

## **Crown Commercial Service**

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### **Call Off Order Form for Management Consultancy Services**

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## **FRAMEWORK SCHEDULE 4**

### **CALL OFF ORDER FORM**

## PART 1 – CALL OFF ORDER FORM

### SECTION A

This Call Off Order Form is issued in accordance with the provisions of the Framework Agreement for the provision of CS19388 Scoping of an Industrial Decarbonisation Delivery Framework for the UK' dated 16 January 2020.

The Supplier agrees to supply the Services specified below on and subject to the terms of this Call Off Contract.

For the avoidance of doubt this Call Off Contract consists of the terms set out in this Template Call Off Order Form and the Call Off Terms.

Order Number	CS19388
From	The Department for Business, Energy and Industrial Strategy of 1 Victoria Street, London, SW1H 0ET ("CUSTOMER")
To	KPMG LLP of 15 Canada Square, Canary Wharf, London, E14 5GL ("SUPPLIER")
Date	18/12/2019 ("DATE")

### SECTION B

#### 1. CALL OFF CONTRACT PERIOD

1.1.	Commencement Date: 18/12/2019
1.2.	Expiry Date:  End date of Initial Period: 17/04/2020  End date of Extension Period: N/A  Minimum written notice to Supplier in respect of extension: N/A

#### 2. SERVICES

2.1	<b>Services required:</b>  In Call Off Schedule 2 (Services)  In June 2019, the UK committed in law to reach Net Zero greenhouse gas emissions by 2050, becoming the first major economy to pass legislation of this type. The UK's business and industrial sectors will be vital in delivering on this commitment, as they account for around a quarter of UK emissions. Industry is also a crucial part of the economy, which employs approximately 2.7m people, contributes £182 billion in Gross Value Added and exports goods and services worth £297 billion. We assume industrial emissions will need to be reduced to near-
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zero in order to achieve the UK's 2050 target. Industrial emissions fell by 47% between 1990 and 2015 (caused partly by greater efficiency and a switch to cleaner fuels but also due to the offshoring of UK industry), but there is more to do. The Committee on Climate Change's 2018 Progress Report to Parliament has recommended that additional policy actions (with clear timetables and measurable outcomes) relating to industrial emissions reductions are required.

At the same time, the competitiveness and job-creating potential of UK industries must be maintained, as laid out in the Industrial Strategy. Carbon intensive UK companies in sectors such as steel and chemicals, often with low profit margins, participate in highly competitive global markets with tradeable products against international competitors who often have significantly lower labour and energy costs. There are economic difficulties in requiring these companies to absorb the additional costs of decarbonisation. Therefore, decarbonisation must take place without subsequent carbon leakage through offshoring of UK industry.

Several business areas in BEIS have an interest in this policy area. Primarily, the Industrial Energy Directorate (IED) is responsible for the existing core policies incentivising businesses to invest in energy efficiency and deep decarbonisation. These include carbon pricing through the Emissions Trading System (to incentivise green investments), voluntary agreements to reduce emissions (such as Climate Change Agreements, the Industrial Decarbonisation Roadmaps and Action Plans), and funding streams to promote the uptake of new technologies (such as the Energy Innovation Programme funds on hydrogen and Carbon Capture, Usage and Storage (CCUS), the Industrial Heat Recovery Support scheme and the forthcoming Industrial Energy Transformation Fund (IETF)). However, work needs to be done to gain a more complete understanding of the extent to which these policies can drive the necessary changes in industry.

Other Directorates are also responsible for policies relating to industrial energy efficiency and decarbonisation, including:

- Clean Heat – Heat Networks Investment Project, Renewable Heat Incentive
- Energy Efficiency and Local – Climate Change Agreements, Industrial Heat Recovery Support scheme
- Infrastructure and Materials – responsible for specific industrial sectors such as steel and chemicals

BEIS teams have done a number of recent pieces of work on these policies including:

- Consultations, such as on the IETF, the business energy efficiency Call for Evidence, the Clean Steel Call for Evidence
- Work on the 2050 Industrial Decarbonisation and Energy Efficiency Roadmaps and Action Plans
- Launched the Industrial Clusters Mission with the aim of having a net zero carbon industrial cluster by 2040

BEIS requires consultancy support to do the work detailed within this requirement. The consultants will be required to analyse existing governmental industrial decarbonisation policies for synergies in delivery, engage with industry on their

views on the policy framework and their investment decision framework, and analyse the international industrial decarbonisation policy landscape. We envisage that this initial assessment will take 3 months to complete and be the work of a small team of consultants working closely with BEIS officials, Industry and other Interest groups to complete the work.


### 3. PROJECT PLAN

3.1.	Project Plan: In Call Off Schedule 4 (Project Plan)					
Milestone	Deliverables	Duration	Milestone Date	Supplier Responsibilities	Milestone Payments	Delay Payments

#### 4. CONTRACT PERFORMANCE

4.1.	<b>Standards:</b> Cyber Essentials
4.2	<b>Service Levels/Service Credits:</b> Not applied
4.3	<b>Critical Service Level Failure:</b> Not applied
4.4	<b>Performance Monitoring:</b> Not applied
4.5	<b>Period for providing Rectification Plan:</b> In Clause 39.2.1(a) of the Call Off Terms

#### 5. PERSONNEL

5.1	<b>Key Personnel:</b> 
5.2	<b>Relevant Convictions (Clause 28.2 of the Call Off Terms):</b> As per clause 28.2 of the Call Off Terms

#### 6. PAYMENT

6.1	<b>Call Off Contract Charges (including any applicable discount(s), but excluding VAT):</b> In Annex 1 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)
6.2	<b>Payment terms/profile (including method of payment e.g. Government Procurement Card (GPC) or BACS):</b> In Annex 2 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)
6.3	<b>Reimbursable Expenses:</b> Not permitted

<b>6.4</b>	<b>Customer billing address</b> (paragraph 7.6 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)): <b>1 Victoria Street</b> <b>London</b> <b>SW1H 0ET</b> <b>ap@uksbs.co.uk</b>
<b>6.5</b>	<b>Call Off Contract Charges fixed for</b> (paragraph 8.2 of Schedule 3 (Call Off Contract Charges, Payment and Invoicing)): Until the expiry of the contract
<b>6.6</b>	<b>Supplier periodic assessment of Call Off Contract Charges</b> (paragraph 9.2 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)) will be carried out on: Not applied
<b>6.7</b>	<b>Supplier request for increase in the Call Off Contract Charges</b> (paragraph 10 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)): Not Permitted


## **7. LIABILITY AND INSURANCE**

<b>7.1</b>	<b>Estimated Year 1 Call Off Contract Charges:</b> The sum of £170,537.50 excluding VAT.
<b>7.2</b>	<b>Supplier's limitation of Liability</b> (Clause 37.2.1 of the Call Off Terms); As per clause 37.2.1 of the Call Off Terms, 125% of the Call Off Contract Charges (£213,171.88 excluding VAT).
<b>7.3</b>	<b>Insurance</b> (Clause 38.3 of the Call Off Terms): Professional Indemnity insurance for not less than £2 million per claim; Employer liability insurance for not less than £5 million per claim (unlimited claims);



## **8. TERMINATION AND EXIT**

<b>8.1</b>	<b>Termination on material Default</b> (Clause 42.2 of the Call Off Terms): In Clause 42.2.1(c) of the Call Off Terms
<b>8.2</b>	<b>Termination without cause notice period</b> (Clause 42.7 of the Call Off Terms): In Clause 42.7 of the Call Off Terms
<b>8.3</b>	<b>Undisputed Sums Limit:</b> In Clause 43.1.1 of the Call Off Terms
<b>8.4</b>	<b>Exit Management:</b> Not applied

## 9. SUPPLIER INFORMATION


<b>9.1</b>	<b>Supplier's Inspection of Sites, Customer Property and Customer Assets:</b> N/A
<b>9.2</b>	<b>Commercially Sensitive Information:</b> 

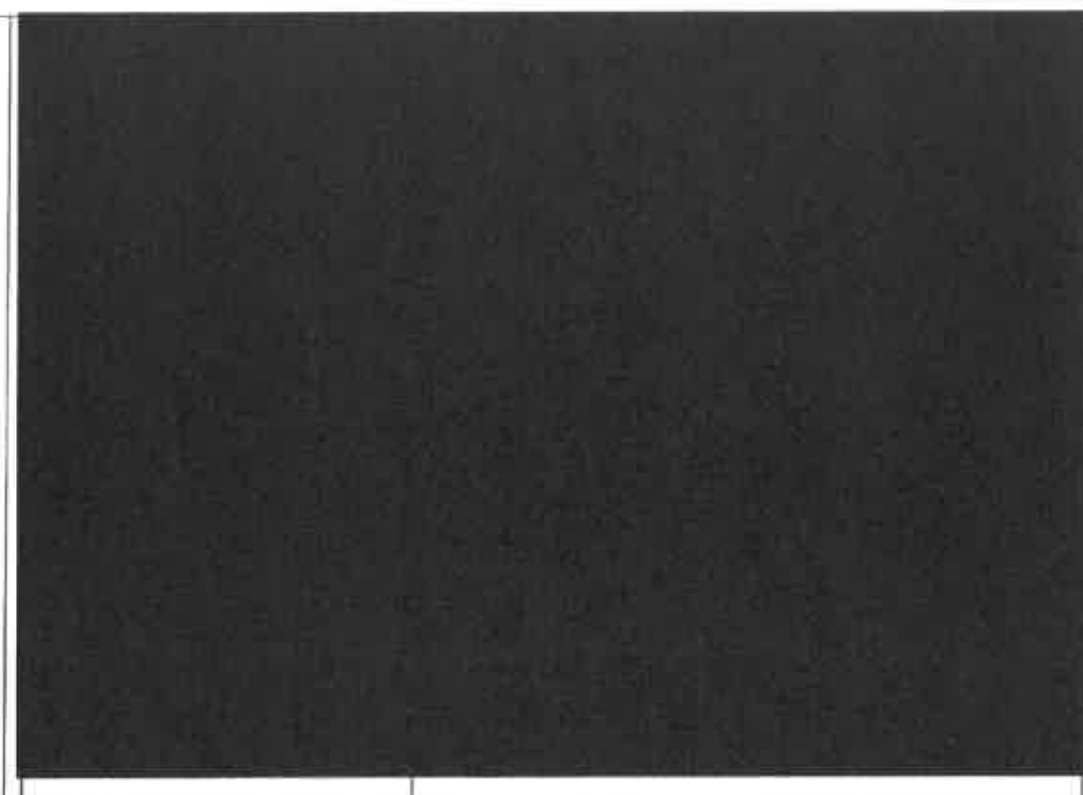
## 10. OTHER CALL OFF REQUIREMENTS

<b>10.1</b>	<b>Recitals (in preamble to the Call Off Terms):</b> Recitals B to E Recital C - date of Issue of the Statement of Requirements: <b>Wednesday 27<sup>th</sup> November 2019</b> Recital D - date of receipt of Call Off Tender: <b>Tuesday 10<sup>th</sup> December 2019</b>
<b>10.2</b>	<b>Call Off Guarantee (Clause 4 of the Call Off Terms):</b> Not required
<b>10.3</b>	<b>Security:</b> Select short form security requirements
<b>10.4</b>	<b>ICT Policy:</b> Not applied
<b>10.6</b>	<b>Business Continuity &amp; Disaster Recovery:</b> Not applied
<b>10.7</b>	<b>NOT USED</b>
<b>10.8</b>	<b>Protection of Customer Data (Clause 35.2.3 of the Call Off Terms):</b> As per clause 35.2.3 of the Call Off Terms and section 10.15 below
<b>10.9</b>	<b>Notices (Clause 56.6 of the Call Off Terms):</b> Customer's postal address and email address: <b>The Department for Business, Energy and Industrial Strategy, 1 Victoria Street, London, SW1H 0ET</b>   Supplier's postal address and email address: <b>KPMG LLP, 15 Canada Square, Canary Wharf, London, E14 5GL</b> 

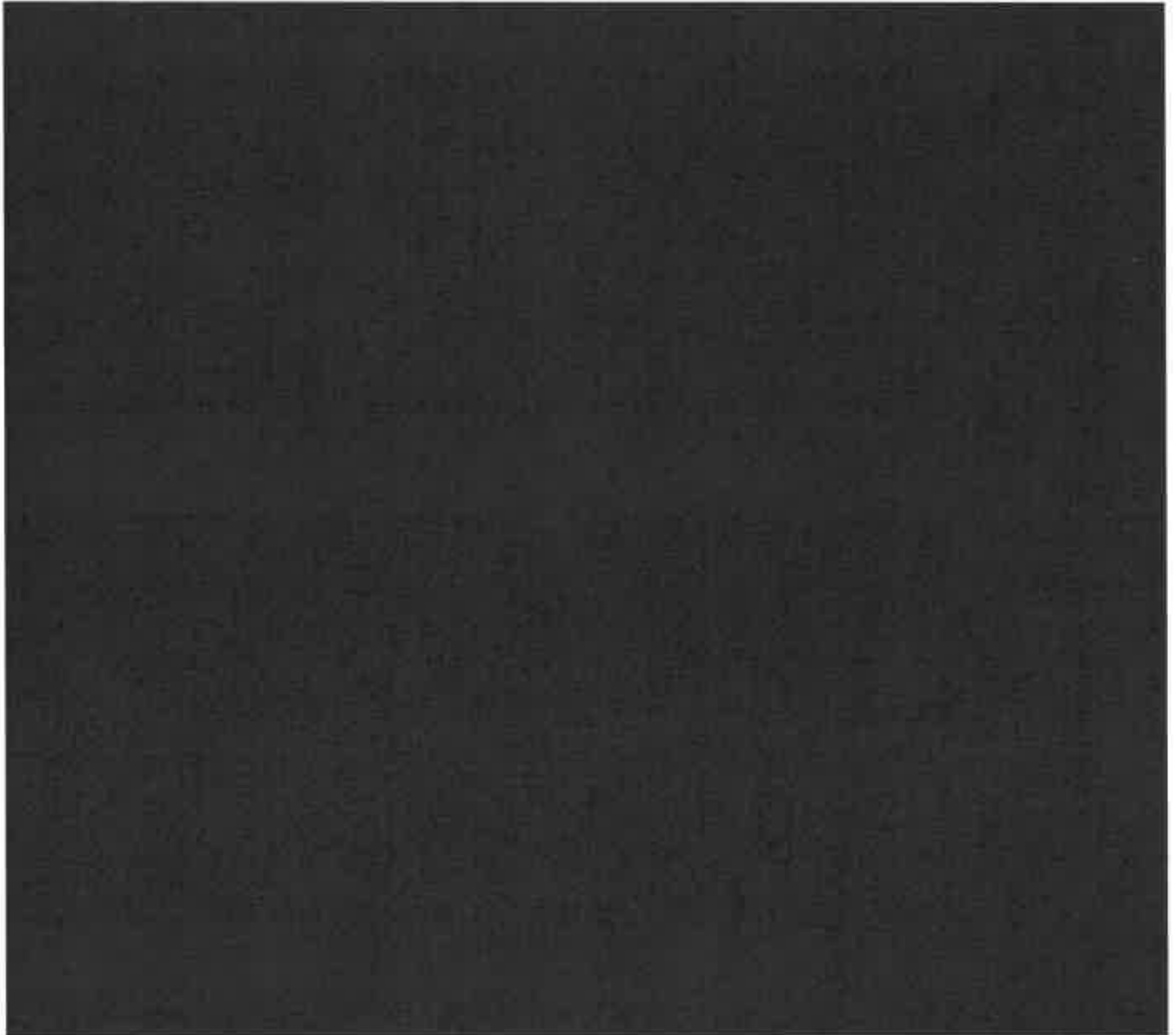


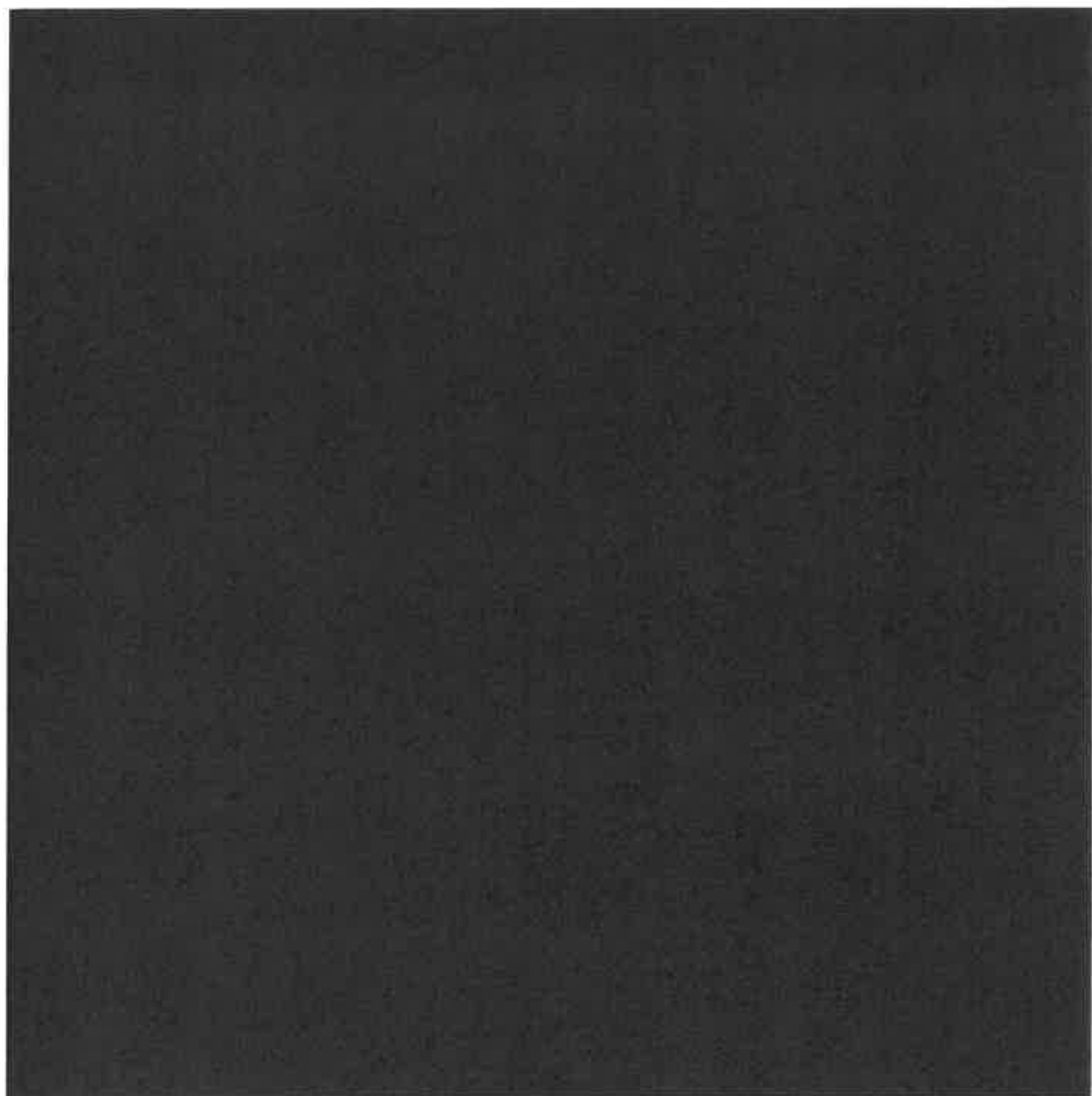
10.10	<b>Transparency Reports</b> In Call Off Schedule 13 (Transparency Reports)
10.11	<b>Alternative and/or Additional Clauses from Call Off Schedule 14 and if required, any Customer alternative pricing mechanism:</b> <ol style="list-style-type: none"> <li>1. Open Source publication (34.10.2e) <p>Subject to Clause 34.10.3, the Supplier hereby warrants that the Project Specific IPR Items will be supplied in a plain/unbranded format suitable for publication as Open Source ("the Open Source Publication Material") no later than the date notified to the Supplier under Clause 34.10.1.</p> </li> <li>2. Draft papers and Deliverables <ol style="list-style-type: none"> <li>a) The parties agree that the Supplier will retain ownership of its drafts, notes, analyses, and other working papers prepared or generated by it during the course of providing the Services and (to the extent required) licenses the same to the Customer for the purposes set out in this Call Off Order Form.</li> <li>b) Notwithstanding any other provision of this Call Off Contract, except where required by the Freedom of Information Act 2000, the Customer shall not: <ol style="list-style-type: none"> <li>i) disclose or transfer any Supplier branded Deliverable to any third party; or</li> <li>ii) alter any Supplier branded Deliverable; or</li> <li>iii) attribute any non-Supplier branded Deliverable to the Supplier; or</li> <li>iv) make reference to the Supplier's role in the provision of any non-Supplier branded Deliverable;</li> </ol> <p>In each case without the Supplier's prior written consent.</p> </li> <li>c) Where the Customer transfers, discloses or sub-licenses any Deliverable to any third party, it shall inform such third party that, to the fullest extent permitted by law, the Supplier accepts no responsibility or liability to them in connection with the same and shall procure that any third party does not make any claim against the Supplier in this regard.</li> </ol> </li> <li>3. Audit Independence <p>The Supplier may terminate this Call Off Contract upon such period of written notice as is reasonable in the circumstances if there is a change of law, rule, regulation or professional standard or circumstances arise that would prejudice the Supplier's ability to comply with applicable auditor independence requirements provided that the Supplier shall use reasonable endeavours to mitigate the impact of any such circumstances and seek a work-around solution with the Customer, prior to issuing any notice of termination.</p> </li> </ol>
10.12	<b>Call Off Tender:</b> In Annex A - KPMG Bid Response

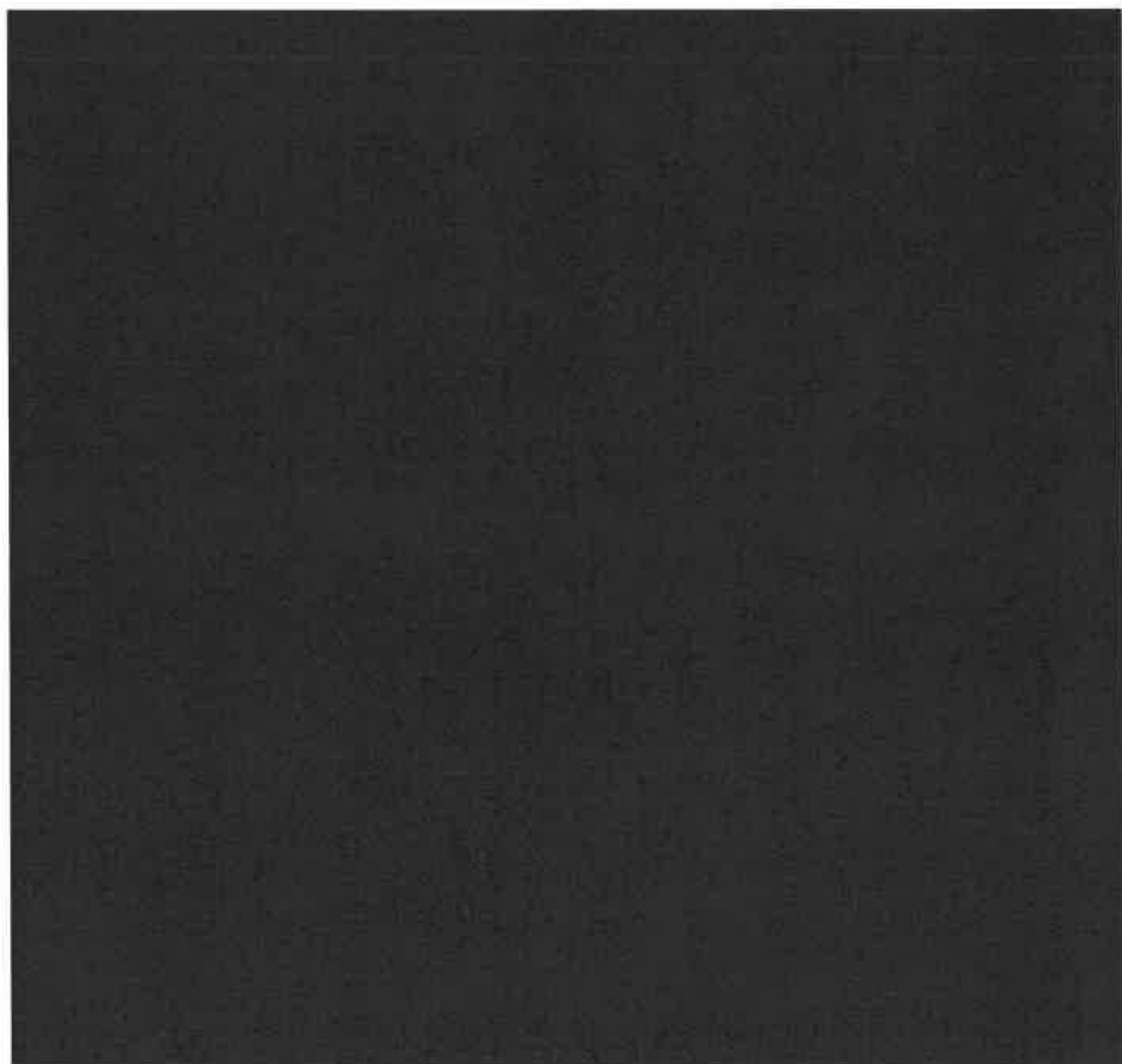
<p><b>10.13</b></p>	<p><b>Publicity and Branding (Clause 36.3.2 of the Call Off Terms)</b></p> <p>The Supplier shall not use the Customer's name or brand without Approval.</p> <p>Each Party acknowledges to the other that nothing in this Call Off Contract either expressly or by implication constitutes an endorsement of any products or services of the other Party (including the Services and Supplier Equipment) and each Party agrees not to conduct itself in such a way as to imply or express any such approval or endorsement.</p> <p>The Supplier shall:</p> <ul style="list-style-type: none"> <li>• ensure that neither it nor any of its Affiliates, Sub-Contractors, sub-contractors, employees, agents, servants or representatives embarrass the Customer or other Crown Bodies;</li> <li>• cause, permit, contribute or is in any way connected to material adverse publicity relating to or affecting the Customer, other Crown Bodies and/or the Contract;</li> <li>• or brings the Customer or other Crown Bodies into disrepute by engaging in any act or omission which is reasonably likely to diminish the trust that the public places in the Customer or other Crown Bodies, regardless of whether or not such acts or omissions are related to the Supplier's obligations under the Call Off Contract.</li> </ul>
<p><b>10.14</b></p>	<p><b>Staff Transfer</b></p> <p>Annex to Schedule 10, List of Notified Sub-Contractors (Call Off Tender).</p>
<p><b>10.15</b></p>	<p><b>Processing Data</b></p> <p>Call Off Schedule 17</p> <p>BEIS Data Protection Officer dataprotection@bels.gov.uk</p> <p>The Supplier shall only process in accordance with the instructions as advised below and comply with any further written instructions with respect to processing by the Contracting Authority. Any such further written processing instructions required by the Contracting Authority shall be incorporated into this Schedule and shall be a subject of a formal amendment to this Contract.</p> 

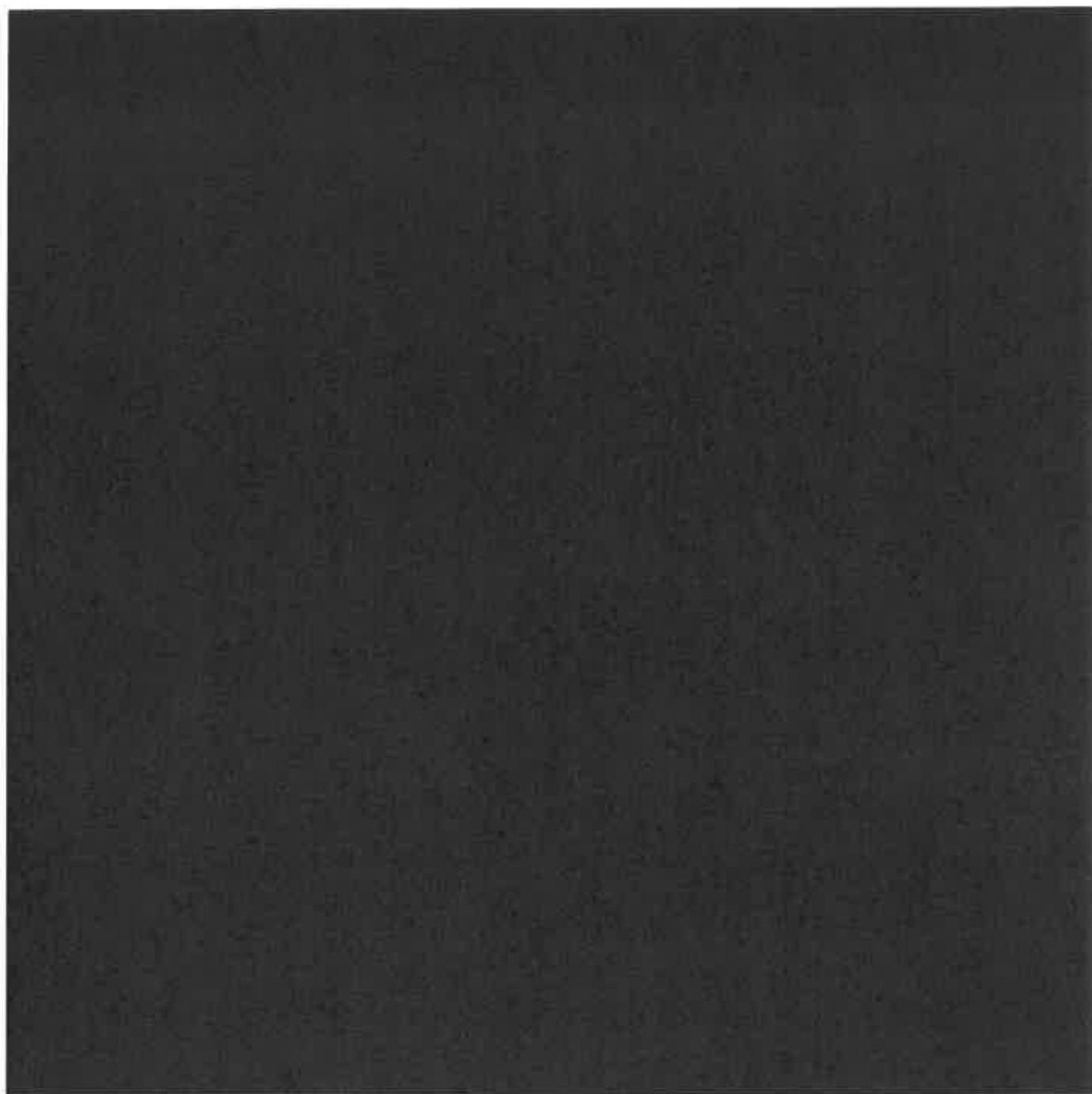
	
<b>10.16</b>	<b>MOD DEFCONs and DEFFORM</b> <b>Call Off Schedule 15</b>

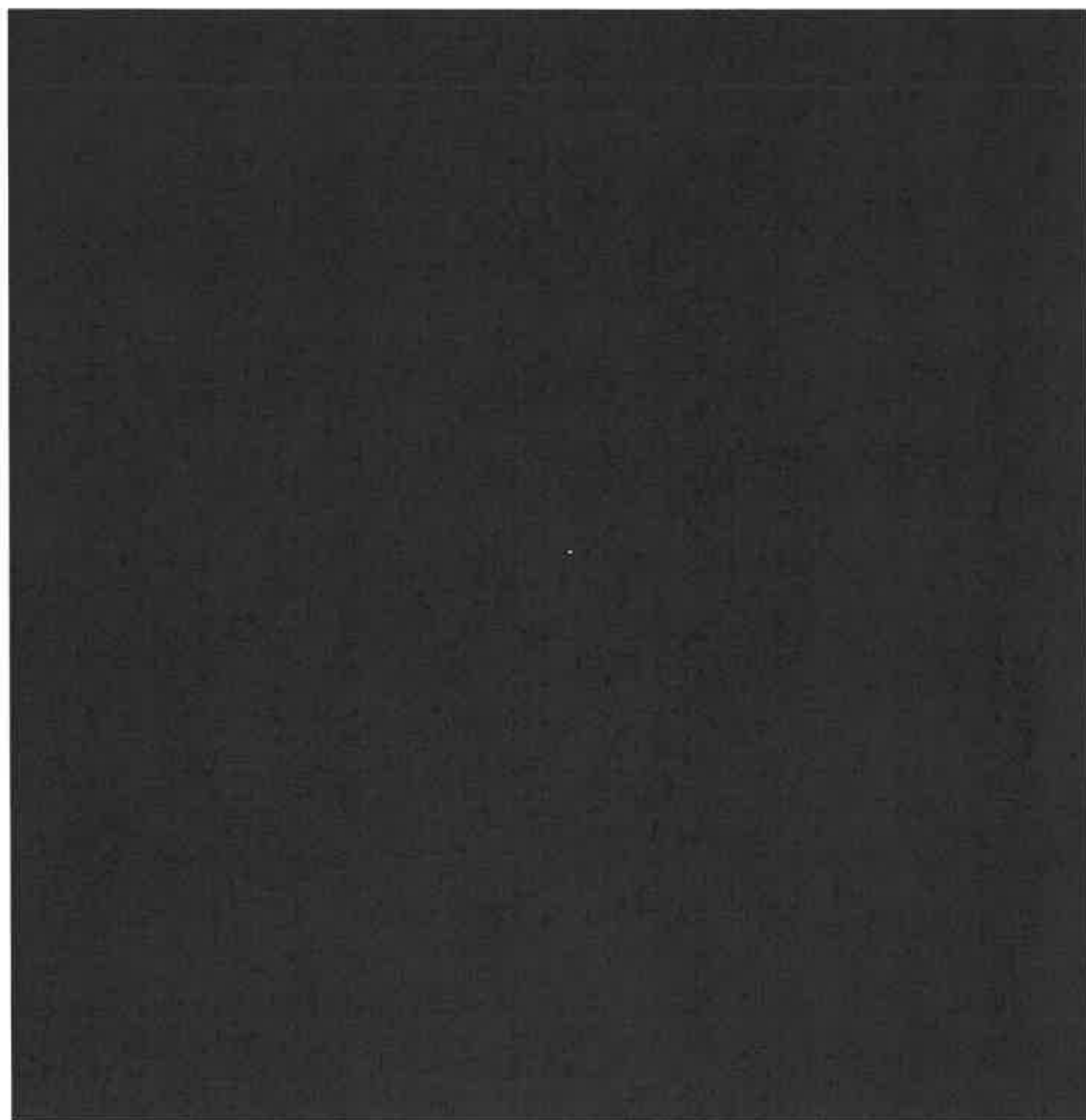
## **Annex A - KPMG Bid Response**



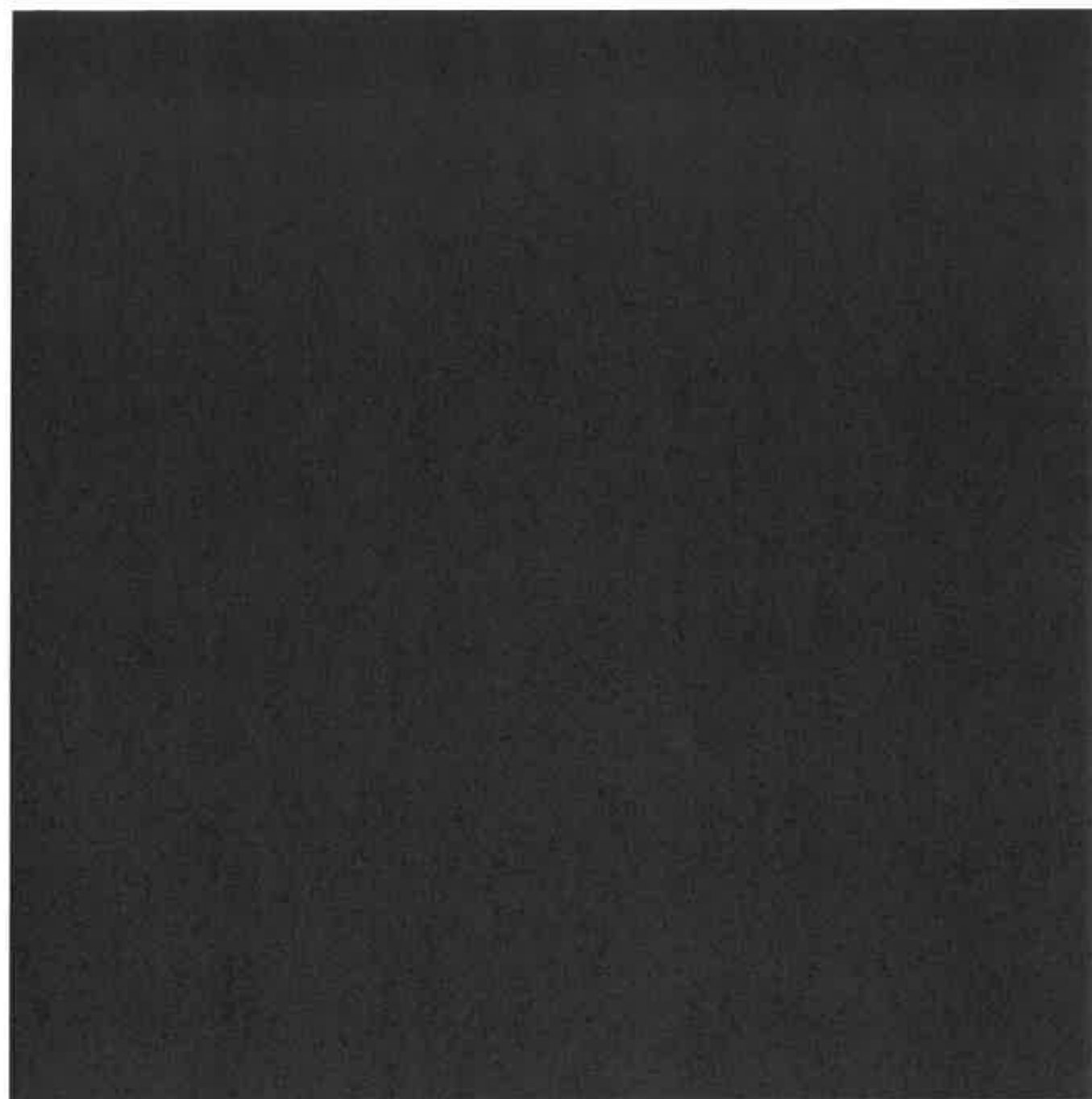


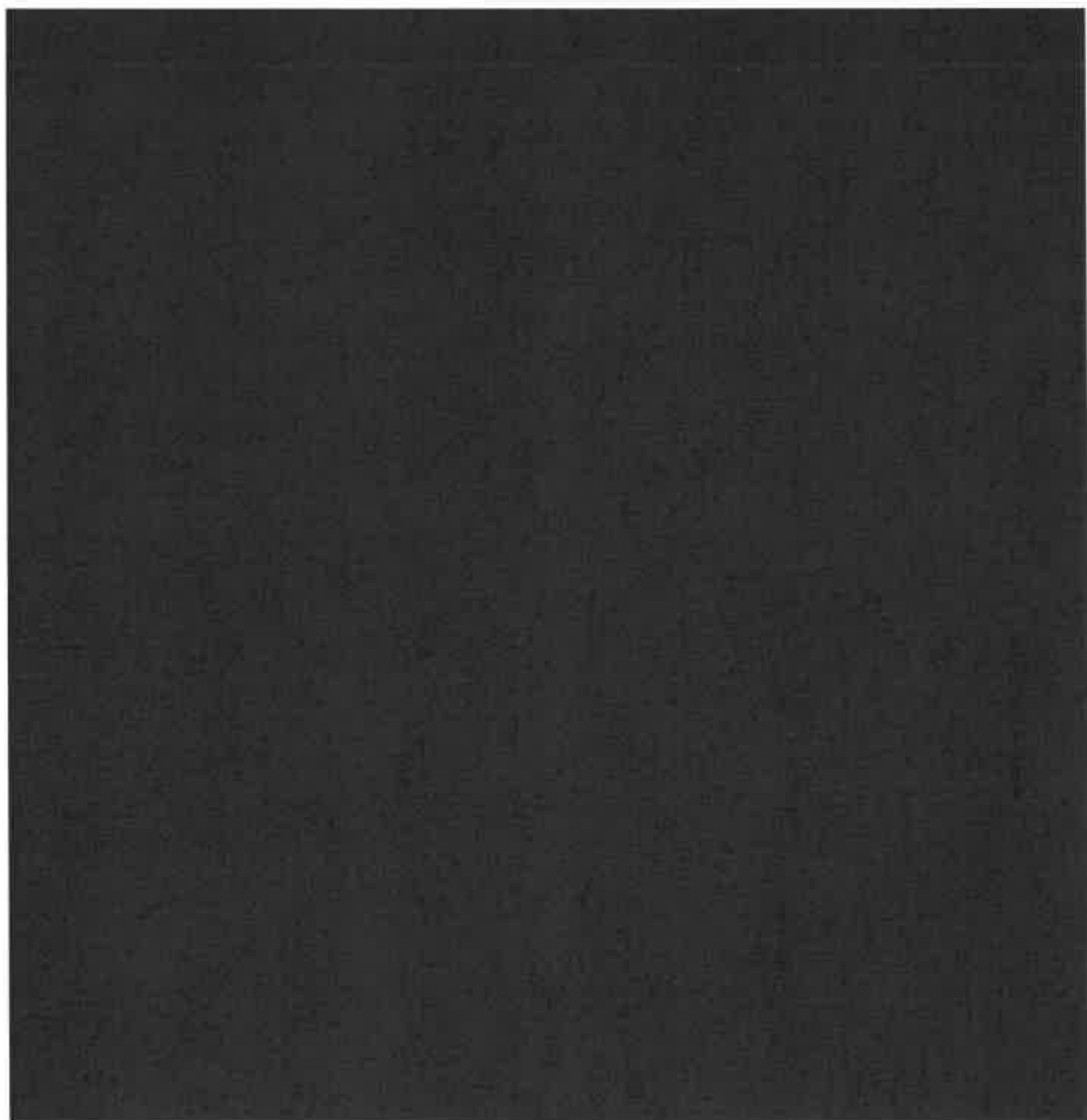


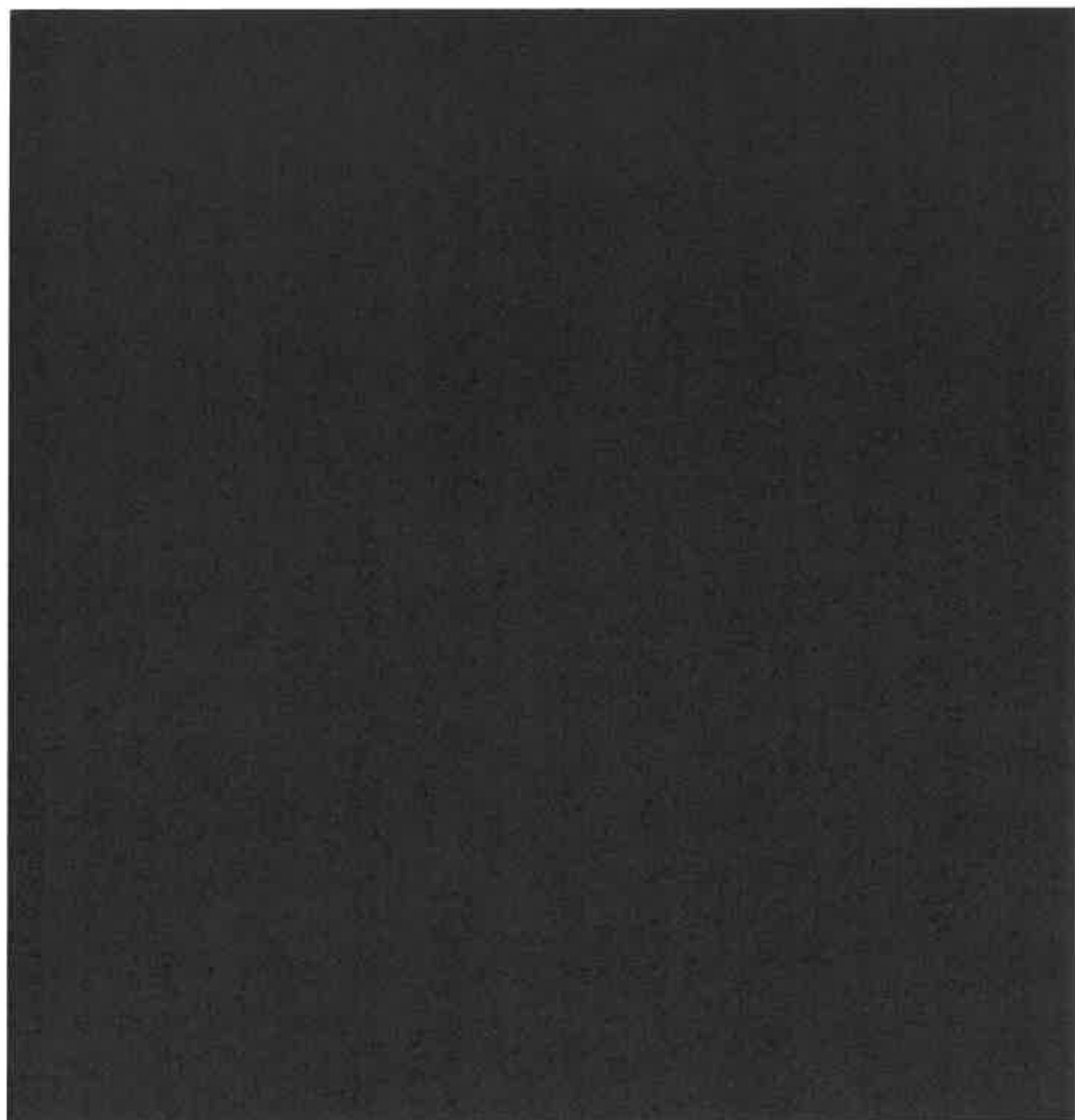


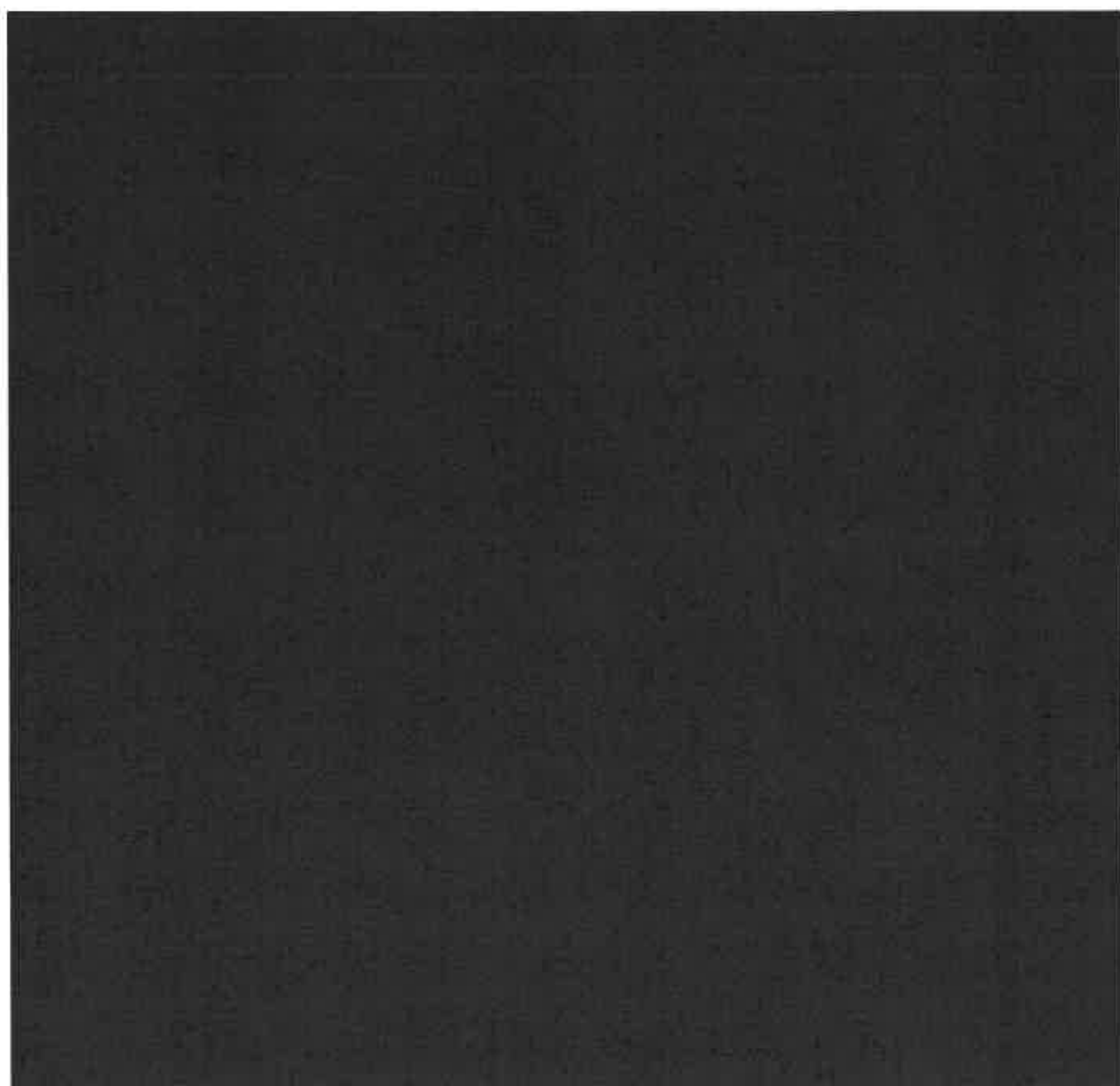


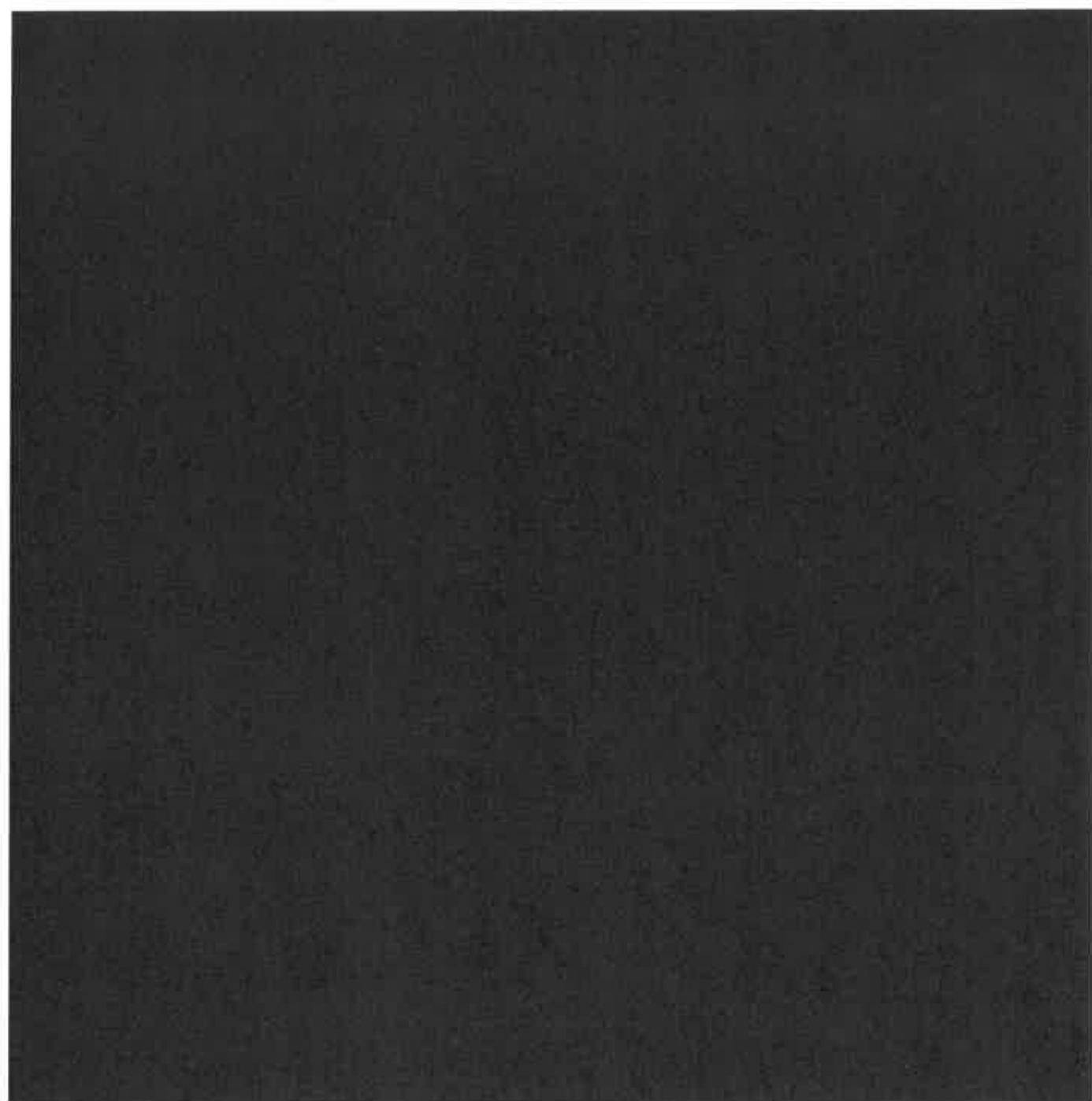


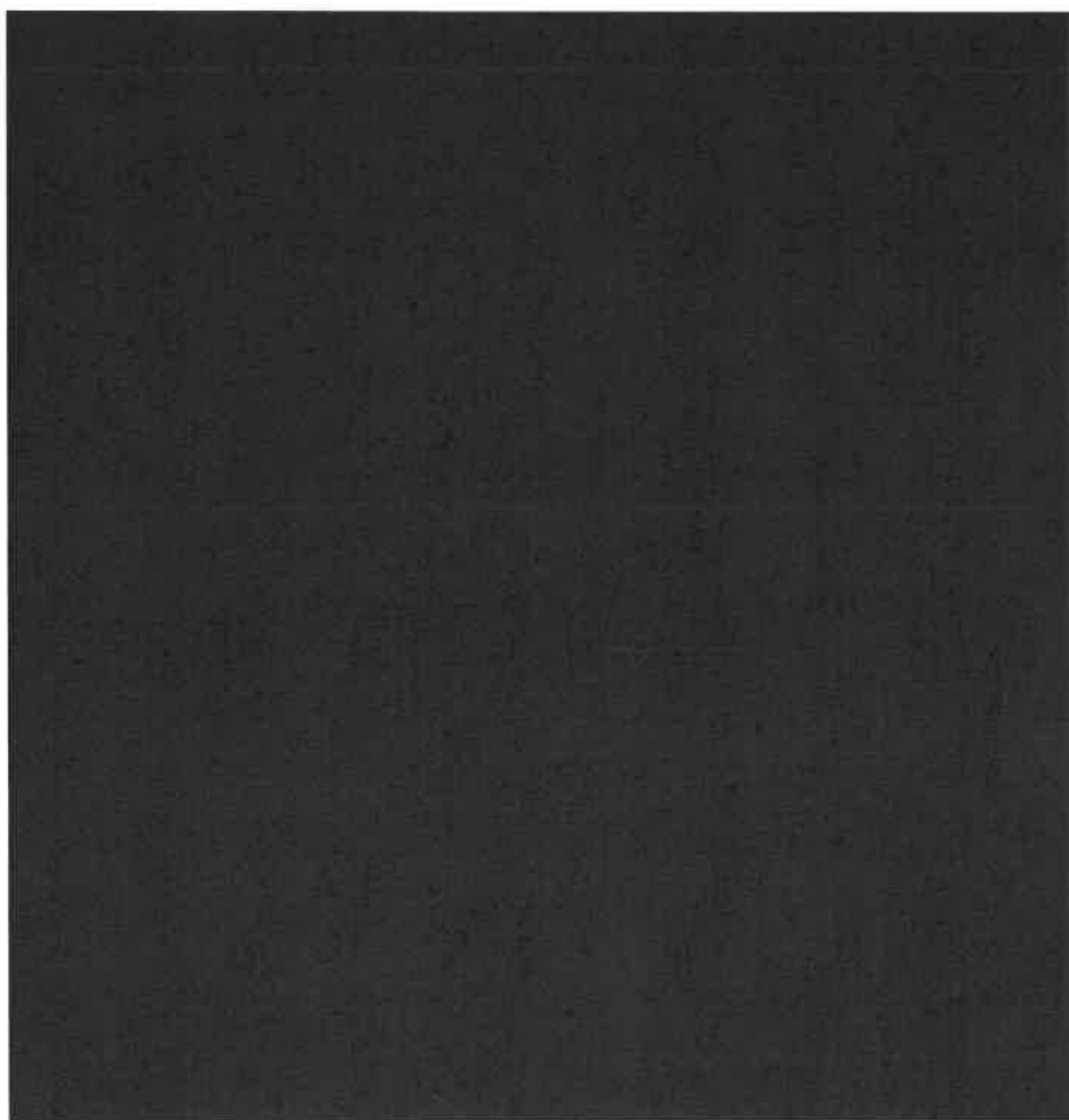


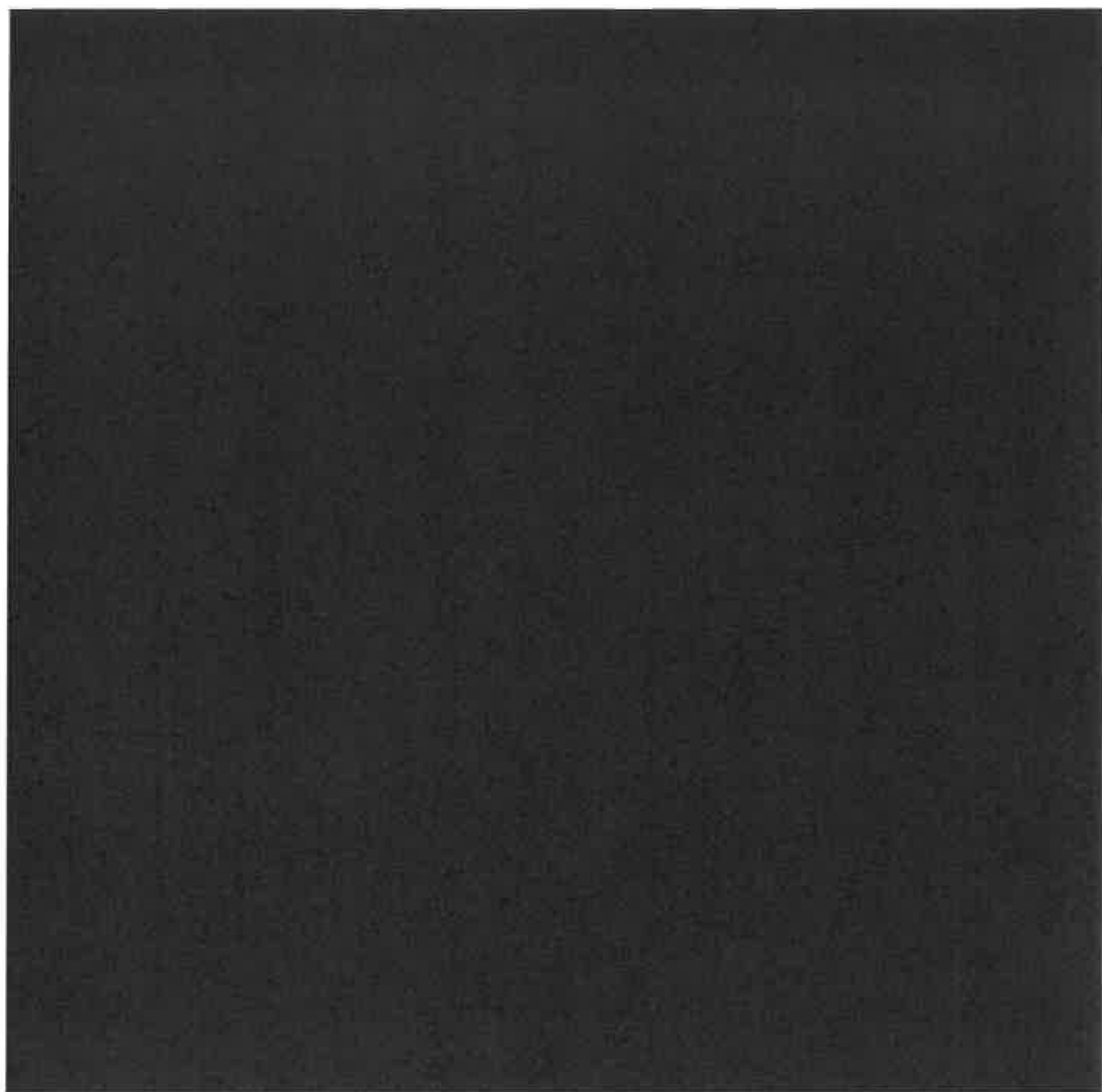


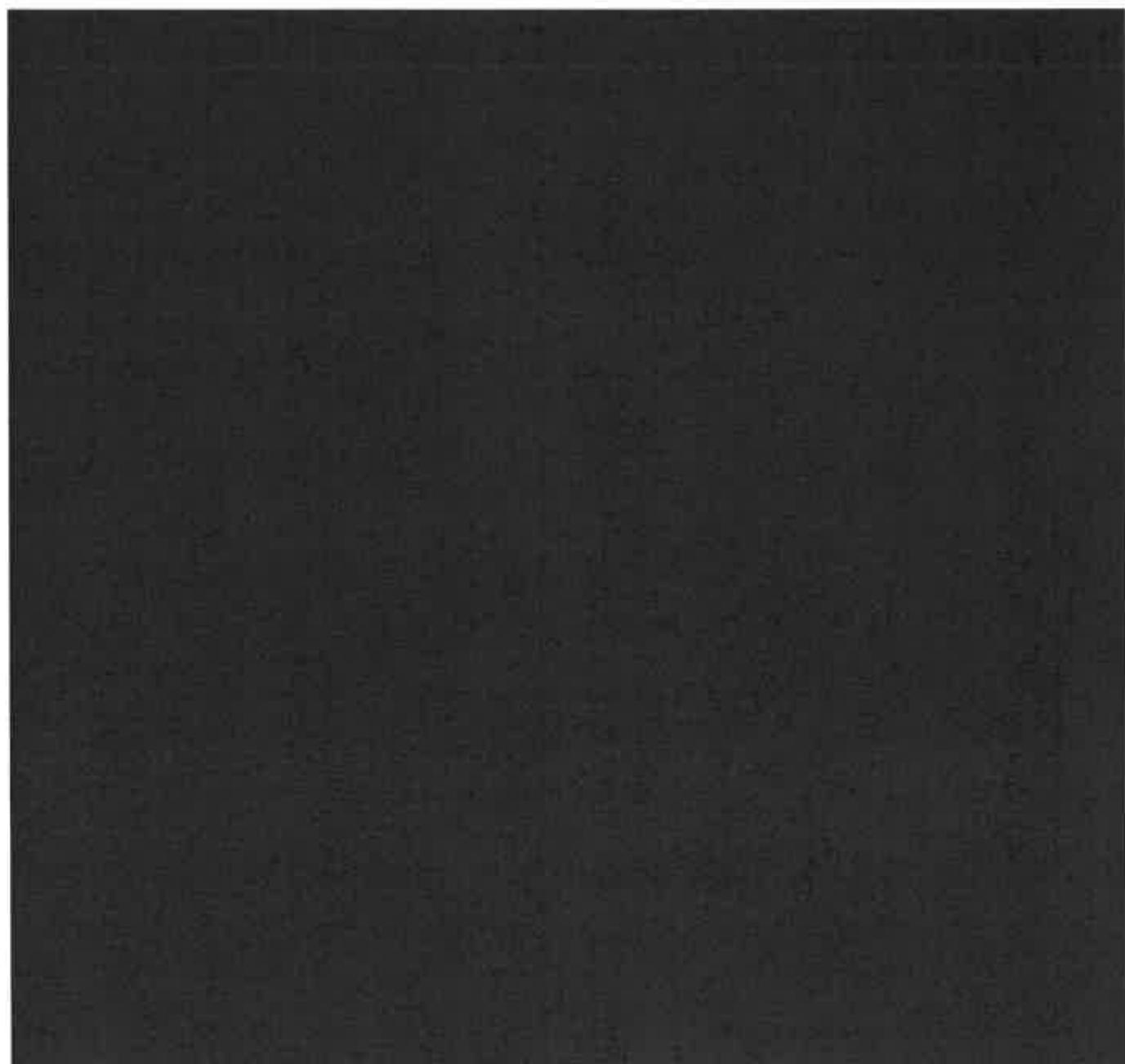




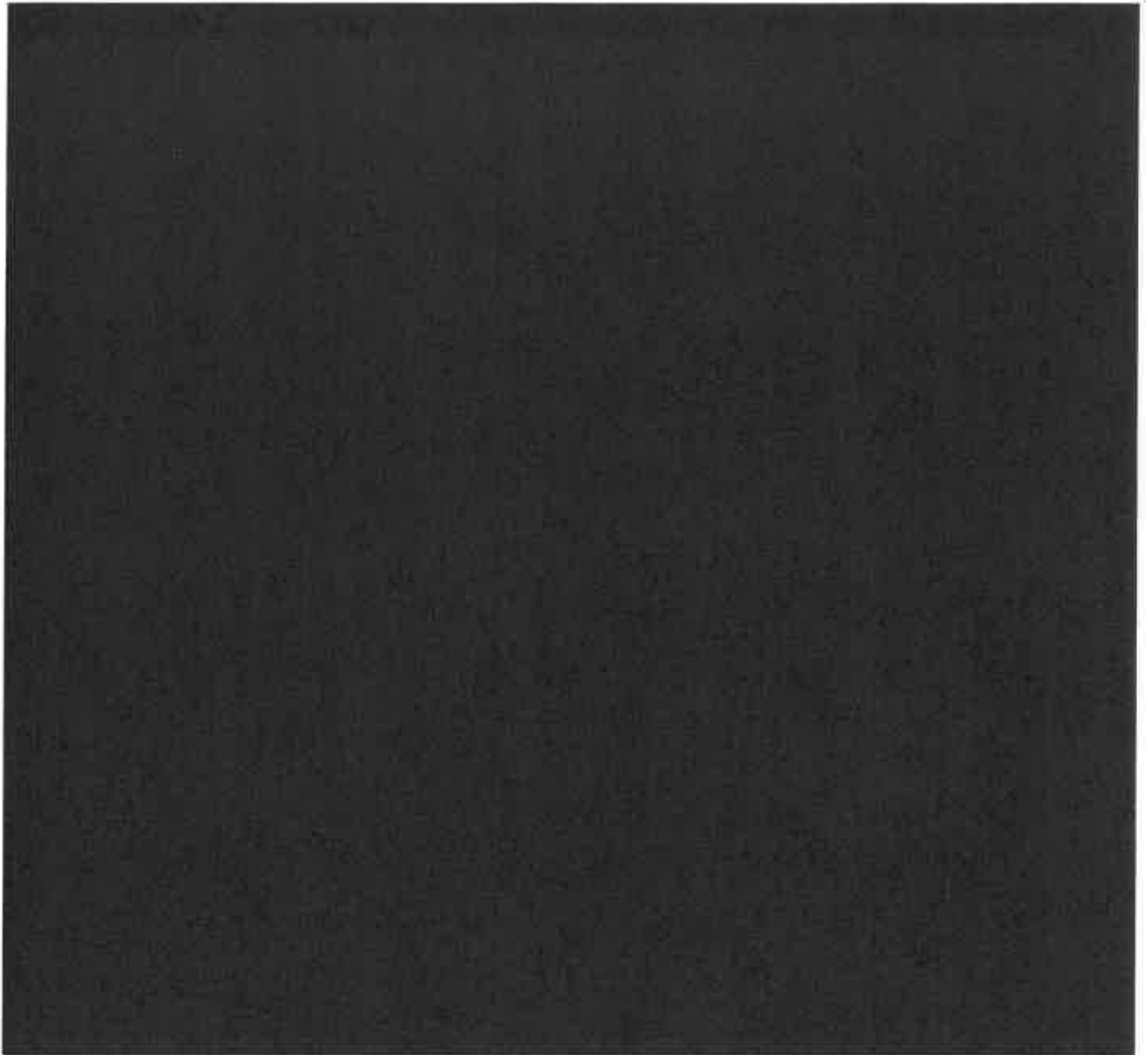


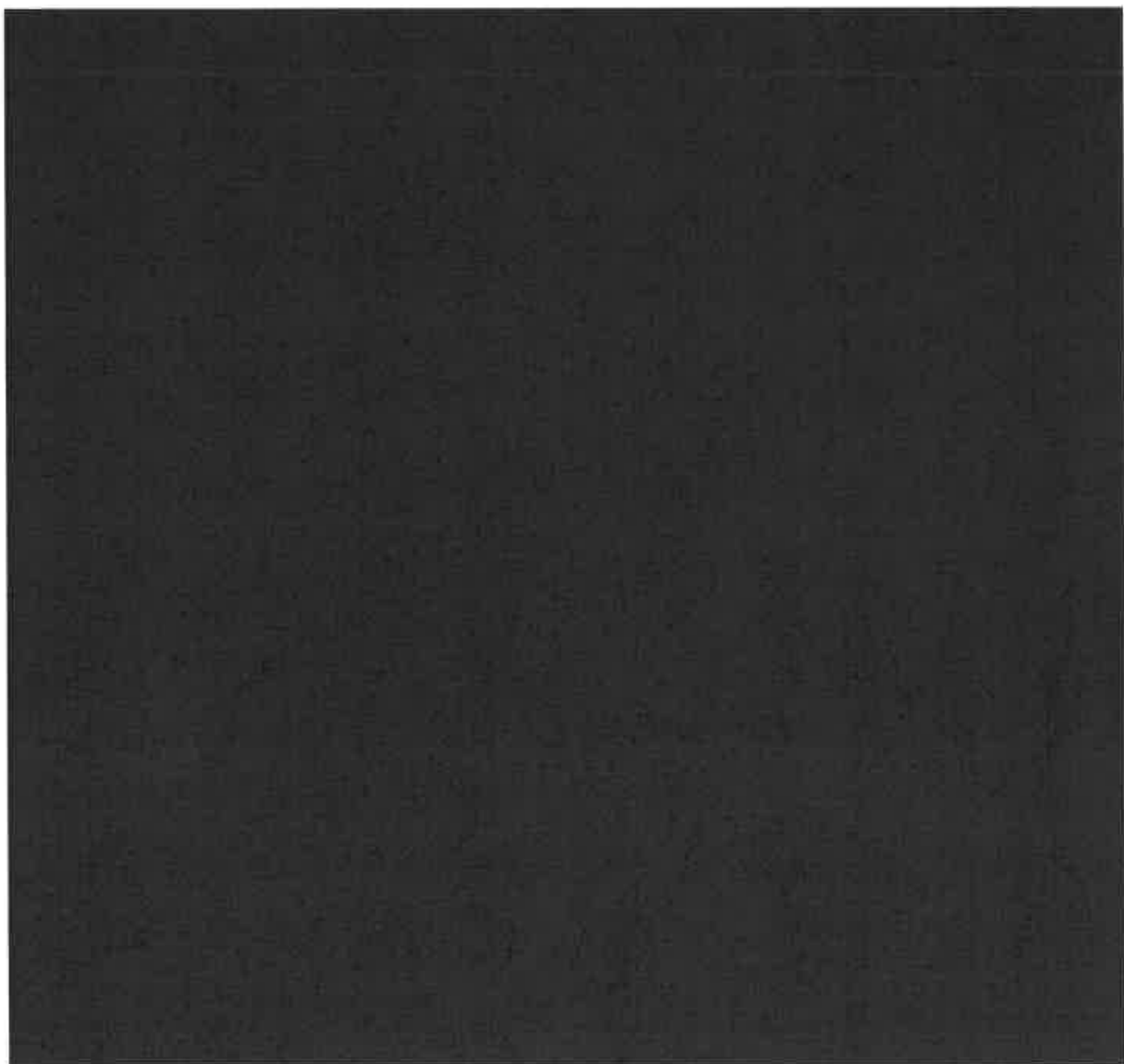


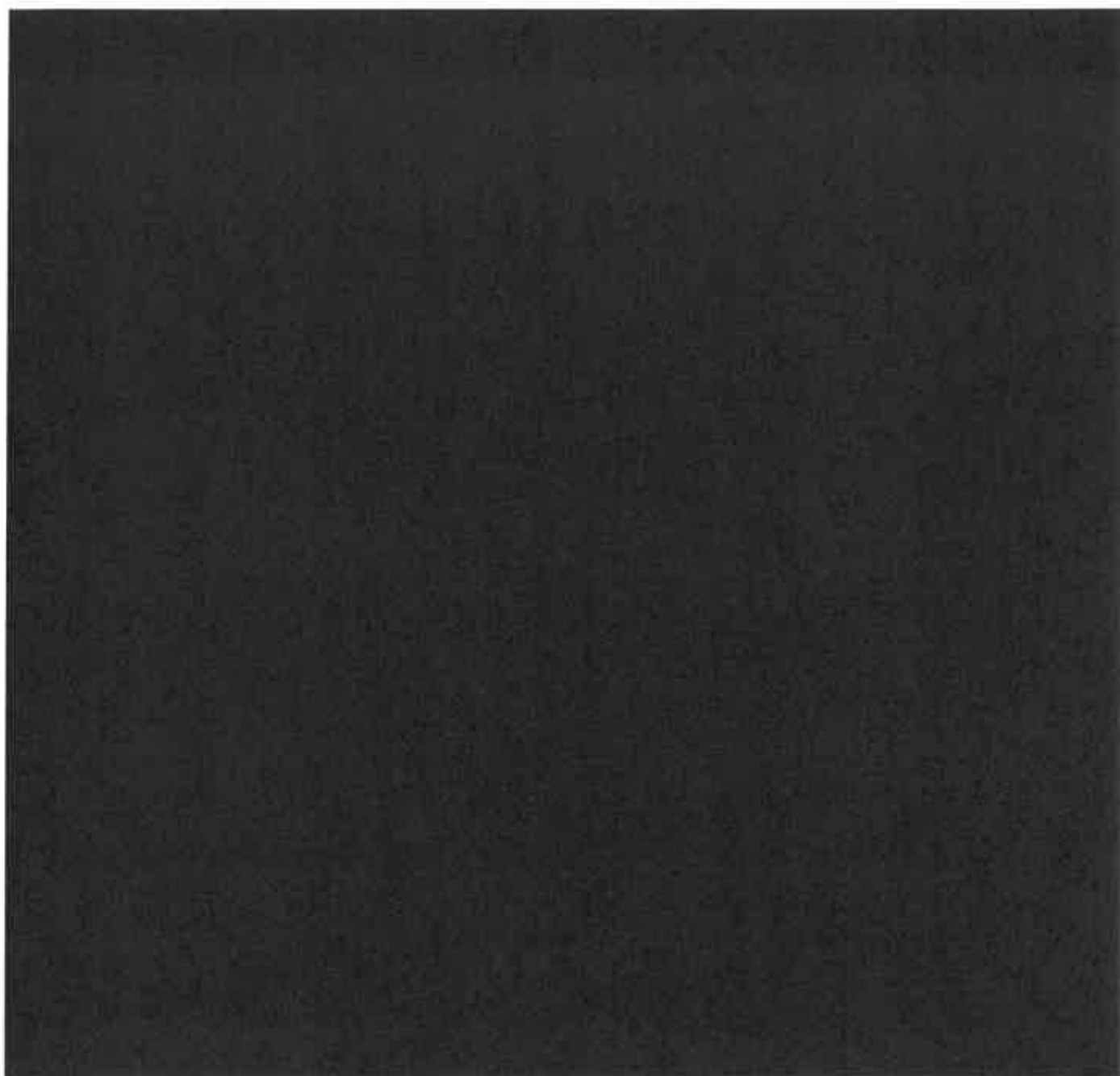












## FORMATION OF CALL OFF CONTRACT

**BY SIGNING AND RETURNING THIS CALL OFF ORDER FORM (which may be done by electronic means) the Supplier agrees to enter a Call Off Contract with the Customer to provide the Services in accordance with the terms Call Off Order Form and the Call Off Terms.**

**The Parties hereby acknowledge and agree that they have read the Call Off Order Form and the Call Off Terms and by signing below agree to be bound by this Call Off Contract.**

**In accordance with paragraph 7 of Framework Schedule 5 (Call Off Procedure), the Parties hereby acknowledge and agree that this Call Off Contract shall be formed when the Customer acknowledges (which may be done by electronic means) the receipt of the signed copy of the Call Off Order Form from the Supplier within two (2) Working Days from such receipt.**

**For and on behalf of the Supplier:**

Name and Title		
Signature		
Date		

**For and on behalf of the Customer:**

Name and Title	
Signature	
Date	