropriate safeguards are taken to protect the workers' health and safety; and
 - 5.3.4 the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.
- 5.4 All Supplier Staff shall be provided with at least one (1) day off in every seven (7) day period or, where allowed by national law, two (2) days off in every fourteen (14) day period.

6. Sustainability

- 6.1 The supplier shall meet the applicable Government Buying Standards applicable to Deliverables which can be found online at:

<https://www.gov.uk/government/collections/sustainable-procurement-the-government-buying-standards-gbs>