

### 1.1 Purpose

The purpose of this form is to identify:

1. What controls are needed to reduce noise and vibration from your worksite
2. If your work needs A Section 61 Consent
3. If your work needs a letter drop and liaison with local residents or stakeholders

### 1.2 Guidance

**This form must be completed when:**

- 1) Local environmental risk assessment identifies noise and vibration as a issue.
- 2) TfL Pathway Project Management Framework Applicability Questionnaire identifies construction is taking place.

The Environmental Management Plan must be updated accordingly once this form has been completed. Risks must be transferred to the Risk Register/ARM / as appropriate

This form must be approved by the Project Manager (or equivalent in AP) and reviewed by an HSE Manager or Environment Manager. Review helps ensure effective internal communications in advance of works.

Before completing this form please read the Management of Site Noise from Maintenance and Construction Work Activities ([G1374](#)) document. G1374 contains a list of Best Practicable Means to control noise. Also in Appendix 1 of G1374 an events timeline is provided detailing the main actions to complete when dealing with noisy work.

### 1.3 Site Noise and Vibration Evaluation and Control

**Note:** Best Practicable Means to control noise and vibration needs to be applied at all times, even if a Section 61 is not needed.

#### Part 1: Works details

1	Location of works	
2	Job reference number	
3	Job title	
4	Start date on site (including enabling works)	
5	End date	

6	Hours of work	
7	Scope of work	
8	Brief description of the work activities (including enabling works).	
9	Are other works, including 3rd party work, taking place near to your work site?	

Part 2: Site noise and vibration evaluation				
	Question	Yes	No	Notes
1	Are there residential properties / schools / places of worship, or other noise or vibration sensitive premises nearby?			Please include a site plan and photos showing the location of the work and the nearest receptors. State approximate distances to receptors.
2	If the site access is separate from the worksite - are there residential properties / schools / places of worship, or other noise or vibration sensitive premises near the access point?			Please include a site plan and photos showing the location of the work and the nearest receptors. State approximate distances to receptors. Will works be carried out in multiple locations?
3	If your work is near a station according to the <a href="#">Noise Sensitivity Register</a> / <a href="#">Web GIS</a> is it a red or amber station?			
4	Have there been complaints before in the area where you are working?			You can find out from the Community Relations Team.
5	Will works take place at unsocial hours?*			If yes, state duration of such works? If yes, explain why this work cannot be done in normal daytime working hours
6	Will noisy equipment be used? For example: Diesel generator Angle grinder Chainsaw Breaker Digger Piling rig			Please provide plant dB levels, if available.
7	Will there be materials or waste moved in and out of the site?			Provide details



8	Will materials be loaded and unloaded at street level near residents			Provide details
9	Are there designated parking places and welfare facilities?			How many employees on site? How many vehicles on site? Where will staff congregate?
10	Will disruptive works continue for 3 or more nights?			
11	Will disruptive works continue for 10 or more days?			
12	Will noise or vibration be generated frequently or continuously? i.e. for more than half the shift			
13	Will people hear or feel noise and vibration from outside the worksite?			

\*Unsocial hours are from 1800 to 0800 weekdays, 1300 Saturday to 0800 Monday morning and throughout Bank Holidays.

**If yes is answered to any questions above then it is likely a Section 61 consent will be needed. Consult your HSE Manager or Environment team**

Does this site need a Section 61 consent?	Yes	No	Maybe
Reason for decision			
Action to be taken if the answer is Yes or Maybe			
Does this site need a letter drop or some other public liaison? A letter drop is needed as part of a Section 61. However if S61 is not needed but work is still noisy a letter drop may still be required.	Yes	No	Maybe
Reason for decision			
Action to be taken if the answer is Yes or Maybe			

Best Practicable Means will always apply even if a Section 61 is not needed.

	Name & Role	Date
Completed by		
Approved by		
Reviewed by		



## **SCHEDULE 16 - APPENDIX 7: RESOURCE AND WASTE MANAGEMENT PLAN**

The Resource and Waste Management Plan is set out in Appendix 6 of the Supplier's Environmental Management Plan.

## **SCHEDULE 16 - APPENDIX 8: ENVIRONMENTAL MANAGEMENT PLAN**



























































































































































































































## SCHEDULE 17: Responsible Procurement

### 1. Timber Standards

For the purposes of this Schedule 17 (Responsible Procurement), unless the context indicates otherwise, the following expressions shall have the following meanings:

“Independent Report” means an independent report by an individual or body:

- (a) whose organisation, systems and procedures conform to:
  - (i) ISO Guide 65:1996 (EN 45011:1998); and
  - (ii) general requirements for bodies operating product certification systems; and
- (b) who is accredited to audit against forest management standards by a national or international body whose organisation, systems and procedures conform to ISO Guide 61 General Requirements for Assessment and Accreditation of Certification Bodies;

“Legal Timber” means Timber in respect of which the organisation that felled the trees and/or provided the Timber from which the wood supplied under the Contract derived:

- (a) had legal rights to use the forest;
- (b) holds a register of all local and national laws and codes of practice relevant to forest operations; and
- (c) complied with all relevant local and national laws and codes of practice including environmental, labour and health and safety laws and paid all relevant royalties and taxes;

“Recycled Timber”  
and “Reclaimed Timber” means recovered wood that has been reclaimed or re-used and that has been in previous use and is no longer used for the purpose for which the trees from which it derives were originally felled. The terms ‘recycled’ and ‘reclaimed’ are interchangeable and include, but are not limited to the following categories: pre-consumer recycled wood and wood fibre or industrial by-products but excluding sawmill co-products (sawmill co-products are deemed to fall within the category of Virgin Timber), post-consumer recycled wood and wood fibre and drift wood. Recycled or Reclaimed Timber must be capable of being evidenced as such to the Company’s satisfaction in order to satisfy this definition;

“Sustainable Timber”

means Timber, which in order to meet the Company’s criteria for sustainable timber, must be:

- (a) Recycled Timber; or
- (b) Sustainably Sourced Timber; or
- (c) a combination of (a) and (b);

“Sustainably sourced Timber”

means Timber sourced from organisational, production and process methods that minimise harm to ecosystems, sustain forest productivity, ensure that both forest ecosystem health and vitality, and forest biodiversity is maintained. In order to satisfy this definition, Timber must be accredited with the Forest Stewardship Council (“FSC”) or equivalent. Where it is not practicable to use FSC standard accredited Timber, the Company will accept Timber accredited through other schemes approved by the Central Point of Expertise on Timber (CPET), as listed below:

- (a) Canadian Standards Association (CSA);
- (b) Programme for the Endorsement of Forest Certification (PEFC); or
- (c) Sustainable Forestry Initiative (SFI),

or such other source as the Supplier may demonstrate to the Company’s satisfaction is equivalent;

“Timber”

means wood from trees that have been felled for that purpose, but excludes any item where the manufacturing processes applied to it has obscured the wood element (by way of example only, paper would not be treated as Timber). Where the term Timber is used as a generic term it includes both Virgin Timber and Recycled Timber; and

“Virgin Timber”

means Timber supplied or used in performance of the Contract that is not Recycled Timber.

## **1.1 Supplier's Obligations and the Company's Rights**

- a. The Supplier shall ensure that all Timber supplied or used in the performance of the Contract shall be Sustainable Timber. If it is not practicable for the Supplier to meet this condition the Supplier must inform the Company in writing prior to the supply of any Timber that is not Sustainable Timber, and stating the reason for the inability to comply with this condition. The Company reserves the right, in its absolute discretion, to approve the use of Timber that is not Sustainable Timber. Where the Company exercises its right to reject any Timber, the provisions of paragraph 1.1(d) below shall apply.
- b. Without prejudice to paragraphs 1.1(a) and 1.3(b), all Virgin Timber procured by the Supplier for supply or use in performance of the Contract shall be Legal Timber.
- c. The Supplier shall ensure that Virgin Timber it procures for supply or use in performance of the Contract shall not have derived from any species of tree that is protected under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) unless the Supplier can prove, by producing official documentation, that he has complied with the CITES requirements that permit trading in the particular species of tree so listed under that Convention.
- d. The Company reserves the right to reject at any time any Timber that does not comply with the conditions of this Contract or the Specification. Where the Company exercises its right to reject any Timber, the Supplier shall supply contractually compliant alternative Timber, at no additional cost to the Company and without causing delay to the performance of the Contract.
- e. The Supplier shall maintain records of all Timber supplied and used in the performance of the Contract. Such information shall be made available to the Company promptly if requested at any time.

## **1.2 Company's Reporting Requirements**

- a. Unless the Company has given its written approval in accordance with paragraph 1.1(a) that Timber that is not Sustainable Timber may be used, then, if requested, the Supplier shall promptly provide evidence to the Company's satisfaction that the Timber is Sustainable Timber.
- b. Upon a request by the Company referred to in paragraph 1.2(a), in the event that the Supplier does not promptly provide such evidence, or the evidence provided does not satisfy the Company's requirements, then (and without prejudice to paragraph 1.3(a)), the Company reserves the right to retain 5% of any monies payable to the Supplier under the Contract until such date as the Company is in receipt of such evidence and the Company is satisfied that the evidence establishes that the Timber is Sustainable Timber.
- c. The Supplier shall report quarterly on its use of Sustainable Timber in the performance of the Contract.
- d. The Supplier shall report on the amount of Timber that has been supplied to the Company in accordance with paragraph 1.1(a) which is not Sustainable Timber.

### 1.3 **Verification**

#### a. **Evidence of Sustainable Timber**

- (i) The Company reserves the right to determine whether the evidence supplied by the Supplier is sufficient to satisfy it that the Specification and the conditions of this Contract have been fully complied with. In the event that the Company is not so satisfied, the Supplier shall, on written request by the Company, commission and meet the costs of an Independent Report to:
  - (1) verify the source of the Timber; and
  - (2) assess whether the forests of origin were managed in accordance with the specified local laws and regulations.

#### b. **Evidence of Legal Timber**

- (i) The Supplier shall, before delivering any Virgin Timber under this Contract, obtain documentary evidence to the Company's satisfaction that the Timber is both Legal and Sustainable Timber. If requested in writing by the Company, the Supplier shall submit such documentary evidence to the Company either prior to delivery or at such other times as the Company may require. For the avoidance of doubt, the Supplier shall identify, as part of the evidence submitted, a chain of custody from the source of the Timber through to delivery of the final product.
- (ii) The Company reserves the right at any time during the execution of the Contract and for a period of 6 years from final delivery of any Timber under the Contract to require the Supplier to produce the evidence required for the Company's inspection within 14 days of the Company's written request.

## 2 **Ethical Sourcing**

- 2.1 The Company is committed to ensuring that workers employed in its supply chains throughout the world are treated fairly, humanely and equitably. In the course of complying with this Contract, the Supplier shall comply with and shall procure that its Sub-Contractors (as applicable) comply with those principles of the ETI Base Code, or an equivalent code of conduct approved by the Company, (the "Ethical Sourcing Principles") in relation to the provision of the Services.
- 2.2 As at the Commencement Date, the Supplier shall be registered with an ethical supplier database, such as SEDEX (Supplier Ethical Data Exchange). The Supplier agrees that for the duration of this Contract, it shall permit and enable the Company to have access to the information relating to the Supplier that subsists in such ethical supplier database.
- 2.3 During the course of this Contract, the Company has the right to request the Supplier to carry out one or more audits using a reputable auditor to verify whether the Supplier is complying with the Ethical Sourcing Principles. The identity of the auditor is to be approved by the Company, such approval not to be unreasonably withheld or delayed. The costs of the audit shall be borne by the Company.

- 2.4 During the course of this Contract, if the Company has reasonable cause to believe that the Supplier is not complying with any of the Ethical Sourcing Principles, then the Company shall notify the Supplier and the Parties shall agree an action plan with appropriate timeframes for compliance by the Supplier (the "Action Plan"), such Action Plan to be agreed by the Parties by no later than 5 Working Days from the date of the Company notifying the Supplier that remedial action is required or such other period as the Parties may otherwise agree in writing. The costs of the creation and implementation of the Action Plan shall be borne by the Supplier.
- 2.5 Following the agreement of the Action Plan, the Company reserves the right to conduct one or more audits, (either itself or via a third-party auditor approved by the Company) in relation to compliance by the Supplier with the Action Plan.
- 2.6 For the avoidance of doubt, the rights of audit contained in this Schedule 17 (Responsible Procurement) shall include without limitation the right of the Company (or a Company-approved auditor) acting reasonably to undertake physical inspections of relevant sites/factories, to conduct interviews with relevant personnel and to inspect relevant documents. The Supplier shall co-operate and shall procure that its Sub-Contractors (as applicable) co-operate with the Company in relation to all aspects of any audit.

### 3. **Supplier Diversity**

#### 3.1 **Strategic Equality and Diversity Plan**

- (a) For the purposes of this paragraph 3, the expression "Agreed Strategic Equality and Diversity Plan" means the strategic equality and diversity plan to be provided by the Supplier to the Company and as negotiated and agreed between the Parties and attached to the Contract as a new Schedule headed "Agreed Strategic Equality and Diversity Plan".
- (b) For the duration of this Contract, the Supplier shall comply with the Agreed Strategic Equality and Diversity Plan and shall procure that each of its Sub-Contractors adopts and implements a strategic equality and diversity plan in respect of their respective employees engaged in the performance of the Contract which is at least as extensive in scope as that agreed with the Company and set out in the Agreed Strategic Equality and Diversity Plan.
- (c) Where a Sub-Contractor has, pursuant to paragraph 3.1(b) or otherwise, adopted a strategic equality and diversity plan, the Supplier shall procure that each of its Sub-Contractors provides a copy of its strategic equality and diversity plan (and any amendments thereto) to the Company or its nominee as soon as reasonably practicable.

#### 3.2 **Diversity Training**

- (a) For the duration of this Contract, the Supplier shall comply with the "Agreed Training Plan" in relation to all of its employees engaged in the performance of the Contract. For the purposes of this paragraph 3, the expression "Agreed Training Plan" means the diversity training plan to be provided by the Supplier to the Company and as negotiated and agreed between the parties and attached to the Contract as a new Schedule headed "Agreed Training Plan". The Supplier shall procure that each of its Sub-Contractors adopts and implements a diversity training plan in respect of their respective employees

engaged in the performance of the Contract which is at least as extensive in scope as the Agreed Training Plan.

- (b) Where a Sub-Contractor has, pursuant to paragraph 3.3(a) or otherwise, adopted a diversity training plan, the Supplier shall procure that each of its Sub-Contractors provides a copy of its diversity training plan (and any amendments thereto) to the Company or its nominee as soon as reasonably practicable.

### **3.3 Supplier Diversity**

- (a) For the duration of this Contract the Supplier shall at all times comply with the "Agreed Supplier Diversity Plan". For the purposes of this paragraph 3, the expression "Agreed Supplier Diversity Plan" means the supplier diversity plan to be provided by the Supplier to the Company and as negotiated and agreed between the parties and attached to the Contract as a new Schedule headed "Supplier Diversity Plan". The Supplier shall procure that each of its Sub-Contractors adopts and implements a supplier diversity plan in relation to the performance of this Contract which is at least as extensive as the Agreed Supplier Diversity Plan.
- (b) Where a Sub-Contractor has, pursuant to paragraph 3.3(a) or otherwise, adopted a supplier diversity plan, the Supplier shall procure that each of its Sub-Contractors provides a copy of its supplier diversity plan (and any amendments thereto) to the Company or its nominee as soon as reasonably practicable.

### **3.4 Communications Plan**

For the duration of this Contract and in all dealings with the Local Community, the Supplier shall comply with the Agreed Communications Plan. For the purposes of this paragraph 3, the expression "Agreed Communications Plan" means the communications plan to be provided by the Supplier to the Company and as negotiated and agreed between the parties and attached to the Contract as a new Schedule headed "Agreed Communication Plan" and the expression "Local Community" means those areas of London affected by the Services from time to time.

### **3.5 Monitoring and Reporting**

- (a) Subject to paragraph 3.5(c), the Supplier shall use reasonable endeavours to provide the Company on the date of this Contract and subsequently every 12 months from the date of this Contract or such other frequency as the Company may reasonably request with an annual report on performance and compliance with the equality and diversity provisions as set out in paragraphs 3.1 to 3.4 of this Schedule 17 (Responsible Procurement). The annual report should set out:
  - (i) the performance of the Supplier over the past 12 months in relation to the Agreed Strategic Equality and Diversity Plan, the Agreed Training Plan, the Agreed Supplier Diversity Plan and the Agreed Communications Plan and/or the action plan submitted for the previous 12 months in accordance with paragraph 3.5(a)(iv);
  - (ii) the proportion of the Supplier's employees engaged in the performance of the Contract and, to the extent reasonably possible,

the employees of the Sub-Contractors engaged pursuant to the terms of the relevant sub-contracts in the performance of the Contract who are:

- (1) female;
  - (2) of non-white British origin or who classify themselves as being non-white British;
  - (3) from the local community; or
  - (4) disabled;
  - (iii) the proportion of the Supplier's Sub-Contractors that are SMEs and/or BAMEs and/or other suppliers from other under-represented or protected groups; and
  - (iv) a plan of action for the forthcoming 12 months showing what the Supplier plans to do to continue delivery of the equality and supplier diversity objectives.
- (b) For the purposes of this paragraph 3.5, the meaning of SME and BAME is as set out in Appendix 2 (TfL Supplier Diversity Definitions) to this Schedule 17 (Responsible Procurement).
- (c) The Supplier shall ensure at all times that it complies with the requirements of the Data Protection Act 1998 (as may be amended) in the collection and reporting of the information to the Company pursuant to paragraph 3.5(a).

### **3.6 Equality and Diversity Infractions**

- (a) For the purposes of this paragraph 3.6, "Equality and Diversity Infraction" means any breach by the Supplier of its obligations specified in paragraphs 3.1 to 3.4 of this Schedule 17 (Responsible Procurement) and/or any failure by a Sub-Contractor to adopt and implement a strategic equality and diversity plan, a diversity training plan and/or a supplier diversity plan as described in paragraphs 3.1 to 3.4 of this Schedule 17 (Responsible Procurement).
- (b) If the Supplier or any of its Sub-Contractors commits an Equality and Diversity Infraction, the Company shall be entitled (but not obliged) to act as follows:
- (i) if an Equality and Diversity Infraction is committed by the Supplier then the Company may serve written notice upon the Supplier identifying in reasonable detail the nature of the Equality and Diversity Infraction, and the Supplier shall cease committing and remedy, at its own cost, the Equality and Diversity Infraction, within 30 days of receipt of such notice (or such longer period as may be specified in the notice); or
  - (ii) if the Equality and Diversity Infraction is committed by a Sub-Contractor of the Supplier, the Company may serve written notice upon the Supplier identifying in reasonable detail the nature of the Equality and Diversity Infraction, and the Supplier shall procure that the Sub-Contractor ceases committing and remedies, at its own cost, the Equality and Diversity Infraction within 30 days of receipt by the Supplier of such notice (or such longer period as may be specified in

the notice). If the Supplier fails to procure the remedy of the Equality and Diversity Infraction, the Company may serve a further written notice upon the Supplier and within 30 days of receipt of such further notice (or such longer period as may be specified in the notice), the Supplier shall terminate, at its own cost, the relevant contract with its Sub-Contractor and procure performance of the affected works or services by another person which also complies with the obligations specified in paragraphs 3.1 to 3.4 of this Schedule 17 (Responsible Procurement).

- (c) It shall be a fundamental term and condition of the Contract that the Supplier complies with its obligations under paragraphs 3.6(b)(i) to 3.6(b)(ii). Where, following receipt of a notice given pursuant to paragraphs 3.6(b)(i) to 3.6(b)(ii) the Supplier fails to remedy an Equality and Diversity Infraction to the satisfaction of the Company or in the case of paragraph 3.6(b)(ii) fails to terminate the contract with a defaulting Sub-Contractor and procure performance by another person on the terms specified in paragraph 3.6(b)(ii) the Supplier will be in breach of the Contract and the Company shall be entitled (but not obliged) to terminate the Contract, without further notice to the Supplier, in accordance with Clause 43 of the Contract.

### **3.7 Equality and Diversity Audit**

- (a) The Company or its nominee may from time to time undertake any audit or check of any and all information regarding the Supplier's compliance with paragraphs 3.1 to 3.4 of this Schedule 17 (Responsible Procurement).
- (b) The Company's rights pursuant to this paragraph 3.7 shall include any and all documents and records of the Supplier and its Sub-Contractors and shall include the Documentation.
- (c) The Supplier shall maintain and retain the Documentation for a minimum of six years from the termination or expiry of the Contract with respect to all matters in respect of the performance of and compliance with paragraphs 3.1 to 3.4 of this Schedule 17 (Responsible Procurement). The Supplier shall procure that each of its Sub-Contractors shall maintain and retain the Documentation for a minimum of six years from the termination or expiry of the Contract with respect to all matters in respect of the performance of and compliance with paragraphs 3.1 to 3.3 of this Schedule 17 (Responsible Procurement). The Supplier shall procure that each sub-contract between it and its Sub-Contractors shall contain rights of audit in favour of and enforceable by the Company substantially equivalent to those granted by the Supplier pursuant to paragraph 3.7(a).
- (d) The Company shall use reasonable endeavours to co-ordinate its audits and to manage the number, scope, timing and method of undertaking audits so as to ensure that the Supplier and each Sub-Contractor is not, without due cause, disrupted or delayed in the performance of its obligations under the Contract and/or relevant subcontract (as the case may be).
- (e) The Supplier shall promptly provide, and procure that its Sub-Contractors promptly provide all reasonable co-operation in relation to any audit or check including, to the extent reasonably possible in each particular circumstance:

- (i) granting or procuring the grant of access to any premises used in the Supplier's performance of the Contract or in the relevant Sub-Contractor's performance of its sub-contract, whether the Supplier's own premises or otherwise;
  - (ii) granting or procuring the grant of access to any equipment (including all computer hardware and software and databases) used (whether exclusively or non-exclusively) in the performance of the Supplier's or the relevant Sub-Contractor's obligations specified in paragraphs 3.1 to 3.3 of this Schedule 17 (Responsible Procurement), wherever situated and whether the Supplier's own equipment or otherwise; and
  - (iii) complying with the Company's reasonable requests for access to senior personnel engaged in the Supplier's performance of the Contract or the relevant Sub-Contractor's performance of its Sub-Contract.
- (f) For the purposes of this paragraph 3.7, the expression "Documentation" means all information relating to the Supplier's performance of and compliance with paragraphs 3.1 to 3.4 of this Schedule 17 (Responsible Procurement) and the adoption and implementation of a strategic equality and diversity plan, an equality and diversity training plan and a supplier diversity plan by each Sub-Contractor of the Supplier.

## **SCHEDULE 17 - APPENDIX 1: THE ETI BASE CODE**

The following terms shall be defined as follows when used within this Appendix 1:

- “Child”** means any person less than 15 years of age unless local minimum age law stipulates a higher age for work or mandatory schooling, in which case the higher age shall apply. If however, local minimum age law is set at 14 years of age in accordance with developing country exceptions under International Labour Organisation (“ILO”) Convention No. 11, the lower will apply.
- “Young person”** means any worker over the age of a child as defined above and under the age of 18.
- “Child labour”** means any work by a child or young person younger than the age(s) specified in the above definitions, which does not comply with the provisions of the relevant ILO standards, and any work that is likely to be hazardous or to interfere with the child's or young person's education, or to be harmful to the child's or young person's health or physical, mental, spiritual, moral or social development.

### **1.1 EMPLOYMENT IS FREELY CHOSEN**

- 1.1.1 There is no forced, bonded or involuntary prison labour.
- 1.1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

### **1.2 FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING ARE RESPECTED**

- 1.2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- 1.2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- 1.2.3 Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 1.2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

### **1.3 WORKING CONDITIONS ARE SAFE AND HYGIENIC**

- 1.3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

- 1.3.2 Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.
- 1.3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- 1.3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- 1.3.5 The company observing the code shall assign responsibility for health and safety to a senior management representative.

#### **1.4 CHILD LABOUR SHALL NOT BE USED**

- 1.4.1 There shall be no new recruitment of child labour.
- 1.4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.
- 1.4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- 1.4.4 These policies and procedures shall conform to the provisions of the relevant ILO standards.

#### **1.5 LIVING WAGES ARE PAID**

- 1.5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.
- 1.5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
- 1.5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

#### **1.6 WORKING HOURS ARE NOT EXCESSIVE**

- 1.6.1 Working hours comply with at least UK national laws and benchmark industry standards, whichever affords greater protection.
- 1.6.2 In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every 7 day period on average. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

## **1.7 NO DISCRIMINATION IS PRACTISED**

There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

## **1.8 REGULAR EMPLOYMENT IS PROVIDED**

1.8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

1.8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

## **1.9 NO HARSH OR INHUMANE TREATMENT IS ALLOWED**

Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

### **Note on the Provisions of this Code**

The provisions of this code constitute minimum and not maximum standards, and this code should not be used to prevent companies from exceeding these standards. Companies applying this code are expected to comply with national and other applicable law and, where the provisions of law and this ETI Base Code address the same subject, to apply that provision which affords the greater protection.

**SCHEDULE 17 - APPENDIX 2: TFL SUPPLIER DIVERSITY DEFINITIONS**

Issue Date: February 2010

Effective: February 2010

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## **1. Document Outline**

### **1.1 Background**

Encouraging a diverse base of supplier forms a part of the GLA Group Responsible Procurement Policy. The TfL Supplier Diversity Definitions ensure consistency across Supplier Diversity activities across TfL. These definitions form a basis for the TfL Supplier Diversity Policy and act as a basis for alignment in the measurement of diverse suppliers.

### **1.2 Version Control**

<b>Version Date</b>	<b>Author</b>	<b>Notes</b>
26 February 2010	C Cottam	Turnover/Balance Sheet Amendment
02 February 2009	C Cottam	SME definition update
31 January 2008	J Gall	Ownership categorisation
8 <sup>th</sup> May 2006	J Gall	EU definitions
19 <sup>th</sup> October 2005	J Gall	Updates/clarifications

## **2. Diverse Suppliers**

For the purposes of TfL's Procurement Supplier Diversity Programme, "Diverse Suppliers" comprise the following four subsets:

2.1 Small and Medium Enterprises (SMEs)

2.2 Black, Asian and Minority Ethnic (BAME) businesses

2.3 Suppliers from other under-represented or protected groups

2.4 Suppliers demonstrating a diverse workforce composition

The more detailed explanations of the four above subsets are given in the sections below.

3. **Small and Medium Enterprises (SMEs)**

3.1 A **Small Enterprise**<sup>4</sup> is a business which has both the following:

- i) 0-49 Full Time Equivalent employees<sup>1</sup>;  
  
AND EITHER
- ii) Turnover<sup>2</sup> per annum of no more than £5.6 million net (or £6.72 million gross);  
in the last Financial Year;  
  
OR
- iii) Balance sheet total<sup>3</sup> of no more than £2.8 million net (£3.36 million gross).

3.2 A **Medium Enterprise**<sup>4</sup> is a business which has both the following:

- i) 50-249 Full Time Equivalent employees<sup>1</sup>;  
  
AND EITHER
- ii) Turnover<sup>2</sup> per annum of no more than £22.8 million net (or £27.36 million gross) in the last Financial Year;  
  
OR
- iii) Balance sheet total<sup>3</sup> of no more than £11.4 million net (or £13.68 million gross).

3.3 A **Large Enterprise**<sup>4</sup> is a business which has both the following:

- i) 250 and over Full Time Equivalent employees<sup>1</sup>;  
  
AND EITHER
- ii) Turnover<sup>2</sup> per annum over £22.8 million net (or £27.36 million gross) in the last Financial Year;  
  
OR
- iii) Balance sheet total<sup>3</sup> of over £11.4 million net (or £13.68 gross).

<sup>1</sup> Full Time equivalent employees is defined in Section 7.1

<sup>2</sup> Turnover is defined in Section 7.3

<sup>3</sup> Balance Sheet Total is defined in Section 7.5

<sup>4</sup> Further explanation is outlined in Section 7.7 (Definition of Size) & 7.8 (Ownership Categorisation)

4. **Black, Asian and Minority Ethnic (BAME) owned businesses**

A Black, Asian and Minority Ethnic (BAME) owned business is a business which is 51% or more owned by members of one or more Black, Asian or Minority ethnic groups.

Minority ethnic groups are all people including those who have classified themselves as members of ethnic groups other than 'White British'.

The minority ethnic classification groups used by TfL for monitoring purposes are:

<u>Ethnic group</u>	<u>Racial origin</u>
White	Irish Any other White background
Mixed	White & Black Caribbean White & Black African White & Asian Any other Mixed background
Asian or Asian British	Indian Pakistani Bangladeshi Any other Asian background
Black or Black British	Caribbean African Any other Black background
Chinese or other Ethnic Group	Chinese Any other Ethnic Group

5. **Suppliers from other under-represented groups or protected groups**

5.1 A Supplier from an under-represented group is one which is 51% or more owned by members of one or more of the following groups (where not covered by previous definitions):

5.1.1 Women (gender);

5.1.2 Disabled people with physical and sensory impairments, learning difficulties and mental health requirements;

5.1.3 Lesbians, Gay men, Bisexual and Transgender people (sexual orientation); and

5.1.4 Older people (aged 60 or over), young people (aged 24 or under) (age).

5.2 A Supplier from a protected group is one which is 51% or more owned by members of a group for which protection is provided by anti-discriminatory legislation and which is not already covered by the above (such as religious, faith or belief groups, or alternatively, ownership by a social enterprise or a voluntary/community organisation).

6. **Suppliers demonstrating a diverse workforce composition**

This relates to Full Time Equivalent employees in the supplier's workforce who may be from one or more minority ethnic groups, and/or under-represented groups and/or protected groups as listed in II and III above.

7. **Other Definitions & Information**

7.1 **Full-Time Equivalent Employees**

Where employee numbers are used, these refer to Full-Time Equivalents (FTEs) expressed in **Annual Work Units** (see below). Staff headcount should include full-time, part-time and seasonal staff and includes the following:

- Employees
- Persons working for the enterprise being subordinated to it and considered to be employees under national law
- Owner managers
- Partners engaged in regular activity in the enterprise and benefiting from financial advantages from the enterprise.

Full-time workers are expressed as hours worked per week. TfL refer to standard UK hours of work as full time workers – i.e. those who work 35 hours a week and 52 weeks a year (including annual leave).

7.2 **Annual Work Units**

Refer to anyone who worked, over the past year, full-time within your enterprise, or on its behalf, during the entire reference year counts as one unit. You treat part-time staff, seasonal workers and those who did not work the full year as fractions of one unit.

### 7.3 **Turnover**

Turnover is in line with that defined in the Companies Act 1985:

The amounts derived from the provision of goods and services falling within the company's ordinary activities, after deduction of:

- i) trade discounts
- ii) value added tax

Please refer to paragraph 7.8 regarding ownership categorisation to understand how to interpret ownership, where an enterprise is part of a parent organisation.

### 7.4 **Financial Year**

All data must be relating to the last approved accounting period and calculated on an annual basis. In the case of newly-established enterprises whose accounts have not yet been approved, the data to apply shall be derived from a reliable estimate made in the course of the Financial Year.

### 7.5 **Balance Sheet Total**

The annual balance sheet total refers to the value of your company's main assets.

### 7.6 **Ownership**

Individual or those in named control holding capital or voting rights - either through private or shared ownership - of any given business entity.

### 7.7 **Definition of Size**

Where headcount and turnover and/or balance sheet conditions apply to different size definitions, headcount acts as the more predominant aspect, in defining size.

An organisation does not need to satisfy both turnover and balance sheet total, only one of the conditions and may exceed one of them without losing its status. This is illustrated by an organisation which has 30 employees, a turnover of £12 million and a balance sheet total of £10 million. The number of employees figure would class the organisation as a small organisation, however the turnover and balance sheet total define the organisation as medium. In this case, the headcount would be used to define the classification of the organisation. This organisation would be classed as a small organisation.

To illustrate this, the following scenarios have been mapped for the different characteristics of supplier diversity definitions (based on information from the Department for Trade & Industry (*now Department for Business Enterprise & Regulatory Reform*)):

		Turnover/Balance Sheet Total		
		£5.6m net(up to)/ £2.8m net (up to )	£22.8m net(up to/incl.)/ £11.4m net (up to/incl.)	£22.8m net(over)/ £11.4m net (over)
Employees	0-49	✓	<i>Employees more predominant</i>	<i>Employees more predominant</i>
	50-249	<i>Employees more predominant</i>	✓	<i>Employees more predominant</i>
	250+	<i>Employees more predominant</i>	<i>Employees more predominant</i>	✓

## 7.8 Ownership Categorisation

### EU Commission Definition on Enterprise Ownership Categorisation

The European Commission's Guidance published in 2016 "User Guide to the SME Definition" outlines parameters for defining an organisation's ownership categorisation and whether an organisation is autonomous, partner or linked. The following paragraphs summarise these categories but the Guidance should be referred to for fuller detail.

#### 7.8.1 Autonomous

This is the most common category of ownership.

An organisation is autonomous if:

- It is totally independent, i.e. there is no participation in other enterprises and no enterprise has a participation.
- It has a holding of less than 25% of the capital or voting rights (whichever is the higher) in one or more other enterprises and/or outsiders do not have a stake of 25% or more of the capital or voting rights (whichever is the higher) in your enterprise.

If an organisation is autonomous, it means that it is not a partner or linked to another enterprise

#### 7.8.2 Partner

An enterprise is a partner enterprise if:

It has a holding equal to or greater than 25%, of the capital or voting rights in another enterprise and/or another enterprise has a holding equal to or greater than 25% in the other.

It is not linked to another enterprise. This means, among other things, that voting rights in the other enterprise (or vice versa) do not exceed 50%.

### 7.8.3 Linked

Enterprises formed as a **group** through the direct or indirect control of the majority of voting rights. An enterprise owned by another or through the ability to exercise a **dominant influence** on another enterprise.

Two or more enterprises are linked when they have any of the following relationships:

- One enterprise holds a majority of the shareholders' or members' voting rights in another.
- One enterprise is entitled to appoint or remove a majority of the administrative, management or supervisory body of another.
- A contract between the enterprises, or a provision in the memorandum or articles of association of one of the enterprises, enables one to exercise a dominant influence over the other.
- One enterprise is able, by agreement, to exercise sole control over a majority of shareholders' or members' voting rights in another.

<sup>6</sup> Refer directly to the EU Commission Definitions for more guidance:

[http://ec.europa.eu/enterprise/enterprise\\_policy/sme\\_definition/sme\\_user\\_guide.pdf](http://ec.europa.eu/enterprise/enterprise_policy/sme_definition/sme_user_guide.pdf)

## **SCHEDULE 18: Performance Measurement**

### **1. Definitions**

For the purposes of this Schedule 18 (Performance Measurement), the following expressions shall have the following meanings:

- 1.1. "Graded" shall mean marked in accordance with the relevant performance criteria set out for each KPI in Appendix 1 (Key Performance Indicators) to this Schedule 18 (Performance Measurement) and agreed or determined pursuant to paragraph 5.2 of this Schedule 18 (Performance Measurement).
- 1.2. "KPI Report" shall have the meaning given in paragraph 4.1 of this Schedule 18 (Performance Measurement).
- 1.3. "KPIs" means the key performance indicators as detailed in Appendix 1 to this Schedule 18 and "KPI" means any one of them.
- 1.4. "Level 1 Non Conformance" shall mean any of the following:
  - (A) a failure by the Supplier to co-operate with the Company in connection with the preparation of a KPI Report in accordance with paragraph 4.1 of this Schedule 18 (Performance Measurement);
  - (B) subject to limb (C) below, a KPI is Graded as 'Red' for two consecutive Periods;  
or
  - (C) any KPI which is identified as relating to safety and sustainability in the column headed "Assessment Area" in Appendix 1 to this Schedule 18 (Performance Measurement) is Graded as 'Red' for one Period.
- 1.5. "Level 1 Non Conformance Report" shall have the meaning given in paragraph 8.4.1 of this Schedule 18 (Performance Measurement).
- 1.6. "Level 1 Rectification Period" shall have the meaning given in paragraph 8.4.1(C) of this Schedule 18 (Performance Measurement).
- 1.7. "Level 1 Required Action" shall have the meaning given in paragraph 8.4.1(B) of this Schedule 18 (Performance Measurement).
- 1.8. "Level 2 Non Conformance" shall mean any of the following:
  - (A) the Company determines that a Level 1 Non Conformance should be treated as a Level 2 Non Conformance, for any reason, including failure of the Supplier's Representative and the Company's Representative to agree any or all of the Level 1 Required Action, the Level 1 Rectification Period and whether the Level 1 Required Action has been completed within the Level 1 Rectification Period;
  - (B) the Supplier fails to notify the Company of the occurrence of a Level 1 Non Conformance prior to the Company notifying the same to the Supplier (provided that the Company shall be entitled, having regard to the gravity of the Non Conformance, to treat it as a Level 3 Non Conformance rather than a Level 2 Non Conformance);

- (C) the Supplier fails to make available to the Company a Level 1 Non Conformance Report within 5 Working Days of service by the Company of the notice referred to in paragraph 8.4.1 of this Schedule 18 (Performance Measurement);
  - (D) the Supplier fails in the Company's opinion to undertake the Level 1 Required Action within the Level 1 Rectification Period;
  - (E) the Supplier fails in the Company's opinion to complete the Level 1 Required Action within the Level 1 Rectification Period;
  - (F) within 1 month of the end of a Level 1 Rectification Period, the KPI concerned is Graded "Red";
  - (G) a KPI that is currently subject to a Level 1 Rectification Period is Graded 'Red';
  - (H) failure to meet the requirements of Schedule 16 (Health, Safety, Quality and Environmental Requirements); or
  - (I) failure to provide the IPR Register in accordance with Schedule 11 (Project Processes).
- 1.9. "Level 2 Non Conformance Report" shall have the meaning given in paragraph 8.5.1 of this Schedule 18 (Performance Measurement).
- 1.10. "Level 2 Rectification Period" shall have the meaning given in paragraph 8.5.1(C) of this Schedule 18 (Performance Measurement).
- 1.11. "Level 2 Required Action" shall have the meaning given in paragraph 8.5.1(B) of this Schedule 18 (Performance Measurement).
- 1.12. "Level 3 Non Conformance" shall mean any of the following:
- (A) the Company determines that a Level 2 Non Conformance should be treated as a Level 3 Non Conformance for any reason, including the gravity of the Non Conformance or the failure of the Core Group to agree any or all of the Level 2 Required Action, the Level 2 Rectification Period and whether the Level 2 Required Action has been completed within the Level 2 Rectification Period;
  - (B) the Supplier fails to make available to the Company a Level 2 Non Conformance Report within 5 Working Days of service by the Company of the notice referred to in paragraph 8.5.2;
  - (C) the Supplier fails in the Company's opinion to undertake the Level 2 Required Action within the Level 2 Rectification Period;
  - (D) the Supplier fails in the Company's opinion to rectify the Level 2 Non Conformance within the Level 2 Rectification Period;
  - (E) within 1 month of the end of a Level 2 Rectification Period the KPI concerned is Graded 'Red'; or
  - (F) a KPI that is currently subject to a Level 2 Rectification Period is Graded 'Red' .
- 1.13. "Level 3 Non Conformance Report" shall have the meaning given in paragraph 8.6.2(A) of this Schedule 18 (Performance Measurement).

- 1.14. "Level 3 Rectification Period" shall have the meaning given in paragraph 8.6.2(B) of this Schedule 18 (Performance Measurement).
- 1.15. "Level 3 Required Action" shall have the meaning given in paragraph 8.6.2(A) of this Schedule 18 (Performance Measurement).
- 1.16. "Level 4 Non Conformance" shall mean any of the following:
- (A) the Company determines that a Level 3 Non Conformance should be treated as a Level 4 Non Conformance, for any reason, including the gravity of the Non Conformance or the failure of the Core Group (or Senior Representatives or the Company's Senior Representative as specified in paragraph 2.4(A)(4) of Schedule 10 (Contract Management)) to agree or determine any or all of the Level 3 Required Action, the Level 3 Rectification Period and whether the Level 3 Required Action has been completed within the Level 3 Rectification Period;
  - (B) the Supplier fails to make available to the Company a Level 3 Non Conformance Report by the deadline notified under paragraph 8.6.2;
  - (C) the Supplier fails in the Company's opinion to undertake the Level 3 Required Action within the Level 3 Rectification Period;
  - (D) the Supplier fails in the Company's opinion to rectify the Level 3 Non Conformance within the Level 3 Rectification Period;
  - (E) within 1 month of the end of a Level 3 Rectification Period the KPI concerned is Graded 'Red'; or
  - (F) a KPI that is currently subject to a Level 3 Rectification Period is Graded 'Red'.
- 1.17. "Non Conformance" shall mean any of a Level 1 Non Conformance, a Level 2 Non Conformance, a Level 3 Non Conformance or a Level 4 Non Conformance.
- 1.18. "Payment Abating KPI" shall mean a KPI in relation to which the word "Yes" appears in the column headed "Appendix 2 Payment Abatement" in Appendix 1 to this Schedule 18 (Performance Measurement) and for the avoidance of doubt, KPI 2 (Safety and Sustainability) shall be a Payment Abating KPI in the context of the Maintenance Service but not otherwise;
- 1.19. "PMM" shall have the meaning given in paragraph 2.1 of this Schedule 18 (Performance Measurement).

## **2. Overview**

- 2.1. This Schedule 18 (Performance Measurement) details the performance measurement mechanism ("PMM") applicable to the Services.
- 2.2. The PMM incorporates:
- (A) the measurement, grading and reporting of KPIs;
  - (B) non-financial remedies for the Company in respect of failure to meet KPIs; and
  - (C) financial adjustments in respect of performance against KPIs.

### **3. KPIs**

#### **3.1. KPIs measure:**

- (A) safety and sustainability;
- (B) asset knowledge;
- (C) financial accounting;
- (D) innovation
- (E) delivery;
- (F) reliability; and
- (G) quality.

#### **3.2. Details of the KPIs, their application to the Services and their method of measurement are provided in Appendix 1 (Key Performance Indicators) to this Schedule 18 (Performance Measurement).**

### **4. Measurement, grading and reporting of KPIs**

#### **4.1. Within five (5) Working Days of the start of a Period, the Company will prepare a report on performance against each of the KPIs applicable to the stage of the Services for the preceding Period (a "KPI Report").**

#### **4.2. In each KPI Report, for each applicable KPI, the Company must indicate whether performance measured in the Period concerned is Graded 'Red', 'Amber' or 'Green'. The Company shall show in each KPI Report the way in which it has applied the criteria for each applicable KPI, which shall be compliant with the method of calculation or determination in Appendix 1 (Key Performance Indicators) to this Schedule 18 (Performance Measurement).**

#### **4.3. The Supplier shall co-operate with the Company in relation to the preparation of KPI Reports and shall provide, within 48 hours of the Company's request, any underlying data in the Supplier's possession relating to any KPI Report required by the Company (whether or not such report has been discussed at a Core Group meeting).**

### **5. Assessment of performance against KPIs**

#### **5.1. KPI performance shall be reported on and reviewed at each Core Group meeting. The Parties shall review KPI Reports with the aim of agreeing performance against each of the applicable KPIs.**

#### **5.2. The Core Group (or Senior Representatives or the Company's Senior Representative, as specified in Schedule 10 (Contract Management)) must agree or determine performance against KPIs in accordance with the procedures of the Core Group set out in paragraph 2.4 of Schedule 10 (Contract Management).**

### **6. Non-financial remedies in respect of failure to meet KPIs**

Where a KPI is Graded 'Red' for two consecutive Periods this shall constitute a Non Conformance and the Company shall invoke the Escalation Procedure detailed in paragraph 8 (Escalation Procedure) of this Schedule 18 (Performance Measurement).

## **7. Adjustments in respect of performance against KPIs**

Where a KPI:

- (A) is applicable to Maintenance Services; and
- (B) is a Payment Abating KPI;

the amount due to the Supplier for Maintenance Services is subject to adjustment in accordance with Appendix 2 (Payment Adjustment) of this Schedule 18 (Performance Measurement).

## **8. Escalation Procedure**

- 8.1. The purpose of the Escalation Procedure set out in this paragraph 8 is to provide a structured framework within which the Parties can resolve failures to meet KPIs and failures to meet the requirements of Schedule 16 (Health, Safety, Quality and Environmental Requirements).
- 8.2. The following table summarises the Escalation Procedure. If and to the extent that there is a conflict between the text of this Schedule 18 (Performance Measurement) and Table 1, the text of Schedule 18 (Performance Measurement) shall prevail. It is possible for a number of Non Conformances to be in process at any one time.

Table 1 – Summary of Escalation Procedure

<b>LEVEL</b>	<b>ACTION</b>	<b>REVIEW BY</b>	<b>RESULT</b>
Level 1 Non Conformance	Level 1 Non Conformance Report required specifying Level 1 Required Action and Level 1 Rectification Period.  (Financial adjustments may also be made under Appendix 2 if KPIs meet the criteria for this as set out in this Schedule 18 (Performance Measurement))	Supplier's Representative and Company's Representative	Satisfactory - Stop  Unsatisfactory - Level 2

LEVEL	ACTION	REVIEW BY	RESULT
Level 2 Non Conformance	Level 2 Non Conformance Report required specifying Level 2 Required Action and Level 2 Rectification Period.  (Financial Adjustments may also be made under Appendix 2 if KPIs meet the criteria for this as set out in this Schedule 18 (Performance Measurement))	Core Group	Satisfactory - Stop  Unsatisfactory - Level 3
Level 3 Non Conformance	Level 3 Non Conformance Report required specifying Level 3 Required Action and Level 3 Rectification Period.  Financial Adjustments may also be made under Appendix 2 if KPIs meet the criteria for this as set out in this Schedule 18 (Performance Measurement)	Core Group (with escalation to Senior Representatives and ultimately to the Company's Senior Representatives pursuant to paragraph 2.4(A)(4) of Schedule 10 (Contract Management) if not agreed)	Satisfactory - Stop  Unsatisfactory - Level 4
Level 4 Non Conformance	Dispute resolution, suspension or termination  (Financial Adjustments may also be made under Appendix 2 if KPIs meet the criteria for this set out in this Schedule 18 (Performance Measurement))		

8.3. The Parties acknowledge that the Escalation Procedure does not preclude attempts to resolve issues to the mutual satisfaction of the Parties. Issues should be presented to the Company's Representative and the Supplier's Representative for review and possible resolution.

8.4. **Level 1**

8.4.1. Any Level 1 Non Conformance will be recorded by the Company and it shall submit a notice to the Supplier giving details of the Non Conformance. The Supplier shall in response (such response to be within 5 Working Days of service of the notice by the Company) prepare and submit to the Company a report regarding the Non Conformance (a "Level 1 Non Conformance Report"). Such report will contain:

- (A) confirmation of the date(s) and details of the Level 1 Non Conformance;
- (B) suggested steps to be taken by the Supplier to ensure that performance will improve to meet the requirements of the Agreement and there is no repetition of such Level 1 Non Conformance, being (following agreement or determination pursuant to paragraph 8.4.2) the "Level 1 Required Action"; and
- (C) the time within which the Supplier suggests that such Level 1 Required Action is to be completed (which shall be a reasonable period being no longer than 20 (twenty) Working Days unless the Company otherwise agrees in writing), being (following agreement or determination pursuant to paragraph 8.4.2) the "Level 1 Rectification Period".

8.4.2. The Supplier's Representative and the Company's Representative will use all reasonable endeavours to agree:

- (A) as soon as reasonably practicable following receipt of the Level 1 Non Conformance Report, the Level 1 Rectification Period and the Level 1 Required Action;
- (B) as soon as reasonably practicable following the end of the Level 1 Rectification Period, whether the Level 1 Required Action has been completed within the Level 1 Rectification Period.

8.4.3. If it is agreed pursuant to paragraph 8.4.2(B) that the Level 1 Required Action has been completed within the Level 1 Rectification Period then the Non Conformance will be recorded as resolved.

8.4.4. All Level 1 Non Conformances (whether resolved or not) will be reviewed jointly every Period by the Company's Representative and the Supplier's Representative with the aim of ensuring that reoccurrence is (where possible) eliminated.

## 8.5. **Level 2**

8.5.1. Where a Level 2 Non Conformance occurs, the Company shall submit a notice to the Supplier giving details of the Non Conformance. The Supplier shall in response (such response to be within 5 Working Days of service of the notice by the Company) prepare and submit to the Company a report regarding the Non Conformance (the "Level 2 Non Conformance Report"). Such report will contain:

- (A) the date and details of the Level 2 Non Conformance;
- (B) suggested steps to be taken by the Supplier to ensure that performance will improve to meet the requirements of the Agreement and there is no repetition of such Level 2 Non Conformance, being (following agreement or determination pursuant to paragraph 8.5.2) the "Level 2 Required Action"; and
- (C) the time within which such Level 2 Required Action is to be completed (which shall be a reasonable period being no longer than 20 (twenty) Working Days

unless the Company otherwise agrees in writing, being (following agreement or determination pursuant to paragraph 8.5.2) the "Level 2 Rectification Period".

8.5.2. The Core Group will use all reasonable endeavours to agree:

- (A) as soon as reasonably practicable following receipt of the Level 2 Non Conformance Report, the Level 2 Rectification Period and the Level 2 Required Action; and
- (B) as soon as reasonably practicable following the end of the Level 2 Rectification Period, whether the Level 2 Required Action has been completed within the Level 2 Rectification Period;

in accordance with paragraph 2.4(A)(3) of Schedule 10 (Contract Management).

8.5.3. If it is agreed pursuant to paragraph 8.5.2(B) that the Level 2 Required Action has been completed within the Level 2 Rectification Period then the Non Conformance will be recorded as resolved.

8.5.4. All Level 2 Non Conformances (whether resolved or not) will be reviewed at the Core Group review meeting as set out in Schedule 10 (Contract Management) with the aim of ensuring reoccurrence is (where possible) eliminated.

#### 8.6. **Level 3**

8.6.1. Where a Level 3 Non Conformance occurs the Company shall submit a notice to the Supplier giving details of the Non Conformance.

8.6.2. The notice referred to in Paragraph 8.6.1 shall set out:

- (A) the deadline by which it requires the Supplier to serve on the Company a report (a "Level 3 Non Conformance Report") setting out the steps which the Supplier has taken, or will take, to ensure that performance will improve to meet the requirements of the Agreement and there is no repetition of such Level 3 Non Conformance (being, following agreement or determination in accordance with paragraph 8.6.3, the "Level 3 Required Action"); and
- (B) the period (which shall be a reasonable period, being no longer than 20 (twenty) Working Days from the time of occurrence of the Level 3 Non Conformance unless the Company otherwise agrees in writing) in which the Supplier must complete the Level 3 Required Action (being, following agreement or determination in accordance with paragraph 8.6.3, the "Level 3 Rectification Period").

8.6.3. The Core Group (or Senior Representatives or the Company's Senior Representative, as specified in Schedule 10 (Contract Management)) must agree or determine:

- (A) as soon as reasonably practicable following receipt of the Level 3 Non Conformance Report, the Level 3 Rectification Period and the Level 3 Required Action; and
- (B) as soon as reasonably practicable following the end of the Level 3 Rectification Period, whether the Level 3 Required Action has been completed within the Level 3 Rectification Period;

in accordance with the procedures of the Core Group set out in paragraph 2.4 of Schedule 10 (Contract Management).

8.6.4. If it is agreed or determined in accordance with paragraph 8.6.3 that the Level 3 Required Action has been completed within the Level 3 Rectification Period the Non Conformance will be recorded as resolved.

8.6.5. All Level 3 Non Conformances will be reviewed at every Core Group meeting.

#### **8.7. Level 4**

8.7.1. When a Level 4 Non Conformance occurs the Company is entitled to:

- 8.7.2. (A) suspend performance of the Contract, and the Supplier shall indemnify the Company pursuant to Clause 49 in connection with any such period of suspension; or
- (B) terminate the contract in whole or in part in accordance with Clause 43.

#### **8.8. Financial Adjustments**

This paragraph 8 is without prejudice to Appendix 2 to this Schedule 18 (Performance Measurement).

## SCHEDULE 18 - APPENDIX 1: (KEY PERFORMANCE INDICATORS)

### Application of KPIs

Ref:	Title	Applies to
KPI 1	Supplier audits completed versus planned	Services
KPI 2	Lost time injuries	Services
KPI 3	Statutory notices/ pollution events	Services
KPI 4	Asset Management Reporting	Services
KPI 5	Accuracy of Defined Cost components within the period applications for payment	Services
KPI 6	Value of continuous improvement through the life of the Contract	Services
KPI 7	Planned/ periodic maintenance completed against the Maintenance Plan	Maintenance Services
KPI 8	Maintenance Renewal Service Programme management	Maintenance Services
KPI 9	Proportion of Faults rectified within required timescales	Maintenance Services
KPI 10	Number of individual Faults exceeding required rectification times by 7 days	Maintenance Services
KPI 11	Works/faults/planned maintenance completed in accordance with the Specification	Maintenance Services
KPI 12	Programme management	Released Upgrade Work Activities
KPI 13	Gate Compliance	Released Upgrade Work Activities

Ref	Assessment Area	Title and purpose	Measure	Frequency	Appendix 2 Payment Abatement	Performance Criteria		
						Unsatisfactory	Below Requirements	Meets Requirements
						(Red)	(Amber)	(Green)
KPIs applicable to the Services								
KPI 1	Safety & Sustainability	<u>Title</u>  Supplier audits completed versus planned  <u>Purpose</u>  To measure the effectiveness of the Supplier's health and safety monitoring systems	<u>Measures</u> The number of the Supplier's health and safety audits completed in the relevant Period, expressed as a percentage of the number of planned audits to be undertaken .  <u>Measurement Rule</u> The Supplier collates the number of health and safety audits completed in the relevant Period (the " <u>Actual number of Audits</u> ") and makes a comparison against the planned number of audits to be undertaken in the relevant period, as advised to the Company's Representative, prior to the Period commencing (the "Planned Number of Audits")  <u>Number of Audits</u> ").  The Actual Number of Audits is divided by the Planned Number of Audits and multiplied by 100 to give the percentage of audits completed:  Percentage audits completed = $\frac{\text{Actual Number of Audits}}{\text{Planned Number of Audits}}$ x 100  <u>Data Source</u>  Corporate safety reporting as provided by the Supplier to the Company	Each Period	No	Less than or equal to 95%	Between 95% and 98%	Greater than or equal to 98%

Ref	Assessment Area	Title and purpose	Measure	Frequency	Appendix 2 Payment Abatement	Performance Criteria		
						Unsatisfactory	Below Requirements	Meets Requirements
						(Red)	(Amber)	(Green)
KPI 2	Safety & Sustainability	<u>Title</u> Lost time injuries <u>Purpose</u> The assessment of health and safety performance	<u>Measure</u> Lost time injuries (“LTIs”) attributed to Supplier Personnel in connection with the delivery of the Services. <u>Measurement Rule</u> The Supplier will provide details of any LTIs attributed to Supplier Personnel to the Company in connection with the delivery of the Services. <u>Data Source</u> Corporate safety reporting as provided by the Supplier to the Company	Each Period	Yes in the context of the Maintenance Service. No in the context of the Integrated Team and the Upgrade Works.	1 or more LTI in the Period	Not applicable	Zero LTI in the Period
KPI 3	Safety & Sustainability	<u>Title</u> Statutory notices/pollution events <u>Purpose</u> To measure the Supplier's compliance with environmental regulations, as set out in Schedule 16	<u>Measure</u> The number of statutory notices/pollution events notices issued to the Supplier or a Sub-Contractor in connection with the delivery of the Services during a 13 Period rolling assessment timeframe. <u>Measurement Rule</u> The Supplier is required to inform the Company immediately if it or a Sub-Contractor receives a statutory notice or a pollution event notice which is associated with the delivery of the Services or the actions of the Supplier or a Sub-Contractor (“ <u>All Notices</u> ”). The number of notices issued is divided by 13 to give the average number of notices issued per Period:  Average number of notices issued per Period = $\frac{\text{All Notices}}{13}$ <u>Data Source</u> Corporate environment reporting as provided by the Supplier to the Company	Each Period	No	Less than or equal to 0.23	Between 0.08 and 0.23	Greater than or equal to 0.08

Ref	Assessment Area	Title and purpose	Measure	Frequency	Appendix 2 Payment Abatement	Performance Criteria		
						Unsatisfactory	Below Requirements	Meets Requirements
						(Red)	(Amber)	(Green)
KPI 4	Asset Knowledge	<p><u>Title</u> Asset Management Reporting</p> <p><u>Purpose</u> To measure compliance with the Supplier's asset data reporting obligations as set out in Schedule 2</p>	<p><u>Measure</u> The percentage of audits which confirm that the Supplier's asset reporting is up to date and meets the required data accuracy in compliance with Schedule 2.</p> <p><u>Measurement Rule</u> The Company will, for each Period, carry out random audits of the Supplier's asset reporting including, but not limited to, the frequency and timeliness of updating the asset reports and data accuracy.</p> <p>The Company will collate the results from the random audits undertaken during each Period and will determine the number of audits which confirm compliance with the Specification (the "<u>Satisfactory Audits</u>"). The Company will also record the total number of random audits undertaken in the relevant Period (the "<u>Total Audits</u>") to give the percentage success rate:</p> <p>Percentage success rate = <math>\frac{\text{Satisfactory Audits}}{\text{Total Audits}} \times 100</math></p> <p><u>Data Source</u> The Company's Asset Management system</p>	Each Period	No	Less than or equal to 95%	Between 95% and 98%	Greater than or equal to 98%

Ref	Assessment Area	Title and purpose	Measure	Frequency	Appendix 2 Payment Abatement	Performance Criteria		
						Unsatisfactory	Below Requirements	Meets Requirements
						(Red)	(Amber)	(Green)
KPI 5	Financial accounting	<p><u>Title</u> Accuracy of Defined Cost components within the period applications for payment</p> <p><u>Purpose</u> To measure the data integrity of the Suppliers submitted cost substantiation relation to the submission of accurate application for payments</p>	<p><u>Measure</u> The percentage accuracy of the submitted and audited Defined Cost. The resultant being the total submitted defined cost divided by the total audited Defined Cost for the items audited that shall represent as a minimum, 5% of the submitted Defined Cost for the Period.</p> <p><u>Measurement Rule</u> Each Period a minimum of 5% (of the Period Defined Cost) sample audit will be undertaken (the Sample Audit Application Amount). This will focus on specific Defined Cost components of the Supplier's application for payment such as but not limited to:-</p> <ul style="list-style-type: none"> <li>a) Payment due for specific Maintenance Operatives</li> <li>b) Amount of Invoice for specific items of Plant &amp; Equipment</li> <li>c) Amount of Invoice for specific items of Materials and charges</li> <li>d) Amount of Invoice for specific Subcontractors</li> </ul> <p>Any errors in the Sample Audit Application Amount will be corrected and such corrected amount is the Sample Audit Payment Amount.</p> <p>The percentage variance =  <math display="block">\frac{\text{Sample Audit Application Amount} - \text{Sample Audit Payment Amount}}{\text{Sample Audit Application Amount}} \times 100</math></p> <p>Data Source The supplier's applications for payment</p>	Each Period	No	Greater than or equal to 4%	Between 2% and 4%	Less than or equal to 2%

Ref	Assessment Area	Title and purpose	Measure	Frequency	Appendix 2 Payment Abatement	Performance Criteria		
						Unsatisfactory	Below Requirements	Meets Requirements
						(Red)	(Amber)	(Green)
KPI 6	Innovation	<p><u>Title</u> Value of continuous improvement through the life of the Contract</p> <p><u>Purpose</u> To measure the Suppliers effectiveness in achieving cost savings through on-going innovation and efficiencies initiatives</p>	<p><u>Measure</u> The value of Completed ICIE Initiatives achieved by the Supplier in accordance with Schedule 19 (Innovation, Continuous Improvement and Contract Innovation Efficiency), assessed against the ICIE Target.</p> <p><u>Measurement Rule</u> The Company shall record the saving made over 13 Periods for each Completed ICIE Initiative implemented by the Supplier and aggregate the saving so calculated from each to give the 'Cumulative Savings' and express this sum as a percentage of the 'Cumulative ICIE Target' to give the 'Savings Index':</p> <p>The Savings Index = <math>\frac{\text{Cumulative Savings} \times 100}{\text{Cumulative ICIE Target}}</math></p> <p>The Cumulative Savings are calculated by aggregating the savings derived from each Completed ICIE Initiative over 13 Periods, based on the saving stated in the Stage 4 – Benefits Realisation form approved by the Company's Representative in accordance with the procedure set out in Schedule 19 (Innovation, Continuous Improvement and Efficiency).</p> <p>The Cumulative ICIE Target is calculated as 1 (one) percent of the aggregated total of the Maintenance Service Target Cost for all Budget Periods divided by the number of Periods between the Service Commencement Date and the Expiry Date and multiplied by the number of Periods between the Service Commencement Date and the applicable Period end date.</p> <p>In the period up to the end of Budget Period One the assessment of KPI 6 shall default to amber where the percentage value calculated would otherwise result in a 'Red' KPI assessment.</p> <p><u>Data Source</u> ICIE Initiative Plan</p>	Each Period	No	Savings Index Less than or equal to 80%	Savings Index Between 80% and 95%	Savings Index Greater than or equal to 95%

Ref	Assessment Area	Title and purpose	Measure	Frequency	Appendix 2 Payment Abatement	Performance Criteria		
						Unsatisfactory	Below Requirements	Meets Requirements
						(Red)	(Amber)	(Green)
KPIs applicable to the Maintenance Services								
KPI 7	Delivery	<u>Title</u> Planned/ periodic maintenance completed against the Maintenance Plan  <u>Purpose</u> To measure the Suppliers effectiveness in undertaking planned maintenance in accordance with the Maintenance Plan	<u>Measure</u> The number of completed Planned/Periodic Maintenance (PM) activities expressed as a percentage of the number of planned PM activities set out in the Maintenance Plan in the relevant Period.  <u>Measurement Rule</u> The number of completed PM activities recorded by the Asset Management System ("Activities Completed") divided by the number of planned PM activities set out in the Programme in the relevant Period ("Activities Planned") and multiplied by 100 to give the percentage of completed PM activities:  Percentage completed = $\frac{\text{Activities Completed}}{\text{Activities Planned}} \times 100$  <u>Data Source</u> The Company's Asset Management system and the Suppliers accepted Maintenance Plan.	Each Period	Yes	Less than or equal to 95%	Between 95% and 98%	Greater than or equal to 98%

Ref	Assessment Area	Title and purpose	Measure	Frequency	Appendix 2 Payment Abatement	Performance Criteria		
						Unsatisfactory	Below Requirements	Meets Requirements
						(Red)	(Amber)	(Green)
KPI 8	Delivery	<p><u>Title</u> Maintenance Renewal Service Programme management</p> <p><u>Purpose</u> To measure performance of the Supplier in the programme management of Maintenance Renewal Services</p>	<p><u>Measure</u> The total Actual Programme duration (measured in days) minus the total Planned Duration (measured in days) divided by the total Planned Duration (measured in days) and multiplied by 100.</p> <p><u>Measurement Rule</u> The Planned Programme is the aggregated planned elapsed duration for the assessment Period (measured in days) for all Maintenance Renewal Service activities instructed in accordance with Schedule 4 Part B and scheduled by the programme appended to the Schedule 4 Part B variation order for completion in the applicable Budget Period.</p> <p>The Actual Programme is the aggregated actual duration for the assessment Period (measured in days) for all Maintenance Renewal Service activities instructed in accordance with Schedule 4 Part B and scheduled by the programme appended to the [Schedule 4 Part B] where the actual duration of each Maintenance Renewal Service activity is the period (measured in days) from its scheduled commencement (in accordance with the Planned Programme) to its actual completion.</p> <p>Each Period the Planned Programme is calculated and compared to the Actual Programme and the percentage variance calculated as follows:</p> <p>The percentage variance =  <math display="block">\frac{\text{Actual Programme} - \text{Planned Programme}}{\text{Planned Programme}} \times 100</math></p> <p>Data Source Progress reports and the accepted Schedule 4 Part B variation orders.</p>	Each Period	No	Greater than or equal to 5%	Between 0% and 5%	Less than or equal 0%

Ref	Assessment Area	Title and purpose	Measure	Frequency	Appendix 2 Payment Abatement	Performance Criteria		
						Unsatisfactory	Below Requirements	Meets Requirements
						(Red)	(Amber)	(Green)
KPI 9	Reliability	<p><u>Title</u> Proportion of Faults rectified within required timescales</p> <p><u>Purpose</u> To measure the Suppliers effectiveness in rectifying faults in a timely manner in accordance with the Specification</p>	<p><u>Measure</u> The number of Faults rectified within the Clearance Times as set out in Schedule 2 expressed as a percentage of the total number of Faults notified to the Supplier.</p> <p><u>Measurement Rule</u> The number of Faults rectified within the Clearance Times ("Faults Closed on Time") as set out in Schedule 2 divided by the total of the total number of standard faults issued to the Supplier (the "Total Faults") and multiplied by 100 to give the percentage of standard faults rectified on time:</p> <p>Percentage of standard Faults closed on time = <math>\frac{\text{Faults Closed on Time}}{\text{Total Faults}} \times 100</math></p> <p><u>Data Source</u> The Company's fault reporting data.</p>	Each Period	Yes	Less than or equal to 80%	Between 80% and 95%	Greater than or equal to 95%

Ref	Assessment Area	Title and purpose	Measure	Frequency	Appendix 2 Payment Abatement	Performance Criteria		
						Unsatisfactory	Below Requirements	Meets Requirements
						(Red)	(Amber)	(Green)
KPI 10	Reliability	<u>Title</u> Number of individual Faults exceeding required rectification times by 7 days <u>Purpose</u> To measure the Suppliers effectiveness in rectifying individual faults in a timely manner in accordance with the Specification	<u>Measure</u> The number of individual Faults not rectified within the Clearance Times (as set out in Schedule 2) and not rectified within an additional 7 days  <u>Measurement Rule</u> An individual Fault notified to the Supplier not rectified within the Clearance Time for the individual Fault and not rectified within an additional 7 days  Number of faults recorded in line with the Measurement Rule  <u>Data Source</u> The Company's fault reporting data.	Each Period	No	Number of Faults is 3 or more	Number of Faults is 1 to 2	Number of Faults is zero

Ref	Assessment Area	Title and purpose	Measure	Frequency	Appendix 2 Payment Abatement	Performance Criteria		
						Unsatisfactory	Below Requirements	Meets Requirements
						(Red)	(Amber)	(Green)
KPI 11	Quality	<p><u>Title</u> Works/faults/planned maintenance completed in accordance with the Schedule 2</p> <p><u>Purpose</u> To measure the Supplier's compliance with the Specification in relation to delivery of the Services.</p>	<p><u>Measure</u> The percentage of audits carried out by the Company that confirm the Services delivered by the Supplier are in accordance with Schedule 2 and the accepted Maintenance Plan.</p> <p><u>Measurement Rule</u> The Company will, during each Period, carry out random audits of the Services provided by the Supplier including, but not limited to, planned preventative maintenance activities, fault and repair maintenance activities and Maintenance Renewal services.</p> <p>The Company will collate the results from the random audits undertaken during each Period and will determine the number of audits which confirm compliance with the Contract (the "<u>Satisfactory Audits</u>"). The Company will also record the total number of random audits undertaken in the Period (the "<u>Total Audits</u>") to give the percentage success rate of the Supplier:</p> <p>Percentage success rate = <math>\frac{\text{Satisfactory Audits}}{\text{Total Audits}} \times 100</math></p> <p><u>Data Source</u> The Company's audits</p>	Each Period	Yes	Less than or equal to 95%	Between 95% and 98%	Greater than or equal to 98%

Ref	Assessment Area	Title and purpose	Measure	Frequency	Appendix 2 Payment Abatement	Performance Criteria		
						Unsatisfactory	Below Requirements	Meets Requirements
						(Red)	(Amber)	(Green)
KPIs applicable to the Upgrade Works								
KPI 12	Delivery	<u>Title</u> Programme management <u>Purpose</u> To measure performance of the Supplier and the Integrated Team in the programme management of Launched Upgrade Work Activities	<u>Measure</u> The total Actual Programme duration (measured in days) minus the total Planned Duration (measured in days) divided by the total Planned Duration (measured in days) and multiplied by 100.  <u>Measurement Rule</u> The Planned Programme is the aggregated elapsed planned duration for the assessment Period measured in days taken from the first Launched Upgrade Work Activity Programme (as appended to the Stage 5 Notice) for each Launched Upgrade Work Activity scheduled for Launched Upgrade Work Activity Completion in the applicable Budget Period.  The Actual Programme is the aggregated actual elapsed programme duration for the assessment Period measured in days for each Launched Upgrade Work Activity scheduled for Launched Upgrade Work Activity Completion in the applicable Budget Period calculated from its scheduled commencement to its actual completion.  Each Period the Planned Programme is calculated and compared to the Actual Programme and the percentage variance calculated as follows:  The percentage variance =  $\frac{\text{Actual Programme} - \text{Planned Programme}}{\text{Planned Programme}} \times 100$ <u>Data Source</u> The Supplier's Baseline Programmes	Each Period	No	Greater than or equal to 5%	Between 0% and 5%	Less than or equal 0%

Ref	Assessment Area	Title and purpose	Measure	Frequency	Appendix 2 Payment Abatement	Performance Criteria		
						Unsatisfactory	Below Requirements	Meets Requirements
						(Red)	(Amber)	(Green)
KPI 13	Quality	<u>Title</u> Gate Compliance <u>Purpose</u> To measure the Suppliers effectiveness in the progression of Released Upgrade Work Activities through stage Gates 3, 4 and 6 in accordance with the planned programme	<u>Measure</u> The KPI is calculated by dividing the Actual Number Gates passed by the Planned Number of Gates to be passed by the end of each assessment Period and multiplying by 100 <u>Measurement Rule</u> For the purpose of this KPI Gate Completion is achieved by the issue of a Stage Gate certificate for a Released Upgrade Works Activity. The Baseline Programme submitted with each Team Work Plan is converted to a locked baseline for the Planned Number of Project Stage Gate 3, 4 and 6 approvals to be completed. The Actual Number is the number of Stage Gate 3, 4 and 6 approvals actually achieved by the end of the assessment Period. The Planned Number is adjusted to reflect Company instructions to: <ul style="list-style-type: none"> <li>(a) add or omit a Upgrade Works from the Baseline Programme,</li> <li>(b) substitute or reschedule Released Upgrade Work Activities due to the reprioritisation of Upgrade Works;</li> <li>(c) the impact of Industrial action which results in the cancellation of planned access or prevents its utilisation.</li> </ul> The percentage passed = $\frac{\text{Actual Number of Gates Passed}}{\text{Planned Number of Gates}} \times 100$ <u>Data Source</u> The Supplier's Baseline Programmes	Each Period	No	Less than or equal to 95%	Between 95% and 100%	Greater than or equal to 100%

## **SCHEDULE 18 - APPENDIX 2: (PAYMENT ADJUSTMENT)**

### **1. General**

- 1.1. Payments due to the Supplier from the Company in respect of Payment Abating KPI Graded as 'Red' or 'Amber' are subject to the Company's right to levy abatements in accordance with paragraph 2 of this Appendix 2.
- 1.2. An example abatement calculation is provided (for illustrative purposes only) in paragraph 3 of this Appendix 2.

### **2. Method of calculation**

- 2.1. The KPIs are assessed in accordance with Schedule 18 (Performance Measurement) Appendix 1 separately for each Delivery Unit.
- 2.2. The payment due to the Supplier for each Delivery Unit is abated on the basis of the assessment made for each of the Payment Abating KPIs for that Delivery Unit as follows:
  - 2.2.1. for each instance of a Payment Abating KPI being Graded 'Amber' in a Period, the Delivery Unit payment due to the Supplier for that Period shall be abated by 0.5% of the Delivery Unit Payment;
  - 2.2.2. for each instance of a Payment Abating KPI being Graded Red in a Period, the Delivery Unit payment due to the Supplier for that Period shall be abated by 1.0% of the Delivery Unit Payment; and
  - 2.2.3. multiple instance of a Payment Abating KPI being Graded 'Amber' or 'Red' in a Period shall give rise to multiple abatements.

### 3. Example Price for Maintenance Services Provided to Date Abatement Calculation *(for illustrative purposes only)*

Payment Abating KPI		TfL Business Area				
		London Underground		TfL Corporate		Surface
		Delivery Unit	Delivery Unit	Delivery Unit	Delivery Unit	Delivery Unit
		Asset Operations (Stations, Depots and Operational Facilities)	Power Delivery	TfL Head Offices	LT Museum	Asset Operations (Buses, River Services and Cycle Hire)
KPI 2	Lost time injuries	Meets requirements	Unsatisfactory	Unsatisfactory	Below requirements	Meets requirements
KPI 7	Planned/ periodic maintenance completed against the Maintenance Plan	Below requirements	Meets requirements	Unsatisfactory	Below requirements	Meets requirements
KPI 8	Proportion of Faults rectified within required timescales	Meets requirements	Meets requirements	Below requirements	Below requirements	Meets requirements
KPI 9	Works/faults/planned maintenance completed in accordance with the Schedule 2	Meets requirements	Meets requirements	Meets requirements	Meets requirements	Meets requirements
	Number of Pls assessed as 'below requirements'	1	0	1	3	0
	Number of Pls assessed as 'unsatisfactory'	0	1	2	0	0
	Payment abatement percentage	1 x 0.5% = 0.5%	1 x 1.0% = 1.0%	1 x 0.5% + 2 x 1.0% = 2.5%	3 x 0.5% = 1.5%	No adjustment

  

	TfL Business Area				
	Asset Operations (Stations, Depots and Operational Facilities)	Power Delivery	TfL Head Offices	LT Museum	Asset Operations (Buses, River Services and Cycle Hire)
The Supplier's Payment Application	15,500,000	500,000	3,000,000	100,000	3,000,000
The Company's Representatives Payment Notice	15,480,000	495,000	3,000,000	100,000	3,000,000
Less total of previous payments	13,980,000	470,000	2,750,000	95,000	2,750,000
Net amount due for payment in the assessment Period	1,500,000	25,000	250,000	5,000	250,000
Performance adjustment percentage	0.5%	1.0%	2.5%	1.5%	0%
Less performance abatement	7,500	250	6,250	75	0
Adjusted net amount due for payment in the assessment Period	1,492,500	24,750	243,750	4,925	250,000

## **SCHEDULE 19: Innovation, Continuous Improvement and Efficiency**

### **1. Overview**

- 1.1. This Schedule 19 (Innovation, Continuous Improvement and Efficiency) sets out the process for the management and measurement of innovation, continuous improvement and efficiency for Maintenance Services.
- 1.2. The Supplier's obligations under this Schedule 19 (Innovation, Continuous Improvement and Efficiency) are in addition to its obligations set out in paragraph 3.2.13 (Maintenance Approach) of Schedule 2 (Specification) in regards to undertaking a criticality focused maintenance review in Budget Period One. The critically focused review shall not be counted as a Proposed ICIE Initiative or Working ICIE Initiative.

### **2. ICIE Initiative Process**

- 2.1. Within the Mobilisation Period, the Company shall select a minimum of three (3) Proposed ICIE Initiatives from the ICIE Initiative Plan and these shall be recorded by the Company as Working ICIE Initiatives in the Working ICIE Initiative section of the ICIE Status Report and shall be recorded by the Supplier in the Working ICIE Initiative section of the ICIE Initiative Plan.
- 2.2. The Supplier shall, using reasonable endeavours, ensure that:
  - 2.2.1. it is at all times working on the implementation of a minimum of three (3) Working ICIE Initiatives that equate to at least 50% of the estimated value of the Working ICIE Initiatives;
  - 2.2.2. there is always a minimum of ten (10) Proposed ICIE Initiatives in the ICIE Initiative Plan; and
  - 2.2.3. it shall keep the ICIE Initiative Plan updated at all times.
- 2.3. Following selection of a Working ICIE Initiative by the Company, whether in the first three (3) months of the Contract or thereafter, the following ICIE Review Process shall apply prior to implementation of the Working ICIE Initiative:
  - 2.3.1. **Stage 1 – Initiative Commencement**
    - a. The Company shall identify an ICIE Initiative Sponsor from within the Company who shall be responsible for overseeing the delivery of the Working ICIE Initiative for the Company.
    - b. The Company's Representative shall issue the Supplier with an ICIE Review Form as set out in Appendix 2 (ICIE Review Form) and the Supplier shall complete Stage 1 – Initiative Commencement.
  - 2.3.2. **Stage 2 – Feasibility Review Plan**
    - a. Within 28 Working Days of the Supplier being issued with the ICIE Review Form, the Supplier shall complete the Stage 2 – Feasibility Review Plan section of the ICIE Review Form, setting out the actions and requirements needed to complete the Stage 2 - Feasibility Review Plan for the relevant Working ICIE Initiative, and shall submit this to

the Company for review.

- b. The Company shall review the completed Stage 2 – Feasibility Review Plan section of the ICIE Review Form and shall agree a final version with the Supplier. In the event that agreement cannot be reached within a reasonable time period, the Company shall have the sole discretion to nominate the terms of the Stage 2 – Feasibility Review Plan for that Working ICIE Initiative.
- c. The ICIE Review Form, which has been agreed or nominated pursuant to paragraph 2.3.2b, shall be signed by the Company's Representative, the ICIE Initiative Sponsor and the Supplier's Representative. The Supplier shall then proceed with Stage 2 – Feasibility Review Plan in accordance with the signed ICIE Review Form.

#### **2.3.3. Stage 3 – Proposal and Implementation Plan**

- a. Following the completion by the Supplier of the Stage 2 – Feasibility Review Plan, the Supplier shall complete Stage 3 – Proposal and Implementation Plan of the ICIE Review Form, setting out the actions and requirements needed to complete Stage 3 – Proposal and Implementation Plan for the relevant Working ICIE Initiative, and shall submit this to the Company for review.
- b. The Company shall review the completed Stage 3 – Proposal and Implementation Plan section of the ICIE Review Form and shall agree a final version with the Supplier. In the event that agreement cannot be reached within a reasonable time period, the Company shall have the sole discretion to nominate the terms of Stage 3 - Proposal and Implementation Plan for that Working ICIE Initiative.
- c. The ICIE Review Form, which has been agreed or nominated pursuant to paragraph 2.3.3b, shall be signed by the Company's Representative, the ICIE Initiative Sponsor and the Supplier's Representative. The Supplier shall then proceed with Stage 3 – Proposal and Implementation Plan in accordance with the signed ICIE Review Form.

#### **2.3.4. Stage 4 - Benefits Realisation**

- a. Following completion of Stage 3 – Proposal and Implementation Plan by the Supplier, the Supplier shall complete Stage 4 - Benefits Realisation section of the ICIE Review Form, setting out the anticipated cost saving to be achieved through implementation of that Working ICIE Initiative and the actions and requirements needed to complete the Stage 4 – Benefits Realisation for the relevant Working ICIE Initiative, and shall submit this to the Company for review.
- b. The Company shall review the completed Stage 4 – Benefits Realisation section of the ICIE Review Form and shall agree a final version with the Supplier. In the event that agreement cannot be reached within a reasonable time period, the Company shall have the sole discretion to nominate the terms of Stage 4 – Benefits Realisation for that Working ICIE Initiative.

- c. The ICIE Review Form, which has been agreed or nominated pursuant to paragraph 2.3.4b, shall then be signed by the Company's Representative, the ICIE Initiative Sponsor and the Supplier's Representative. The Supplier shall then proceed with Stage 4 – Benefits Realisation in accordance with the signed ICIE Review Form.
- d. Following completion of Stage 4 – Benefits Realisation, the Supplier shall then proceed to implement the Working ICIE Initiative in accordance with Stages 1 – 4 of the ICIE Review Form, as agreed between the Parties.
- e. To the extent that any variations to the Contract are required as a result of the implementation of an ICIE Initiative by the Supplier, these will be made in accordance with Schedule 4 (Contract Variation Procedure and Maintenance Renewal Services).

2.4. Following completion of a ICIE Initiative by the Supplier:

2.4.1. it shall be moved to the Completed ICIE Initiative section of the ICIE Status Report; and

2.4.2. a further ICIE Initiative shall be selected by the Company from the ICIE Initiative Plan and the Company shall include this in the Working ICIE Initiative section of the ICIE Status Report and the Supplier shall include this in the Working ICIE Initiative section of the ICIE Initiative Plan.

2.5. On-going achievement of ICIE Initiatives shall be reviewed at the ICIE Review Meeting.

2.6. The ICIE Status Report shall be updated by the Company on a quarterly basis and shall be reviewed at the ICIE Review Meeting.

### **3. The Target ICIE**

3.1. Without prejudice to Schedule 18, the target ICIE for each Budget Period is the implementation of Working ICIE Initiatives (in that Budget Period) which have an aggregated Stage 4 – Benefits Realisation (a reduction across the sum total of Defined Cost) equivalent to 1% or more of the total of the Maintenance Services Target Cost for the applicable Budget Period (the "ICIE Target").

### **4. Escalation**

4.1. The Company shall have the right to use the Escalation Procedure in the event of any failure by the Supplier to comply with this Schedule 19 (Innovation, Continuous Improvement and Efficiency).

APPENDIX 1 TO SCHEDULE 19: ICIE INITIATIVE PLAN



Contract Initiative  
Innovation,  
Continuous  
Improvement &  
Efficiency (ICIE)  
Initiative Plan

Contract:					Period:	
Company's Representative:					Value completed to date:	
Company's Representative summary of Period - Achievements, Challenges, Concerns, Risks etc.						

<b><u>Working Initiatives</u></b>					
<b>Initiative Title</b>	<b>Number</b>	<b>Status</b>	<b>Baseline date for completion</b>	<b>Actual / Forecast Completion</b>	<b>Comments &amp; Key Actions</b>

<u>Proposed Initiatives</u>			
Initiative Title	Number	Date Created	Comments
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

<u>Proposed Initiatives</u>			
Initiative Title	Number	Date Created	Comments
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

<u>Proposed Initiatives</u>			
Initiative Title	Number	Date Created	Comments
[REDACTED]	1	[REDACTED]	[REDACTED]
[REDACTED]			
[REDACTED]			
[REDACTED]	1	[REDACTED]	[REDACTED]
[REDACTED]			
[REDACTED]	1	[REDACTED]	[REDACTED]

<u>Proposed Initiatives</u>			
Initiative Title	Number	Date Created	Comments
[REDACTED]	1	[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED]
[REDACTED]			
[REDACTED]	1	[REDACTED]	[REDACTED]
[REDACTED]	1	[REDACTED]	[REDACTED]

<u>Proposed Initiatives</u>			
Initiative Title	Number	Date Created	Comments
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

<b><u>Proposed Initiatives</u></b>			
<b>Initiative Title</b>	<b>Number</b>	<b>Date Created</b>	<b>Comments</b>
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

<b><u>Completed Initiatives</u></b>			
<b>Initiative Title</b>	<b>Number</b>	<b>Targets - fully, partially, not met</b>	<b>Comments</b>

## APPENDIX 2 TO SCHEDULE 19: ICIE REVIEW FORM

### STAGE 1 – INITIATIVE COMMENCEMENT

<b>Contract:</b>	<b>Company's Representative:</b>
<b>Initiative Title:</b>	<b>Supplier's Representative:</b>
<b>Initiative Reference:</b>	<b>ICIE Initiative Sponsor:</b>

<b>Target Completion Date:</b>	<b>Target Efficiency:</b>
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<b>Description of Initiative:</b>	
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### STAGE 2 - FEASIBILITY REVIEW PLAN

Key Milestones	Date	Comments

Requirements to Undertake Feasibility Review	
<b>Supplier's Resources:</b>	
<b>Company's Resources:</b>	
<b>Key Enablers:</b>	

Stage 1 Sign off	Name	Signature	Date
Supplier's Representative			
Company's Representative			
ICIE Initiative Sponsor			

### STAGE 3 - PROPOSAL & IMPLEMENTATION PLAN

Target Completion Date:		Target Efficiency:	
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Details of Proposal	
---------------------	--

Key Milestones	Date	Comments

Requirements for Implementation	
Supplier's Resources:	
Company's Resources:	
Key Enablers:	

Stage 2 Sign off	Name	Signature	Date
Supplier's Representative			
Company's Representative			
ICIE Initiative Sponsor			

## STAGE 4 - BENEFITS REALISATION

### Comments

Date Implemented		
Savings Value		
Contract Varied		

Details	
---------	--

Stage 2 Sign off	Name	Signature	Date
Supplier's Representative			
Company's Representative			
ICIE Initiative Sponsor			

## SCHEDULE 20: Strategic Labour Needs and Training

### 1 Introduction

1.1 Without prejudice to the other provisions in this Contract relating to Supplier Personnel, this Schedule 20 (Strategic Labour Needs and Training) sets out the Supplier's obligations in respect of:

- (A) supporting the TfL Group (and third parties nominated by the TfL Group) in the implementation of the Skills and Employment Strategy; and
- (B) ensuring that the Supplier attracts, develops and retains Supplier Personnel with the skills necessary to deliver the Services, throughout the Contract until the Expiry Date.

1.2 In this Schedule 20 (Strategic Labour Needs and Training), the following terms shall have the corresponding meanings:

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

"Agreed SLNT Plan" means the Supplier's strategic labour needs and training plan set out at Appendix 3 (*Initial/Agreed SLNT Plan*) to this Schedule 20 (Strategic Labour Needs and Training), to be prepared in accordance with the SLNT Plan Template and approved by the Company;

"Implementation Plan" means the Supplier's implementation plan for delivering the Supplier's strategic labour needs and training plan in the form contained in Appendix 4 (Implementation Plan) of this Schedule 20 (Strategic Labour Needs and Training);

"Initial SLNT Plan" means the initial strategic labour needs and training plan set out at Appendix 3 (*Initial/Agreed SLNT Plan*) to this Schedule 20 (Strategic Labour Needs and Training), submitted by the Supplier prior to the Commencement Date and to be agreed between the Parties in accordance with paragraph 2 of this Schedule 20 (Strategic Labour Needs and Training);

"Quarterly SLNT Monitoring Report" means the report to be prepared by the Supplier in the form set out at Appendix 5 (*Quarterly SLNT Monitoring Report Template*) to this Schedule 20 (Strategic Labour Needs and Training) and submitted to the Company in accordance with the provisions of paragraph 5 of this Schedule 20 (Strategic Labour Needs and Training);

"Relevant Employment Vacancy" means an employment vacancy within the Supplier's organisation for a member of Supplier Personnel;

<u>“Skills and Employment Strategy”</u>	means the TfL Group’s ten (10) year skills and employment strategy, as amended from time to time. A copy of the current Skills and Employment Strategy is provided at Appendix 1 ( <i>Skills and Employment Strategy</i> ) to this Schedule 20 (Strategic Labour Needs and Training);
<u>“SLNT Co-ordinator”</u>	has the meaning set out in paragraph 3.1 of this Schedule 20 (Strategic Labour Needs and Training);
<u>“SLNT Infraction”</u>	means any breach by the Supplier of any of its obligations under this Schedule 20 (Strategic Labour Needs and Training);
<u>“SLNT Output”</u>	means the minimum number of Apprentice positions or equivalent to be delivered by the Supplier (either directly through its own personnel and the personnel of its Sub-Contractors) under this Contract, as identified and agreed in the Agreed SLNT Plan;
<u>“SLNT Plan Template”</u>	means the template for the SLNT Plan set out at Appendix 2 ( <i>SLNT Plan Template</i> ) to this Schedule 20 (Strategic Labour Needs and Training), to be completed by the Supplier; and
<u>“Trainee”</u>	means a member of Supplier Personnel who is registered as a trainee with an industry recognised body.

## **2 Agreed SLNT Plan and Implementation Plan**

### **2.1 Based on the Initial SLNT Plan, the Supplier shall:**

- (A) further develop the Initial SLNT Plan to reflect the comments and requirements of the Company;
- (B) submit a revised copy of the Initial SLNT Plan to the Company for approval within twenty (20) Working Days from the Commencement Date; and
- (C) provide an Implementation Plan based on the revised copy of the Initial SLNT Plan within forty (40) Working Days from the Commencement Date.

### **2.2 If the Initial SLNT Plan is:**

- (A) approved, it shall be adopted immediately and become the Agreed SLNT Plan; or
- (B) not approved, the Supplier shall amend the Initial SLNT Plan and re-submit it to the Company for approval within the time period agreed in writing between the Parties. If the Company does not approve the Initial SLNT Plan following its resubmission, the matters preventing such approval shall be resolved in accordance with Clause 64.

### **2.3 Without limiting any other provision of this Contract, the Supplier shall:**

- (A) comply with provisions of the Agreed SLNT Plan and the Implementation Plan; and
  - (B) at no additional cost to the Company and subject to the provisions of paragraph 2.4 below, review and amend the Agreed SLNT Plan and Implementation Plan every twelve (12) Months following the Commencement Date or at other times requested by the Company, to reflect:
    - (1) Good Industry Practice;
    - (2) any changes to the nature of the Services and updates to the Asset Management System; and
    - (3) any amendments proposed by the Company.
- 2.4 Any changes or amendments to the Agreed SLNT Plan shall not be implemented until a Variation Order has been issued by the Company in accordance with Schedule 4 (Contract Variation Procedure).
- 2.5 In order to facilitate the efficient implementation of the Supplier's SLNT requirements as contained in the Agreed SLNT Plan, the Company requires the Supplier to prepare an Implementation Plan as contained in Appendix 4 to this Schedule 20 (Strategic Labour Needs and Training). The Supplier shall prepare the Implementation Plan within sixty (60) Working Days of the Commencement Date and shall either prepare it after the Agreed SLNT Plan has been formed or in conjunction with it.

### **3 SLNT Co-ordinator**

- 3.1 Within twenty (20) Working Days of the Commencement Date, the Supplier shall nominate a member of Supplier Personnel with the necessary skills and authority to:
- (A) be responsible for the implementation and on-going development and maintenance of the Agreed SLNT Plan; and
  - (B) act as the single point of contact between Company nominated personnel on all matters concerning the Agreed SLNT Plan,
- (the "SLNT Co-ordinator").
- 3.2 The Parties shall add the SLNT Co-ordinator to the list of Key Personnel set out Schedule 1 (Contract Data).

### **4 Monitoring and Reporting**

- 4.1 Subject to paragraph 4.2 below, the Supplier shall provide the Company with a Quarterly SLNT Monitoring Report within eight (8) weeks of the Commencement Date and within 10 Working Days of each Quarter end date thereafter detailing the Supplier's performance against the Agreed SLNT Plan.
- 4.2 Failure to provide the Company with a copy of the Quarterly SLNT Monitoring Report within the timescales set out in paragraph 4.1 above shall constitute a failure for the purposes of paragraph 8 of the Escalation Procedure.
- 4.3 The Supplier shall ensure at all times that it complies with the requirements of the

Data Protection Act 2018 (as may be amended) in the:

- (A) development and maintenance of Training Plans; and
- (B) collection and reporting of the information to the Company pursuant to paragraph 5.1 above.

## **5 SLNT Infractions**

### **5.1 Failure to:**

- (A) ensure that each SLNT Output for the monitoring period is delivered in accordance with Agreed SLNT Plan; and/or
- (B) review the Agreed SLNT Plan in accordance with paragraph 2.3 of this Schedule 20 (Strategic Labour Needs and Training),

shall constitute a failure for the purposes of paragraph 8 of the Escalation Procedure.

## **6 SLNT Audit**

6.1 The Company may from time to time undertake any audit or check of any and all information regarding the Supplier's compliance the provisions of this Schedule.

6.2 The Supplier shall maintain and retain records relating to the Agreed SLNT Plan and its compliance with the provisions of this Schedule for a minimum of seven (7) years.

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

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

- (A) granting or procuring the grant of access to any:
  - (1) premises used in the Supplier's performance of this Contract, whether the Supplier's own premises or otherwise;
  - (2) equipment (including all computer hardware and software and databases) used (whether exclusively or non-exclusively) in the performance of the Supplier's obligations under this Schedule 20 (Strategic Labour Needs and Training), wherever situated and whether the Supplier's own equipment or otherwise; and
- (B) complying with the Company's reasonable requests for access to senior personnel engaged in the Supplier's performance of this Contract.

## **APPENDIX 1 TO SCHEDULE 20: SKILLS AND EMPLOYMENT STRATEGY**

A copy of the Skills and Employment Strategy can be obtained from:

<https://www.tfl.gov.uk/cdn/static/cms/documents/skills-and-employment-strategy.pdf>

A copy of the Transport Infrastructure Skills Strategy can be obtained from:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/495900/transport-infrastructure-strategy-building-sustainable-skills.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/495900/transport-infrastructure-strategy-building-sustainable-skills.pdf)

A copy of the Transport Infrastructure Skills Strategy (TISS) – One Year On - can be obtained from:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/627255/strategic-transport-apprenticeship-taskforce-1-yr-on.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/627255/strategic-transport-apprenticeship-taskforce-1-yr-on.pdf)

A copy of the Transport Infrastructure Skills Strategy (TISS) – Two Years On - can be obtained from:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/727052/transport-infrastructure-skills-strategy-two-years-on.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/727052/transport-infrastructure-skills-strategy-two-years-on.pdf)

## APPENDIX 2 TO SCHEDULE 20: SLNT PLAN TEMPLATE

Please complete the following table outlining how you intend to meet your SLNT commitments.

**Table 1:**

SLNT Activity Breakdown								
SLNT Activity Area	Priority Output	Year 1	Year 2	Year 3	Year 4	Totals	Cross Check	
							SLNT Value	SLNT Totals
Apprenticeships								
- Apprentices Job Start (FTE)	Y					0	1	0
- Workless Apprentices Job Start (FTE)	Y					0	1	0
- Apprentice Start (Existing Staff)	Y					0	1	0
Worklessness								
- Workless Job Starts (FTE)						0	1	0
- Workless Graduate Job Start (FTE)						0	1	0
Educational/Career Support								
- Placement Positions (Days)						0	20	0
- School Engagement (Days)						0	20	0
Job Creation								
- Job Start (non-workless) (FTE)						0	1	0
				Total SLNT Activity				0
				Priority Activities				0

Please detail any information or assumptions relevant to the above outputs you have indicated as meeting your SLNT requirements:

**Additional Information/ Assumptions (max 250 words)**

**Content:**

## Strategic Labour Needs and Training Method Statement

Referring to the SLNT Activity Breakdown outlined in Table 1, please describe the activities you will undertake in each of the SLNT areas. This should include further detail for each of the areas detailed below:

- The qualifications and training programmes you have identified;
- Named staff resource you will be deploying to support the activity;
- External funding streams you have identified to support the activity;
- Assumptions made in preparing proposed activities;
- Any input you require from the Supplier to undertake these activities.

Any areas where you are not proposing to undertake activity should be left blank.

You may use up to 250 words in each of the following boxes.

### **Apprentice Job Start**

***Content:***

### **Workless Apprentice Job Start**

***Content:***

### **Apprentice Start (Existing Staff)**

***Content:***

### **Workless Job Start**

***Content:***

### **Workless Graduate Job Start**

***Content:***

<b>Placement Positions</b> <b>Content:</b>
<b>School Engagement</b> <b>Content:</b>
<b>Job Start (non-workless)</b> <b>Content:</b>













## APPENDIX 4 TO SCHEDULE 20: IMPLEMENTATION PLAN

### SLNT Implementation Plan

#### 1. Contact Information

TfL Contract

Supplier Skills Manager

Company  
Contract Manager  
TfL Stakeholder / SRM

SLNT Co-ordinator  
Contact Phone Number  
Contact Email

Reporting Requirements Quarterly / Monthly / Periodically

Report Period

Implementation Plan Review Date

#### 2. Overview and Background

**2.1 - Overview:** Please provide an overview of the contract / project to which the SLNT requirements have been applied

**2.2 - Method:** Please outline how you will deliver your SLNT requirements with particular focus on TfL priority outputs

**2.3 - Forecasted Outputs:** Please indicate in the table below forecasted SLNT outputs

	Worklessness			New Entrants			Trainee's		Current workforce		Educational Activities
	Apprenticeship (FTE)	Job Starts (FTE)	Placement Positions	Apprenticeship (FTE)	Job Starts (FTE)	Graduates (FTE)	Placement Positions (Nos)	Taster Positions (Nos)	Adult Apprenticeships	Workforce Skills (days)	
Previous Year											
March											
April											
May											
June											
July											
August											
September											
October											
November											
December											
January											
February											
March											
<b>Annual Total</b>	0	0	0	0	0	0	0	0	0	0	0
Future Years											
<b>TOTAL</b>	0	0	0	0	0	0	0	0	0	0	0

**2.4 - Milestones:** Please detail key milestones related to the delivery of your SLNT outputs

Milestone 1		Milestone 6	
Milestone 2		Milestone 7	
Milestone 3		Milestone 8	
Milestone 4		Milestone 9	
Milestone 5		Milestone 10	

**2.5 - Partners:** Please detail any partner organisations that will assist you in your SLNT delivery (Organisation and Key Contact)

Partner 1		Partner 6	
Partner 2		Partner 7	
Partner 3		Partner 8	
Partner 4		Partner 9	
Partner 5		Partner 10	

**3. Risks:** Please detail any risks and associated mitigation measures for the delivery of your SLNT requirements

	Risk	Likelihood	Risk Mitigation
1			
2			
3			
4			
5			

**4. Communications:** Please outline any planned SLNT communication, events or publications (internal and external) and how TfL will be notified

**5. Monitoring:** You are required to complete the two monitoring templates attached to this document (Sheets 1 and 2 of this document)

- 1. SLNT Monitoring Form** - Outlines SLNT outputs for each reporting period
- 2. Job Start Monitoring Form** - Outlines specific information for TfL Priority SLNT outputs

**6. Sign Off:**

Suppliers SLNT Co-ordinator (Name)	Signature	Date
TfL Supplier Skills Manager (Name)	Signature	Date
Implementation Plan Review Date		

## APPENDIX 5 TO SCHEDULE 20: QUARTERLY SLNT MONITORING REPORT TEMPLATE

SLNT Monitoring Form						
Organisation						
TfL Contract / Project						
Date						
SLNT Reporting Period						
SLNT Category	TfL Priority	Numbers				Additional Detail / Information
		Annual Target	Annual Forecast	Outputs this Period	Outputs To Date	
<b>Apprenticeships</b>						
- Apprentices Job Start (FTE)	Y	0	0	0	0	
- Workless Apprentices Job Start (FTE)	Y	0	0	0	0	
- Apprentice Start (Existing Staff)	Y	0	0	0	0	
<b>Worklessness</b>						
- Workless Job Starts (FTE)		0	0	0	0	
- Workless Graduate Job Start (FTE)		0	0	0	0	
<b>Educational/Career Support</b>						
- Placement Positions (Days)		0	0	0	0	
- School Engagement (Days)		0	0	0	0	
<b>Job Creation</b>						
- Job Start (non-workless) (FTE)		0	0	0	0	
		<b>Total SLNT Activity</b>		0	0	
		<b>Priority Activities</b>		0	0	
<b>Additional Information</b>						
<b>Highlights</b>						
<b>Issues / Concerns / Risks</b>						

## Job Start Monitoring Form

(To be Completed and Submitted with the SLNT Monitoring Form)

[illegible]

## SCHEDULE 21: Training

### Company Mandatory Training of Supplier Staff

Locations	Course Title	Required	Comments
LUL Sites only	Sentinel ICI (with LUL endorsement)	All personnel undertaking maintenance activities at Sites	Sufficient endorsed staff for cover
All Sites	Industry Common Induction (with LUL endorsement)	On all Sentinel ICI endorsements	
LUL Sites only	Basic Track Awareness (Track and Depots)	Required by all personnel working in the vicinity of live traction current and/or moving vehicles	Sufficient trained staff for cover
LUL Sites only	Protecting Workers on the Track	Required by personnel protecting others or themselves when working on the track	Sufficient trained staff for cover
LUL Sites only	Depot Area A Familiarisation	Required by all personnel working at depots. Personnel will be required to attend individual courses for each depot.	Sufficient trained staff for cover
LUL Sites only	Machine Room Awareness, (Engineering and General Levels)	All work within station lift & escalators machine rooms	Sufficient trained staff for cover
LUL Sites only	Equipment Room Awareness QUAF 54 / Secure Room	All work within Secure Rooms i.e. CER's, Relay Rooms, Signal Equipment Rooms (SER's), IMR's, Station Computer Rooms (SCR's)	Sufficient trained staff for cover

Locations	Course Title	Required	Comments
Power Delivery Sites only	LUL Power Delivery Sub-station Competence	All personnel undertaking maintenance in a substation environment  - Substation Competent Training (unrestricted) for general maintenance	Sufficient trained staff for cover. The switching of Power Assets as defined within LUL Cat Standard S1069 shall be undertaken by Power Delivery LV1 trained and certified personnel.
All Sites	LUL Safe Isolation - Levels 1, 2 & 3 (Electrical)	All Low Voltage electrical works must be undertaken and/or supervised by an appropriately certified Safe Isolation electrician at all times	Sufficient trained staff of appropriate levels for cover.  For any work on all electrical Low Voltage non-Power Assets, as defined within LUL Cat Standard S1069.
Power Delivery LT Museum Sites and specific Head Office Sites only (refer to section 2.2.5)	Basic Type Disclosure from Disclosure Scotland	All personnel accessing and/or undertaking maintenance activities in a substation environment. Specific Head Office and the LT Museum Sites	Required prior to undertaking LUL Power Delivery Sub-station Low Voltage Authorised Person (LV1) or LUL Power Delivery Sub-station Competence
All Sites	First Aid	First Aid Training	Sufficient trained staff for cover
All Sites	Site Person in Charge – Non Track Sites	two or more in the shift, and all mobile teams	Sufficient trained staff for cover
All Sites	PASMA	When working using high level access	Sufficient trained staff for cover
All Sites	IPAF	When working using Motorised Access Platforms	Sufficient trained staff for cover

Locations	Course Title	Required	Comments
All Sites	High Level Access Training	Where specialist access is required.  Typically, at 7 No. Jubilee Line Stations awareness training for high level gantry systems is required to access public area PA / VA and CCTV Assets.	Sufficient trained staff for cover
All Sites	NEBOSH	Health & Safety Manager	Sufficient trained staff for cover
All Sites	IOSH Level Two	All Contract Managers and Health & Safety Advisor	Sufficient trained staff for cover
Sites as detailed in Schedule 2 Paragraph 2.2.2	Metropolitan Police and British Transport Police Non Police Personnel Vetting (NPPV) Level 1	All personnel accessing and/or undertaking maintenance activities in a Buildings and Sites with Metropolitan and British Transport Police	Completion of NPPV Level 1 certification for any of the Suppliers staff undertaking maintenance in building where Police are located.

## **SCHEDULE 22: Direct Vision Standard**

### **1 Introduction**

- 1.1 In this Schedule 22 (Direct Vision Standard), the following terms shall have the corresponding meanings:

“Agreed DVS Plan” means the Initial DVS Plan as updated and approved in accordance with the terms of this Schedule 22 (Direct Vision Standard);

“Initial DVS Plan” means the initial plan prepared by the Supplier during the Mobilisation Period which sets out and proposes how the Supplier shall ensure that:

- (A) from and including 26 October 2019, all Category N3 HGVs used in the delivery of the Services achieve a minimum of a one (1) star Direct Vision Standard rating; and
- (B) from and including 26 October 2020 all Category N3 HGVs used in the delivery of the Services achieve a minimum of three (3) star Direct Vision Standard rating.

### **2 DVS Plan**

- 2.1 The Supplier shall comply with the Initial DVS Plan from the Commencement Date. Within fifteen (15) Working Days of the Commencement Date the Company shall either:

2.1.1 confirm that the Initial DVS Plan is approved, in which case such plan shall become the Agreed DVS Plan; or

2.1.2 provide the Supplier with any comments on and/or amendments to the Initial DVS Plan.

- 2.2 Within thirty (30) Working Days (for the purpose of paragraph 2.1.2) or fifteen (15) Working Days (for the purpose of paragraph 2.3.2) of receipt of any comments and/or amendments from the Company in accordance with paragraph 2.1.2 or paragraph 2.3.2 (as applicable), the Supplier shall:

2.2.1 develop the Initial DVS Plan to reflect such comments and/or amendments; and

2.2.2 submit an updated Initial DVS Plan to the Company for approval.

- 2.3 Within fifteen (15) Working Days of receipt of the updated Initial DVS Plan, the Company shall confirm that either the updated Initial DVS Plan:

2.3.1 is approved, in which case it shall become the Agreed DVS Plan; or

2.3.2 not approved and provide its further comments and/or amendments to the Supplier and the Supplier shall revise and re-submit the updated Initial DVS Plan for approval in accordance with paragraph 2.2.

The process set out in this paragraph 2.3 shall be repeated until the updated Initial DVS Plan is approved by the Company.

2.4 Where the Company, acting reasonably, has not approved the updated Initial DVS Plan, the Supplier may refer that decision to the dispute resolution process set out in this Contract.

2.5 Without limiting any other provision of this Contract, the Supplier shall, at no additional cost to the Company, and as part of the Services:

2.5.1 implement, observe and comply with the Agreed DVS Plan; and

2.5.2 review and amend the Agreed DVS Plan (as necessary) on each 12 month anniversary of the Commencement Date or earlier if requested by the Company, to reflect:

(A) any changes to the nature of the Services; and

(B) any comments and/or amendments made or proposed by the Company.

### **3 HGV DVS Co-ordinator**

3.1 The Supplier shall nominate an employee/member of the Supplier with the necessary experience, competency and authority to:

3.1.1 be responsible for implementation and compliance with the Agreed DVS Plan; and

3.1.2 act as the Supplier's authorised representative on all matters concerning the Agreed DVS Plan ("DVS Co-ordinator").

3.2 The Supplier shall add the DVS Co-ordinator's details to the list of Key Personnel set out in Schedule 1 (Contract Data).

### **4 Self Certification and Reporting**

On each twelve (12) month anniversary of the Commencement Date, the Supplier shall submit a report to the Company which sets out the Supplier's progress in respect of implementation of the Agreed DVS Plan and confirms (with supporting evidence) that the Supplier has complied with the Agreed DVS Plan.

### **SCHEDULE 23: Documents on CD-ROM**

The documents on the CD-ROM titled “Contract Reference Number: TfL-01230: FM Bundle 1 – Technical Facilities Management Services (Communications, CCTV, Access Control and Security Systems) – Documents on CD-ROM” are incorporated into the Contract.

Contract Reference: TfL01230:  
FM Bundle 1 – Technical Facilities  
Management Services (Communications, CCTV,  
Access Control and Security Systems) – Documents  
on CD-ROM

TfL initial here:

Telent  
Technology  
Services Ltd

initial here:

This is the CD-ROM referred to in Schedule  
Volume 2 of the Agreement dated 12 AUGUST 2014

































































































































































































































































































































**Pricing Instructions****1.00 General Instructions**

- 1.01 The Supplier is to include the Company Name in the space provided above.
- 1.02 Cells shaded in 'yellow' indicate where data should be inserted
- 1.03 The Supplier should insert Defined Costs rates (exclusive of Fee) for the resources required to provide Maintenance Services in respect of Budget Periods 1 to 7 inclusive in accordance with the instructions given below for each tab.
- 1.04 Rows can be added to each sub-section of the template to allow the inclusion of additional items if required.
- 1.05 Costs associated with the mobilisation activities (as set out in your Mobilisation Plan) shall be included by the Supplier as Defined Cost in Matrix 1
- 1.06 The Supplier should state any pricing assumptions, exclusions or any other relevant notes in the "Notes" tab

**2.00 'Summary' tab**

- 2.01 The Summary tab is self populating and does not require the Supplier to enter any data.
- 2.02 The Supplier should note that the combined total of Matrices 1.1, 1.2, 1.3 and 1.4 should equal the total of Matrix 1. The Summary tab therefore provides a cross check to show if the Suppliers pricing of Matrices 1.1, 1.2, 1.3 and 1.4 correctly reconciles to the total of Matrix 1. The Supplier shall reconcile the totals before tender submission

**3.00 'Fee' tab**

- 3.01 In column B please insert percentages against the identified Fee components the summation of which is the tendered Maintenance Service Fee percentage (cell B12)

**4.00 'Matrix 1' tab**

- 4.01 The following instructions relate to each Budget Period. Costs for Budget Periods 1 to 7 shall be inserted separately in the sections provided for each Budget Period.
- 4.02 Supplier Personnel are costed by the Supplier entering a description of the role and grade of each operative in Column B; the number of operatives working each shift in Column C; whether its a day shift or a night shift in Column D; the total number of shifts worked (in the Budget Period) Monday to Friday in Column E; Saturdays in Column F and Sundays in Column G.
- 4.03 The Defined Cost rate per shift is calculated by the Supplier inserting the cost components defined by Schedule 3 Part B Schedule of Cost Components in Columns V to AG inclusive, for each grade of operative listed in Column B. The Supplier shall also insert in Column AI the number of hours on which the shift cost is based. The Defined Cost per shift is calculated automatically in Column AJ. Any cost not included in the Defined Cost rate is deemed included in the Fee.
- 4.04 Plant and Equipment are costed by the Supplier inserting a description in Column B and the quantity required each Budget Period in Column L. The Defined Cost rate and the applicable unit of measure are inserted in Columns M and N respectively. Any cost not included in the Defined Cost rate is deemed included in the Fee.
- 4.05 Materials and Charges are costed by the Supplier inserting a description in Column B and the quantity required each Budget Period in Column N. The Defined Cost rate and the applicable unit of measure are inserted in Columns O and P respectively. Any cost not included in the Defined Cost rate is deemed included in the Fee.
- 4.06 Sub-Contractors are costed by the Supplier inserting a description in Column B and the quantity required each Budget Period in Column Q. The Defined Cost rate and the applicable unit of measure are inserted in Columns R and S respectively. Any cost not included in the Defined Cost rate is deemed included in the Fee.
- 4.07 Planned Maintenance Services, Spares Maintenance Services, Software Maintenance Services, Third Party Maintenance Services, Managed CCTV Download Services and Obsolescence Management Services shall be priced together. Reactive Maintenance Services shall be priced separately. Separate sections are provided in the matrices for this purpose.
- 4.08 Maintenance Renewal Services are subject to instruction post award and are therefore not to be costed in Matrix 1.

**5.00 'Matrices 1.1 to 1.4' tabs**

- 5.01 The purpose of Matrices 1.1 to 1.4 inclusive, is for the Supplier to provide a breakdown the Defined Costs included into Matrix 1 applicable to each Delivery Unit. The combined total of Defined Cost included in Matrices 1.1 to 1.4 shall therefore equal the total of Defined Cost included in Matrix 1.
- 5.02 Matrices 1.1 to 1.4 shall be completed using the principles set out in section 4 above for Matrix 1 with the exception of 4.03 where the Defined Cost rates used shall be those calculated in Matrix 1.
- 5.03 For the avoidance of doubt the total of Defined Cost included in Matrices 1.1 to 1.4 inclusive are sub sets of the total of Defined Cost included in Matrix 1 and are not in addition.

**6.00 'Matrix 1.5 'CCTV Download' tab**

- 6.01 The purpose of Matrix 1.5 is for the Supplier to provide a breakdown the Defined Costs included in Matrix 1 solely for the provision of the Managed CCTV Download Service

- 6.02 Matrix 1.5 shall be completed using the principles set out in section 4 above for Matrix 1 with the exception of 4.03 where the Defined Cost rates used shall be those calculated in Matrix 1.
- 6.03 For the avoidance of doubt the total of Defined Cost included in Matrices 1.5 is a sub set of the total of Defined Cost included in Matrix 1 and is not in addition.

#### **7.00 'Matrix 1.6 'Mobilisation Cost' tab**

- 7.01 The purpose of Matrix 1.6 is for the Supplier to provide a breakdown of the Defined Costs included in Matrix 1 and is solely planned to be incurred in the delivery of the mobilisation activities as set out in the Mobilisation Plan.
- 7.02 Matrix 1.6 shall be completed using the principles set out in section 4 above for Matrix 1 with the exception of 4.03 where the Defined Cost rates used shall be those calculated in Matrix 1.
- 7.03 For the avoidance of doubt the total of Defined Cost included in Matrices 1.6 is a sub set of the total of Defined Cost included in Matrix 1 and is not in addition.

#### **8.00 'Matrix 2' tab**

- 8.01 The following instructions relate to each Budget Period. Costs for Budget Periods 1 to 7 shall be inserted separately in the sections for each Budget Period provided.
- 8.02 Supplier Personnel are costed by the Supplier entering a description of the role and grade of each staff member in Column B; the number of staff working each shift in Column C; whether its a day shift or a night shift in Column D; the total number of shifts worked (in the Budget Period) Monday to Friday in Column E; Saturdays in Column F and Sundays in Column G.
- 8.03 The Defined Cost rate per shift is calculated by the Supplier inserting the cost components defined by Schedule 3 Part B Schedule of Cost Components in Columns V to AG inclusive, for each grade of staff listed in Column B. The Supplier shall also insert in Column AI the number of hours on which the shift cost is based. The Defined Cost per shift is calculated automatically in Column AJ. Any cost not included in the Defined Cost rate is deemed included in the Fee.

#### **9.00 'Matrix 3' tab**

- 9.01 In Matrix 3 the Supplier should insert the percentage of the total of Defined Cost for Managerial and Supervisory staff applicable to each Delivery Unit. The percentages provided will be deemed to apply to all Budget Periods.

#### **10.00 'Matrix 4 TfL HO Site Breakdown' tab**

- 10.01 In the table provided please insert the percentage allocation of the total of Defined Cost for providing the Maintenance Service to each of the TfL Head Office Sites. The total of all the percentages in each column should equal 100%. This information will be used by the Company for budgeting purposes only.

Maintenance Services Target Cost Summary

Budget Period	Time Period	Matrix 1 - Defined Cost breakdown for Maintenance Services (excluding managerial and supervisory staff)		Matrix 2 - Management and Supervisory Staff Costs	Total Defined Cost	Fee Percentage	Total Fee	Total Target Cost per Budget Period
		Planned, Spares, Software, Third Party, Managed CCTV Download and Obsolescence Management Maintenance Services	Reactive Maintenance Services					
Budget Period 1	01/01/2020 to 31/03/2021	£ 1,000,000	£ 1,000,000	£ 1,000,000	£ 1,000,000	10%	£ 100,000	£ 1,100,000
Budget Period 2	01/04/2021 to 31/03/2022	£ 1,000,000	£ 1,000,000	£ 1,000,000	£ 1,000,000	10%	£ 100,000	£ 1,100,000
Budget Period 3	01/04/2022 to 31/03/2023	£ 1,000,000	£ 1,000,000	£ 1,000,000	£ 1,000,000	10%	£ 100,000	£ 1,100,000
Budget Period 4	01/04/2023 to 31/03/2024	£ 1,000,000	£ 1,000,000	£ 1,000,000	£ 1,000,000	10%	£ 100,000	£ 1,100,000
Budget Period 5	01/04/2024 to 31/03/2025	£ 1,000,000	£ 1,000,000	£ 1,000,000	£ 1,000,000	10%	£ 100,000	£ 1,100,000
Budget Period 6	01/04/2025 to 31/03/2026	£ 1,000,000	£ 1,000,000	£ 1,000,000	£ 1,000,000	10%	£ 100,000	£ 1,100,000
Budget Period 7	01/04/2026 to 31/03/2027	£ 1,000,000	£ 1,000,000	£ 1,000,000	£ 1,000,000	10%	£ 100,000	£ 1,100,000
Total Target Cost for Budget Periods 1 to 7 inclusive								£ 99,947,012.68











































































































































































































































































































































































**Pricing Instructions****1.00 General Instructions**

- 1.01 Supplier to include the Company Name in the space provided above.
- 1.02 Cells shaded in 'yellow' indicate where data should be inserted
- 1.05 Insert Defined Cost rates for the resources required in the delivery of the Integrated Team Services in Budget Period one (exclusive of Fee)
- 1.06 Rows can be added to each sub-section allow the inclusion of additional items if required.
- 1.07 The Supplier should state any pricing assumptions, exclusions or any other relevant notes in the "Notes" tab

**2.00 Pricing of the Integrated Team and Advance Works (tab Integrated Team Res Brkdn)**Supplier Personnel

- 2.01 Insert the description of the role of each member of Supplier Personnel in Column B (highlighted) following the heading of
- 2.02 Insert the Defined Cost 'day rate' of each member of Supplier Personnel in Column E (highlighted)
- 2.03 Enter the number of days required for each member of Supplier in columns 'H to X' inclusive

Plant and Equipment

- 2.04 Insert the description of each item of plant and equipment in Column B (highlighted) following the heading of 'Plant and
- 2.05 Insert the unit of measure for each item of plant and equipment which is applicable to the Defined Cost rate inserted in Column D
- 2.06 Insert the Defined Cost rate of each item of plant and equipment in Column E (highlighted)
- 2.07 Enter the number of units required for each item of plant and equipment in columns 'H to X' inclusive

Materials and Charges

- 2.08 Insert the description of each item of material and charge in Column B (highlighted) following the heading of 'Materials and
- 2.09 Insert the unit of measure for each item of material and charge is applicable to the Defined Cost rate inserted in Column D
- 2.10 Insert the Defined Cost rate of each item of material and charge in Column E (highlighted)
- 2.11 Enter the number of units required for each item of plant and equipment in columns 'H to X' inclusive

Sub-contractors

- 2.12 Insert the name of each subcontractor and the description of the works being undertaken in Column B (highlighted) following the
- 2.13 Insert the unit of measure for each Sub-contractor is applicable to the Defined Cost rate inserted in Column D (highlighted)
- 2.14 Insert the Defined Cost for each Sub-contractor in Column E (highlighted)
- 2.15 Enter the number of units required for each Sub-contractor in columns 'H to X' inclusive

**3.00 Fee**

- 3.01 Supplier to insert the Integrated Team Fee percentage in cell "G11" in "Summary" Tab

telent Technology Services Limited

Integrated Team Budget Breakdown for Budget Period one

1.00	Integrated Team	£	
2.00	Advance Works	£	
3.00	Total of Defined Cost Breakdown (excluding Fee)	£	
3.00	Integrated Team Fee percentage		
4.00	Integrated Team Fee	£	
4.00	Integrated Team Budget Breakdown	£	





## Pricing Instructions

### 1.00 General Instructions

- 1.01 Supplier to include the Company name and the Upgrade Work Activity title in the spaces provided above
- 1.02 Cells shaded in 'yellow' indicate where data should be inserted
- 1.03 additional columns may be added to capture additional resource requirements, if needed.
- 1.04 The formula in the "Quantity" column will sum up the quantities included in the resource columns. When adding new columns, insert them before the last column so that the quantities in new columns will get picked by the formula.
- 1.05 Insert Defined Cost rates for the resources required in the delivery of each Upgrade Work Activity (exclusive of Fee)
- 1.06 Rows can be added to each sub-section allow the inclusion of additional items if required.
- 1.07 The Supplier should state any pricing assumptions, exclusions or any other relevant notes in the "Notes" tab

### 2.00 Pricing of Delivery management; Installation; and Testing, commissioning and Handover into Maintenance sub-sections (tab Activity Brkdn)

#### Supplier Personnel

- 2.01 Insert the description of the role of each member of Supplier Personnel in Column B (highlighted) following the heading of 'Supplier Personnel'.
- 2.02 Insert the Defined Cost 'day rate' of each member of Supplier Personnel in Column E (highlighted)
- 2.03 Enter the number of days required for each member of Supplier in columns 'H to AG' inclusive

#### Plant and Equipment

- 2.04 Insert the description of each item of plant and equipment in Column B (highlighted) following the heading of 'Plant and Equipment'
- 2.05 Insert the unit of measure for each item of plant and equipment which is applicable to the Defined Cost rate inserted in Column D (highlighted)
- 2.06 Insert the Defined Cost rate of each item of plant and equipment in Column E (highlighted)
- 2.07 Enter the number of units required for each item of plant and equipment in columns 'H to AG' inclusive

#### Materials and Charges

- 2.08 Insert the description of each item of material and charge in Column B (highlighted) following the heading of 'Materials and Charges'
- 2.09 Insert the unit of measure for each item of material and charge is applicable to the Defined Cost rate inserted in Column D (highlighted)
- 2.10 Insert the Defined Cost rate of each item of material and charge in Column E (highlighted)
- 2.11 Enter the number of units required for each item of plant and equipment in columns 'H to AG' inclusive

#### Sub-contractors

- 2.12 Insert the name of each subcontractor and the description of the works being undertaken in Column B (highlighted)
- 2.13 Insert the unit of measure for each Sub-contractor is applicable to the Defined Cost rate inserted in Column D (highlighted)
- 2.14 Insert the Defined Cost for each Sub-contractor in Column E (highlighted)
- 2.15 Enter the number of units required for each Sub-contractor in columns 'H to AG' inclusive

### 3.00 Fee

- 3.01 Supplier to insert the Integrated Team Fee percentage in cell "G16" in "Summary" Tab

telent Technology Services Limited

Edgware Rd

Pricing Summary

1.00	Delivery management	£	████	████
2.00	Installation	£	████	████
3.00	Testing, commisioning and handover into Maintenance	£	████	████
4.00	Total of Defined Cost breakdown excluding Fee	£	████	████
5.00	Upgrade Work Activity Fee percentage		████	████
6.00	Upgrade Work Activity Fee	£	████	████
7.00	Total of Benchmark Work Activity Breakdown	£	████	████











## Pricing Instructions

### 1.00 General Instructions

- 1.01 Supplier to include the Company name and the Upgrade Work Activity title in the spaces provided above
- 1.02 Cells shaded in 'yellow' indicate where data should be inserted
- 1.03 additional columns may be added to capture additional resource requirements, if needed.
- 1.04 The formula in the "Quantity" column will sum up the quantities included in the resource columns. When adding new columns, insert them before the last column so that the quantities in new columns will get picked by the formula.
- 1.05 Insert Defined Cost rates for the resources required in the delivery of each Upgrade Work Activity (exclusive of Fee)
- 1.06 Rows can be added to each sub-section allow the inclusion of additional items if required.
- 1.07 The Supplier should state any pricing assumptions, exclusions or any other relevant notes in the "Notes" tab

### 2.00 Pricing of Delivery management; Installation; and Testing, commissioning and Handover into Maintenance sub-sections (tab Activity Brkdn)

#### Supplier Personnel

- 2.01 Insert the description of the role of each member of Supplier Personnel in Column B (highlighted) following the heading of 'Supplier Personnel'.
- 2.02 Insert the Defined Cost 'day rate' of each member of Supplier Personnel in Column E (highlighted)
- 2.03 Enter the number of days required for each member of Supplier in columns 'H to AG' inclusive

#### Plant and Equipment

- 2.04 Insert the description of each item of plant and equipment in Column B (highlighted) following the heading of 'Plant and Equipment'
- 2.05 Insert the unit of measure for each item of plant and equipment which is applicable to the Defined Cost rate inserted in Column D (highlighted)
- 2.06 Insert the Defined Cost rate of each item of plant and equipment in Column E (highlighted)
- 2.07 Enter the number of units required for each item of plant and equipment in columns 'H to AG' inclusive

#### Materials and Charges

- 2.08 Insert the description of each item of material and charge in Column B (highlighted) following the heading of 'Materials and Charges'
- 2.09 Insert the unit of measure for each item of material and charge is applicable to the Defined Cost rate inserted in Column D (highlighted)
- 2.10 Insert the Defined Cost rate of each item of material and charge in Column E (highlighted)
- 2.11 Enter the number of units required for each item of plant and equipment in columns 'H to AG' inclusive

#### Sub-contractors

- 2.12 Insert the name of each subcontractor and the description of the works being undertaken in Column B (highlighted)
- 2.13 Insert the unit of measure for each Sub-contractor is applicable to the Defined Cost rate inserted in Column D (highlighted)
- 2.14 Insert the Defined Cost for each Sub-contractor in Column E (highlighted)
- 2.15 Enter the number of units required for each Sub-contractor in columns 'H to AG' inclusive

### 3.00 Fee

- 3.01 Supplier to insert the Integrated Team Fee percentage in cell "G16" in "Summary" Tab

telent Technology Services Limited

Leytonstone

Pricing Summary

1.00	Delivery management	£	████████
2.00	Installation	£	██████████
3.00	Testing, commisioning and handover into Maintenance	£	████████
4.00	Total of Defined Cost breakdown excluding Fee	£	██████████
5.00	Upgrade Work Activity Fee percentage		██████████
6.00	Upgrade Work Activity Fee	£	██████████
7.00	Total of Benchmark Work Activity Breakdown	£	████████











**THIS GUARANTEE** is made the

12

day of **AUGUST** 2019

**BETWEEN:**

- (1) **TELENT LIMITED** a company registered in England and Wales under number 00067307 and having its registered office at Point 3 Haywood Road, Warwick, CV34 5AH (the "Guarantor");
- (2) **TRANSPORT FOR LONDON** or TfL a statutory corporation established under the Greater London Authority Act 1999 of 55 Broadway, London SW1H 0BD (the "Company", which expression shall include its successors in title and assigns); and
- (3) **TELENT TECHNOLOGY SERVICES LIMITED** a company registered in England and Wales under number 703317 and having its registered office at Point 3, Haywood Road, Warwick CV34 5AH (the "Supplier").

**WHEREAS:**

- (A) This Guarantee is supplemental to a contract (the "Contract") for the supply of facilities management and related services across TfL (with Contract Reference Number TfL-01230: FM Bundle 1 – Technical Facilities Management Services (Communications, CCTV, Access Control and Security Systems) made between (1) the Company and (2) the Supplier.
- (B) The Guarantor has agreed to guarantee to the Company the due and punctual performance of the Contract by the Supplier in the manner hereinafter appearing.
- (C) The Supplier is a party to this Guarantee in order to confirm its request that the Guarantor provide this Guarantee on the terms set out herein.

**NOW IT IS HEREBY AGREED** as follows:

1. The Guarantor unconditionally guarantees to the Company the proper and punctual performance and observance by the Supplier of all its obligations, warranties, duties, undertakings and responsibilities under the Contract and shall forthwith make good any default thereunder on the part of the Supplier and the Guarantor shall pay or be responsible for the payment by the Supplier to the Company of all sums of money, liabilities, awards, losses, damages, costs, charges and expenses that may be or become due and payable under or arising out of the Contract in accordance with its terms or otherwise by reason or in consequence of any such default on the part of the Supplier.
2. This Guarantee shall be a continuing guarantee and indemnity and accordingly shall remain in full force and effect until all obligations, warranties, duties and undertakings now or hereafter to be carried out or performed or observed by the Supplier under or arising out of the Contract have been duly and completely performed and observed in full.
3. The Guarantee is in addition to and not in substitution for any other security or warranty which the Company may at any time hold for the performance of any obligations, warranties, duties and undertakings under the Contract and may be enforced by the Company without first taking any proceedings or exhausting any right or remedy against the Supplier or any other person or taking any action to enforce any other security, bond or guarantee.

4. The Guarantor shall be under no greater obligation or greater liability under this Guarantee than it would have been under the Contract if it had been named as the Supplier in the Contract.
5. The obligations and liabilities hereunder shall remain in full force and effect and shall not be affected, lessened, impaired or discharged by:
  - (A) any alteration or variation to the terms of the Contract;
  - (B) any alteration in the extent or nature or sequence or method or timing or scope of the works, services or supplies to be carried out under the Contract;
  - (C) any extension of time being given to the Supplier or any other indulgence or concession to the Supplier or any forbearance, forgiveness or any other thing done, omitted or neglected to be done under the Contract;
  - (D) any other bond, security or guarantee now or hereafter held for all or any part of the obligations of the Supplier under the Contract;
  - (E) the release, modification, exchange or waiver of any such bond, security or guarantee;
  - (F) any amalgamation or reconstruction or dissolution including liquidation of the Supplier;
  - (G) the making of a winding up order, the appointment of a provisional liquidator, the passing of a resolution for winding up, liquidation, administration, receivership or insolvency of the Supplier;
  - (H) any legal limitation, disability or incapacity relating to the Supplier (whether or not known to the Guarantor);
  - (I) any invalidity in, irregularity affecting or unenforceability of the obligations of the Supplier under the Contract;
  - (J) the termination of the Contract; or
  - (K) anything the Company or the Supplier may do or omit or neglect to do including, but without limitation, the assertion of or failure or delay to assert any right or remedy of the Company or the pursuit of any right or remedy by the Company.
6. Until all amounts which may be or become payable under this Guarantee and all liabilities, obligations, warranties, duties and undertakings in respect of the Supplier's obligations have been irrevocably paid, performed or discharged in full ("Guaranteed Liabilities"), the Guarantor shall not, after a claim has been made or by virtue of any payment, performance or discharge by it under this Guarantee, and specifically limited to the Guaranteed Liabilities only:
  - (A) be subrogated to any rights, security or moneys held, received or receivable by the Company in respect of the Guaranteed Liabilities or be entitled to any right of contribution or indemnity in respect of any payment made or moneys received on account of the Guarantor's liability under this Guarantee;

- (B) claim, rank, prove or vote as a creditor of the Supplier or its estate in competition with the Company in respect of the Guaranteed Liabilities unless the Company so directs; or
- (C) receive, claim or have the benefit of any payment distribution or security from or on account of the Supplier, or exercise any right of set-off against the Supplier unless the Company so directs.

For the avoidance of doubt, the parties agree that nothing in this Clause 6 shall in any way prohibit or restrict the Guarantor from fully and unconditionally exercising any of those rights specified in clauses 6(A) to 6(C) in relation to all sums due to the Guarantor which are not Guaranteed Liabilities.

- 7. This Guarantee is irrevocable.
- 8. The benefit of this Guarantee may be assigned by the Company at any time to any assignee of the benefit of the whole of the Contract. No further or other assignments shall be permitted.
- 9. The Guarantor:
  - (A) gives the guarantee contained in this Guarantee as principal obligor and not merely as surety;
  - (B) agrees to indemnify the Company on written demand against any loss or liability suffered by it if any provision set out in the Contract guaranteed by the Guarantor becomes unenforceable, invalid or illegal, and
  - (C) waives any right it may have of first requiring the Company to proceed against, or enforce any other rights or security or claim payment from, any person before claiming from the Guarantor under this Guarantee.
- 10. Until all amounts which may be or become payable in respect of the Supplier's obligations have been irrevocably paid in full by the Guarantor, the Company may:
  - (A) refrain from applying or enforcing any other moneys, security or rights held or received by the Company in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Guarantor shall not be entitled to the benefit of the same; and
  - (B) hold in a suspense account any moneys received from the Supplier on account of these Supplier's obligations or on account of the Guarantor's liability under this Guarantee.
- 11. The Company is entitled to make any number of demands under this Guarantee.
- 12. The invalidity, illegality or unenforceability in whole of or in part of any provisions of this Guarantee shall not affect the validity, legality and enforceability of the remaining part or provisions of this Guarantee.
- 13. This Guarantee may be executed in any number of counterparts each of which shall be an original and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

14. No person other than the Company and its subsidiaries (as defined in section 1159 of the Companies Act 2006) shall have any right to claim or remedy under or pursuant to this Guarantee and the provisions of the Contracts (Rights of Third Parties) Act 1999 are hereby excluded.
15. This Guarantee, executed and delivered as a deed, shall be governed by and interpreted according to the laws of England and the Courts of England shall have exclusive jurisdiction save that the Company shall have the right to bring proceedings in the courts of any other jurisdiction in which any of the Guarantor's assets may be situated.