



Department
of Health &
Social Care

From: [REDACTED], Deputy Director, Strategic Procurement

39 Victoria Street, London, SW1H 0EU

To: [REDACTED] – Director of Operations, Heathrow Airport Limited

The Compass Centre, Nelson Road, Hounslow, Middlesex TW6 2GW

By email to: [REDACTED]@[REDACTED]

Date: 20 September 2021

Dear Sirs,

MQS Port of Arrival – Category 3 Country and Territory Direct Arrivals at Heathrow Airport

Following our discussions in relation to arrangements at Heathrow Airport for the treatment of air passengers arriving directly from category 3 countries and territories, we are pleased to confirm our intention to award this contract to you.

The attached contract details ("**Order Form**"), contract conditions and Annexes set out the terms of the contract between the Secretary of State for Health and Social Care and Heathrow Airport Limited for carrying out the Airport Operator Obligations set out in the Order Form.

We thank you for your co-operation to date, and look forward to forging a successful working relationship resulting in a smooth and successful delivery of the Airport Terminal Requirements. Please confirm your acceptance of the Annexes and Conditions by signing and returning the Order Form by way of e-mail to [REDACTED] at the above address by 5pm on 20 September 2021. No other form of acknowledgement will be accepted. Please remember to include the reference number above in any future communications relating to this contract.

We will then arrange for Order Form to be countersigned which will create a binding contract between us.

Yours faithfully,

Order Form

1. Contract Reference	C49064
2. Date	20 September 2021
3. DHSC	Secretary of State for Health and Social Care of 39 Victoria Street, Westminster, London, SW1H 0EU
4. Airport Operator	Heathrow Airport Limited The Compass Centre Nelson Road Hounslow Middlesex TW6 2GW
5. Airport	Heathrow Airport
6. The Contract	<p>The Airport Operator shall carry out the Airport Operator Obligations described below on the terms set out in this Order Form and the attached contract conditions ("Conditions") and any Annexes (and together the Order Form, Conditions and Annexes are "the Contract").</p> <p>Unless the context otherwise requires, capitalised expressions used in this Order Form have the same meanings as in Conditions.</p> <p>In the event of any conflict or ambiguity between the parts of this Contract, a term contained in a part listed higher in the following list shall have priority over one contained in a part of the Contract lower in the list:</p> <ol style="list-style-type: none"> 1. this Order Form; 2. Annex 2 (Airport Terminal Requirements); 3. the Conditions; 4. Annex 3 (Costs); 5. Annex 4 (Approved Plan); and 6. Annex 5 (Form of Estimated Monthly Costs). <p>Please do not attach any Airport Operator terms and conditions to this Order Form as they will not be accepted by DHSC and may delay conclusion of the Contract.</p>
7. Airport Operator Obligations	<p>The participation by the Airport Operator in a DHSC pilot at Heathrow Airport whereby direct arrivals from Red List Locations are to be, and indirect arrivals from Red List Locations may be, processed in a passenger terminal facility dedicated exclusively to arrivals from those countries and territories and including:</p> <p>(i) the works and services required to make operational the designated (from time to time) terminal space at the Airport</p>

	<p>such that it complies with the Airport Terminal Requirements; and</p> <p>(ii) the services required to operate and maintain that terminal space to manage and process those arrivals effectively in accordance with those minimum Airport Terminal Requirements.</p>
8. Airport Terminal Requirements	The requirements for the mobilisation and operation of the designated terminal space and incidental activities as set out in Annex 2 (Airport Terminal Requirements).
9. Term	<p>The Term shall be deemed to have commenced on 1 June 2021</p> <p>and the Expiry Date shall be 31 March 2022 unless it is terminated earlier in accordance with the terms and conditions of the Contract.</p>
10. Charges	The amounts that the Airport Operator shall be able to recover for carrying out the Airport Operator Obligations shall be as set out in Annex 3 (Costs).
11. Payment	<p>All invoices must be sent, quoting a valid purchase order number (PO Number), and relevant Supporting Documentation to: ████@████</p> <p>Within 10 Working Days of receipt of your countersigned copy of this letter, we will send you a unique PO Number. You must be in receipt of a valid PO Number before submitting an invoice.</p> <p>To avoid delay in payment it is important that the invoice is compliant, is presented with the requisite Supporting Documentation and that it includes a valid PO Number, PO Number item number (if applicable) and the details (name and telephone number) of your DHSC contact (i.e. Contract Manager). Non-compliant invoices will be sent back to you, which may lead to a delay in payment.</p> <p>If you have a query regarding an outstanding payment please contact our Accounts Payable section either by email to █████@████ between 09:00 – 17:00 Monday to Friday</p> <p>████@████ or by telephone +44 █████ between 09:00-17:00 Monday to Friday.</p>

12. DHSC Contract Manager(s)	<p>For general liaison your contact will continue to be</p> <p>████ - Managed Quarantine Service Account Manager ████@████ ████</p> <p>or, in their absence,</p> <p>████ - Head of Airside Operate ████@████</p>		
13. Airport Operator Contract Manager(s)	<p>For general liaison your contact will continue to be</p> <p>████ – Head of Airport Operations ████@████</p> <p>or, in their absence,</p> <p>████ – Director of Operations █████@████</p>		
14. Address notices for	<table border="0"> <tr> <td style="vertical-align: top;"> DHSC: ████ Deputy Director Procurement ████@████ </td><td style="vertical-align: top;"> Airport Operator: Heathrow Airport Limited The Compass Centre Nelson Road Hounslow Middlesex TW6 2GW Attention: Deputy General Counsel Email: █████@████ </td></tr> </table>	DHSC: ████ Deputy Director Procurement ████@████	Airport Operator: Heathrow Airport Limited The Compass Centre Nelson Road Hounslow Middlesex TW6 2GW Attention: Deputy General Counsel Email: █████@████
DHSC: ████ Deputy Director Procurement ████@████	Airport Operator: Heathrow Airport Limited The Compass Centre Nelson Road Hounslow Middlesex TW6 2GW Attention: Deputy General Counsel Email: █████@████		
15. Procedures and Policies	<p>For the purposes of the Contract the Staff Vetting Procedures are as follows:</p> <p>The Airport Operator shall have in place appropriate procedures for the vetting of any person (or category of persons) employed in carrying out the Airport Operator Obligations which shall include (for any person requiring airside access) a Disclosure and Barring Service check.</p>		

Signed for and on behalf of Heathrow Airport Limited	Signed for and on behalf of the Secretary of State for Health and Social Care
Name: [REDACTED] Chief Operating Officer	Name: [REDACTED] Deputy Director
Date: 20 th September 2021	Date: 20 th September 2021
Signature:	Signature:

Annex 1 – Data Protection – NOT USED

Annex 2 –Airport Terminal Requirements

[illegible]

[REDACTED]

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Annex 3 – Costs

1. Interpretation

- 1.1 In this Annex 3 capitalised terms shall have the meaning given to them in clause 1 of the Conditions.

2. Recovery of Costs

- 2.1 At the commencement of the Contract, the Approved Plan will contain the approved Monthly Estimated Costs for the first Month. At least 10 calendar days prior to the commencement of each Month (save in relation to the first Month), the Airport Operator shall provide DHSC with its Monthly Estimated Costs in an agreed form produced at Annex 5 (Form of Estimated Monthly Costs).

- 2.2 As at the date of this Contract, the Airport Operator confirms that it does not receive any additional revenue from operating the Red List Arrivals Facility. The Airport Operator agrees to notify DHSC in the event that it does receive any such additional revenue (to the extent that it would not otherwise have received that revenue had those Red List Passengers been processed through other Airport facilities) and the Parties shall agree how to account for the same in the calculation of Charges.

- 2.3 DHSC shall review the Monthly Estimated Costs and shall be permitted to ask any relevant questions and clarifications in relation to the same and, unless it is reasonable for it not to do so, shall approve the Monthly Estimated Costs. Any disagreement about the proposed Monthly Estimated Costs may be escalated in accordance with the Fast Track Escalation Process and, if not resolved, shall be determined through the Dispute Resolution Procedure.

- 2.4 During the course of any Month, adjustments to the approved Monthly Estimated Costs may be notified by the Airport Operator and shall be subject to the approval process set out in paragraph 2.3 above.

- 2.5 At any time during each Month, the Airport Operator shall be entitled to raise an invoice for its actual Incremental Costs incurred in carrying out the Airport Operator Obligations during the previous Month with Supporting Documentation provided always:

- (a) such actual Incremental Costs qualify as Allowable Costs; and
- (b) such actual Incremental Costs do not exceed the value of the relevant approved Monthly Estimated Costs unless any such excess is attributable to any material variance in processing demand for arrivals from Red List Locations

VAT will be applied to all amounts included in an invoice.

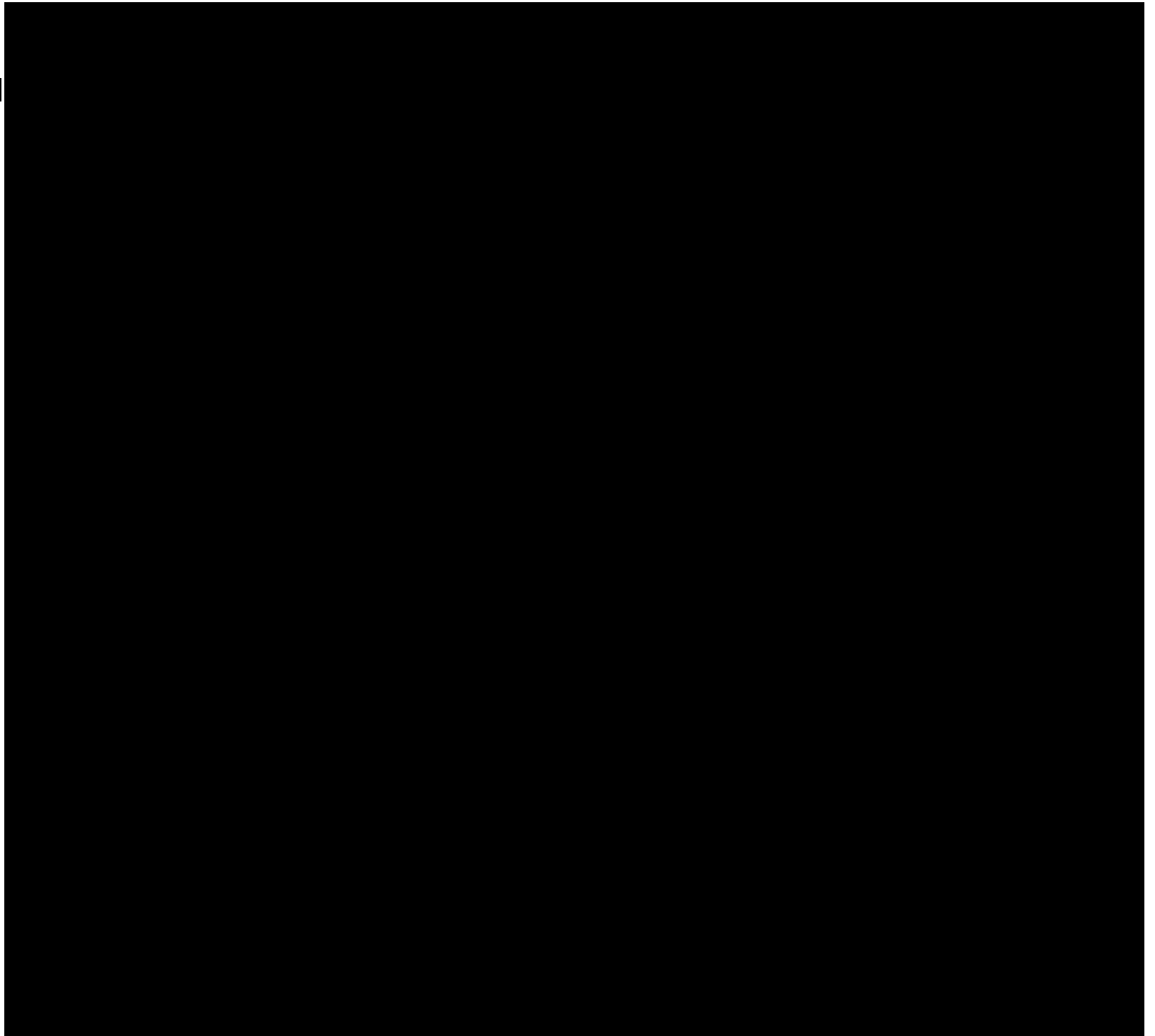
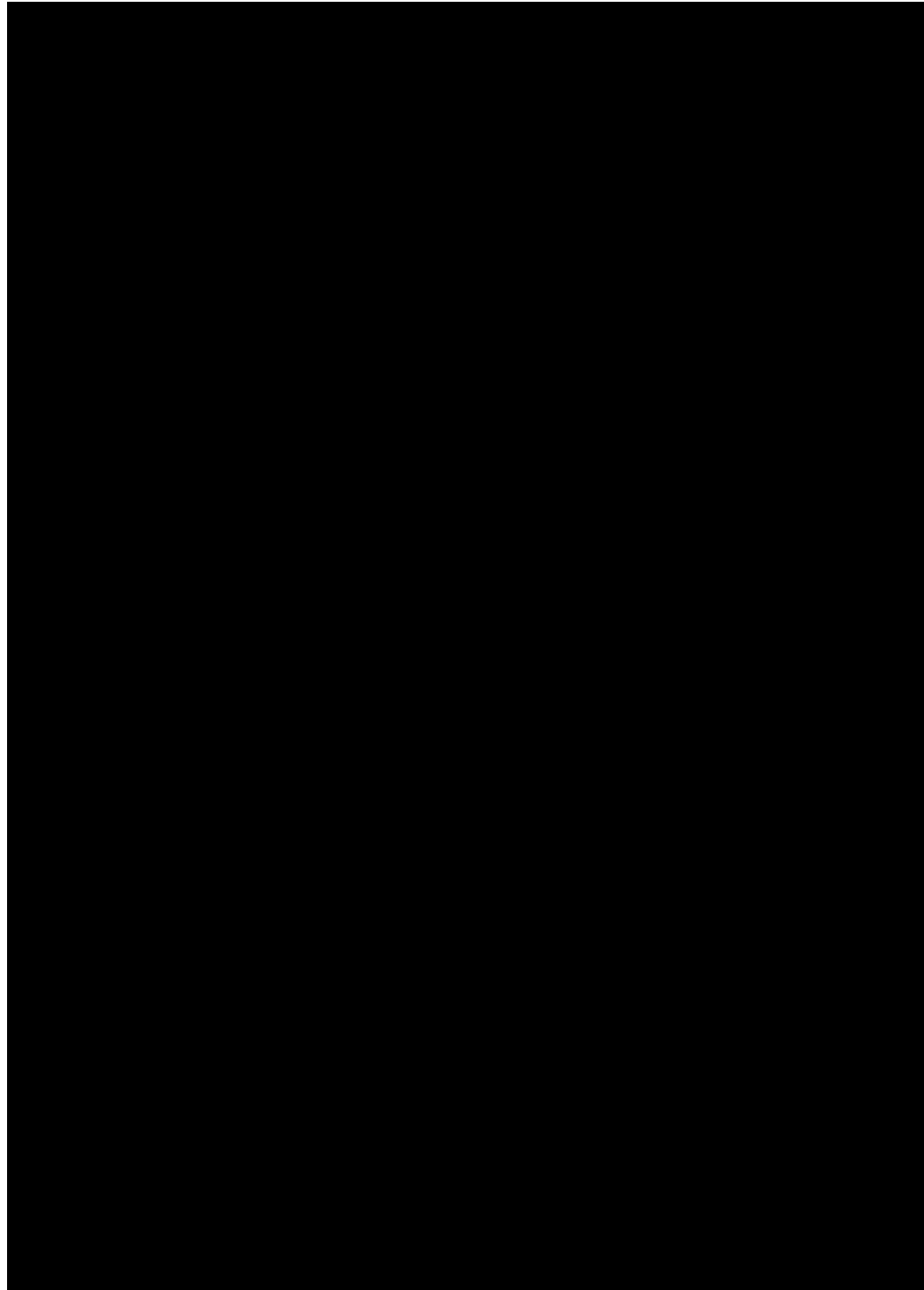
- 2.6 DHSC shall pay the Airport Operator all elements of an invoice submitted in accordance with paragraph 2.5 in full where it reasonably believes that such sums are valid and properly due according to the terms of this Contract:

- (a) for the first invoice claim, within 14 calendar days of receipt following execution of the Contract; and

- (b) on all other occasions, within fourteen (14) calendar days of receipt.
- 2.7 Incremental costs incurred by airlines in supporting the operation of the RLAF may be included in Monthly Estimated Costs (where these have been notified to the Airport Operator by the airline) and subsequently included in an invoice. DHSC recognises that the Airport Operator will only be able to provide such supporting documentation as has been provided by the relevant airline and that the Airport Operator has no controls over such costs.
- 2.8 Where DHSC reasonably believes that an invoice contains a sum which is not valid and properly due according to the terms of this Contract, DHSC shall
- (a) pay in full all sums included in the invoice which are not disputed within the timescales set out in paragraph 2.6; and
 - (b) notify the Airport Operator setting out the reasons why DHSC considers that a sum included in the invoice is not valid and properly due according to the terms of this Contract (a "**Disputed Amount**").
- 2.9 The Parties shall endeavour to resolve the issues in respect of a Disputed Amount no later than 10 days following the latest date for payment of the relevant invoice.
- 2.10 If the Parties resolve the issues as referred to in paragraph 2.9, DHSC shall pay the Airport Operator the relevant amount (as resolved between the Parties) within fourteen (14) days either of the issue being resolved (if no adjustment is required to the invoice in respect of the Disputed Amount) or within 14 days of receipt of a revised invoice (if any adjustment was required in respect of the Disputed Amount).
- 2.11 Any Disputed Amount which remains disputed by the Parties shall be referred to the resolving disputes process in clause 32 of the Conditions.
- 2.12 The Parties agree and acknowledge that the Airport Operator shall not be entitled to claim a profit margin on the actual Incremental Costs incurred in carrying out the Airport Operator Obligations provided that this shall not preclude recovery by the Airport Operator of amounts paid to suppliers by way of their contractual profit entitlement.
- 2.13 The Parties agree and acknowledge that a fixed percentage at a rate of:
- (a) ■■■% of all Incremental Costs shall be applied to all Incremental Costs from 1 June 2021 until 31 July 2021; and
 - (b) ■■■% of all Incremental Costs shall be applied to all Incremental Costs from 1 August 2021 and thereafter for the remainder of the Term, and
- the same shall be paid by DHSC under each Monthly invoice by way of a contribution towards the overhead costs incurred by the Airport Operator in carrying out the Airport Operator Obligations under the Contract. Without prejudice to the subsidy control provisions set out in clause 34 of the Conditions, payment of this fixed percentage amount shall not be subject to any of the requirements contained in this Contract relating to Allowable Costs, Supporting Documentation, Open Book Data and/or audit.

- 2.14 In addition to providing the Supporting Documentation with any invoice, the Airport Operator shall provide to DHSC promptly on being requested to do so such Open Book Data or other information as is available to the Airport Operator and as DHSC may reasonably request from time to time to verify that the costs for which the Airport Operator is or may be seeking payment under this Contract constitute Allowable Costs.

Annex 4 – Approved Plan



[REDACTED]

[REDACTED]

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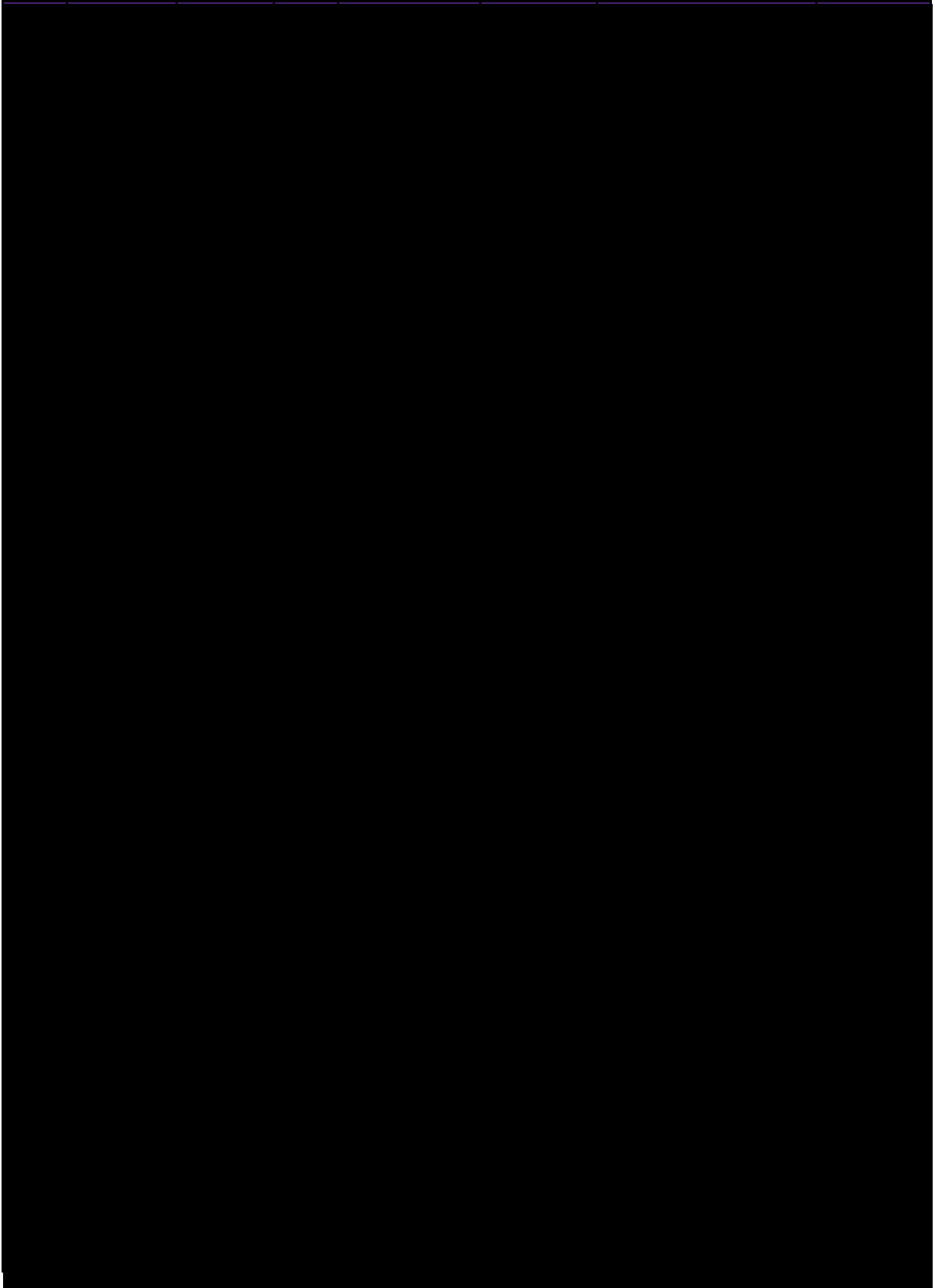
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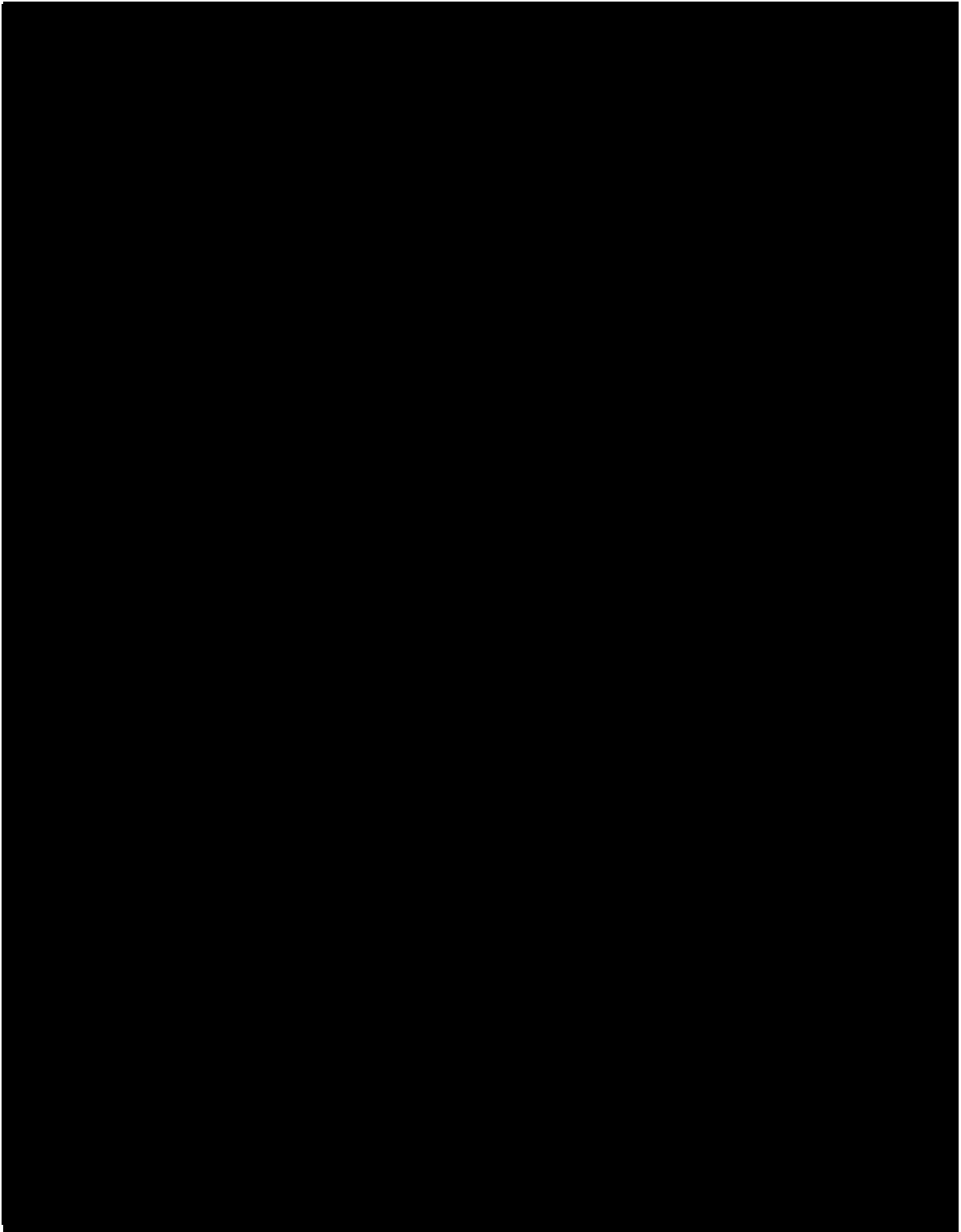
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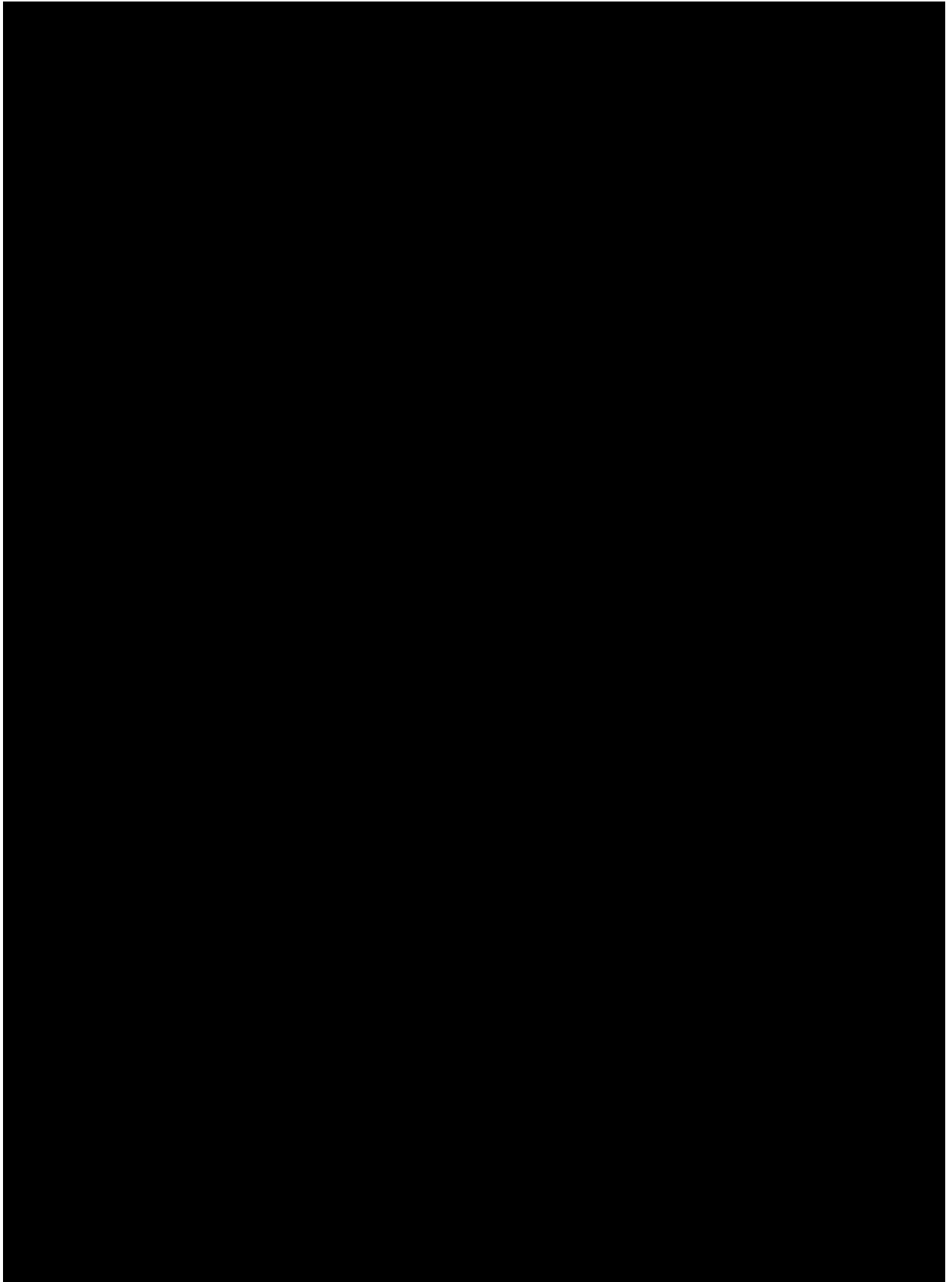
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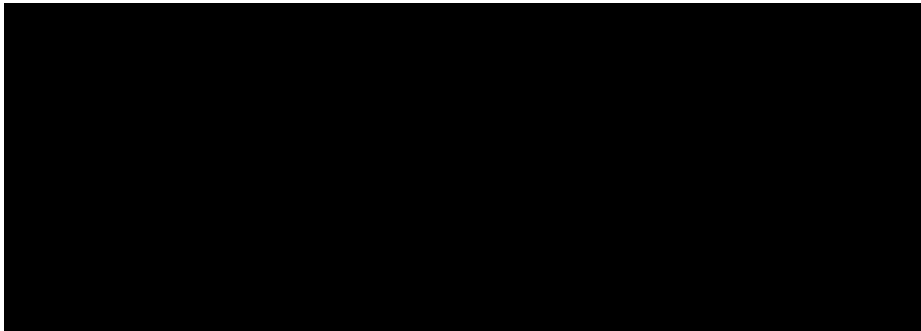




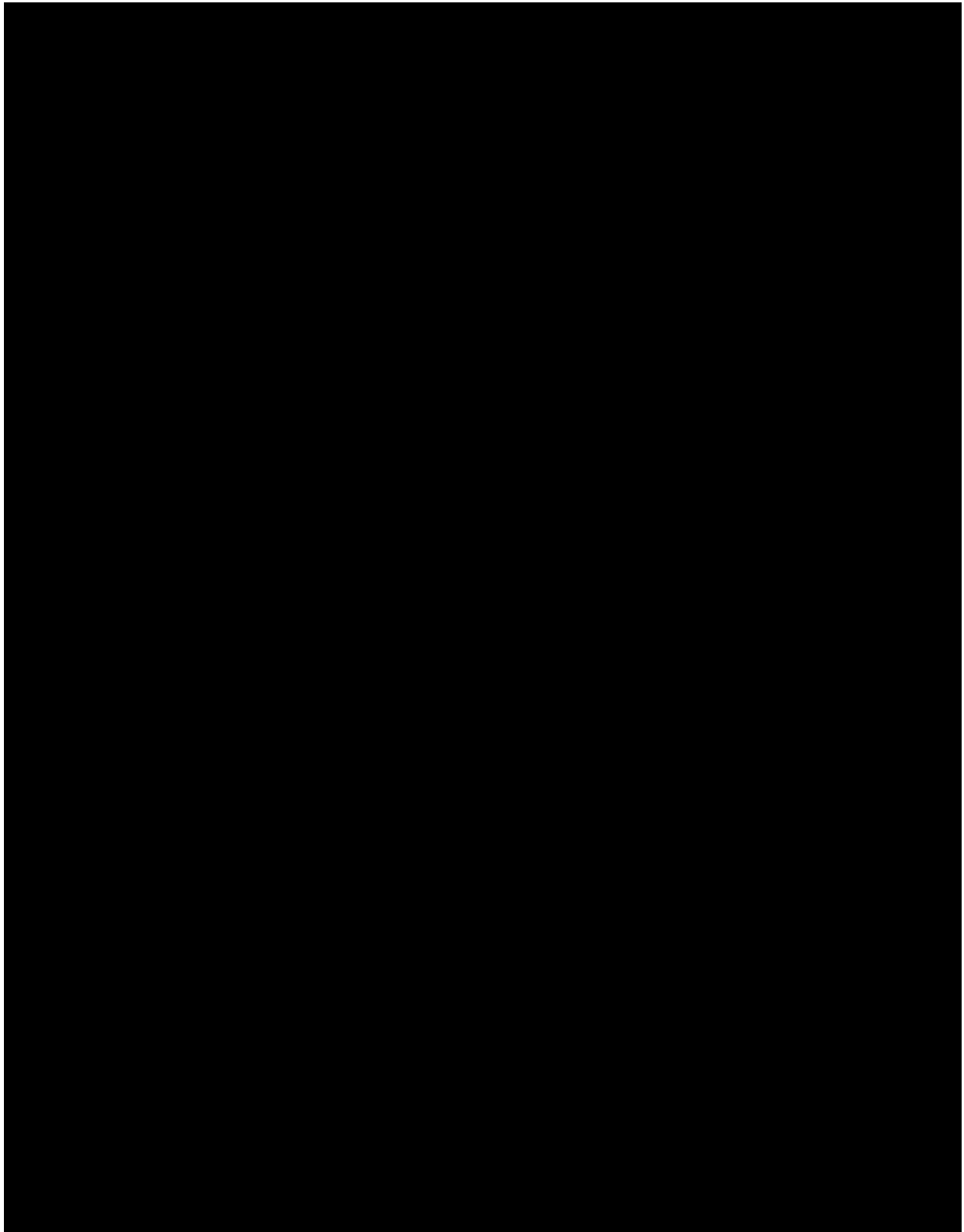




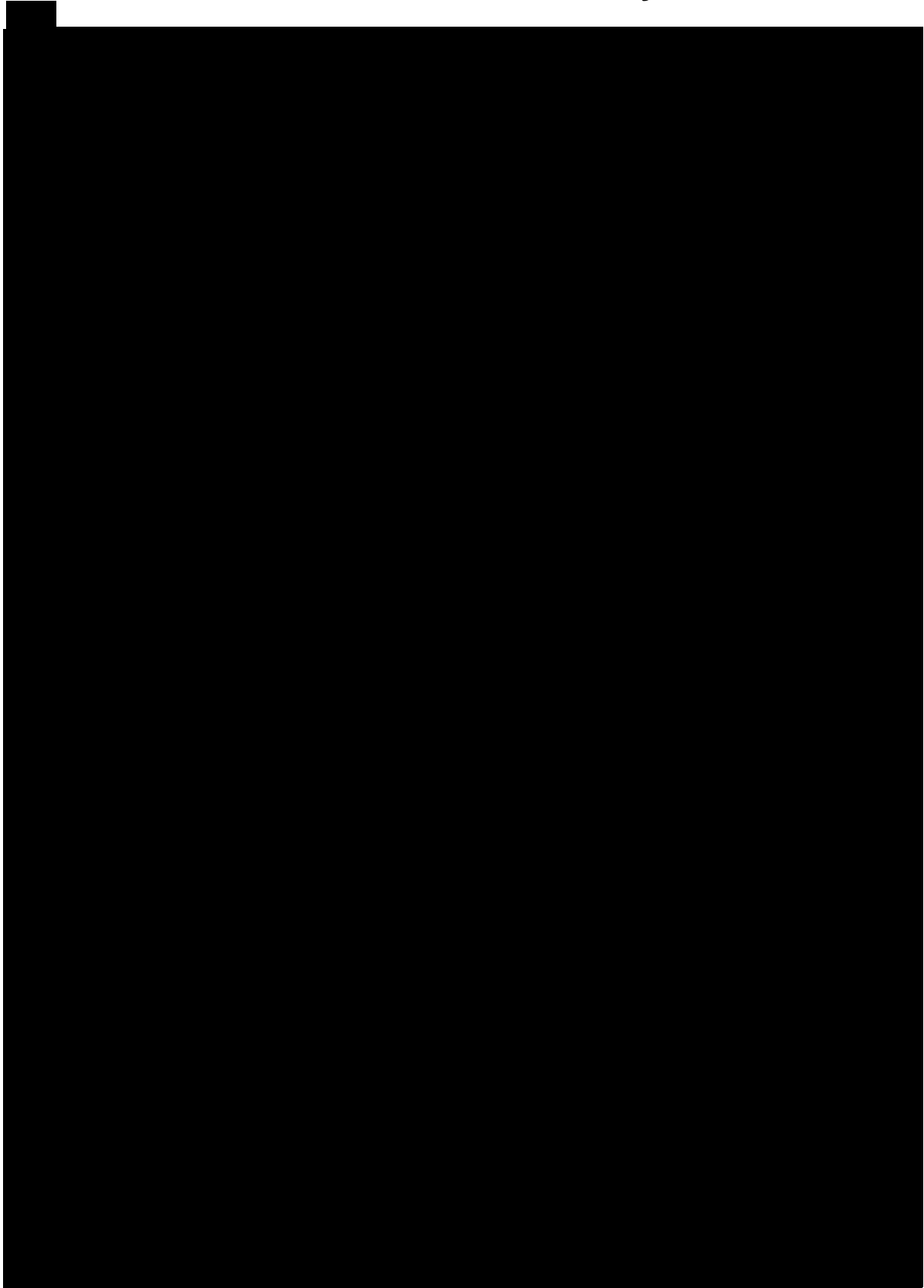
Fixed Assets

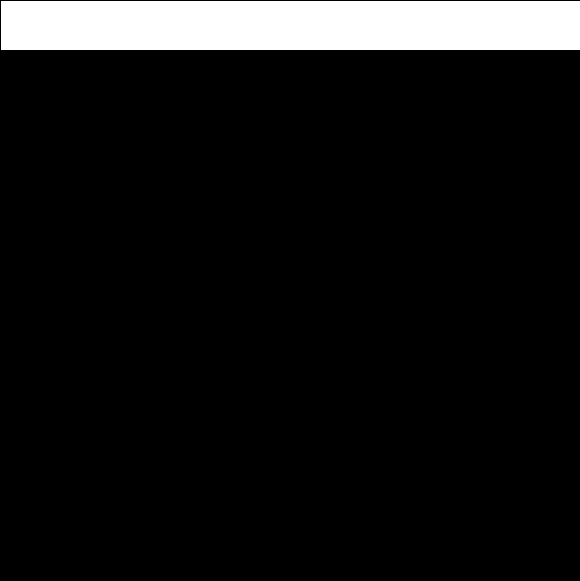
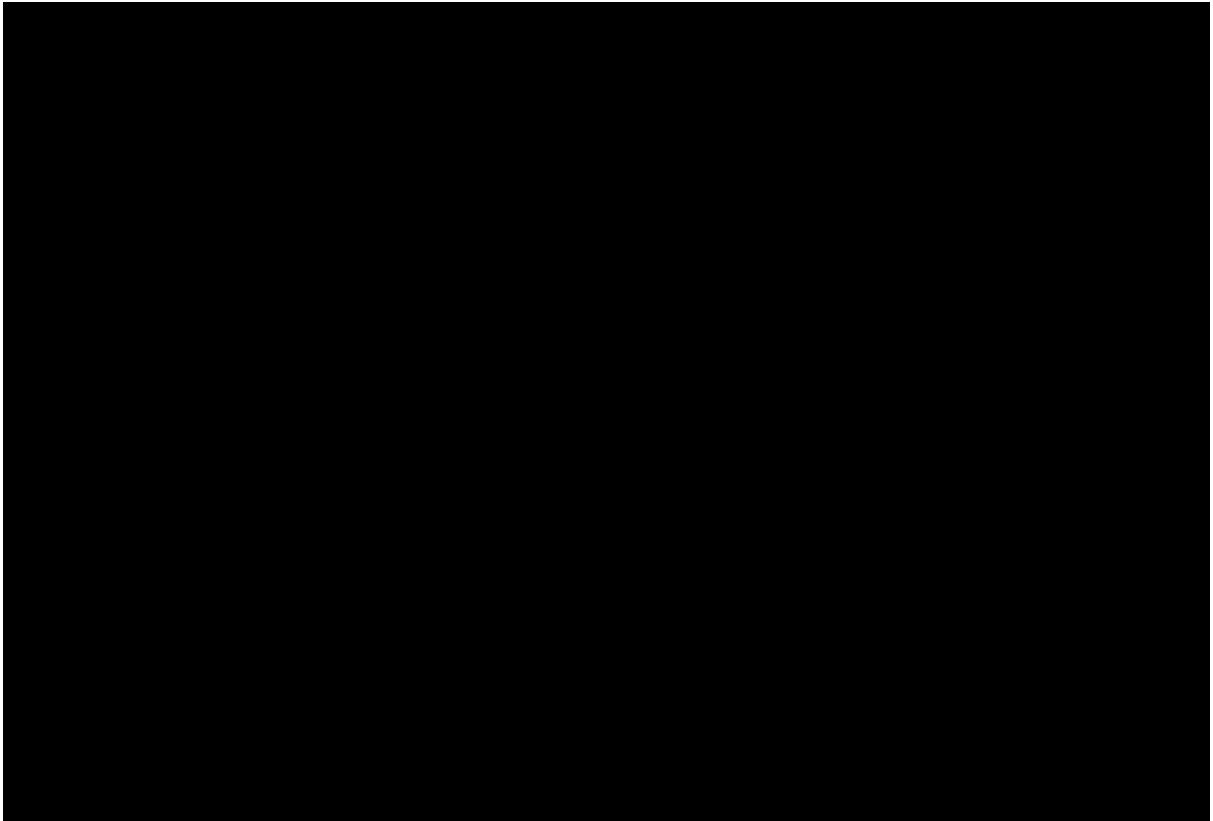


One Off Costs



Annex 5 – Form of Estimated Monthly Costs





Conditions: Short Form Terms

1. Definitions used in the Contract

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

"Airport"	shall have the meaning set out in the Order Form;
"Airport Operator"	means the person named as Airport Operator in the Order Form;
"Airport Operator Obligations"	shall have the meaning set out in the Order Form;
"Airport Operator Staff"	all directors, officers, employees, agents, consultants and contractors of the Airport Operator and/or of any Subcontractor engaged in carrying out the Airport Operator Obligations under the Contract;
"Airport Terminal Requirements"	shall have the meaning set out in the Order Form;
"Allowable Costs"	means costs: <ul style="list-style-type: none">(a) which have been approved in principle by DHSC as being an allowable cost in the Approved Plan;(b) which are appropriate (i.e. means a cost that could reasonably be expected to be incurred in carrying out the Airport Operator Obligations and that is capable of withstanding public scrutiny as being justifiable);(c) which are attributable (i.e. means a cost that is wholly attributable to and only incurred in pursuit of the aims of and in carrying out the Airport Operator Obligations (including expected categories of Reinstatement Costs)), will not be recovered in any way from another contract, is consistent with generally accepted accounting principles and has a causal relationship with the carrying out the Airport Operator Obligations) provided that it is acknowledged by the Parties that the extent to which an Airport-wide cost is attributable to the Airport Operator Obligations may in certain cases

be required to be based on reasonable assumptions (percentage based or otherwise); and

- (d) which are both reasonable (i.e. does not exceed what might reasonably be expected to be incurred in all circumstances in relation to the particular activity in question, is consistent with available market benchmarks, represents value for money for the UK taxpayer and can be evidenced on a sound, and preferably empirical, basis) and are no greater than are charged for the provision of the same or equivalent services elsewhere at the Airport (noting that there will be variances against other Airport areas due to the nature of the Airport Operator Obligations and the designated terminal space);

“Approved Plan”

means the plan (contained in Annex 4) which has been prepared by the Airport Operator and approved by DHSC and which contains the following:

- (i) details of the required Supporting Documentation to be provided by the Airport Operator in respect of categories of Charges and which will be accepted by DHSC as proper substantiation of such categories of Incremental Costs;
- (ii) assumptions on which the Monthly Estimated Costs for the first Month are based including with respect to numbers of passengers and flights arriving at the designated terminal facility for direct arrivals from Red List Locations;
- (iii) agreed rates chargeable in respect of Airport Operator Staff costs;
- (iv) the categories of Repayable Costs that might be repayable by the Airport Operator in accordance with clause 10;
- (v) expected categories of Reinstatement Costs; and
- (vi) details of the Assets to be retained by the Airport Operator on termination or expiry of the Contract and mechanism for disposal/sale or acquisition by DHSC of any Assets that are not to be retained by the Airport Operator;

as may be amended by agreement of the Parties from time to time in accordance with the Fast Track Escalation Process or clause 24 of the Conditions;

"Asset(s)"	means any asset acquired by the Airport Operator for the purpose of carrying out the Airport Operator Obligations in accordance with this Contract with a value of [REDACTED] ([REDACTED] pounds sterling) or greater;
"Audit Agents"	<ul style="list-style-type: none">(a) DHSC's internal and external auditors;(b) DHSC's statutory or regulatory auditors;(c) the Comptroller and Auditor General, their staff and/or any appointed representatives of the National Audit Office;(d) HM Treasury or the Cabinet Office;(e) any party formally appointed by DHSC to carry out audit or similar review functions; and(f) successors or assigns of any of the above;
"Central Government Body"	<p>means a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics:</p> <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; ord) Executive Agency;
"Charges"	means the amounts that the Airport Operator shall be able to recover for carrying out the Airport Operator Obligations in accordance with the Airport Terminal Requirements, as set out in Annex 3 (Costs);
"Confidential Information"	means all information, whether written or oral (however recorded), provided by the disclosing Party to the receiving Party and which (i) is known by the receiving Party to be confidential; (ii) is marked as or stated to be confidential; or (iii) ought reasonably to be considered by the receiving Party to be confidential and includes, for the avoidance of doubt, the Approved Plan and all information relating to the Charges (including Supporting Documentation and Open Book Data);
"Contract"	means the contract between (i) DHSC and (ii) the Airport Operator which is created by the Airport Operator counter signing the Order Form and includes the Order Form and Annexes;
"Contract Managers"	are named in the Order Form;

"Data Protection Legislation"	means all applicable data protection and privacy legislation in force from time to time in the UK including without limitation the UK GDPR; the Data Protection Act 2018; the Privacy and Electronic Communications Regulations 2003 (SI 2003/2426) as amended; and the guidance and codes of practice issued by the Information Commissioner or relevant Government department in relation to such legislation;
"DHSC"	means the Secretary of State for Health and Social Care;
"DHSC's Authorised Representatives"	means DHSC's authorised representatives as set out in the Order Form;
"Disposal Costs"	means the costs associated with the Airport Operator's disposal of Assets less any revenue generated from their sale in accordance with clause 10.5(b);
"Dispute Resolution Procedure"	means the process for resolving disputes set out in clause 32 of the Conditions;
"Exit Day"	has the meaning in the European Union (Withdrawal) Act 2018;
"Expiry Date"	means the date for expiry of the Contract as set out in the Order Form;
"Fast Track Escalation Group"	means: the Director of Operations for the Airport Operator; and the MQS Commercial Lead, MQS Finance Lead and MQS Account Manager for DHSC;
"Fast Track Escalation Process"	means the process described in clause 7.5 for escalating certain issues for swift resolution between the Parties, in advance of any reference under clause 32 (Resolving disputes);
"FOIA"	means the Freedom of Information Act 2000 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"	any event, occurrence, circumstance, matter or cause affecting the performance by either Party of its obligations under the Contract arising from acts, events, omissions, happenings or non-happenings beyond its reasonable control which prevent or materially delay it from performing its obligations under the Contract but excluding: i) any industrial dispute relating to the staff of the affected Party(including any subsets of them) or any failure in a Party's or a subcontractor's supply chain; ii) any event, occurrence, circumstance, matter or cause which is attributable to the wilful act, neglect or failure to take reasonable precautions against it by the Party concerned; iii) any failure or delay caused by a lack of funds; iv) any event or other consequence arising as a result of or in

connection with the withdrawal of the United Kingdom from the European Union; and v) any event or other consequence arising as a result of or in connection with the COVID-19 pandemic save as anticipated in the Airport Operator Obligations;

"Good Practice"	Industry	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 Data"		means any data or information, which is supplied to the Airport Operator by or on behalf of DHSC by email;
"HP Regulations"		means the Health Protection (Coronavirus, International Travel and Operator Liability) (England) Regulations 2021 as amended from time to time;
"Incremental Costs"		means the incremental costs, incurred by the Airport Operator in carrying out the Airport Operator Obligations in accordance with this Contract;
"Information"		has the meaning given under section 84 of the FOIA;
"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;
"Insolvency Event"		in respect of a person: a) if that person is insolvent; ii) if an order is made or a resolution is passed for the winding up of the person (other than voluntarily for the purpose of solvent amalgamation or reconstruction); iii) if an administrator or administrative receiver is appointed in respect of the whole or any part of the persons assets or business; iv) if the person makes any composition with its creditors or takes or suffers any similar or analogous action to any of the actions detailed in this definition as a result of debt in any jurisdiction;
"Law"		means any law, statute, subordinate legislation within the meaning of section 21(1) of the Interpretation Act 1978, byelaw, regulation, order, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any regulatory body with which the Airport Operator is bound to comply;
"Losses"		losses, liabilities, damages, costs and expenses (including legal fees on a solicitor/client basis) and disbursements and costs of investigation, litigation, settlement, judgment interest and penalties whether arising in contract, tort (including negligence), breach of statutory duty or otherwise;

"Month"	means each successive period of one calendar month during the Term with the first "Month" beginning on commencement of the Contract and "Monthly" shall be interpreted accordingly;
"Monthly Estimated Costs"	means an estimate of the Incremental Costs that the Airport Operator will incur in the following calendar Month and highlighting any variances from estimated budgets contained in the Monthly Estimated Costs approved for the previous Month;
"MQS" or "MQS programme"	means the managed quarantine service managed by DHSC and other government agencies (excluding the Airport Operator) for red list arrivals;
"Net Book Value"	the cost of the relevant Asset minus the accumulated depreciation of such Asset provided that (save where otherwise agreed between the Parties) a depreciation method of 33% (3 years) with nil residual value will apply at all times to the relevant Asset;
"Open Book Data"	means such information as is available to the Airport Operator which is accurate and sufficient to enable DHSC to verify the Incremental Costs included within an invoice (whether paid or payable);
"Order Form"	means the letter from DHSC to the Airport Operator printed above these terms and conditions;
"Party"	the Airport Operator or DHSC (as appropriate) and "Parties" shall mean both of them;
"Personal Data"	has the meaning given to it in the UK GDPR;
"Public Service"	means a non-economic public or social service provided as part of the United Kingdom's prerogative including the provision of border control and border security functions;
"Purchase Order Number"	means DHSC's unique number relating to the Contract;
"Red List Arrivals Facility"	means the terminal facilities to be used to carry out the Airport Operator Obligations by the Airport Operator;
"Red List Location"	means a country or territory designated as being 'Category 3' by the UK Government during the Term of this Contract, specifically the countries or territories identified in Schedule 1 of the HP Regulations. DHSC and the UK Government reserves the right to amend the Red List Locations from time to time;

"Red Passenger(s)"	List	means individuals arriving in the UK at the Airport either directly or indirectly from a Red List Location;
"PCR Regulations"		means the Public Contracts Regulations 2015 and/or the Public Contracts (Scotland) Regulations 2015 (as the context requires) as amended from time to time;
"Register"		means the register of Assets defined in clause 4.6;
"Reinstatement Costs"		means the costs actually incurred by the Airport Operator in demobilising and reinstating (to its pre-Contract state) any Airport area that had been used to carry out the Airport Operator Obligations, the categories of which are detailed within the Approved Plan;
"Repayable Costs"		means the categories of "one-off" or "set up" costs which are identified in the Approved Plan as being potentially repayable by the Airport Operator in accordance with clause 10.7;
"Request Information"	for	has the meaning set out in the FOIA or the Environmental Information Regulations 2004 as relevant (where the meaning set out for the term "request" shall apply);
"SPEI"		means a task in the public interest, including public service obligations, which is economic in nature, and assigned in accordance with Article 365.1 of the Trade and Cooperation Agreement;
"Staff Vetting Procedures"	Vetting	means the standard staff vetting procedures which are in place at Heathrow Airport from time to time which accord with Good Industry Practice;
"Subsidy Control Rules"	Control	means Article 363 to 375 of Chapter 3, Title XI, under Heading one of Part Two of the Trade and Cooperation Agreement as may be amended and or implemented into UK law, including any guidance or decision issued by a competent authority in respect of the application of the rules;
"Supporting Documentation"		means the types of information and documentation identified in the Approved Plan which will be provided in writing by the Airport Operator to enable DHSC to reasonably assess whether the Incremental Costs claimed by the Airport Operator in any invoice are Allowable Costs;
"Term"		means the period from the start date of the Contract set out in the Order Form to the Expiry Date unless terminated in accordance with the terms and conditions of the Contract;
"Trade Cooperation Agreement"	and	means the Trade and Cooperation Agreement between the United Kingdom of Great Britain and Northern Ireland, of the one part, and the European Union and the European Atomic Energy Community, of the other part, made in Brussels and

London, 30 December 2021, and which entered into force on 1 May 2021 (Treaty Series No.8 (2021));

"Transfer Costs"	means the costs incurred by the Airport Operator associated with the acquisition of Assets by DHSC in accordance clause 10.5(d) but, for the avoidance of doubt, shall exclude the Net Book Value of those Assets;
"UK GDPR"	has the meaning given to it in section 3(10) as supplemented by section 205(4)) of the Data Protection Act 2018;
"VAT"	means value added tax in accordance with the provisions of the Value Added Tax Act 1994; and
"Working Day"	means a day (other than a Saturday or Sunday) on which banks are open for business in the City of London.

2. Understanding the Contract

In the Contract, unless the context otherwise requires:

- 2.1 references to numbered clauses are references to the relevant clause in these terms and conditions;
- 2.2 any obligation on any Party not to do or omit to do anything shall include an obligation not to allow that thing to be done or omitted to be done;
- 2.3 the headings in this Contract are for information only and do not affect the interpretation of the Contract;
- 2.4 references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Central Government Body;
- 2.5 references to "writing" include printing, display on a screen and electronic transmission and other modes of representing or reproducing words in a visible form;
- 2.6 the singular includes the plural and vice versa;
- 2.7 without prejudice to the provisions relating to a change in law in this Contract, a reference to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time and to any legislation or byelaw made under that Law;
- 2.8 the word 'including', "for example" and similar words shall be understood as if they were immediately followed by the words "without limitation"; and
- 2.9 any reference in this 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.

3. How the Contract works

- 3.1 The Order Form is an offer by DHSC to pay to the Airport Operator the Charges for carrying out the Airport Operator Obligations subject to and in accordance with the terms and conditions of the Contract.
- 3.2 The Airport Operator is deemed to accept the offer in the Order Form when DHSC receives by way of e-mail a copy of the Order Form signed by the Airport Operator.

4. Airport Operator Obligations

- 4.1 The Airport Operator shall carry out the Airport Operator Obligations in accordance with the Airport Terminal Requirements.
- 4.2 The Airport Operator shall carry out the Airport Operator Obligations:
 - (a) using Good Industry Practice;
 - (b) using its own policies, processes and internal quality measures which are consistent with Good Industry Practice; and
 - (c) in accordance with all applicable Law
- 4.3 The Parties shall co-operate with each other on all aspects connected with the carrying out of the Airport Operator Obligations and DHSC shall secure the cooperation of all providers and suppliers engaged by it in the operation of the MQS programme.
- 4.4 The Airport Operator must allocate sufficient resources and appropriate expertise to the Contract.
- 4.5 The Airport Operator undertakes that, in carrying out the Airport Operator Obligations, it will, where appropriate, use all reasonable endeavours first to deploy as Airport Operator Staff its personnel currently on furlough (where those personnel are appropriately skilled and experienced to perform any particular role) ahead of utilising any other personnel.
- 4.6 During the Term, the Airport Operator shall create and maintain the Register of all Assets, detailing:

- (a) make, model and asset number;
- (b) ownership and status;
- (c) net Book Value and/or basis of calculating Net Book Value;
- (d) condition and physical location; and
- (e) use.

4.7 The Airport Operator shall keep the Register up to date at all times and shall upon termination or expiry of this Contract provide a copy of the Register to DHSC.

5. Settling the Approved Plan

5.1 The Approved Plan is contained in Annex 4. In the event that the Airport Operator wishes to revise the Approved Plan in any way, at any time and for any reason (including in the event that any assumptions contained in it need to be adapted) the following process shall apply and any revised plan which is approved shall become the new Approved Plan for the purposes of this Contract:

- (a) the Airport Operator shall submit to DHSC for DHSC's approval its proposed revisions to the Approved Plan (the "Revised Plan");
- (b) DHSC shall review and comment on the Revised Plan as soon as reasonably practicable;
- (c) following such review and comment, DHSC shall formally approve or reject the Revised Plan provided that DHSC shall only be entitled to reject the Revised Plan on the basis that it:
 - (i) is not consistent with the Airport Terminal Requirements and/or the Airport Operator Obligations; or
 - (ii) includes categories of costs which would not be Incremental Costs and/or Allowable Costs;
- (d) once the Revised Plan is approved it shall be deemed to be the Approved Plan;
- (e) if DHSC rejects the Revised Plan, the Airport Operator may re-submit an alternative Revised Plan for DHSC's approval as soon as reasonably practicable after DHSC's notice of rejection; and
- (f) the provisions of clauses 5.1(a) to 5.1(e) shall apply again to any re-submitted Revised Plan provided always that that either Party may refer any disputed matters for resolution in accordance with the Fast Track Escalation Process and the Dispute Resolution Procedure at any time.

6. Pricing and payments

- 6.1 In consideration of the Airport Operator carrying out its obligations under the Contract, including carrying out the Airport Operator Obligations, DHSC shall pay the Charges to the Airport Operator in accordance with the cost recovery and invoicing provisions specified in Annex 3 (Costs).
- 6.2 DHSC may retain or set-off payment of any amount owed to it by the Airport Operator if notice and reasons are provided.
- 6.3 The Airport Operator must ensure that all new subcontractors engaged after the date of this Contract for the purpose of delivering the Airport Operator Obligations are paid, in full, within 30 days of receipt of a valid, undisputed invoice unless otherwise agreed with DHSC. If this doesn't happen, DHSC can publish the details of the late payment or non-payment.

7. Governance, Record keeping and reporting

- 7.1 The Parties' Contract Managers shall attend meetings at least once each Month or upon shorter notice agreed between the Parties (the "**Progress Meetings**").
- 7.2 At the Progress Meetings, the Contract Managers shall:
 - (a) review the carrying out of the Airport Operator Obligations and consider and discuss any significant issues arising including, but not limited to:
 - (i) financial management and costs trends;
 - (b) discuss any potential variations to the Approved Plan; and
 - (c) give approvals to any agreed revisions to the Approved Plan and record the same as the new Approved Plan.
- 7.3 Day to day commercial issues relating this Contract shall be dealt with by the Parties' respective Contract Managers which shall include:
 - (a) approval of the proposed Monthly Estimated Costs; and
 - (b) approval of adjustments to the approved Monthly Estimated Costs submitted by the Airport Operator under paragraph 2.4 of Annex 3 (Costs).
- 7.4 Any disagreement relating to those day to day issues referred to in clause 7.3 may be escalated by either Party for resolution, in advance of any reference under the clause 32 (Resolving disputes), in accordance with the Fast Track Resolution Process.
- 7.5 **Fast Track Escalation Process**

Where:

- (a) the Contract Managers are unable to reasonably resolve any changes to the Approved Plan pursuant to clause 7.2 (as the case may be); and/or
- (b) the Contract Managers are unable to reasonably resolve any day to day issue referred to in clause 7.3; and/or
- (c) the Contract Managers are unable to reasonably resolve any disagreement about the proposed Monthly Estimated Costs submitted pursuant to Annex 3 (Costs),

then:

- the Contract Managers shall be entitled to promptly e-mail the Fast Track Escalation Group of the nature of the change or issue that the Contract Managers have been unable to resolve (the “Unresolved Issue”); and
- within 24 hours of receipt of such email, the Fast Track Escalation Group shall convene or schedule a meeting where an attempt in good faith shall be made to resolve the Unresolved Issue. Such meeting can take place either in person or by electronic means.

- 7.6 In the event that an Unresolved Issue is not resolved through the Fast Track Escalation Process, it may be determined through the Dispute Resolution Procedure.
- 7.7 The Airport Operator must keep and maintain full and accurate records and accounts of the Charges in accordance with its standard processes and procedures, for seven years after the date of expiry or termination of the Contract.
- 7.8 The Airport Operator must supply such Open Book Data and Supporting Documentation as is available to it to DHSC upon request within reasonable timescales and at reasonable times and allow Audit Agents access to their premises on reasonable notice to verify Open Book Data and Supporting Documentation, all contract accounts and records relating to the Contract and provide copies for the audit (at DHSC’s cost), subject to Audit Agents entering into a confidentiality agreement or arrangement containing terms no less stringent than those placed on DHSC in clause 15.
- 7.9 If the Airport Operator is unable to carry out any of the Airport Operator Obligations, it must as soon as reasonably practicable:
- (a) tell DHSC;
 - (b) propose corrective action (if appropriate); and
 - (c) provide a deadline for completing any such corrective action.

8. Airport Operator Staff

- 8.1 The Airport Operator Staff involved in the performance of the Contract must:
- (a) be appropriately trained and qualified; and
 - (b) be vetted in accordance with the Staff Vetting Procedures.

9. Rights and protection

9.1 The Airport Operator warrants and represents that:

- (a) it has full capacity and authority to enter into and to perform the Contract;
- (b) the 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 the Contract;
- (e) it maintains all necessary rights, authorisations, licences and consents to perform its obligations under the Contract;
- (f) it doesn't have any contractual obligations which are likely to have a material adverse effect on its ability to perform the Contract; and
- (g) it is not impacted by an Insolvency Event.

9.2 If the Airport Operator becomes aware of a representation or warranty that becomes untrue or misleading, it must immediately notify DHSC.

10. Ending the contract

10.1 The Contract takes effect on the date specified in the Order Form and ends on the earlier of the date of expiry or termination of the Contract or earlier if required by Law.

10.2 Ending the Contract without a reason

Either Party shall be entitled to terminate this Contract for convenience by giving the other Party one (1) month's written notice.

10.3 When DHSC can end the Contract

- (a) If any of the following events happen, DHSC has the right to immediately terminate its Contract by issuing a termination notice in writing to the Airport Operator:
 - (i) If there's an Airport Operator Insolvency Event;
 - (ii) if the Airport Operator repeatedly breaches the Contract in a way to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms and conditions of the Contract;
 - (iii) if the Airport Operator is in material breach of any obligation which is capable of remedy, and that breach is not remedied within 30 days of the Airport Operator receiving notice specifying the breach and requiring it to be remedied;
 - (iv) if the Airport's designated port of entry status pursuant to the HP Regulations is removed;

- (v) if the Airport Operator or its affiliates embarrass or bring DHSC into disrepute or diminish the public trust in them.

If any of the events in 73(1) (a) of the PCR Regulations (substantial modification) happen, DHSC has the right to immediately terminate the Contract and clauses 10.4 to 10.8 inclusive shall apply.

10.4 What happens if the Contract ends

Upon termination or expiry of the Contract:

- (a) accumulated rights of the Parties are not affected;
- (b) each Party must promptly delete or return to the other Party all information and data (including Government Data) relating to the Contract belonging to the other Party except where required to retain copies by Law;
- (c) the following clauses survive the termination of the Contract: 7.3, 10, 14, 15, 16, 17, 18, 33 and 34, and any clauses and any paragraphs in the Annexes which are expressly or by implication intended to continue; and
- (d) the Airport Operator shall be entitled to raise an invoice for its Reinstatement Costs which shall be payable by DHSC within 14 days of receipt. The Airport Operator shall produce Supporting Documentation to justify any payment of Reinstatement Costs and shall only be entitled to claim those costs to the extent that they are Allowable Costs.

10.5 Where the Airport Operator has been paid Allowable Costs with respect to any Assets;

- (a) in the event that the Airport Operator elects to retain one or more Assets in accordance with the Approved Plan, the Airport Operator shall pay DHSC a sum equal to the then Net Book Value of those Assets;
- (b) in the event that the Airport Operator declines to retain one or more Assets in accordance with the Approved Plan and DHSC agrees that the Airport Operator should sell or dispose of those Assets, the Airport Operator shall use all reasonable endeavours to sell or dispose of those Assets in accordance with the applicable Law (obtaining the best available price in the event of a sale) and:
 - (i) where the Disposal Costs are greater than £zero, DHSC shall pay the Airport Operator the Disposal Costs; and
 - (ii) where the Disposal Costs are less than £zero (i.e. the Airport Operator is in receipt of a surplus following the sale of those Assets) the Airport Operator shall pay that surplus to DHSC;
- (c) if the Airport Operator is unable to sell or dispose of the Assets referred to in clause 10.5(b) in spite of using all reasonable endeavours to do so, the Airport Operator and DHSC shall discuss and in good faith agree how such Assets should be dealt with; and

- (d) in the event that the Airport Operator declines to retain one or more Assets in accordance with the Approved Plan and DHSC elects to acquire those Assets, DHSC shall pay the Airport Operator the Transfer Costs in relation to its acquisition of those Assets.
- 10.6 The Airport Operator shall produce reasonable Supporting Documentation to justify any payment of Disposal Costs or Transfer Costs in accordance with clause 10.5 and shall only be entitled to claim those costs to the extent that they are Allowable Costs.
- 10.7 In the event that the Airport Operator terminates this Contract for convenience pursuant to clause 10.2, or DHSC terminates this Contract pursuant to clause 10.3(a)(iv) where the Airport's designated port of entry status pursuant to the HP Regulations is removed as a result of the Airport Operator's negligence or breach of this Contract, any categories of Incremental Costs which are identified in the Approved Plan as Repayable Costs and have been recovered as an Allowable Costs, shall be repayable to DHSC in full upon demand PROVIDED THAT any sum due to DHSC pursuant to clause 10.5(a) shall be adjusted to ensure no double recovery by DHSC.
- 10.8 **When the Airport Operator can end the Contract**
 - (a) The Airport Operator can issue a non-payment notice in writing if DHSC does not pay an undisputed invoice on time. If within 14 Working Days of the date of the notice of non-payment, DHSC has failed to pay an undisputed invoiced sum due and worth over £100,000 (one hundred thousand pounds sterling), the Airport Operator shall be entitled to terminate the Contract by serving notice in writing (which notice shall not have effect until at least 10 Working Days' following its service).
 - (b) Where the Airport's designated point of entry status pursuant to the HP Regulations is removed other than as a result of the Airport Operator's negligence or breach of this Contract, the Airport Operator shall be entitled to terminate the Contract by serving notice in writing (which notice shall not have effect until at least 10 Working Days following its service).
 - (c) If the Airport Operator terminates the Contract under clause 10.8(a) or (b):
 - (i) DHSC must promptly pay all outstanding Charges owing to the Airport Operator; and
 - (ii) clauses 10.4 to 10.6 inclusive shall apply.

11. How much you can be held responsible for

- 11.1 The Airport Operator shall be entitled to raise an invoice for Charges for Airport Operator Obligations carried out in accordance with this Contract.
- 11.2 DHSC may refuse to pay an invoice for Charges to the extent that the relevant Airport Operator Obligations (which are the subject of the invoice) have not been carried out in accordance with this Contract.

- 11.3 DHSC shall be entitled to reclaim (and the Airport Operator shall repay), Charges paid to the extent that it becomes apparent that the relevant Airport Operator Obligations were not carried out in accordance with this Contract or the Airport Operator is otherwise in breach of its obligations under it.
- 11.4 Excepting clauses 10.5 and 10.7 DHSC's sole and exclusive remedy in relation to this Contract whether in tort, contract or otherwise (and including in relation to any *inter partes* indemnities) shall be:
- (a) DHSC's entitlement to reclaim Charges in accordance with clause 11.3; plus
 - (b) the reasonable Losses incurred by DHSC in seeking to recover what is due to it.
- 11.5 The only financial liability that DHSC shall have to the Airport Operator in relation to this Contract whether in tort, contract or otherwise (and including in relation to any *inter partes* indemnities) shall be the payment of Charges properly due in accordance with this Contract.
- 11.6 No Party is liable to the other for:
- (a) any indirect or consequential losses of any nature; or
 - (b) any loss of profits, turnover, savings, business opportunities or damage to goodwill (in each case whether direct or indirect) howsoever arising.
- 11.7 In spite of clause 11.1, 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; or
 - (c) any liability that cannot be excluded or limited by Law.
- 11.8 Each Party must use all reasonable endeavours to mitigate any loss or damage which it suffers under or in connection with the Contract, including any indemnities.

12. Airport Terminal Operational Responsibility

- 12.1 The Parties acknowledge and agree that the Airport Operator is at all times fully responsible for the mobilisation and operation of the designated terminal facility for arrivals from Red List Locations and processing of arriving Red List Passengers pursuant to the Airport Operator Obligations except in respect of certain activities undertaken by others (and identified in the Airport Terminal Requirements) which are acknowledged by DHSC to be beyond the control of the Airport Operator and provided always that the MQS programme (not related to the Airport Operator Obligations) is the responsibility of DHSC.
- 12.2 Accordingly, the Airport Operator shall not be entitled to recover any Losses it suffers in operating the designated terminal for arrivals from Red List Locations and processing of Red List Passengers pursuant to the Airport Operator Obligations as

Incremental Costs save for any Incremental Costs properly payable in accordance with Annex 3 (Costs).

13. Obeying the Law

13.1 The Airport Operator must, in connection with carrying out the Airport Operator Obligations, use reasonable endeavours to:

- (a) Subject to clause 6.3, comply and procure that its subcontractors comply with the Supplier Code of Conduct appearing at [Codes of conduct for suppliers and grant recipients - GOV.UK \(www.gov.uk\)](http://www.gov.uk);

and such other corporate social responsibility requirements as DHSC may notify to the Airport Operator from time to time;

- (b) support DHSC in fulfilling its Public Sector Equality duty under S149 of the Equality Act 2010; and
- (c) not use nor allow its subcontractors to use modern slavery, child labour or inhumane treatment.

13.2 The Airport Operator will comply with any applicable Law to do with the Contract.

13.3 The Airport Operator must appoint a Compliance Officer who must be responsible for ensuring that the Airport Operator complies with Law, clause 13 (Obeying The Law) and clauses 27 to 29 inclusive and clause 34 (Subsidy Control).

14. Data protection

14.1 Each Party undertakes to comply with the applicable Data Protection Legislation in respect of their processing of any Personal Data.

14.2 The Airport Operator must not remove any ownership or security notices in or relating to the Government Data.

14.3 The Airport Operator must make accessible back-ups of all Government Data, stored in an agreed off-site location (which can include cloud storage) and send DHSC copies upon request.

14.4 The Airport Operator must ensure that any Airport Operator system holding any Government Data, including back-up data, is an information security management system that conforms to ISO 27001.

14.5 If at any time the Airport Operator suspects or has reason to believe that the Government Data provided under the Contract is corrupted, lost or sufficiently degraded, then the Airport Operator must notify DHSC and immediately suggest remedial action.

14.6 If the Government Data is corrupted, lost or sufficiently degraded so as to be unusable DHSC may either or both:

- (a) tell the Airport Operator to restore or get restored Government Data as soon as practical but no later than five Working Days from the date that the Airport Operator is notified by DHSC, or the Airport Operator finds out about the issue, whichever is earlier; and
 - (b) restore the Government Data itself or using a third party.
- 14.7 The Airport Operator must pay each Party's reasonable costs of complying with clause 14.16 unless DHSC is at fault.
- 14.8 The Airport Operator:
 - (a) must provide DHSC 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 Airport Operator 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 DHSC unless required by Law to retain it; and
 - (e) indemnifies DHSC against any and all Losses incurred if the Airport Operator breaches clause 14 and any Data Protection Legislation provided always that the Airport Operator's liability in respect of this indemnity shall be no more than [REDACTED]

15. What you must keep confidential

- 15.1 Each Party must:
 - (a) keep all Confidential Information it receives confidential and secure;
 - (b) not disclose, use or exploit the disclosing Party's Confidential Information without the disclosing Party's prior written consent, except for the purposes anticipated under the Contract; 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 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) to its auditors or for the purposes of regulatory requirements;
 - (g) on a confidential basis, to its professional advisers on a need-to-know basis; and
 - (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 The Airport Operator may disclose Confidential Information on a confidential basis to Airport Operator Staff on a need-to-know basis to allow the Airport Operator to meet its obligations under the Contract.
- 15.4 DHSC may disclose Confidential Information in any of the following cases:
- (a) on a confidential basis to the employees, agents, consultants and contractors of DHSC on a need-to-know basis to allow it to meet its obligations under the Contract;
 - (b) on a confidential basis to any other Central Government Body, any successor body to a Central Government Body or any company that DHSC transfers or proposes to transfer all or any part of its business to;
 - (c) on a confidential basis if DHSC (acting reasonably) considers disclosure necessary or appropriate to carry out its public functions;
 - (d) where requested by Parliament; and
 - (e) under clause 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 The Parties must not (except to the extent required to comply with Law) make any press announcement or publicise the Contract or any part of it in any way, without the prior written consent of the other Party and must take all reasonable steps to ensure that no member of its staff does either.

16. When you can share information

- 16.1 The Airport Operator must tell DHSC as soon as reasonably practicable within 48 hours if it receives a Request For Information.
- 16.2 Within the required timescales the Airport Operator must give DHSC full co-operation and information needed so DHSC can:
- (a) comply with any Freedom of Information Act (FOIA) request; and
 - (b) comply with any Environmental Information Regulations (EIR) request.
- 16.3 DHSC shall talk to the Airport Operator to help it decide whether to publish information under clause 16 and shall take appropriate account of the views of the Airport Operator. However, the extent, content and format of the disclosure is DHSC's decision.

17. Invalid parts of the contract

If any part of the 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's valid or enforceable.

18. No other terms apply

The provisions incorporated into the Contract are the entire agreement between the Parties. The Contract replaces all previous statements and agreements whether written or oral. No other provisions apply.

19. Other people's rights in a contract

No third parties may use the Contracts (Rights of Third Parties) Act (**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 the Contract (except for any obligation to make any payment to the other Party) while the inability to perform continues, if it both:
- (a) provides written 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 fully terminate the Contract if the carrying out of the Airport Operator Obligations is materially affected by a Force Majeure Event which lasts for 90 days continuously.
- 20.3 Where a Party terminates under clause 20.2:
- (a) Subject to sub-clause 20.3(b), each party must cover its own Losses;
 - (b) clauses 10.4 to 10.6 inclusive shall apply.

21. Relationships created by the contract

The Contract does not create a partnership, joint venture or employment relationship. The Airport Operator 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 the Contract is only valid if it is stated to be a waiver in writing to the other Party.

23. Transferring responsibilities

- 23.1 The Airport Operator cannot assign the Contract without DHSC's written consent.

- 23.2 DHSC can assign, novate or transfer its Contract or any part of it to any Crown Body, public or private sector body which performs the functions of DHSC.
- 23.3 When DHSC uses its rights under clause 23.2 the Airport Operator must enter into a novation agreement in the form that DHSC specifies.
- 23.4 The Airport Operator can terminate the Contract novated under clause 23.2 to a private sector body that is experiencing an Insolvency Event.
- 23.5 Each Party is responsible for all acts and omissions of its personnel as if they were its own.
- 23.6 If DHSC asks the Airport Operator for details about subcontractors, the Airport Operator 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,

subject always to any obligations of confidentiality contained in those subcontracts.

24. Changing the contract

Either Party can request a variation to the Contract which is only effective if agreed in writing and signed by both Parties. Neither Party is required to accept a variation request made by the other Party.

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're delivered before 5:00pm on a Working Day. Otherwise the notice is effective on the next Working Day. An email is effective when sent to a valid email address, unless an error message is received.
- 25.2 Notices to DHSC or Airport Operator must be sent to their address in the Order Form.
- 25.3 This clause does not apply to the service of legal proceedings or any documents in any legal action, arbitration or dispute resolution.

26. Preventing fraud, bribery and corruption

- 26.1 The Airport Operator shall not:
- (a) commit any criminal offence referred to in the PCR Regulations 57(1) and 57(2); or
 - (b) offer, give, or agree to give anything, to any person (whether working for or engaged by DHSC or any other public body) an inducement or reward for doing, refraining from doing, or for having done or refrained from doing, any act in

relation to the obtaining or execution of the Contract or any other public function or for showing or refraining from showing favour or disfavour to any person in relation to the Contract or any other public function.

- 26.2 The Airport Operator shall take all reasonable steps (including creating, maintaining and enforcing adequate policies, procedures and records), in accordance with Good Industry Practice, to prevent any matters referred to in clause 26.1 and any fraud by the Airport Operator Staff and the Airport Operator (including its shareholders, members and directors) in connection with the Contract and shall notify DHSC immediately if it has reason to suspect that any such matters have occurred or is occurring or is likely to occur.
- 26.3 If the Airport Operator or any of the Airport Operator Staff engages in conduct prohibited by clause 26.1 or commits fraud in relation to the Contract or any other contract with the Crown (including DHSC) DHSC may:
- (a) terminate the Contract and recover from the Airport Operator the amount of any loss suffered by DHSC resulting directly from the termination, including the cost reasonably incurred by DHSC of making other arrangements.; or
 - (b) recover from the Airport Operator any other loss sustained by DHSC in consequence of any breach of this clause.

27. Equality, diversity and human rights

- 27.1 The Airport Operator 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 DHSC reasonably imposes related to equality Law.
- 27.2 The Airport Operator must take all necessary steps, and inform DHSC 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 the Contract.

28. Health and safety

The Airport Operator must perform its obligations meeting the requirements of all applicable Law regarding health and safety;

29. Tax

- 29.1 The Airport Operator 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. DHSC cannot terminate the Contract where the Airport Operator has not paid a minor tax or social security contribution.

- 29.2 Where the Airport Operator or any Airport Operator Staff are liable to be taxed or to pay National Insurance contributions in the UK relating to payment received under the Contract, the Airport Operator must 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.

30. Conflict of interest

- 30.1 The Airport Operator must take reasonable steps to ensure that neither the Airport Operator nor the Airport Operator Staff are placed in the position of an actual or potential conflict between the financial or personal duties of the Airport Operator or the Airport Operator Staff and the duties owed to DHSC under the Contract, in the reasonable opinion of DHSC.
- 30.2 The Airport Operator must promptly notify and provide details to DHSC if a conflict of interest happens or is expected to happen.
- 30.3 Either Party can terminate this Contract immediately by giving notice in writing in the event of an actual or potential conflict of interest.

31. Reporting a breach of the contract

- 31.1 As soon as it is aware of it the Airport Operator must report to DHSC any actual or suspected breach of Law, clause 12, or clauses 26 to 30.
- 31.2 The Airport Operator must not retaliate against any of the Airport Operator Staff who in good faith reports a breach listed in clause 31.1.

32. Resolving disputes

- 32.1 If there is a dispute between the Parties, their senior representatives 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.
- 32.2 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 32.3 to 32.5.
- 32.3 Unless the dispute is referred to arbitration using clause 32.4, the Parties irrevocably agree that the courts of England and Wales have the exclusive jurisdiction to:
- (a) determine the dispute;
 - (b) grant interim remedies; and
 - (c) grant any other provisional or protective relief.

- 32.4 Either Party shall have the 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.
- 32.5 DHSC has the right to refer a dispute to arbitration even if the Airport Operator has started or has attempted to start court proceedings under clause 32.3, unless DHSC 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 32.4.
- 32.6 Neither Party may suspend the performance of its obligations under the Contract during any dispute.

33. Which law applies

This Contract and any issues arising out of, or connected to it, are governed by English law.

34. UK subsidy control

- 34.1 The Airport Operator acknowledges that the Contract is subject to United Kingdom's subsidy control obligations contained in various treaties and international agreements including those Subsidy Control Rules set on in the Trade and Cooperation Agreement.
- 34.2 The Airport Operator shall ensure that any Charges submitted to the DHSC for payment comply with and fully respect the Subsidy Control Rules and acknowledges that any Charges including Allowable Costs paid to the Airport Operator and which do not comply with the Subsidy Control Rules may be recoverable under and subject to Articles 372 and 373 of the Trade and Cooperation Agreement.
- 34.3 To the extent Airport Operator Obligations and the Airport Terminal Requirements are in full or in part an SPEI the DHSC assigns to the Airport Operator that SPEI to be performed in accordance with the Contract. The Airport Operator shall ensure that the Charges including Allowable Costs paid for the performance of the SPEI are limited to what is necessary to discharge the SPEI. The Airport Operator shall ensure that any payment made under the Contract for the discharge of the SPEI is not used to cross-subsidise current or future activities that fall outside of the SPEI other than inputs to a Public Service provided under the Contract.