

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

SCHEDULE 8.2

REPORTS AND RECORDS

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

Reports and Records**1 TRANSPARENCY REPORTS**

- 1.1 Within three (3) months of the Effective Date the Supplier shall provide to the Authority for its approval (such approval not to be unreasonably withheld or delayed) draft transparency reports in accordance with Annex 1 (**Transparency Reports**).
- 1.2 If the Authority rejects any proposed Transparency Report, the Supplier shall submit a revised version of the relevant report for further approval by the Authority within five (5) days of receipt of any notice of rejection, taking account of any recommendations for revision and improvement to the report provided by the Authority. If the Parties fail to agree on a draft Transparency Report the Authority shall determine what should be included.
- 1.3 The Supplier shall provide accurate and up-to-date versions of each Transparency Report to the Authority at the frequency referred to in Annex 1.
- 1.4 Any disagreement in connection with the preparation and/or approval of Transparency Reports, other than under Paragraph 1.2 above in relation to the contents of a Transparency Report, shall be treated as a Dispute.
- 1.5 The requirements for Transparency Reports are in addition to any other reporting requirements in this Agreement.

2 OTHER REPORTS

- 2.1 The Supplier shall provide to the Authority, from the Effective Date:
 - (a) the reports listed, and at the frequencies set out, in Annex 2 to this Schedule 8.2 (*Reports and Records*); and
 - (b) any or all of the following reports at the Authority's request:
 - (i) delay reports;
 - (ii) reports relating tests carried out under Schedule 6.2 (*Assurance Procedures*), Schedule 2.4 (*Security Management*) and Schedule 8.6 (*Service Continuity Plans and Corporate Resolution Planning*);
 - (iii) Performance Monitoring Reports;
 - (iv) reports which the Supplier is required to supply as part of the Management Information;
 - (v) annual reports on the Insurances;
 - (vi) security reports;
 - (vii) an SME report, which contains information in relation to Sub-contractors including (without limitation): the name, postal address and registration number of the relevant Sub-contractor; the

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

commencement and expiry dates of the relevant Sub-contract; the relevant Sub-contract value and spend in the relevant quarter; and the number of apprentices employed in relation to that Sub-contract; and

(viii) Force Majeure Event reports.

3 RECORDS

3.1 The Supplier shall retain and maintain all the records (including the records noted in Annex 3 to this Schedule and, further, superseded records) referred to in this Agreement (together **"Records"**):

- (a) in accordance with the requirements of the Public Records Office (PRO) and Good Industry Practice;
- (b) in chronological order;
- (c) in a form that is capable of audit; and
- (d) at its own expense.

3.2 The Supplier agrees that it shall:

- (a) store all records and reports that it is obliged to maintain and provide pursuant to this Agreement in such document repository or system that the Authority may have or put in place for the storing, sharing and management of records and reports as it may notify to the Supplier from time to time (**"Document Repository"**); and
- (b) comply with such guidance as the Authority may issue or provide in relation to the Document Repository from time to time.

It is acknowledged and agreed that the Authority may also use the Document Repository as a means of uploading and storing its documents that the Supplier may need to access from time to time.

3.3 Notwithstanding the provisions of Paragraph 3.2, the Supplier shall on demand, at no cost to the Authority and without imposing any restrictions, make the Records available for inspection to and/or copying by the Authority and/or its nominee in a format reasonably accessible to the Authority, subject to the Authority giving reasonable notice.

3.4 The Supplier shall hold Records in electronic format (and, if required by the Authority, paper format) and must be made available and/or be accessible to the Authority and its Audit Agents for audit purposes.

3.5 The Supplier shall, during the Term and a period of at least seven (7) years following the expiry or termination of this Agreement:

- (a) maintain or cause to be maintained in safe storage complete and accurate documents and records in relation to the provision of the Services including but not limited to all Records and Open Book Data; and

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (b) upon reasonable notice, disclose and allow the Authority and/ or its Audit Agents the right to access the information described at Paragraph 3.5(a).
- 3.6 Following the expiry of seven (7) years after the expiry or termination of this Agreement, the Supplier shall securely dispose of or provide to the Authority all Records without keeping any copies and if required to do so by the Authority, the Supplier shall provide written confirmation of compliance with this Paragraph 3.6.
- 3.7 The provisions of Paragraph 3.6 shall not apply to the extent that the Supplier is required to retain the Records by any applicable Law or for the purposes of any audit.
- 4 **NET ZERO REPORTING AND INITIATIVES**
- 4.1 The Supplier shall support the Authority to achieve its target of Net Zero carbon emissions by 2040 by providing an annual report (the **“Contract Greenhouse Gas Emissions Report”**) setting out:
 - (a) a forecast for each of Scope 1, Scope 2 and Scope 3 emissions generated through the provision of the Services for each future year of the Agreement;
 - (b) an estimate of actual emissions split by Scope, for each year of the Agreement that has been completed;
 - (c) an explanation of the main sources of emissions within each Scope;
 - (d) a list of initiatives from the Supplier’s Carbon Reduction Plan with an estimation of how much each initiative will reduce future emissions generated through the provision of the Services;
 - (e) a summary of any modelling assumptions used where emissions have been apportioned, for example where the team delivering the Services use part of a building; and
 - (f) a list of known gaps where emissions relating to the Services have not been quantified and/or cannot easily be estimated.
- 4.2 Greenhouse gas emissions, reductions of greenhouse gas emissions and removals of greenhouse gas from the atmosphere shall be measured or calculated in tonnes of carbon dioxide equivalent (CO₂e) using the appropriate conversion factors published by BEIS or equivalent Central UK Government department.
- 4.3 Estimates of future or past emissions should, so far as is reasonably possible, adhere to the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard published on the website <https://ghgprotocol.org>.
- 4.4 Estimates for Scope 3 emissions should include at least the following Scope 3 categories from the Greenhouse Gas Protocol as set out in PPN 06/21:
 - (a) upstream transportation and distribution;
 - (b) waste generated in operations;
 - (c) business travel;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (d) employee commuting; and
 - (e) downstream transportation and distribution.
- 4.5 The first Contract Greenhouse Gas Emissions Report should be provided to the Authority within three (3) months of the Operational Service Commencement Date. Subsequent reports should be provided within one (1) month of the end of the Contract Year including in the final year of the Agreement.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

ANNEX 1: TRANSPARENCY REPORTS

TITLE	CONTENT	FORMAT	FREQUENCY
<i>(Performance)</i>			
<i>(Charges)</i>			
<i>(Major sub-contractors)</i>			
<i>(Technical)</i>			
<i>(Performance management)</i>			

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

ANNEX 2: REPORTS TO BE PROVIDED BY THE SUPPLIER

Report No	Report Type	Report Title	Report Frequency	Report Content
1	Security	National Security Reporting	Live	Live security reporting, providing updates on general national security incidents and events throughout the UK that may affect site security, giving tactical level information for awareness.
2	Operations	IBF Sit Reps	Daily (at 07:00, 11:00 & 14:00)	Updates provided by each site identifying any possible issues that are/could affect operation. Summary of volumes, staffing and available capacity.
3	Operations	Twice Daily Stand Up Report	Daily x2	Report on Staffing Levels, Health & Safety and Site Issues (including Incidents reported in DoM handover report).
4	Security	Security Incident Report	Daily	Supplying information of all security incidents, technical security faults, Covid updates over the previous 24hr period.
5	Security	Security Handover Reports	Daily	Provided at the end of each working shift, giving details of issues, updates, staff matters and to ensure each new working security shift on site have an official handover procedure.
6	Security	Security Patrol Tracker	Daily	Provided by the security team giving evidence, timelines and routes of all daily security patrols that have occurred over the previous 24hr period.
7	Performance	IBF Weekly Performance Dashboard	Weekly	Supplying performance data for each individual location and for the overall IBF estate. Including

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

				volumes and performance for the previous week and comparing to earlier weeks for trends.
8	Security	Staff Vetting and Security Clearance Reports	Weekly	Provided weekly to our assurance team to monitor all current security vetting and clearances that are in process, for security contractors working at IBF Sites.
9	Finance	Finance Flash Report	Fortnightly	Supplying a fortnightly flash report on the financial status of the contract.
10	Performance	Monthly KPI/SPI Performance Dashboard	Monthly	Providing monthly review of performance against KPI/SPI's including overall performance and any exceptions/trends.
11	Management	Site Operator Monthly Review	Monthly	Providing an overview on all aspects of performance for the previous month. Identifying highlights and issues. Sharing priorities and focus for coming month(s).
12	Security	Security Overview	Monthly	Supplied each month, giving agreed details of performance, training records, staffing levels, innovations etc. included as part of monthly operational progress meetings.
13	Health & Safety	H&S Overview	Monthly	Providing detail of incidents, accidents and near misses across each location. Mitigating actions taken. H&S activity undertaken to improve sites safety. To be included as part of monthly operational progress meetings.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

14	Continuous Improvement	Continuous Improvement Updates	Quarterly	Providing details of Improvement activity across the IBF Sites. Detail of ongoing projects and progress. Ideas received. Details of potential impact/savings. To be provided as a standalone report each month with a broad update also provided as part of monthly operational progress meetings.
15	Risks & Issues	Risks & Issues Log	Monthly	Identifying risks and issues for the overall operation. Mitigating actions and updates on progress.
16	Performance	Security & Traffic Marshalling Overview	Monthly	Security and Traffic Marshall performance data including recruitment/attrition levels, training & vetting progress, monthly invoicing v forecast included as part of the monthly operational progress meetings.
17	Facilities Management	Consolidated Monthly Report	Monthly	Consolidated Report covering all pertinent Hard & Soft FM aspects included as part of monthly operational progress meetings.
18	Security	Physical Security Advisory Reports (PSAV)	Quarterly	Providing a regular physical and operational review for each IBF Site, giving details of current security posture, security operational and physical recommendations, and security strategic updates to support the Authority in the security of the IBF Sites.
19	Management	Quarterly Business Review	Quarterly	Review and analyse previous 3 months performance information & to ensure alignment to the Authority strategic objectives and identify any future opportunities. Ensured alignment culturally to drive performance and improvements as a collaborative team.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

20	Management	Overall Contract Review	Annual	A high-level view of contractual performance covering all areas of financial, performance, continuous improvement over the previous year.
21	Performance	Balance Scorecard Report	As set out in Schedule 2.2 (<i>Performance Levels</i>)	As set out in Schedule 2.2 (<i>Performance Levels</i>) and subsequently agreed between the Parties during Mobilisation.
22	Performance	Business Critical/Urgent Reports	Monthly	As set out in Annex 1 (SLAs) of Schedule 2.1 (<i>Services Description</i>)

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

ANNEX 3: RECORDS TO BE KEPT BY THE SUPPLIER

The records to be kept by the Supplier are:

1. This Agreement, its Schedules and all amendments to such documents.
2. All other documents which this Agreement expressly requires to be prepared.
3. Records relating to the appointment and succession of the Supplier Representative and each member of the Key Personnel.
4. Notices, reports and other documentation submitted by any Expert.
5. All operation and maintenance manuals prepared by the Supplier for the purpose of maintaining the provision of the Services and the underlying IT Environment and Supplier Equipment.
6. Documents prepared by the Supplier or received by the Supplier from a third party relating to a Force Majeure Event.
7. All formal notices, reports or submissions made by the Supplier to the Authority Representative in connection with the provision of the Services.
8. All certificates, licences, registrations or warranties in each case obtained by the Supplier in relation to the provision of the Services.
9. Documents prepared by the Supplier in support of claims for the Charges.
10. Documents submitted by the Supplier pursuant to the Change Control Procedure.
11. Documents submitted by the Supplier pursuant to invocation by it or the Authority of the Dispute Resolution Procedure.
12. Documents evidencing any change in ownership or any interest in any or all of the shares in the Supplier, where such change may cause a change of Control; and including documents detailing the identity of the persons changing such ownership or interest.
13. Invoices and records related to VAT sought to be recovered by the Supplier.
14. Financial records, including audited and un-audited accounts of the Supplier.
15. Records required to be retained by the Supplier by Law, including in relation to health and safety matters and health and safety files and all consents.
16. All documents relating to the insurances to be maintained under this Agreement and any claims made in respect of them.
17. All journals and audit trail data referred to in Schedule 2.4 (*Security Management*).
18. A complete set of records to trace the supply chain of all Goods and Services provided to the Authority in connection with this Agreement, in order to monitor any actual

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

or suspected slavery or human trafficking in those supply chains in compliance with the Suppliers' obligation in Clause 35.5 (*Modern Slavery Act*).

19. All other records, notices or certificates required to be produced and/or maintained by the Supplier pursuant to this Agreement.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

SCHEDULE 8.3

CHANGE CONTROL PROCEDURE

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

Change Control Procedure

1 DEFINITIONS

In this Schedule, the following definitions shall apply:

“Authority Change Manager”	the person appointed to that position by the Authority from time to time and notified in writing to the Supplier or, if no person is notified, the Authority Representative;
“Change Communication”	any Change Request, Impact Assessment, Change Authorisation Note or other communication sent or required to be sent pursuant to this Schedule;
“Change Request”	a written request for a Contract Change which shall be substantially in the form of Annex 1;
“Fast-track Change”	any Contract Change which the Parties agree to expedite in accordance with Paragraph 8;
“Impact Assessment”	an assessment of a Change Request in accordance with Paragraph 5;
“Impact Assessment Estimate”	has the meaning given in Paragraph 4.3;
“Receiving Party”	the Party which receives a proposed Contract Change; and
“Supplier Change Manager”	the person appointed to that position by the Supplier from time to time as identified in Schedule 9.2 (<i>Key Personnel</i>) or otherwise notified in writing to the Authority or, if no person is notified, the Supplier Representative.

2 GENERAL PRINCIPLES OF CHANGE CONTROL PROCEDURE

- 2.1 This Schedule sets out the procedure for dealing with Contract Changes.
- 2.2 Operational Changes shall be processed in accordance with Paragraph 9. If either Party is in doubt about whether a change falls within the definition of an Operational Change, then it must be processed as a Contract Change.
- 2.3 The Parties shall deal with Contract Change as follows:
- (a) either Party may request a Contract Change which they shall initiate by issuing a Change Request in accordance with Paragraph 4;
 - (b) unless this Agreement otherwise requires, the Supplier shall assess and document the potential impact of a proposed Contract Change in accordance with Paragraph 5 before the Contract Change can be either approved or implemented;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (c) the Authority shall have the right to request amendments to a Change Request, approve it or reject it in the manner set out in Paragraph 6;
 - (d) the Supplier shall have the right to reject a Change Request solely in the manner set out in Paragraph 7;
 - (e) save as otherwise provided in this Agreement, no proposed Contract Change shall be implemented by the Supplier until a Change Authorisation Note has been signed and issued by the Authority in accordance with Paragraph 6.2; and
 - (f) a proposed Contract Change is a Fast-track Change, it shall be processed in accordance with Paragraph 8.
- 2.4 To the extent that any Contract Change requires testing and/or a programme for mobilisation, then the Parties shall follow the procedures set out in Schedule 6.2 (*Assurance Procedures*), and, where appropriate, the Change Authorisation Note relating to such a Contract Change shall specify Milestones and/or a Key Milestone and Milestone Date(s) in respect of such Contract Change for the purposes of such procedures.
- 2.5 Until a Change Authorisation Note has been signed and issued by the Authority in accordance with Paragraph 6.2, then:
- (a) unless the Authority expressly agrees (or requires) otherwise in writing, the Supplier shall continue to supply the Services in accordance with the existing terms of this Agreement as if the proposed Contract Change did not apply; and
 - (b) any discussions, negotiations or other communications which may take place between the Authority and the Supplier in connection with any proposed Contract Change, including the submission of any Change Communications, shall be without prejudice to each Party's other rights under this Agreement.
- 2.6 The Supplier shall:
- (a) within ten (10) Working Days of the Authority's signature and issue of a Change Authorisation Note, deliver to the Authority a copy of this Agreement updated to reflect all Contract Changes agreed in the relevant Change Authorisation Note and annotated with a reference to the Change Authorisation Note pursuant to which the relevant Contract Changes were agreed; and
 - (b) thereafter provide to the Authority such further copies of the updated Agreement as the Authority may from time to time request.

3 COSTS

3.1 Subject to Paragraph 3.3:

- (a) the costs of preparing each Change Request shall be borne by the Party making the Change Request; and

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (b) the costs incurred by the Supplier in undertaking an Impact Assessment shall be borne by the Party making the Change Request provided that the Authority shall not be required to pay any such costs if:
 - (i) such costs are below £100;
 - (ii) the Supplier is able to undertake the Impact Assessment by using resources already deployed in the provision of the Services; or
 - (iii) such costs exceed those in the accepted Impact Assessment Estimate.
- 3.2 The cost of any Contract Change shall be calculated and charged in accordance with the principles set out in Paragraph 10 (*Changes to Charges*) below. The Supplier shall be entitled to increase the Charges only if it can demonstrate in the Impact Assessment that the proposed Contract Change requires additional resources and, in any event, any change to the Charges resulting from a Contract Change (whether the change will cause an increase or a decrease in the Charges) will be strictly proportionate to the increase or decrease in the level of resources required for the provision of the Services as amended by the Contract Change.
- 3.3 Both Parties' costs incurred in respect of any use of this Change Control Procedure as a result of any error or Default by the Supplier shall be paid for by the Supplier.

4 CHANGE REQUEST

- 4.1 Either Party may issue a Change Request to the other Party at any time during the Term. A Change Request shall be substantially in the form of Annex 1 and state whether the Party issuing the Change Request considers the proposed Contract Change to be a Fast-track Change.
- 4.2 If the Supplier issues the Change Request, then it shall also provide an Impact Assessment to the Authority as soon as is reasonably practicable but in any event within ten (10) Working Days of the date of issuing the Change Request.
- 4.3 If the Authority issues the Change Request, then the Supplier shall provide as soon as reasonably practical and in any event within ten (10) Working Days of the date of receiving the Change Request an estimate ("**Impact Assessment Estimate**") of the cost of preparing an Impact Assessment and the timetable for preparing it. The timetable shall provide for the completed Impact Assessment to be received by the Authority within ten (10) Working Days of acceptance of the Impact Assessment Estimate or within any longer time period agreed by the Authority.
- 4.4 If the Authority accepts an Impact Assessment Estimate then following receipt of notice of such acceptance the Supplier shall provide the completed Impact Assessment to the Authority as soon as is reasonably practicable and in any event within the period agreed in the Impact Assessment Estimate. If the Supplier requires any clarification in relation to the Change Request before it can deliver the Impact Assessment, then it shall promptly make a request for clarification to the Authority and provided that sufficient information is received by the Authority to fully understand:
 - (a) the nature of the request for clarification; and

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (b) the reasonable justification for the request;

the time period to complete the Impact Assessment shall be extended by the time taken by the Authority to provide that clarification. The Authority shall respond to the request for clarification as soon as is reasonably practicable.

5 IMPACT ASSESSMENT

5.1 Each Impact Assessment shall be completed in good faith and shall include:

- (a) details of the proposed Contract Change including the reason for the Contract Change;
- (b) details of the impact of the proposed Contract Change on the Services, the Optional Services (if any) and the Supplier's ability to meet its other obligations under this Agreement;
- (c) any variation to the terms of this Agreement that will be required as a result of that impact, including changes to:
 - (i) the Services Description, the Performance Indicators and/or the Target Performance Levels;
 - (ii) the format of Authority Data, as set out in the Services Description;
 - (iii) the Milestones, Mobilisation Plan or Project Plan and any other timetable previously agreed by the Parties; and/or
 - (iv) other services provided by third party contractors to the Authority, including any changes required by the proposed Contract Change to the Authority's IT infrastructure;
- (d) details of the cost of implementing the proposed Contract Change;
- (e) details of the ongoing costs required by the proposed Contract Change when implemented, including any increase or decrease in the Charges, any alteration in the resources and/or expenditure required by either Party and any alteration to the working practices of either Party;
- (f) a timetable for the mobilisation, together with any proposals for the testing of the Contract Change;
- (g) details of how the proposed Contract Change will ensure compliance with any applicable Change in Law; and
- (h) such other information as the Authority may reasonably request in (or in response to) the Change Request.

5.2 If the Contract Change involves the processing or transfer of any Personal Data outside the European Economic Area, the preparation of the Impact Assessment shall also be subject to Schedule 2.8 (*Data Processing and List of Sub-processors*).

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- 5.3 Subject to the provisions of Paragraph 5.4, the Authority shall review the Impact Assessment and respond to the Supplier in accordance with Paragraph 6 within fifteen (15) Working Days of receiving the Impact Assessment.
- 5.4 If the Authority is the Receiving Party and the Authority reasonably considers that it requires further information regarding the proposed Contract Change so that it may properly evaluate the Change Request and the Impact Assessment, then within five (5) Working Days of receiving the Impact Assessment, it shall notify the Supplier of this fact and detail the further information that it requires. The Supplier shall then re-issue the relevant Impact Assessment to the Authority within ten (10) Working Days of receiving such notification. The Supplier shall ensure that the reissued Impact Assessment will contain the information requested by the Authority. At the Authority's discretion, the Parties may repeat the process described in this Paragraph 5.4 until the Authority is satisfied that it has sufficient information to properly evaluate the Change Request and Impact Assessment.
- 5.5 The calculation of costs for the purposes of Paragraphs 5.1(d) and 5.1(e) shall:
- (a) be based on the Models;
 - (b) be in accordance with Paragraph 10 (*Changes to Charges*) below;
 - (c) include estimated volumes of each type of resource to be employed and the applicable rate card;
 - (d) include full disclosure of any assumptions underlying such Impact Assessment;
 - (e) include evidence of the cost of any assets required for the Contract Change; and
 - (f) include details of any new Sub-contracts necessary to accomplish the Contract Change.
- 5.6 The Authority may request that any Impact Assessment presents Charges without indexation for the purposes of comparison.

6 AUTHORITY'S RIGHT OF APPROVAL

- 6.1 Within fifteen (15) Working Days of receiving the Impact Assessment from the Supplier or within ten (10) Working Days of receiving the further information that it may request pursuant to Paragraph 5.4, the Authority shall evaluate the Change Request and the Impact Assessment and shall do one of the following:
- (a) approve the proposed Contract Change, in which case the Parties shall follow the procedure set out in Paragraph 6.2;
 - (b) in its absolute discretion reject the Contract Change, in which case it shall notify the Supplier of the rejection. The Authority shall not reject any proposed Contract Change to the extent that the Contract Change is necessary for the Supplier or the Services to comply with any Changes in Law. If the Authority does reject a Contract Change, then it shall explain

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

its reasons in writing to the Supplier as soon as is reasonably practicable following such rejection; or

- (c) in the event that it reasonably believes that a Change Request or Impact Assessment contains errors or omissions, require the Supplier to modify the relevant document accordingly, in which event the Supplier shall make such modifications within five (5) Working Days of such request. Subject to Paragraph 5.4, on receiving the modified Change Request and/or Impact Assessment, the Authority shall approve or reject the proposed Contract Change within ten (10) Working Days.

6.2 If the Authority approves the proposed Contract Change pursuant to Paragraph 6.1 and it has not been rejected by the Supplier in accordance with Paragraph 7, then it shall inform the Supplier and the Supplier shall prepare two (2) copies of a Change Authorisation Note which it shall sign and deliver to the Authority for its signature. Following receipt by the Authority of the Change Authorisation Note, it shall sign both copies and return one copy to the Supplier. On the Authority's signature the Change Authorisation Note shall constitute (or, where the Authority has agreed to or required the implementation of a Change prior to signature of a Change Authorisation Note, shall constitute confirmation of) a binding variation to this Agreement.

6.3 If the Authority does not sign the Change Authorisation Note within ten (10) Working Days, then the Supplier shall have the right to notify the Authority and if the Authority does not sign the Change Authorisation Note within five (5) Working Days of such notification, then the Supplier may refer the matter to the Expedited Dispute Timetable pursuant to the Dispute Resolution Procedure.

7 SUPPLIER'S RIGHT OF REJECTION

7.1 Following an Impact Assessment, if:

- (a) the Supplier reasonably believes that any proposed Contract Change which is requested by the Authority would:
 - (i) materially and adversely affect the risks to the health and safety of any person; and/or
 - (ii) require the Services to be performed in a way that infringes any Law; and/or
- (b) the Supplier demonstrates to the Authority's reasonable satisfaction that the proposed Contract Change is technically impossible to implement and neither the Supplier Solution nor the Services Description state that the Supplier does have the technical capacity and flexibility required to implement the proposed Contract Change,

then the Supplier shall be entitled to reject the proposed Contract Change and shall notify the Authority of its reasons for doing so within five (5) Working Days after the date on which it is obliged to deliver the Impact Assessment pursuant to Paragraph 4.3.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

8 FAST-TRACK CHANGES

8.1 The Parties acknowledge that to ensure operational efficiency there may be circumstances where it is desirable to expedite the processes set out above.

8.2 If:

- (a) the total number of Contract Changes in relation to which this Fast-track Change procedure has been applied does not exceed four (4) in any twelve (12) month period; and
- (b) both Parties agree the value of the proposed Contract Change over the remaining Term and any period for which Termination Services may be required does not exceed and the proposed Contract Change is not significant (as determined by the Authority acting reasonably),

then the Parties shall confirm to each other in writing that they shall use the process set out in Paragraphs 4, 5, 6 and 7 but with reduced timescales, such that any period of fifteen (15) Working Days is reduced to five (5) Working Days, any period of ten (10) Working Days is reduced to two (2) Working Days and any period of five (5) Working Days is reduced to one (1) Working Day.

8.3 The Parties may agree in writing to revise the parameters set out in Paragraph 8.2 from time to time or that the Fast-track Change procedure shall be used in relation to a particular Contract Change notwithstanding that the total number of Contract Changes to which such procedure is applied will then exceed four (4) in a twelve (12) month period.

9 OPERATIONAL CHANGE PROCEDURE

9.1 Any Operational Changes identified by the Supplier to improve operational efficiency of the Services may be implemented by the Supplier without following the Change Control Procedure for proposed Contract Changes provided they do not:

- (a) have an impact on the business of the Authority;
- (b) require a change to this Agreement;
- (c) have a direct impact on use of the Services; or
- (d) involve the Authority in paying any additional Charges or other costs.

9.2 The Authority may request an Operational Change by submitting a written request for Operational Change ("RFOC") to the Supplier Representative.

9.3 The RFOC shall include the following details:

- (a) the proposed Operational Change; and
- (b) the timescale for completion of the Operational Change.

9.4 The Supplier shall inform the Authority of any impact on the Services that may arise from the proposed Operational Change.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- 9.5 The Supplier shall complete the Operational Change by the timescale specified for completion of the Operational Change in the RFOC, and shall promptly notify the Authority when the Operational Change is completed.

10 CHANGES TO CHARGES

- 10.1 Any change to the Charges shall be developed and agreed by the Parties on the basis that:

- (a) such changes to the Charges shall be calculated in accordance with the underlying principles in the Cost Model which make up the Charges prior to the Contract Change;
- (b) notwithstanding any other provision of this Schedule, the Supplier Profit Margin on such Charges shall:
 - (a) be no greater than the Supplier Profit Margin applying to Charges using the same pricing mechanism as set out in the Models as at the Effective Date; and
 - (b) in no event exceed the Supplier Profit Margin plus 5%;
- (c) as part of the Change Control Procedure, the Supplier shall promptly prepare a complete revised copy of each Model (or if agreed otherwise by the Parties, an updated copy of the extract of each Model that has changed) to:
 - (i) enable the Parties to evaluate the impact of the Contract Change, including sufficient information to allow the Authority to understand any Charges, Costs, anticipated Supplier Profit, anticipated Supplier Profit Margin and Supplier Profit Margin plus 5% set out in the Model (as applicable); and/or
 - (ii) document any changes to the Charges agreed in accordance with the Change Control Procedure;
- (d) the Supplier shall prepare each iteration of the Models in accordance with Clause 10.28 (*The Models*) and, if such Part is used, Part D (*Cost Model*) of Schedule 7.1 (*Charges and Invoicing*).
- (e) any amendment which is made in order to evaluate or reflect the impact of a Contract Change shall relate only to the impact of that Contract Change; and
- (f) no amendment to the Charges shall affect, in any way whatsoever, the performance of the Services, except where expressly agreed in accordance with the Change Control Procedure.

- 10.2 The version of the Models agreed by the Authority in accordance with the Change Control Procedure shall become the current approved version of the Models for the purposes of this Agreement with effect from the date of signature of the Change Authorisation Note.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- 10.3 If there is a Dispute regarding the correct version of any Model, the Authority's copy of the relevant Model shall be authoritative.

11 CHANGES TO CHARGES FOR ANY EXTENSION PERIOD

- 11.1 The Parties may agree to vary the Charges, in accordance with the Change Control Procedure, with effect from the commencement of any Extension Period. In the absence of any such agreement, the relevant Extension Period will take effect on the terms of this Agreement that subsist immediately prior to the Extension Period taking effect.

12 INDEXATION

- 12.1 For the avoidance of doubt, (save to the extent the Charges are expressed in this Agreement to be “subject to Indexation”, in which case the provisions of Paragraph 6 of Part C of Schedule 7.1 (*Charges and Invoicing*) will apply), the Supplier may not vary Charges to take account of Indexation at any time.

13 COMMUNICATIONS

- 13.1 For any Change Communication to be valid under this Schedule, it must be sent to either the Authority Change Manager or the Supplier Change Manager, as applicable. The provisions of Clause 44 (*Notices*) shall apply to a Change Communication as if it were a notice.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

ANNEX 1: CHANGE REQUEST FORM

CR NO.:	TITLE:	TYPE OF CHANGE:
CONTRACT:		REQUIRED BY DATE:
ACTION:	NAME:	DATE:
RAISED BY:		
AREA(S) IMPACTED (<i>OPTIONAL FIELD</i>):		
ASSIGNED FOR IMPACT ASSESSMENT BY:		
ASSIGNED FOR IMPACT ASSESSMENT TO:		
SUPPLIER REFERENCE NO.:		
FULL DESCRIPTION OF REQUESTED CONTRACT CHANGE (INCLUDING PROPOSED CHANGES TO THE WORDING OF THE CONTRACT):		
DETAILS OF ANY PROPOSED ALTERNATIVE SCENARIOS:		
REASONS FOR AND BENEFITS AND DISADVANTAGES OF REQUESTED CONTRACT CHANGE:		
SIGNATURE OF REQUESTING CHANGE OWNER:		
DATE OF REQUEST:		

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

ANNEX 2: CHANGE AUTHORISATION NOTE

CR NO.:	TITLE:	DATE RAISED:
CONTRACT:	TYPE OF CHANGE:	REQUIRED BY DATE:
[KEY MILESTONE DATE: <i>[if any]</i>]		
DETAILED DESCRIPTION OF CONTRACT CHANGE FOR WHICH IMPACT ASSESSMENT IS BEING PREPARED AND WORDING OF RELATED CHANGES TO THE CONTRACT:		
PROPOSED ADJUSTMENT TO THE CHARGES RESULTING FROM THE CONTRACT CHANGE:		
DETAILS OF PROPOSED ONE-OFF ADDITIONAL CHARGES AND MEANS FOR DETERMINING THESE (E.G. FIXED PRICE BASIS):		
SIGNED ON BEHALF OF THE AUTHORITY:		SIGNED ON BEHALF OF THE SUPPLIER:
Signature:_____		Signature:_____
Name:_____		Name:_____
Position:_____		Position:_____
Date:_____		Date:_____

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

SCHEDULE 8.4

DISPUTE RESOLUTION PROCEDURE

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

Dispute Resolution Procedure

1 DEFINITIONS

In this Schedule, the following definitions shall apply:

“CEDR”	the Centre for Effective Dispute Resolution of International Dispute Resolution Centre, 70 Fleet Street, London, EC4Y 1EU;
“Counter Notice”	has the meaning given in Paragraph 7.2;
“Dispute Representative”	a person identified as escalation level 1, 2 or 3 in Paragraph 5 (<i>Contract Management Roles and Dispute Escalation Levels</i>) of Schedule 8.1 (<i>Governance</i>). “Level 1 Dispute Representative” shall be interpreted as any such person identified as escalation level 1 and “Level 2 Dispute Representative” and “Level 3 Dispute Representative” shall be interpreted accordingly.
“Expert”	in relation to a Dispute, a person appointed in accordance with Paragraph 6.2 to act as an expert in relation to that Dispute;
“Expert Determination”	determination by an Expert in accordance with Paragraph 6;
“Mediation Notice”	has the meaning given in Paragraph 4.2;
“Mediator”	the independent third party appointed in accordance with Paragraph 5.2 to mediate a Dispute;
“Related Third Party”	a party to: <ul style="list-style-type: none"> (a) another contract with the Authority or the Supplier which is relevant to this Agreement (provided that it is not an Ecosystem Agreement); or (b) a Sub-contract; and
“Related Third Party Dispute”	a Dispute which involves the Parties and one or more Related Third Parties;
“Related Third Party Dispute Representatives”	has the meaning given in Paragraph 9.6;
“Related Third Party Dispute Resolution Board”	has the meaning given in Paragraph 9.6; and
“Supplier Request”	a notice served by the Supplier requesting that the Dispute be treated as a Related Third Party Dispute, setting out its

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

grounds for that request and specifying each Related Third Party that it believes should be involved in the Multi-Dispute Resolution Procedure in respect of that Dispute.

2 DISPUTE NOTICES

2.1 If a Dispute arises then:

- (a) the Level 1 Dispute Representatives shall attempt in good faith to resolve the Dispute; and
- (b) if such attempts are not successful within a reasonable period, not being longer than twenty (20) Working Days, either Party may issue to the other a Dispute Notice.

2.2 A Dispute Notice shall set out:

- (i) the material particulars of the Dispute;
 - (ii) the reasons why the Party serving the Dispute Notice believes that the Dispute has arisen; and
 - (iii) if the Party serving the Dispute Notice believes that the Dispute should be dealt with under the Expedited Dispute Timetable, the reason why; and
- (b) may specify in accordance with the requirements of Paragraphs 9.2 and 9.3 that the Party issuing the Dispute Notice has determined (in the case of the Authority) or considers (in the case of the Supplier) that the Dispute is a Related Third Party Dispute, in which case Paragraph 2.3 shall apply.

2.3 If a Dispute Notice specifies that the Dispute has been determined or is considered to be a Related Third Party Dispute pursuant to Paragraph 2.2(b), then:

- (a) if it is served by the Authority it shall be treated as a Related Third Party Dispute Initiation Notice; and
 - (b) if it is served by the Supplier it shall be treated as a Supplier Request,
- and in each case the provisions of Paragraph 8 shall apply.

2.4 Subject to Paragraphs 2.5 and 3.2 and so long as the Authority has not served a Related Third Party Dispute Initiation Notice in respect of the relevant Dispute, following the issue of a Dispute Notice the Parties shall seek to resolve the Dispute:

- (a) first by commercial negotiation (as prescribed in Paragraph 4);
- (b) then, if either Party serves a Mediation Notice, by mediation (as prescribed in Paragraph 5) and
- (c) lastly by recourse to arbitration (as prescribed in Paragraph 7) or litigation (in accordance with Clause 47 (*Governing Law and Jurisdiction*)).

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- 2.5 Specific issues shall be referred to Expert Determination (as prescribed in Paragraph 6) where specified under the provisions of this Agreement and may also be referred to Expert Determination where otherwise appropriate as specified in Paragraph 6.1.
- 2.6 Unless agreed otherwise in writing, the Parties shall continue to comply with their respective obligations under this Agreement regardless of the nature of the Dispute and notwithstanding any issue of a Dispute Notice or a Related Third Party Dispute Initiation Notice or proceedings under Paragraph 8 (*Urgent Relief*).

3 EXPEDITED DISPUTE TIMETABLE

- 3.1 In exceptional circumstances where the use of the times in this Schedule would be unreasonable, including (by way of example) where one Party would be materially disadvantaged by a delay in resolving the Dispute, the Parties may agree to use the Expedited Dispute Timetable. If the Parties are unable to reach agreement on whether to use the Expedited Dispute Timetable within five (5) Working Days of the issue of a Dispute Notice, the use of the Expedited Dispute Timetable shall be at the sole discretion of the Authority.
- 3.2 If the Expedited Dispute Timetable is to be used pursuant to the provisions of Paragraph 3.1 or is otherwise specified under the provisions of this Agreement, then the following periods of time shall apply in lieu of the time periods specified in the applicable Paragraphs:
- (a) in Paragraph 4.1, ten (10) Working Days;
 - (b) in Paragraph 5.2, ten (10) Working Days;
 - (c) in Paragraph 6.2, five (5) Working Days; and
 - (d) in Paragraph 7.2, ten (10) Working Days.
- 3.3 If at any point it becomes clear that an applicable deadline cannot be met or has passed, the Parties may (but shall be under no obligation to) agree in writing to extend the deadline. Any agreed extension shall have the effect of delaying the start of the subsequent stages by the period agreed in the extension.

4 COMMERCIAL NEGOTIATION

- 4.1 Following the service of a Dispute Notice, then, so long as the Authority has not served a Related Third Party Dispute Initiation Notice in respect of the relevant Dispute, the Parties shall refer the Dispute to the Level 2 Dispute Representatives for consideration and resolution. If the Parties are unable to resolve the Dispute within fifteen (15) Working Days of escalation to the Level 2 Dispute Representatives, then the Authority may, at its sole discretion, escalate any Dispute to the Level 3 Dispute Representatives for resolution. If the Parties are unable to resolve the Dispute within five (5) Working Days of escalation to the Level 3 Dispute Representatives then the provision of Paragraph 4.2 shall apply.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- 4.2 If the Parties have not settled the Dispute in accordance with Paragraph 4.1 within thirty (30) Working Days of service of the Dispute Notice, either Party may serve a written notice to proceed to mediation in accordance with Paragraph 5 (a “**Mediation Notice**”).

5 MEDIATION

- 5.1 If a Mediation Notice is served, the Parties shall attempt to resolve the dispute in accordance with the version of CEDR's Model Mediation Agreement which is current at the time the Mediation Notice is served (or such other version as the Parties may agree) and which shall be deemed to be incorporated by reference into this Agreement.
- 5.2 If the Parties are unable to agree on the joint appointment of an independent person to mediate the Dispute within twenty (20) Working Days from (and including) the service of a Mediation Notice then either Party may apply to CEDR to nominate such a person.
- 5.3 If the Parties are unable to reach a settlement in the negotiations at the mediation, and only if both Parties so request and the Mediator agrees, the Mediator shall produce for the Parties a non-binding recommendation on terms of settlement. This shall not attempt to anticipate what a court might order but shall set out what the Mediator suggests are appropriate settlement terms in all of the circumstances.
- 5.4 Any settlement reached in the mediation shall not be legally binding until it has been reduced to writing and signed by, or on behalf of, the Parties (in accordance with the Change Control Procedure where appropriate). The Mediator shall assist the Parties in recording the outcome of the mediation.

6 EXPERT DETERMINATION

- 6.1 If a Dispute relates to any aspect of the technology underlying the provision of the Services or otherwise relates to a matter of an IT technical, financial technical or other technical nature and the Dispute has not been resolved by commercial negotiation in accordance with Paragraph 4 or, if applicable, mediation in accordance with Paragraph 5, then either Party may by written notice to the other request (agreement to which request shall not be unreasonably withheld or delayed) that the Dispute be referred to an Expert for determination.
- 6.2 The Expert shall be appointed by agreement in writing between the Parties, but in the event of a failure to agree within ten (10) Working Days of the relevant request made pursuant to Paragraph 6.1, or if the person appointed is unable or unwilling to act, the Expert shall be appointed:
- (a) if the Dispute relates to any aspect of the technology underlying the provision of the Services or a matter of an IT technical nature, on the instructions of the President of the British Computer Society (or any other association that has replaced the British Computer Society);
 - (b) if the Dispute relates to a matter of a financial technical nature, on the instructions of the President of the Institute of Chartered Accountants of England and Wales; or

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (c) if the Dispute relates to a matter of a technical nature not falling within Paragraphs 6.2(a) or 6.2(b), on the instructions of the president (or equivalent) of:
 - (i) an appropriate body agreed between the Parties; or
 - (ii) if the Parties do not reach agreement on the relevant body within fifteen (15) Working Days of the relevant request made pursuant to Paragraph 6.1, such body as may be specified by the President of the Law Society on application by either Party.

6.3 The Expert shall act on the following basis:

- (a) he/she shall act as an expert and not as an arbitrator and shall act fairly and impartially;
- (b) the Expert's Determination shall (in the absence of fraud or manifest error) be final and binding on the Parties, unless within twenty (20) Working Days of that decision a Party serves notice on the other Party referring the Dispute to either arbitration or court proceedings pursuant to Paragraphs 7 and 8;
- (c) the Expert shall decide the procedure to be followed in the determination and shall be requested to make his/her determination within thirty (30) Working Days of his appointment or as soon as reasonably practicable thereafter and the Parties shall assist and provide the documentation that the Expert requires for the purpose of the determination;
- (d) any amount payable by one Party to another as a result of the Expert's Determination shall be due and payable within twenty (20) Working Days of the Expert's Determination being notified to the Parties;
- (e) the process shall be conducted in private and shall be confidential; and
- (f) the Expert shall determine how and by whom the costs of the determination, including his/her fees and expenses, are to be paid.

7 ARBITRATION

- 7.1 Subject to compliance with its obligations under Paragraph 4.1 and to the provisions of Paragraph 6, the Authority may at any time before court proceedings are commenced refer the Dispute to arbitration in accordance with the provisions of Paragraph 7.5.
- 7.2 Before the Supplier commences court proceedings or arbitration, it shall serve written notice on the Authority of its intentions and the Authority shall have fifteen (15) Working Days following receipt of such notice to serve a reply (a "**Counter Notice**") on the Supplier requiring the Dispute to be referred to and resolved by arbitration in accordance with Paragraph 7.5 or be subject to the exclusive jurisdiction of the courts of England and Wales. The Supplier shall not commence any court proceedings or arbitration until the expiry of such fifteen (15) Working Day period.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

7.3 If the Authority serves a Counter Notice, then:

- (a) if the Counter Notice requires the Dispute to be referred to arbitration, the provisions of Paragraph 7.5 shall apply; or
- (b) if the Counter Notice requires the Dispute to be subject to the exclusive jurisdiction of the courts of England and Wales, the Dispute shall be so referred to those courts and the Supplier shall not commence arbitration proceedings.

7.4 If the Authority does not serve a Counter Notice within the fifteen (15) Working Day period referred to in Paragraph 7.2, the Supplier may either commence arbitration proceedings in accordance with Paragraph 7.5 or commence court proceedings in the Courts of England and Wales which shall (in those circumstances) have exclusive jurisdiction.**7.5** The Parties hereby confirm that if any arbitration proceedings are commenced pursuant to Paragraphs 7.1 to 7.4:

- (a) the Dispute shall be referred to and finally resolved by arbitration under the Rules of the London Court of International Arbitration (“**LCIA**”) (subject to Paragraphs 7.5(e), (f) and (g));
- (b) the arbitration shall be administered by the LCIA;
- (c) the LCIA procedural rules in force at the date that the Dispute was referred to arbitration shall be applied and are deemed to be incorporated by reference into this Agreement and the decision of the arbitrator shall be binding on the Parties in the absence of any material failure to comply with such rules;
- (d) if the Parties fail to agree the appointment of the arbitrator within ten (10) Working Days from the date on which arbitration proceedings are commenced or if the person appointed is unable or unwilling to act, the arbitrator shall be appointed by the LCIA;
- (e) the Authority shall decide in its discretion whether the Dispute shall be determined by a single arbitrator or a panel of three arbitrators. The single arbitrator or chair of the arbitral tribunal shall be a senior English-qualified lawyer who shall be a QC of at least ten years standing or a retired judge;
- (f) the arbitration proceedings shall take place in London and in the English language; and
- (g) the seat of the arbitration shall be London.

8 URGENT RELIEF

Either Party may at any time take proceedings or seek remedies before any court or tribunal of competent jurisdiction:

- (a) for interim or interlocutory remedies in relation to this Agreement or infringement by the other Party of that Party’s Intellectual Property Rights;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

and/or

- (b) where compliance with Paragraph 2.1 and/or referring the Dispute to mediation may leave insufficient time for that Party to commence proceedings before the expiry of the limitation period.

9 MULTI-PARTY DISPUTES

- 9.1 All Related Third Party Disputes shall be resolved in accordance with the procedure set out in this Paragraph 9 (the “**Related Third Party Dispute Resolution Procedure**”).
- 9.2 If at any time following the issue of a Dispute Notice, the Authority reasonably considers that the matters giving rise to the Dispute involve one or more Related Third Parties, then the Authority shall be entitled to determine that the Dispute is a Related Third Party Dispute and to serve a notice on the Supplier which sets out the Authority’s determination that the Dispute is a Related Third Party Dispute and specifies the Related Third Parties which are to be involved in the Related Third Party Dispute Resolution Procedure, such notice a “**Related Third Party Dispute Initiation Notice**”.
- 9.3 If following the issue of a Dispute Notice but before the Dispute has been referred to Expert Determination in accordance with Paragraph 6 or to arbitration in accordance with Paragraph 6, the Supplier has reasonable grounds to believe that the matters giving rise to the Dispute have been contributed to by one or more Related Third Parties, the Supplier may serve a Supplier Request on the Authority.
- 9.4 The Authority shall (acting reasonably) consider each Supplier Request and shall determine within five (5) Working Days whether the Dispute is:
 - (a) a Related Third Party Dispute, in which case the Authority shall serve a Related Third Party Dispute Initiation Notice on the Supplier; or
 - (b) not a Related Third Party Dispute, in which case the Authority shall serve written notice of such determination upon the Supplier and the Dispute shall be treated in accordance with Paragraphs 3 to 8.
- 9.5 If the Authority has determined, following a Supplier Request, that a Dispute is not a Related Third Party Dispute, the Supplier may not serve another Supplier Request with reference to the same Dispute.
- 9.6 Following service of a Related Third Party Dispute Initiation Notice a Related Third Party Dispute shall be dealt with by a board (in relation to such Related Third Party Dispute, the “**Related Third Party Dispute Resolution Board**”) comprising representatives from the following parties to the Related Third Party Dispute, each of whom shall be of a suitable level of seniority to finalise any agreement with the other parties to settle the Related Third Party Dispute:
 - (a) the Authority;
 - (b) the Supplier;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (c) each Related Third Party involved in the Related Third Party Dispute; and
- (d) any other representatives of any of the Parties and/or any Related Third Parties whom the Authority considers necessary,

(together “**Related Third Party Dispute Representatives**”).

9.7 The Parties agree that the Related Third Party Dispute Resolution Board shall seek to resolve the relevant Related Third Party Dispute in accordance with the following principles and procedures:

- (a) the Parties shall procure that their Related Third Party Dispute Representatives attend, and shall use their best endeavours to procure that the Related Third Party Dispute Representatives of each Related Third Party attend, all meetings of the Related Third Party Dispute Resolution Board in respect of the Related Third Party Dispute;
- (b) the Related Third Party Dispute Resolution Board shall first meet within ten (10) Working Days of service of the relevant Related Third Party Dispute Initiation Notice at such time and place as the Parties may agree or, if the Parties do not reach agreement on the time and place within five (5) Working Days of service of the relevant Related Third Party Dispute Initiation Notice, at the time and place specified by the Authority, provided such place is at a neutral location within England and that the meeting is to take place between 9.00 am and 5.00 pm on a Working Day; and
- (c) in seeking to resolve or settle any Related Third Party Dispute, the members of the Related Third Party Dispute Resolution Board shall have regard to the principle that a Related Third Party Dispute should be determined based on the contractual rights and obligations between the Parties and the Related Third Parties and that any apportionment of costs should reflect the separate components of the Related Third Party Dispute.

9.8 If a Related Third Party Dispute is not resolved between the Parties and all Related Third Parties within twenty-five (25) Working Days of the issue of the Related Third Party Dispute Initiation Notice (or such longer period as the Parties may agree in writing), then:

- (a) either Party may serve a Mediation Notice in respect of the Related Third Party Dispute in which case Paragraph 5 shall apply;
- (b) either Party may request that the Related Third Party Dispute is referred to an Expert in which case Paragraph 6 shall apply; and/or
- (c) subject to Paragraph 9.9, Paragraph 7 shall apply to the Related Third Party Dispute,

and in each case references to the “**Supplier**” or the “**Parties**” in such provisions shall include a reference to all Related Third Parties.

9.9 If a Related Third Party Dispute is referred to arbitration in accordance with Paragraph 7 or a Dispute becomes a Related Third Party Dispute during the course of

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

arbitration proceedings and either Party is unable to compel a Related Third Party to submit to such arbitration proceedings, the Authority or the Supplier may discontinue such arbitration proceedings and instead initiate court proceedings. The costs of any such discontinued arbitration proceedings shall be borne by the Party which is in a direct contractual relationship with the Related Third Party or, where the Related Third Party is a Sub-contractor, by the Supplier.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

SCHEDULE 8.5

EXIT MANAGEMENT (TRANSITION)

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

Exit Management**1 DEFINITIONS**

In this Schedule, the following definitions shall apply:

"Assistance Commencement Date" has the meaning set out in Paragraph 6.1(a)

"Exclusive Equipment" the Supplier Equipment used by the Supplier or a Key Sub-contractor which is used exclusively in the provision of the Services to the Authority and/or Service Recipients;

"Exit Information" has the meaning given in Paragraph 4.1;

"Exit Manager" the person appointed by each Party pursuant to Paragraph 3.4 for managing the Parties' respective obligations under this Schedule;

"Government Controlled Company" means any body governed by public law, including as created pursuant to Regulation 12 of the Public Contracts Regulations 2015 or such other body created through or derived through public law;

"Handback Conditions" the Authority's requirements for the condition in which IBF Sites shall be returned to the Authority, the Service Recipients and/or any Replacement Supplier(s) by the Supplier, as set out in Annex 2;

"Net Book Value" the net book value of the relevant asset(s) calculated in accordance with the depreciation policy of the Supplier (which the Supplier shall ensure is in accordance with Good Industry Practice);

"Non-Exclusive Equipment" the Supplier Equipment (if any) which is used by the Supplier or a Key Sub-contractor in connection with the Services but which is also used by the Supplier or Key Sub-contractor for other purposes of material value;

"Registers" the register and configuration database referred to in Paragraphs 3.2(a) and 3.2(b);

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

"Services Transfer Date"	the date on which the Services are transferred from the control of and provision by the Supplier to the control of and provision by any Replacement Supplier(s);
"Termination Assistance Notice"	has the meaning given in Paragraph 6.1;
"Termination Assistance Period"	in relation to a Termination Assistance Notice, the period specified in the Termination Assistance Notice for which the Supplier is required to provide the Termination Services as such period may be extended by the Parties from time to time;
"Termination Services"	the services and activities to be performed by the Supplier pursuant to the Exit Plan, and any other services required pursuant to the Termination Assistance Notice.
"Transferring Contracts"	has the meaning given in Paragraph 8.2(c);
"Transferring Equipment"	has the meaning given in Paragraph 8.2(a); and
"Transferring Services"	means the Services or parts of a Service which are removed by the Authority in accordance with the provisions of the Agreement including on termination of the Agreement (in whole or in part).

2 OVERVIEW

- 2.1 This Schedule sets out the exit management process by which the Supplier shall transfer Services to a Replacement Supplier(s) (including to the Authority, the Service Recipients and/or any Government Controlled Company) and, for the avoidance of doubt, the provisions of this Schedule will apply to any and all Partial Terminations of the Services (which shall include the termination of Services at individual IBF Sites).

3 OBLIGATIONS DURING THE TERM TO FACILITATE EXIT

- 3.1 The Supplier shall within thirty (30) days from the Effective Date provide to the Authority a copy of its depreciation policy to be used for the purposes of calculating Net Book Value.
- 3.2 The Supplier shall, within three (3) months following the Effective Date and during the Term:

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (a) create and maintain a register of (i) all Supplier Equipment and Authority Supplied Equipment (split out on a per IBF Site basis) including their description, condition, location and details of ownership and (where Supplier Equipment) their status as either Exclusive Equipment or Non-Exclusive Equipment and Net Book Value and (ii) Sub-contracts and other relevant agreements required in connection with the Services; and
- (b) create and maintain a configuration database detailing the technical infrastructure and operating procedures through which the Supplier provides the Services,

(the “Registers”).

3.3 The Supplier shall ensure that all Exclusive Equipment listed in the Registers are clearly marked to identify that they are exclusively used for the provision of the Services under this Agreement.

3.4 Each Party shall appoint an Exit Manager within three (3) months of the Effective Date. The Parties' Exit Managers shall liaise with one another in relation to all issues relevant to the expiry or termination of this Agreement.

4 OBLIGATIONS TO ASSIST ON RE-TENDERING OF SERVICES

4.1 On reasonable notice at any point(s) during the Term, the Supplier shall provide to the Authority and the Service Recipients such reasonable assistance as the Authority and/or the Service Recipients may require to enable the Authority and the Service Recipients to retender for Replacement Services and shall provide to the Authority and/or its potential Replacement Supplier(s) (subject to the potential Replacement Supplier(s) entering into reasonable written confidentiality undertakings) the following material and information (including access to it) in order to facilitate the preparation by the Authority and the Service Recipients of any invitation to tender and/or to facilitate any potential Replacement Suppliers undertaking due diligence and/or to assist the Authority, the Service Recipients and/or any Replacement Supplier(s) with the orderly transition of the Services from the Supplier to the Replacement Supplier(s):

- (a) details of the Service(s);
- (b) a copy of the Registers (including details of where and how the Registers are held), updated by the Supplier up to the date of delivery of such Registers;
- (c) an inventory of Authority Data in the Supplier's possession or control;
- (d) details of any key terms of any Third Party Contracts and licences, particularly as regards charges, termination, assignment and novation;
- (e) a list of on-going and/or threatened disputes in relation to the provision of the Services;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (f) to the extent permitted by applicable Law, all information relating to Transferring Supplier Employees or those who may be Transferring Supplier Employees required to be provided by the Supplier under this Agreement, such information to include the Staffing Information as defined in Schedule 9.1 (*Staff Transfer*);
- (g) copies of the following documentation, both of a general nature for the Services and specific for each IBF Site:
 - staff roles and responsibilities;
 - training schedules;
 - standard operating procedures (SOPs),
 - all relevant health & safety documentation;
- (h) site risk registers, Service Continuity Plans and 'Local Continuity Plans': and
- (i) such other material and information as the Authority shall reasonably require,

(together, the "**Exit Information**").

- 4.2 The Supplier acknowledges that the Authority and/or the Service Recipients (as relevant) may disclose the Supplier's Confidential Information (excluding the Supplier's or its Sub-contractors' prices or costs) to any actual or prospective Replacement Supplier or any third party whom the Authority or any Service Recipient is considering engaging to the extent that such disclosure is necessary in connection with such engagement.
- 4.3 The Supplier shall provide updates of the Exit Information on an as-requested basis as soon as reasonably practicable and shall notify the Authority within five (5) Working Days of any material change to the Exit Information which may adversely affect the financial condition, business or operations of the Authority (or relevant Service Recipient) or adversely impact upon the potential transfer and/or continuance of any Services, and shall consult with the Authority in relation to any such changes.
- 4.4 The Exit Information shall be accurate and complete in all material respects and shall be as an absolute minimum be sufficient to enable a third party to prepare an informed offer for those Services and not be disadvantaged in any procurement process compared to the Supplier.
- 4.5 Upon request (and in any event no later than three (3) months prior to the Services Transfer Date), the Supplier shall provide to the Authority and/or any Replacement Supplier(s) an example of the Supplier's format of the payroll information using anonymised data to assist the Authority and/or any Replacement Supplier(s) to carry out a trial run of the payroll for employees potentially in scope for transfer to the Authority and/or any Replacement Supplier(s) in accordance with Schedule 9.1 (*Staff Transfer*).

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

5 EXIT PLAN

- 5.1 The Supplier shall, within three (3) months after the Effective Date, deliver to the Authority a draft Exit Plan in a format agreed by the Authority which:
- (a) sets out the Supplier's proposed methodology for achieving an orderly transition of Services (or a particular sub-set of the Services) from the Supplier to the Authority, any Service Recipients and/or any Replacement Supplier(s) on the expiry or termination (in whole or in part) of this Agreement, and the maintenance of a 'business as usual' environment for the Authority and/or the relevant Service Recipient(s) during the Termination Assistance Period;
 - (b) includes how exit will be carried out on a per IBF Site basis;
 - (c) complies with the requirements set out in Paragraph 5.3;
 - (d) is otherwise reasonably satisfactory to the Authority.
- 5.2 The Parties shall use reasonable endeavours to agree the Exit Plan. If the Parties are unable to agree the Exit Plan within twenty (20) Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.
- 5.3 The Exit Plan shall set out, as a minimum:
- (a) a detailed description of both the transfer and cessation processes, including a timetable;
 - (b) how the Services will transfer to the Replacement Supplier(s), the Service Recipients and/or the Authority;
 - (c) details of any contracts which will be available for transfer to the Authority, the Service Recipients and/or the Replacement Supplier upon the expiry date together with any reasonable costs required to effect such transfer;
 - (d) proposals for the training of key members of any Replacement Supplier's staff in connection with the continuation of the provision of the Services following the Services Transfer Date;
 - (e) proposals for providing the Authority or any Replacement Supplier(s) copies of all documentation relating to the use and operation of the Services and required for their continued use;
 - (f) proposals for the assignment or novation of all services utilised by the Supplier in connection with the supply of the Services;
 - (g) proposals for the identification and return of all Authority Assets and Authority Supplied Equipment in the possession of and/or control of the Supplier or any third party;
 - (h) proposals for the disposal of any redundant Deliverables and materials;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (i) how the Supplier will ensure that there is no disruption to or degradation of the Services during the Termination Assistance Period;
- (j) any other information or assistance reasonably required by the Authority or any Replacement Supplier(s);
- (k) how the Termination Services would be provided (if required) during the Termination Assistance Period, together with a timetable, any critical issues, any charges applicable in accordance with this Agreement and a capped estimate of such charges, in each case for those Termination Services; and
- (l) procedures to:
 - (i) deal with requests made by the Authority and/or any Replacement Supplier(s) for Staffing Information pursuant to Schedule 9.1 (*Staff Transfer*);
 - (ii) determine which Supplier Personnel are or are likely to become Transferring Supplier Employees; and
 - (iii) identify or develop any measures for the purpose of the Employment Regulations envisaged in respect of Transferring Supplier Employees.

5.4 The Supplier shall:

- (a) maintain and update the Exit Plan no less frequently than:
 - (i) once every six (6) months;
 - (ii) no later than twenty (20) Working Days after a request from the Authority for an up-to-date copy of the Exit Plan;
 - (iii) as soon as reasonably possible following a Termination Assistance Notice or six (6) months prior to the expiry of this Agreement (or such other period as required by the Authority), and in any event no later than twenty (20) Working Days after the date of the Termination Assistance Notice, to prepare a final form that could be implemented immediately; and
 - (iv) as soon as reasonably possible following, and in any event no later than twenty (20) Working Days following, any material change to the Services,

and shall submit each updated Exit Plan for the Authority's agreement in accordance with Paragraph 5.2 above; and

- (b) jointly review and verify the Exit Plan if required by the Authority and promptly correct any identified failures.

5.5 Only if (by notification to the Supplier in writing) the Authority agrees with a draft Exit Plan provided by the Supplier under Paragraph 5.2, shall that draft become the Exit Plan for this Agreement.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- 5.6 A version of an Exit Plan agreed between the parties shall not be superseded by any draft submitted by the Supplier.
- 5.7 In the event that termination assistance is required by the Authority but at the relevant time the Parties are still agreeing an update to the Exit Plan pursuant to Paragraph 5.2, the Supplier shall provide the Termination Services in good faith and in accordance with the principles in this Schedule and the last Authority approved version of the Exit Plan (insofar as it still applies).

6 TERMINATION SERVICES**Notification of Requirements for Termination Services**

- 6.1 The Authority shall be entitled to require the provision of Termination Services at any time during the Term by giving written notice to the Supplier (a "**Termination Assistance Notice**"):
- (a) at least four (4) months prior to the date of termination or expiry of this Agreement or as soon as reasonably practicable (but in any event, not later than one (1) month) following the service by either Party of a Termination Notice; or
 - (b) where, pursuant to any right under the Agreement or at Law, the Authority has given written notice to remove any Services (or a particular sub-set of the Services) from the scope of the Agreement (whether following a competitive bid process or otherwise).

The Termination Assistance Notice shall specify:

- (a) the date from which the Supplier shall commence providing the Termination Services ("**Assistance Commencement Date**");
 - (b) the nature of the Termination Services required; and
 - (c) the period during which it is anticipated that Termination Services will be required, which shall continue no longer than twelve (12) months after the date that the Supplier ceases to provide the Services.
- 6.2 The Authority shall have an option to extend the period of assistance beyond the period specified in the Termination Assistance Notice provided that such extension shall not extend for more than six (6) months after the end of the Termination Assistance Period and provided that it shall notify the Supplier to such effect no later than twenty (20) Working Days prior to the date on which the provision of Termination Services is otherwise due to expire. The Authority shall have the right to terminate its requirement for Termination Services by serving not less than twenty (20) Working Days' written notice upon the Supplier to such effect.

Termination Assistance Period

- 6.3 Throughout the Termination Assistance Period, or such shorter period as the Authority may require, the Supplier shall:

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (a) continue to provide the Services (as applicable) and otherwise perform its obligations under this Agreement and, if required by the Authority pursuant to Paragraph 6.1, provide the Termination Services;
 - (b) provide to the Authority, the Service Recipients and/or any Replacement Supplier(s) any reasonable assistance and/or access requested by the Authority, the Service Recipients or any Replacement Supplier(s) including assistance and/or access to allow the Services to continue without interruption following the termination or expiry of this Agreement and to facilitate the orderly transfer of responsibility for and conduct of the Services to the Authority, the Service Recipients and/or any Replacement Supplier(s);
 - (c) use all reasonable endeavours to reallocate resources to provide such assistance as is referred to in Paragraph 6.3(b) without additional costs to the Authority; and
 - (d) subject to Paragraph 6.5, provide the Services and the Termination Services at no detriment to the Performance Indicators, the provision of the Management Information or any other reports nor to any other of the Supplier's obligations under this Agreement;
 - (e) at the Authority's request and on reasonable notice, deliver up-to-date Registers to the Authority; and
 - (f) seek the Authority's prior written consent to access any Authority Premises from which the de-installation or removal of any Supplier Equipment is required.
- 6.4 Without prejudice to the Supplier's obligations under Paragraph 6.3(c), if it is not possible for the Supplier to reallocate resources to provide such assistance as is referred to in Paragraph 6.3(b) without additional costs to the Authority, any additional costs incurred by the Supplier in providing such reasonable assistance which is not already in the scope of the Termination Services or the Exit Plan shall be subject to the Change Control Procedure.
- 6.5 If the Supplier demonstrates to the Authority's reasonable satisfaction that transition of the Services and provision of the Termination Services during the Termination Assistance Period will have a material, unavoidable and adverse effect on the Supplier's ability to meet one or more particular Performance Indicators, the Parties shall vary the relevant Performance Indicators and/or any applicable Service Credits to take account of such adverse effect.
- 7 TERMINATION OBLIGATIONS**
- 7.1 The Supplier shall comply with all of its obligations contained in the Exit Plan.
- 7.2 Upon termination or expiry (as the case may be) or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Services and the Termination Services and its compliance with the other provisions of this Schedule), the Supplier shall:

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (a) cease to use the Authority Data;
- (b) provide the Authority and/or any Replacement Supplier(s) with a complete and uncorrupted version of the Authority Data in electronic form (or such other format as reasonably required by the Authority);
- (c) erase from any computers, storage devices and storage media that are to be retained by the Supplier after the end of the Termination Assistance Period all Authority Data and promptly certify to the Authority that it has completed such deletion. The Supplier shall also delete all copies of any Personal Data unless it is required to be retained by EU or member state laws;
- (d) return to the Authority such of the following as is in the Supplier's possession or control:
 - (i) all copies of the Authority Software and any other software licensed by the Authority to the Supplier under this Agreement;
 - (ii) all materials created by the Supplier under this Agreement in which the IPRs are owned by the Authority;
 - (iii) any parts of the IT Environment and any other equipment which belongs to the Authority; and
 - (iv) any items that have been on-charged to the Authority, such as consumables;
- (e) vacate any Authority Premises and the IBF Sites;
- (f) provide access during normal working hours to the Authority, the Service Recipients and/or any Replacement Supplier(s) for up to twelve (12) months after expiry or termination to:
 - (i) such information relating to the Services as remains in the possession or control of the Supplier; and
 - (ii) such members of the Supplier Personnel as have been involved in the design, development and provision of the Services and who are still employed by the Supplier, provided that the Authority and/or any Replacement Supplier(s) shall pay the reasonable costs of the Supplier actually incurred in responding to such requests for access; and
 - (iii) provide written confirmation to the Authority that the Handback Conditions have met for all of the IBF Sites.

7.3 Upon termination or expiry (as the case may be) or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Services and the Termination Services and its compliance with the other provisions of this Schedule), each Party shall return to the other Party (or if requested, destroy or delete) all Confidential Information of the other Party and

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

shall certify that it does not retain the other Party's Confidential Information save to the extent (and for the limited period) that such information needs to be retained by the Party in question for the purposes of providing or receiving any Services or Termination Services or for statutory compliance purposes.

- 7.4 Except where this Agreement provides otherwise, all licences, leases and authorisations granted by the Authority to the Supplier in relation to the Services shall be terminated with effect from the end of the Termination Assistance Period.
- 7.5 The Supplier shall ensure that all of the IBF Sites are handed back to the Authority, the Service Recipients and/or any Replacement Supplier(s) with vacant possession and in full compliance with the Handback Conditions.

8 EQUIPMENT, SUB-CONTRACTS AND SOFTWARE

- 8.1 Following notice of termination of this Agreement and during the Termination Assistance Period, the Supplier shall not, without the Authority's prior written consent:
- (a) terminate, enter into or vary any Sub-contract except to the extent that such change does not or will not affect the provision of Services or the Charges;
 - (b) (subject to normal maintenance requirements) make material modifications to, or dispose of, any existing Supplier Equipment or acquire any new Supplier Equipment; or
 - (c) terminate, enter into or vary any licence for software in connection with the Services.
- 8.2 Within twenty (20) Working Days of receipt of the up-to-date Registers provided by the Supplier pursuant to Paragraph 6.3(e), the Authority shall provide written notice to the Supplier setting out:
- (a) which, if any, of the Supplier Equipment the Authority requires to be transferred to the Authority, any Service Recipient(s) and/or any Replacement Supplier(s) ("**Transferring Equipment**");
 - (b) which, if any, of:
 - (i) the Exclusive Equipment that are not Transferring Equipment; and
 - (ii) the Non-Exclusive Equipment,
 the Authority, any Service Recipient(s) and/or any Replacement Supplier(s) requires the continued use of; and
 - (c) which, if any, of the Sub-contracts the Authority does not require to be assigned or novated to the Authority, any Service Recipient(s) and/or the any Replacement Supplier(s) and all other Sub-contracts shall be the "**Transferring Contracts**",

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

in order for the Authority, the Service Recipients and/or any Replacement Supplier(s) to provide the Services from the expiry of the Termination Assistance Period. The Supplier shall provide all reasonable assistance to the Authority, the Service Recipients and/or any Replacement Supplier(s) to enable it to determine which Transferring Equipment and Transferring Contracts the Authority, the Service Recipients and/or any Replacement Supplier(s) requires to provide the Replacement Services.

- 8.3 With effect from the expiry of the Termination Assistance Period, should the Authority so require, the Supplier shall sell the Transferring Equipment to the Authority, any nominated Service Recipient(s) and/or any nominated Replacement Supplier(s) for their Net Book Value less any amount already paid for them through the Charges or any Termination Payment.
- 8.4 Risk in the Transferring Equipment shall pass to the Authority, the relevant Service Recipient(s) or any Replacement Supplier(s) (as appropriate) at the end of the Termination Assistance Period and title to the Transferring Equipment shall pass to the Authority, the relevant Service Recipient(s) or any Replacement Supplier(s) (as appropriate) on payment for them.
- 8.5 Where the Supplier is notified in accordance with Paragraph 8.2(b) that the Authority, any Service Recipient(s) and/or any Replacement Supplier(s) requires continued use of any Exclusive Equipment that are not Transferring Equipment or any Non-Exclusive Equipment, the Supplier shall as soon as reasonably practicable:
- (a) procure a non-exclusive, perpetual, royalty-free licence (or licence on such other terms that have been agreed by the Authority) for the Authority, the relevant Service Recipient(s) and/or any Replacement Supplier(s) to use such equipment (with a right of sub-licence or assignment on the same terms); or failing which
 - (b) procure a suitable alternative to such equipment and the Authority or the Replacement Supplier shall bear the reasonable proven costs of procuring the same.
- 8.6 During the Termination Assistance Period, the Supplier shall not vary, terminate, assign, novate, purport to vary, nor allow any of the listed Transferring Contracts used wholly or mainly to provide the Transferring Services to expire, without the Authority's prior written consent (such consent not to be unreasonably withheld).
- 8.7 The Supplier shall as soon as reasonably practicable assign or procure the novation of the Transferring Contracts to the Authority, the relevant Service Recipient(s) and/or any Replacement Supplier(s). The Supplier shall provide full copies of the Transferring Contracts to the Authority (and/or the relevant Service Recipient(s) or Replacement Supplier(s) at the Authority's request) no less than 4 weeks before the date the novation or assignment is to take effect. The Supplier shall execute such documents and provide such other assistance as the Authority reasonably requires to effect this novation or assignment.
- 8.8 The Authority shall:

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (a) accept assignments from the Supplier or join with the Supplier in procuring a novation of each Transferring Contract; and
 - (b) once a Transferring Contract is novated or assigned to the Authority, the relevant Service Recipient(s) and/or any Replacement Supplier(s), carry out, perform and discharge all the obligations and liabilities created by or arising under that Transferring Contract and exercise its rights arising under that Transferring Contract, or as applicable, procure that the relevant Service Recipient(s) or Replacement Supplier(s) does the same.
- 8.9 The Supplier shall hold any Transferring Contracts on trust for the Authority until the transfer of the relevant Transferring Contract to the Authority, the relevant Service Recipient(s) and/or any Replacement Supplier(s) has taken place.
- 8.10 The Supplier shall transfer to the Replacement Supplier(s) the benefit of any manufacturers' warranties ("**Manufacturer's Warranties**") applicable wholly to the Transferring Services where the Supplier is able to transfer the benefit thereunder. To the extent that the benefit of any such Manufacturer's Warranty cannot be transferred to the Replacement Supplier(s) except by way of a novation agreement or by obtaining a consent, an approval, a waiver or the like from the manufacturer or other third party ("**Consents**"):
- (a) the Supplier shall (unless otherwise agreed) use commercially reasonable efforts to procure such Consents or the novation of the relevant Manufacturer's Warranties to the Replacement Supplier(s); and
 - (b) unless or until any such Manufacturer's Warranty is so novated or any necessary Consent is obtained, the Supplier will receive and hold the benefit of the relevant Manufacturer's Warranty for the Replacement Supplier(s) and the Authority will pay or reimburse any sums (as agreed between the Parties) properly payable in connection with such Manufacturer's Warranty after each Services Transfer Date, as the case may be.
- 8.11 The Supplier shall indemnify the Authority (and/or any Replacement Supplier(s), as applicable) against each loss, liability and cost arising out of any claims made by a counterparty to a Transferring Contract which is assigned or novated to the Authority (and/or any Service Recipient(s) or Replacement Supplier(s)) pursuant to Paragraph 8.6 in relation to any matters arising prior to the date of assignment or novation of such Transferring Contract.
- 9 SUPPLIER PERSONNEL**
- 9.1 The Authority and Supplier agree and acknowledge that in the event of the Supplier ceasing to provide the Services or part of them for any reason, Schedule 9.1 (*Staff Transfer*) shall apply.
- 9.2 The Supplier shall not and shall procure that any relevant Sub-contractor shall not take any step (expressly or implicitly or directly or indirectly by itself or through any other person) without the prior written consent of the Authority to dissuade or discourage any employees engaged in the provision of the Services from transferring their employment to the Authority and/or any Replacement Supplier(s) or Replacement Sub-contractor.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

9.3 During the Termination Assistance Period, the Supplier shall and shall procure that any relevant Sub-contractor shall:

- (a) give the Authority, the relevant Service Recipient(s) and/or any Replacement Supplier(s) and/or any Replacement Sub-contractor(s) reasonable access to the Supplier's Personnel and/or their consultation representatives to present the case for transferring their employment to the Authority, the relevant Service Recipient(s) and/or any Replacement Supplier(s) and/or to discuss or consult on any measures envisaged by the Authority, relevant Service Recipient(s), Replacement Supplier(s) and/or Replacement Sub-contractor(s) in respect of persons expected to be Transferring Supplier Employees;
- (b) consent to any election by the Authority, relevant Service Recipient(s), Replacement Supplier(s) and/or Replacement Sub-contractor(s) to carry out pre-transfer collective consultation under S198A - 198B of the Trade Union and Labour Relations (Consolidation) Act 1992 and thereafter facilitate such consultation;
- (c) co-operate with the Authority, relevant Service Recipient(s) and the Replacement Supplier(s) to ensure an effective consultation process and smooth transfer in respect of Transferring Supplier Employees in line with good employee relations and the effective continuity of the Services.

9.4 The Supplier shall not for a period of twelve (12) months from the date of transfer re-employ or re-engage or entice any employees, suppliers or Sub-contractors whose employment or engagement is transferred to the Authority, relevant Service Recipient(s) and/or any Replacement Supplier(s), except that this Paragraph shall not apply either where the employee, supplier or Sub-contractor applies in response to a public advertisement of a vacancy or where an offer is made pursuant to an express right to make such offer under Schedule 9.1 (*Staff Transfer*) in respect of a Transferring Supplier Employee not identified in the Supplier's Final Supplier Personnel List.

10 CHARGES

10.1 The Authority shall pay the Charges to the Supplier in respect of the Termination Services carried out during the Termination Assistance Period (or for such shorter period as the Authority may require the Supplier to provide the Termination Services), in accordance with the rates set out in Table 1 in Annex 1 of Schedule 7.1 (*Charges and Invoicing*). The Authority shall not be required to pay any other costs in respect of the Termination Services. If the scope or timing of the Termination Services is changed by the Authority and this results in a change to the Charges for such Termination Services, the cap may be varied in accordance with the Change Control Procedure.

OFFICIAL - SENSITIVE - COMMERCIAL**HMRC Standard Goods and Services Model Contract**

- 10.2 Except as otherwise expressly specified in this Agreement, the Supplier shall not charge for the services provided by the Supplier pursuant to, and the Authority shall not be obliged to pay for costs incurred by the Supplier in relation to its compliance with, this Schedule including the preparation and implementation of the Exit Plan, the preparation and delivery of the Register and Exit Information and any activities mutually agreed between the Parties to carry on after the expiry of the Termination Assistance Period.

11 APPORTIONMENTS

- 11.1 Where applicable, all outgoings and expenses (including any remuneration due) and all rents, royalties and other periodical payments receivable in respect of the Transferring Equipment and Transferring Contracts shall be apportioned between the Authority and the Supplier and/or any Replacement Supplier and the Supplier (as applicable) as follows:

- (a) the amounts shall be annualised and divided by 365 to reach a daily rate;
- (b) the Authority shall be responsible for (or shall procure that the relevant Replacement Supplier shall be responsible for) or entitled to (as the case may be) that part of the value of the invoice pro rata to the number of complete days following the transfer, multiplied by the daily rate; and
- (c) the Supplier shall be responsible for or entitled to (as the case may be) the rest of the invoice.

- 11.2 Each Party shall pay (and/or the Authority shall procure that the relevant Replacement Supplier shall pay) any monies due under Paragraph 11.1 as soon as reasonably practicable.

12 DISPUTES

During any Termination Assistance Period, the Supplier shall maintain and update a list of on-going and/or threatened disputes in relation to any of the Supplier's Solution or Transferring Contracts in so far as they relate to the Transferring Services and shall use its commercially reasonable efforts to resolve such disputes. The Supplier shall not settle any such dispute(s) nor accept any liability (either on its own behalf or that of the Authority) without obtaining the Authority's prior written consent (which shall not be unreasonably withheld) where any such settlement affects the interests of the Authority.

13 Ethical Walls Agreement

The Supplier shall prior to the expiry or earlier termination of this Agreement enter into an agreement in the form set out at Annex 1 of this Schedule 8.5 without which the Authority may elect at its sole discretion that the Supplier may not take part in any future procurement exercise carried out by the Authority or any Service Recipient in relation to the Services (including Replacement Services).

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

ANNEX 1: ETHICAL WALLS AGREEMENT

This Agreement is dated [] 20[]

Between

- (1) THE COMMISSIONERS FOR HIS MAJESTY'S REVENUE AND CUSTOMS of 100 Parliament Street, Westminster, London SW1A 2BQ (the "**Authority**"); and
- (2) [NAME OF COUNTERPARTY] whose [registered office][principal place of business] is at [ADDRESS OF COUNTERPARTY][and whose company number is [COUNTERPARTY COMPANY NUMBER]] (the "**Counterparty**").

BACKGROUND

- A. The Authority is obliged to ensure transparency, fairness, non-discrimination and equal treatment in relation to its procurement process pursuant to the Public Contracts Regulations 2015 (as amended) (the "**PCR**").
- B. The Authority is conducting a procurement exercise for the [supply/purchase] of [insert details of project/goods/services] (the "**Purpose**").
- C. The parties wish to enter into this Agreement to ensure a set of management processes, barriers and disciplines are put in place that ensure conflicts of interest do not arise, and that the Counterparty does not obtain an unfair competitive advantage over Other Bidders.

IT IS AGREED:

1 DEFINITIONS AND INTERPRETATION

- 1.1 The following words and expressions shall have the following meanings in this agreement and its recitals:

"**Affiliate**" means any person who is a subcontractor, subsidiary, subsidiary undertaking or holding company of the Counterparty;

"**Agreement**" means this ethical wall agreement duly executed by the Parties;

"**Bid Team**" means any Counterparty or Affiliate, connected to the preparation of an ITT Response;

"**Conflicted Personnel**" means any Counterparty, Affiliate, staff or agents of the Counterparty or an Affiliate who, because of the Counterparty's relationship with the Authority under any Contract have or have had access to information which creates or may create a conflict of interest.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

“Contract” means the contract for [] dated [] between the Authority and the Counterparty and/or an Affiliate;

“Government Body” means a Crown body or any department, agency, office or other emanation of the Crown together with any of its arms length bodies;

“Invitation to Tender” or **“ITT”** means an invitation to submit tenders issued by the Authority as part of an ITT Process;

“ITT Process” means, with regard to the Purpose, the relevant procedure provided for in the PCR which the Authority has elected to use to select a contractor, together with all relevant information, correspondence and/or documents issued by the Authority as part of that procurement exercise, all information, correspondence and/or documents issued by the bidders in response together with any resulting contract;

“ITT Response” means the tender submitted or to be submitted by the Counterparty or an Affiliate (or, where relevant, by an Other Bidder) in response to an ITT;

“Other Affiliate” any person who is a subsidiary, subsidiary undertaking or holding company of any Other Bidder;

“Other Bidder” means any other bidder or potential bidder that is not the Counterparty or any Affiliate that has or is taking part in the ITT Process;

“Parties” means the Authority and the Counterparty;

“Purpose” has the meaning given to it in recital B to this Agreement;

- 1.2 Reference to the disclosure of information includes any communication or making available of information and includes both direct and indirect disclosure;
- 1.3 Reference to the disclosure of information, or provision of access, by or to the Authority or the Counterparty includes disclosure, or provision of access, by or to the representatives of the Authority or Representatives of the Counterparty (as the case may be);
- 1.4 Reference to the representatives of any person includes the officers, directors, employees, advisers and agents of that person and, where the context admits, providers or potential providers of finance to the Counterparty or any Affiliate in connection with the ITT Process and the representatives of such providers or potential providers of finance;
- 1.5 Reference to persons includes legal and natural persons;
- 1.6 Reference to any enactment is to that enactment as amended, supplemented, re-enacted or replaced from time to time;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- 1.7 Reference to clauses and recitals is to clauses of and recitals to this Agreement;
- 1.8 Reference to any gender includes any other;
- 1.9 Reference to writing includes email;
- 1.10 The terms “associate”, “holding company”, “subsidiary”, “subsidiary undertaking” and “wholly owned subsidiary” have the meanings attributed to them in the Companies Act 2006, except that for the purposes of section 1159(1)(a) of that Act, the words ‘holds a majority of the voting rights’ shall be changed to ‘holds 30% or more of the voting rights’, and other expressions shall be construed accordingly;
- 1.11 The words “include” and “including” are to be construed without limitation;
- 1.12 The singular includes the plural and vice versa; and
- 1.13 The headings contained in this Agreement shall not affect its construction or interpretation.

2 ETHICAL WALLS

- 2.1 In consideration of the sum of £1 payable by the Authority to the Counterparty, receipt of which is hereby acknowledged, the Counterparty:
 - 2.1.1 shall take all appropriate steps to ensure that neither the Counterparty nor its Affiliates and/or Representatives are in a position where, in the reasonable opinion of the Authority, there is or may be an actual conflict, or a potential conflict, between the pecuniary or personal interests of the Counterparty or its Affiliates or Representatives and the duties owed to the Authority under the Contract or pursuant to an open and transparent ITT Process;
 - 2.1.2 acknowledges and agrees that a conflict of interest may arise in situations where the Counterparty or an Affiliate intends to take part in the ITT Process and, because of the Counterparty’s relationship with the Authority under any Contract, the Counterparty, its Affiliates and/or Representatives have or have had access to information which could provide the Counterparty and/or its Affiliates with an advantage and render unfair an otherwise genuine and open competitive ITT Process; and
 - 2.1.3 where there is or is likely to be a conflict of interest or the perception of a conflict of interest of any kind in relation to the ITT Process, shall comply with Clause 2.2.
- 2.2 The Counterparty shall:
 - 2.2.1 not assign any of the Conflicted Personnel to the Bid Team at any time;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- 2.2.2 provide to the Authority a complete and up to date list of the Conflicted Personnel and the Bid Team and reissue such list upon any change to it;
 - 2.2.3 ensure that by no act or omission by itself, its staff, agents and/or Affiliates results in information of any kind or in any format and however so stored:
 - (a) about the Contract, its performance, operation and all matters connected or ancillary to it becoming available to the Bid Team; and/or
 - (b) which would or could in the opinion of the Authority confer an unfair advantage on the Counterparty in relation its participation in the ITT Process becoming available to the Bid Team.
 - 2.2.4 ensure that by no act or omission by itself, its staff, agents and/or Affiliates and in particular the Bid Team results in information of any kind or in any format and however so stored about the ITT Process, its operation and all matters connected or ancillary to it becoming available to the Conflicted Personnel;
 - 2.2.5 ensure that confidentiality agreements which flow down the Counterparty's obligations in this Agreement are entered into as necessary between the Authority and the Counterparty, its Affiliates, its staff, agents, any Conflicted Personnel, and between any other parties necessary in a form to be prescribed by the Authority;
 - 2.2.6 physically separate the Conflicted Personnel and the Bid Team, either in separate buildings or in areas with restricted access;
 - 2.2.7 provide regular training to its staff, agents and its Affiliates to ensure it is complying with this Agreement;
 - 2.2.8 monitor Conflicted Personnel movements within restricted areas (both physical and electronic online areas) to ensure it is complying with this Agreement ensure adherence to the ethical wall arrangements;
 - 2.2.9 ensure that the Conflicted Personnel and the Bid Team are line managed and report independently of each other; and
 - 2.2.10 comply with any other action as the Authority, acting reasonably, may direct.
- 2.3 In addition to the obligations set out in Clause 2.1.1 and 2.1.3, the Counterparty shall:
- 2.3.1 notify the Authority immediately of all potential and/or actual conflicts of interest that arise; and

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- 2.3.2 submit in writing to the Authority full details of the nature of the conflict including (without limitation) full details of the risk assessments undertaken, the impact or potential impact of the conflict, the measures and arrangements that have been established and/or are due to be established to eliminate the conflict and the Counterparty's plans to prevent future conflicts of interests from arising; and
- 2.3.3 seek the Authority's approval thereto,
- which the Authority shall have the right to grant, grant conditionally or deny (if the Authority denies its approval the Counterparty shall repeat the process set out in Clause 2.3 until such time as the Authority grants approval or the Counterparty withdraws from the ITT Process).
- 2.4 Any breach of Clause 2.1, Clause 2.2 or Clause 2.3 shall entitle the Authority to exclude the Counterparty or any Affiliate or Representative from the ITT Process, and the Authority may, in addition to the right to exclude, take such other steps as it deems necessary where, in the reasonable opinion of the Authority there has been a breach of Clause 2.1, Clause 2.2 or Clause 2.3.
- 2.5 The Counterparty will provide, on demand, any and all information in relation to its adherence with its obligations set out under Clauses 2.1 and 2.2 as reasonably requested by the Authority.
- 2.6 The Authority reserves the right to require the Counterparty to demonstrate the measures put in place by the Counterparty under Clauses 2.1.3 and 2.2.
- 2.7 The Counterparty acknowledges that any provision of information or demonstration of measures, in accordance with Clauses 2.5 and 2.6, does not constitute acceptance by the Authority of the adequacy of such measures and does not discharge the Counterparty of its obligations or liability under this Agreement.
- 2.8 The actions of the Authority pursuant to Clause 2.4 shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to the Authority.
- 2.9 In no event shall the Authority be liable for any bid costs incurred by:
- 2.9.1 the Counterparty or any Affiliate or Representative; or
- 2.9.2 any Other Bidder, Other Affiliate or Other Representative,
- as a result of any breach by the Counterparty, Affiliate or Representative of this Agreement, including, without limitation, where the Counterparty or any Affiliate or Representative, or any Other Bidder, Other Affiliate or Other Representative are excluded from the ITT Process.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

2.10 The Counterparty acknowledges and agrees that:

- 2.10.1 neither damages nor specific performance are adequate remedies in the event of its breach of the obligations in Clause 2; and
- 2.10.2 in the event of such breach by the Counterparty of any of its obligations in Clause 2 which cannot be effectively remedied the Authority shall have the right to terminate this Agreement and the Counterparty's participation in the ITT Process.

3 SOLE RESPONSIBILITY

- 3.1 It is the sole responsibility of the Counterparty to comply with the terms of this Agreement. No approval by the Authority of any procedures, agreements or arrangements provided by the Counterparty or any Affiliate or Representative to the Authority shall discharge the Counterparty's obligations.

4 WAIVER AND INVALIDITY

- 4.1 No failure or delay by any Party in exercising any right, power or privilege under this Agreement or by law shall constitute a waiver of that or any other right, power or privilege, nor shall it restrict the further exercise of that or any other right, power or privilege. No single or partial exercise of such right, power or privilege shall prevent or restrict the further exercise of that or any other right, power or privilege.
- 4.2 If any provision of this Agreement is prohibited or unenforceable in any jurisdiction in relation to any Party, such prohibition or unenforceability will not invalidate the remaining provisions of this Agreement or affect the validity or enforceability of the provisions of this Agreement in relation to any other Party or any other jurisdiction.

5 ASSIGNMENT AND NOVATION

- 5.1 Subject to Clause 6.2 the Parties shall not assign, novate or otherwise dispose of or create any trust in relation to any or all of its rights, obligations or liabilities under this Agreement without the prior written consent of the Authority.
- 5.2 The Authority may assign, novate or otherwise dispose of any or all of its rights, obligations and liabilities under this Agreement and/or any associated licences to:
 - 5.2.1 any Government Body; or
 - 5.2.2 to a body other than a Government Body (including any private sector body) which performs any of the functions that previously had been performed by the Authority; and

OFFICIAL - SENSITIVE - COMMERCIAL**HMRC Standard Goods and Services Model Contract**

5.2.3 the Counterparty shall, at the Authority's request, enter into a novation agreement in such form as the Authority may reasonably specify in order to enable the Authority to exercise its rights pursuant to this Clause 6.

5.3 A change in the legal status of the Authority such that it ceases to be a Government Body shall not affect the validity of this Agreement and this Agreement shall be binding on any successor body to the Authority.

6 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

6.1 Save for any other Government Body whose information is disclosed pursuant to or by virtue of this Agreement, a person who is not party to this Agreement has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Agreement. For the avoidance of doubt, the consent of any person who is not a party to this Agreement is not required to effect a termination or variation of this Agreement.

6.2 Any Government Body whose information is disclosed pursuant to or by virtue of this Agreement shall have the right to enforce the terms of this Agreement as though it is the Authority.

7 TRANSPARENCY

7.1 The parties acknowledge and agree that the Authority is under a legal duty pursuant to the PCR to run transparent and fair procurement processes. Accordingly, the Authority may disclose the contents of this Agreement to potential bidders in the ITT Process, for the purposes of transparency and in order to evidence that a fair procurement process has been followed.

8 NOTICES

8.1 Any notices sent under this Agreement must be in writing.

8.2 The following table sets out the method by which notices may be served under this Agreement and the respective deemed time and proof of service:

Manner of Delivery	Deemed time of service	Proof of service
Email	9.00am on the first Working Day after sending	Dispatched as a pdf attachment to an e-mail to the correct e-mail address without any error message.
Personal delivery	On delivery, provided delivery is between 9.00am and 5.00pm on a Working Day.	Properly addressed and delivered as evidenced by signature of a delivery receipt

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

	Otherwise, delivery will occur at 9.00am on the next Working Day.	
Prepaid, Royal Mail Signed For™ 1 st Class or other prepaid, next Working Day service providing proof of delivery.	At the time recorded by the delivery service, provided that delivery is between 9.00am and 5.00pm on a Working Day. Otherwise, delivery will occur at 9.00am on the same Working Day (if delivery before 9.00am) or on the next Working Day (if after 5.00pm).	Properly addressed prepaid and delivered as evidenced by signature of a delivery receipt

- 8.3 Notices shall be sent to the addresses set out below or at such other address as the relevant party may give notice to the other party for the purpose of service of notices under this Agreement:

	Counterparty	Authority
Contact		
Address		
Email		

- 8.4 This Clause 8 does not apply to the service of any proceedings or other documents in any legal action or other method of dispute resolution.

9 WAIVER AND CUMULATIVE REMEDIES

- 9.1 The rights and remedies under this Agreement may be waived only by notice and in a manner that expressly states that a waiver is intended. A failure or delay by a Party in ascertaining or exercising a right or remedy provided under this Agreement or by law shall not constitute a waiver of that right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.
- 9.2 Unless otherwise provided in this Agreement, rights and remedies under this Agreement are cumulative and do not exclude any rights or remedies provided by law, in equity or otherwise.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

10 GOVERNING LAW AND JURISDICTION

- 10.1 This Agreement and any issues, disputes or claims (whether contractual or non-contractual) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of England and Wales.
- 10.2 The Parties agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (whether contractual or non-contractual) that arises out of or in connection with this Agreement or its subject matter or formation.

Signed by the Authority

Name:

Signature:

Position in Authority:

Signed by the Counterparty

Name:

Signature:

Position in Counterparty:

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

ANNEX 2: HANDBACK CONDITIONS

Without prejudice to the other conditions relating to the upkeep and return of the IBF Sites, the Supplier shall:

1. leave the IBF Sites in a good and substantial state of repair and condition, clean, tidy and clear of rubbish; and
2. unless directed otherwise by the Authority in writing (and without prejudice to the obligation at 1, above), ensure any alterations, installations or additions to the IBF Sites not consented to in writing by the Authority are removed.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

SCHEDULE 8.6

SERVICE CONTINUITY PLAN AND CORPORATE RESOLUTION PLANNING

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

PART A: SERVICE CONTINUITY PLAN**1 DEFINITIONS**

1.1 In this Schedule, the following definitions shall apply:

“Annual Revenue”	means, for the purposes of determining whether an entity is a Public Sector Dependent Supplier, the audited consolidated aggregate revenue (including share of revenue of joint ventures and Associates) reported by the Supplier or, as appropriate, the Supplier Group in its most recent published accounts, subject to the following methodology: <ul style="list-style-type: none"> (a) figures for accounting periods of other than twelve (12) months should be scaled pro rata to produce a proforma figure for a twelve (12) month period; and (b) where the Supplier, the Supplier Group and/or their joint ventures and Affiliates report in a foreign currency, revenue should be converted to British Pound Sterling at the closing exchange rate on the Accounting Reference Date;
“Assurance”	means written confirmation from a Relevant Authority to the Supplier that the CRP Information is approved by the Relevant Authority;
“Business Continuity Plan”	has the meaning given in Paragraph 2.2(a)(ii);
“Business Continuity Services”	has the meaning given in Paragraph 4.2(b);
“Cabinet Office Markets and Suppliers Team”	means the UK Government’s team responsible for managing the relationship between government and its Strategic Suppliers, or any replacement or successor body carrying out the same function;
“Class 1 Transaction”	has the meaning set out in the listing rules issued by the UK Listing Authority;
“CNI”	means Critical National Infrastructure;
“Corporate Change Event”	means: <ul style="list-style-type: none"> (a) any change of Control of the Supplier or a Parent Undertaking of the Supplier; (b) any change of Control of any member of the Supplier Group which, in the reasonable opinion of

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

the Authority, could have a material adverse effect on the Services;

- (c) any change to the business of the Supplier or any member of the Supplier Group which, in the reasonable opinion of the Authority, could have a material adverse effect on the Services;
- (d) a Class 1 Transaction taking place in relation to the shares of the Supplier or any Parent Undertaking of the Supplier whose shares are listed on the main market of the London Stock Exchange plc;
- (e) an event that could reasonably be regarded as being equivalent to a Class 1 Transaction taking place in respect of the Supplier or any Parent Undertaking of the Supplier;
- (f) the Supplier's current ratio (being the Supplier's current assets over its current liabilities) being less than 1.0;
- (g) an order is made or an effective resolution is passed for the winding up of any member of the Supplier Group;
- (h) any member of the Supplier Group stopping payment of its debts generally or becoming unable to pay its debts within the meaning of section 123(1) of the Insolvency Act 1986 or any member of the Supplier Group ceasing to carry on all or substantially all its business, or any compromise, composition, arrangement or agreement being made with creditors of any member of the Supplier Group;
- (i) the appointment of a receiver, administrative receiver or administrator in respect of or over all or a material part of the undertaking or assets of any member of the Supplier Group; and/or

any process or events with an effect analogous to those in Paragraphs (e) to (g) inclusive above occurring to a member of the Supplier Group in a jurisdiction outside England and Wales;

**“Corporate
Resolution Planning
Information”**

means, together, the:

- (a) Group Structure Information and Resolution Commentary; and
- (b) UK Public Sector and CNI Contract Information;

**“Critical National
Infrastructure”**

means those critical elements of UK national infrastructure (namely assets, facilities, systems,

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

networks or processes and the essential workers that operate and facilitate them), the loss or compromise of which could result in:

- (a) major detrimental impact on the availability, integrity or delivery of essential services - including those services whose integrity, if compromised, could result in significant loss of life or casualties - taking into account significant economic or social impacts; and/or
- (b) significant impact on the national security, national defence, or the functioning of the UK;

“Critical Service Contract”

means the overall status of the Services provided under this Agreement as determined by the Authority and specified in Paragraph 10.1 of Part B to this Schedule (*Service Continuity Plan and Corporate Resolution Planning*);

“CRP Information”

means the Corporate Resolution Planning Information;

“Department”

a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics:

- (a) Government Department; or
- (b) Non-Ministerial Department;

“Disaster”

the occurrence of one or more events which, either separately or cumulatively, mean that the Services, or a material part of the Services will be unavailable for a period of **forty-eight (48) hours** or which is reasonably anticipated will mean that the Services or a material part of the Services will be unavailable for that period;

“Disaster Recovery Plan”

has the meaning given in Paragraph 2.2(a)(iii);

“Disaster Recovery Services”

the services embodied in the processes and procedures for restoring the Services following the occurrence of a Disaster;

“Disaster Recovery System”

the system identified by the Supplier in the Supplier Solution which shall be used for the purpose of delivering the Disaster Recovery Services;

“Group Structure Information and

means the information relating to the Supplier Group to be provided by the Supplier in accordance with Paragraphs

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

Resolution Commentary	11 to 13 and Annex 1 of Part B of this Schedule (<i>Service Continuity Plan and Corporate Resolution Planning</i>);
“Insolvency Continuity Plan”	has the meaning given in Paragraph 2.2(a)(iv);
“Parent Undertaking”	has the meaning set out in section 1162 of the Companies Act 2006;
“Public Sector Dependent Supplier”	means a supplier where that supplier, or that supplier’s group has Annual Revenue of £50 million or more of which over 50% is generated from UK Public Sector Business;
“Related Service Provider”	any person who provides services to the Authority and/or any Service Recipient(s) in relation to this Agreement from time to time, which persons include as at the Effective Date;
“Relevant Authority” or “Relevant Authorities”	means the Authority and the Cabinet Office Markets and Suppliers Team or, where the Supplier is a Strategic Supplier, the Cabinet Office Markets and Suppliers Team;
“Review Report”	has the meaning given in Paragraphs 7.2(a) to 7.2(c);
“Service Continuity Plan”	means the plan prepared pursuant to Paragraph 2 of this Schedule which incorporates the Business Continuity Plan, Disaster Recovery Plan and the Insolvency Continuity Plan;
“Strategic Supplier”	means those suppliers to government listed at https://www.gov.uk/government/publications/strategic-suppliers ;
“Subsidiary Undertaking”	has the meaning set out in section 1162 of the Companies Act 2006;
“Supplier Group”	means the Supplier, its Dependent Parent Undertakings and all Subsidiary Undertakings and Affiliates of such Dependent Parent Undertakings;
“UK Public Sector Business”	means any goods, service or works provision to UK public sector bodies, including Central Government Departments and their arm’s length bodies and agencies, non-departmental public bodies, NHS bodies, local authorities, health bodies, police, fire and rescue, education bodies and devolved administrations;
“UK Public Sector / CNI Contract Information”	means the information relating to the Supplier Group to be provided by the Supplier in accordance with Paragraphs 11 to 13 and Annex 2 of Part B of this Schedule (<i>Service Continuity Plan and Corporate Resolution Planning</i>); and

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

“Valid” in respect of an Assurance, has the meaning given to it in Paragraph 11.7 of Part B to this Schedule (*Service Continuity Plan and Corporate Resolution Planning*).

2 SERVICE CONTINUITY PLAN

2.1 Within forty (40) Working Days from the Effective Date the Supplier shall prepare and deliver to the Authority for the Authority’s written approval a plan, which shall detail the processes and arrangements that the Supplier shall follow to:

- (a) ensure continuity of the business processes and operations supported by the Services following any failure or disruption of any element of the Services (including where caused by an Insolvency Event of the Supplier, any Key Sub-contractor and/or any Supplier Group member); and
- (b) the recovery of the Services in the event of a Disaster.

2.2 The Service Continuity Plan shall:

- (a) be divided into four parts:
 - (i) Part A which shall set out general principles applicable to the Service Continuity Plan;
 - (ii) Part B which shall relate to business continuity (the **“Business Continuity Plan”**);
 - (iii) Part C which shall relate to disaster recovery (the **“Disaster Recovery Plan”**);
 - (iv) Part D which shall relate to an Insolvency Event of the Supplier, any Key Sub-contractors and/or any Supplier Group member (the **“Insolvency Continuity Plan”**); and
- (b) unless otherwise required by the Authority in writing, be based upon and be consistent with the provisions of Paragraphs 3, 4, 5 and 6.

2.3 Following receipt of the draft Service Continuity Plan from the Supplier, the Authority shall:

- (a) review and comment on the draft Service Continuity Plan as soon as reasonably practicable; and
- (b) notify the Supplier in writing that it approves or rejects the draft Service Continuity Plan no later than twenty (20) Working Days after the date on which the draft Service Continuity Plan is first delivered to the Authority.

2.4 If the Authority rejects the draft Service Continuity Plan:

- (a) the Authority shall inform the Supplier in writing of its reasons for its rejection; and
- (b) the Supplier shall then revise the draft Service Continuity Plan (taking reasonable account of the Authority’s comments) and shall re-submit a revised draft Service Continuity Plan to the Authority for the Authority’s

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

approval within twenty (20) Working Days of the date of the Authority's notice of rejection. The provisions of Paragraph 2.3 and this Paragraph 2.4 shall apply again to any resubmitted draft Service Continuity Plan, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

3 SERVICE CONTINUITY PLAN: PART A - GENERAL PRINCIPLES AND REQUIREMENTS

3.1 Part A of the Service Continuity Plan shall:

- (a) set out how the business continuity, disaster recovery and insolvency continuity elements of the plan link to each other;
- (b) provide details of how the invocation of any element of the Service Continuity Plan may impact upon the operation of the Services and any services provided to the Authority and/or any Service Recipient(s) by a Related Service Provider;
- (c) contain an obligation upon the Supplier to liaise with the Authority and (at the Authority's request) any Service Recipient(s) and/or Related Service Provider with respect to issues concerning business continuity, disaster recovery and insolvency continuity where applicable;
- (d) detail how the Service Continuity Plan links and interoperates with any overarching and/or connected disaster recovery, business continuity and/or insolvency continuity plan of the Authority, the Service Recipients and any of its other Related Service Providers in each case as notified to the Supplier by the Authority from time to time;
- (e) contain a communication strategy including details of an incident and problem management service and advice and help desk facility which can be accessed via multi-channels (including but without limitation a web-site (with FAQs), e-mail, phone and fax) for both portable and desk top configurations, where required by the Authority;
- (f) contain a risk analysis, including:
 - (i) failure or disruption scenarios and assessments and estimates of frequency of occurrence;
 - (ii) identification of any single points of failure within the Services and processes for managing the risks arising therefrom;
 - (iii) identification of risks arising from the interaction of the Services with the services provided by a Related Service Provider;
 - (iv) identification of risks arising from an Insolvency Event of the Supplier, any Key Sub-contractors and/or Supplier Group member; and
 - (v) a business impact analysis (detailing the impact on business processes and operations) of different anticipated failures or disruptions;
- (g) provide for documentation of processes, including business processes, and procedures;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (h) set out key contact details (including roles and responsibilities) for the Supplier (and any Sub-contractors) and for the Authority and Service Recipients;
- (i) identify the procedures for reverting to “normal service”;
- (j) set out method(s) of recovering or updating data collected (or which ought to have been collected) during a failure or disruption to ensure that there is no more than the accepted amount of data loss and to preserve data integrity;
- (k) identify the responsibilities (if any) that the Authority and/or any Service Recipients have agreed they will assume in the event of the invocation of the Service Continuity Plan; and
- (l) provide for the provision of technical advice and assistance to key contacts at the Authority as notified by the Authority from time to time to inform decisions in support of the Authority’s business continuity plans.

3.2 The Service Continuity Plan shall be designed so as to ensure that:

- (a) the Services are provided in accordance with this Agreement at all times during and after the invocation of the Service Continuity Plan;
- (b) the adverse impact of any Disaster; service failure; an Insolvency Event of the Supplier, any Key Sub-contractor and/or any Supplier Group member; or disruption on the operations of the Authority and/or the Service Recipients, is minimal as far as reasonably possible;
- (c) it complies with the relevant provisions of ISO/IEC 22301 and all other industry standards from time to time in force; and
- (d) there is a process for the management of disaster recovery testing detailed in the Service Continuity Plan.

3.3 The Service Continuity Plan shall be upgradeable and sufficiently flexible to support any changes to the Services, to the business processes facilitated by and the business operations supported by the Services, and/or changes to the Supplier Group structure.

3.4 The Supplier shall not be entitled to any relief from its obligations under the Performance Indicators or to any increase in the Charges to the extent that a Disaster occurs as a consequence of any breach by the Supplier of this Agreement.

4 SERVICE CONTINUITY PLAN: PART B - BUSINESS CONTINUITY

Principles and Contents

4.1 The Business Continuity Plan shall set out the arrangements that are to be invoked to ensure that the business processes and operations facilitated by the Services remain supported and to ensure continuity of the business operations supported by the Services including, unless the Authority expressly states otherwise in writing:

- (a) the alternative processes (including business processes), options and responsibilities that may be adopted in the event of a failure in or disruption to the Services; and

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (b) the steps to be taken by the Supplier upon resumption of the Services in order to address any prevailing effect of the failure or disruption including a root cause analysis of the failure or disruption.

4.2 The Business Continuity Plan shall:

- (a) address the various possible levels of failures of or disruptions to the Services;
- (b) set out the services to be provided and the steps to be taken to remedy the different levels of failures of and disruption to the Services (such services and steps, the “**Business Continuity Services**”);
- (c) specify any applicable Performance Indicators with respect to the provision of the Business Continuity Services and details of any agreed relaxation to the Performance Indicators in respect of other Services during any period of invocation of the Business Continuity Plan; and
- (d) clearly set out the conditions and/or circumstances under which the Business Continuity Plan is invoked.

5 SERVICE CONTINUITY PLAN: PART C - DISASTER RECOVERY

Principles and Contents

- 5.1 The Disaster Recovery Plan shall be designed so as to ensure that upon the occurrence of a Disaster the Supplier ensures continuity of the business operations of the Authority and the Service Recipients supported by the Services following any Disaster or during any period of service failure or disruption with, as far as reasonably possible, minimal adverse impact.
- 5.2 The Disaster Recovery Plan shall be invoked only upon the occurrence of a Disaster.
- 5.3 The Disaster Recovery Plan shall include the following:
 - (a) the technical design and build specification of the Disaster Recovery System;
 - (b) details of the procedures and processes to be put in place by the Supplier in relation to the Disaster Recovery System and the provision of the Disaster Recovery Services and any testing of the same including but not limited to the following:
 - (i) data centre and disaster recovery site audits;
 - (ii) backup methodology and details of the Supplier's approach to data back-up and data verification;
 - (iii) identification of all potential disaster scenarios;
 - (iv) risk analysis;
 - (v) documentation of processes and procedures;
 - (vi) hardware configuration details;
 - (vii) network planning including details of all relevant data networks and communication links;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (viii) invocation rules;
- (ix) Service recovery procedures; and
- (x) steps to be taken upon resumption of the Services to address any prevailing effect of the failure or disruption of the Services;
- (c) any applicable Performance Indicators with respect to the provision of the Disaster Recovery Services and details of any agreed relaxation to the Performance Indicators in respect of other Services during any period of invocation of the Disaster Recovery Plan;
- (d) details of how the Supplier shall ensure compliance with security standards ensuring that compliance is maintained for any period during which the Disaster Recovery Plan is invoked;
- (e) access controls to any disaster recovery sites used by the Supplier in relation to its obligations pursuant to this Schedule; and
- (f) testing and management arrangements.

6 SERVICE CONTINUITY PLAN: PART D - INSOLVENCY CONTINUITY PLAN**Principles and Contents**

- 6.1 The Insolvency Continuity Plan shall be designed by the Supplier to permit continuity of the business operations of the Authority and the Service Recipients supported by the Services through continued provision of the Services following an Insolvency Event of the Supplier, any Key Sub-contractor and/or any Supplier Group member with, as far as reasonably possible, minimal adverse impact.
- 6.2 The Insolvency Continuity Plan shall include the following:
 - (a) communication strategies which are designed to minimise the potential disruption to the provision of the Services, including key contact details in respect of the supply chain and key contact details for operational and contract Supplier Personnel, Key Sub-contractor personnel and Supplier Group member personnel;
 - (b) identification, explanation, assessment and an impact analysis of risks in respect of dependencies between the Supplier, Key Sub-contractors and Supplier Group members where failure of those dependencies could reasonably have an adverse impact on the Services;
 - (c) plans to manage and mitigate identified risks;
 - (d) details of the roles and responsibilities of the Supplier, Key Sub-contractors and/or Supplier Group members to minimise and mitigate the effects of an Insolvency Event of such persons on the Services;
 - (e) details of the recovery team to be put in place by the Supplier (which may include representatives of the Supplier, Key Sub-contractors and Supplier Group members); and
 - (f) sufficient detail to enable an appointed insolvency practitioner to invoke the plan in the event of an Insolvency Event of the Supplier.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

7 REVIEW AND AMENDMENT OF THE SERVICE CONTINUITY PLAN

7.1 The Supplier shall review and update the Service Continuity Plan (and the risk analysis on which it is based):

- (a) on a regular basis and as a minimum once every six (6) months;
- (b) within three calendar months of the Service Continuity Plan (or any part) having been invoked pursuant to Paragraph 9;
- (c) within fourteen (14) days of a Financial Distress Event;
- (d) within thirty (30) days of a Corporate Change Event; and
- (e) where the Authority requests any additional reviews (over and above those provided for in Paragraphs 7.1(a) to 7.1(d)) by notifying the Supplier to such effect in writing, whereupon the Supplier shall conduct such reviews in accordance with the Authority's written requirements. Prior to starting its review, the Supplier shall provide an accurate written estimate of the total costs payable by the Authority for the Authority's approval. The costs of both Parties of any such additional reviews shall be met by the Authority except that the Supplier shall not be entitled to charge the Authority for any costs that it may incur above any estimate without the Authority's prior written approval.

7.2 Each review of the Service Continuity Plan pursuant to Paragraph 7.1 shall be a review of the procedures and methodologies set out in the Service Continuity Plan and shall assess their suitability having regard to any change to the Services or any underlying business processes and operations facilitated by or supported by the Services which have taken place since the later of the original approval of the Service Continuity Plan or the last review of the Service Continuity Plan and shall also have regard to any occurrence of any event since that date (or the likelihood of any such event taking place in the foreseeable future) which may increase the likelihood of the need to invoke the Service Continuity Plan. The review shall be completed by the Supplier within the period required by the Service Continuity Plan or, if no such period is required, within such period as the Authority shall reasonably require. The Supplier shall, within twenty (20) Working Days of the conclusion of each such review of the Service Continuity Plan, provide to the Authority a report (a "**Review Report**") setting out:

- (a) the findings of the review;
- (b) any changes in the risk profile associated with the Services; and
- (c) the Supplier's proposals (the "**Supplier's Proposals**") for addressing any changes in the risk profile and its proposals for amendments to the Service Continuity Plan following the review detailing the impact (if any and to the extent that the Supplier can reasonably be expected to be aware of the same) that the implementation of such proposals may have on any services or systems provided by a third party.

7.3 Following receipt of the Review Report and the Supplier's Proposals, the Authority shall:

- (a) review and comment on the Review Report and the Supplier's Proposals as soon as reasonably practicable; and

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (b) notify the Supplier in writing that it approves or rejects the Review Report and the Supplier's Proposals no later than twenty (20) Working Days after the date on which they are first delivered to the Authority.

7.4 If the Authority rejects the Review Report and/or the Supplier's Proposals:

- (a) the Authority shall inform the Supplier in writing of its reasons for its rejection; and
- (b) the Supplier shall then revise the Review Report and/or the Supplier's Proposals as the case may be (taking reasonable account of the Authority's comments and carrying out any necessary actions in connection with the revision) and shall re-submit a revised Review Report and/or revised Supplier's Proposals to the Authority for the Authority's approval within twenty (20) Working Days of the date of the Authority's notice of rejection. The provisions of Paragraph 7.3 and this Paragraph 7.4 shall apply again to any resubmitted Review Report and Supplier's Proposals, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

7.5 The Supplier shall as soon as is reasonably practicable after receiving the Authority's approval of the Supplier's Proposals (having regard to the significance of any risks highlighted in the Review Report) effect any change in its practices or procedures necessary so as to give effect to the Supplier's Proposals. Any such change shall be at the Supplier's expense unless it can be reasonably shown that the changes are required because of a material change to the risk profile of the Services.

8 TESTING OF THE SERVICE CONTINUITY PLAN

- 8.1 The Supplier shall test the Service Continuity Plan on a regular basis (and in any event not less than once in every Contract Year). Subject to Paragraph 8.2, the Authority may require the Supplier to conduct additional tests of some or all aspects of the Service Continuity Plan at any time where the Authority considers it necessary, including where there has been any change to the Services or any underlying business processes, or on the occurrence of any event which may increase the likelihood of the need to implement the Service Continuity Plan.
- 8.2 If the Authority requires an additional test of the Service Continuity Plan, it shall give the Supplier written notice and the Supplier shall conduct the test in accordance with the Authority's requirements and the relevant provisions of the Service Continuity Plan. The Supplier's costs of the additional test shall be borne by the Authority unless the Service Continuity Plan fails the additional test in which case the Supplier's costs of that failed test shall be borne by the Supplier.
- 8.3 The Supplier shall undertake and manage testing of the Service Continuity Plan in full consultation with the Authority and shall liaise with the Authority (and/or any Service Recipient where relevant) in respect of the planning, performance, and review, of each test, and shall comply with the reasonable requirements of the Authority in this regard. Each test shall be carried out under the supervision of the Authority or its nominee.
- 8.4 The Supplier shall ensure that any use by it or any Sub-contractor of "live" data in such testing is first approved with the Authority. Copies of live test data used in any such testing shall be (if so required by the Authority) destroyed or returned to the Authority on completion of the test.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- 8.5 The Supplier shall, within twenty (20) Working Days of the conclusion of each test, provide to the Authority a report setting out:
- (a) the outcome of the test;
 - (b) any failures in the Service Continuity Plan (including the Service Continuity Plan's procedures) revealed by the test; and
 - (c) the Supplier's proposals for remedying any such failures.
- 8.6 Following each test, the Supplier shall take all measures requested by the Authority, (including requests for the re-testing of the Service Continuity Plan) to remedy any failures in the Service Continuity Plan and such remedial activity and re-testing shall be completed by the Supplier, at no additional cost to the Authority, by the date reasonably required by the Authority and set out in such notice.
- 8.7 For the avoidance of doubt, the carrying out of a test of the Service Continuity Plan (including a test of the Service Continuity Plan's procedures) shall not relieve the Supplier of any of its obligations under this Agreement.
- 8.8 The Supplier shall also perform a test of the Service Continuity Plan in the event of any major reconfiguration of the Services or as otherwise reasonably requested by the Authority.

9 INVOCATION OF THE SERVICE CONTINUITY PLAN

- 9.1 In the event of a loss of any critical part of the Service or a Disaster, the Supplier shall immediately invoke the business continuity and disaster recovery provisions in the Service Continuity Plan, including any linked elements in other parts of the Service Continuity Plan, and shall inform the Authority promptly of such invocation. In all other instances the Supplier shall invoke the business continuity and disaster recovery plan elements only with the prior consent of the Authority.
- 9.2 The Insolvency Continuity Plan element of the Service Continuity Plans, including any linked elements in other parts of the Service Continuity Plan, shall be invoked by the Supplier:
- (a) where an Insolvency Event of a Key Sub-contractor and/or Supplier Group member (other than the Supplier) could reasonably be expected to adversely affect delivery of the Services; and/or
 - (b) where there is an Insolvency Event of the Supplier and the insolvency arrangements enable the Supplier to invoke the plan.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

PART B: CORPORATE RESOLUTION PLANNING**10 SERVICE STATUS AND SUPPLIER STATUS**

- 10.1 This Agreement is a Critical Service Contract.
- 10.2 The Supplier shall notify the Authority in writing within five (5) Working Days of the Effective Date and throughout the Term within one hundred and twenty (120) days after each Accounting Reference Date as to whether or not it is a Public Sector Dependent Supplier.

11 PROVISION OF CORPORATE RESOLUTION PLANNING INFORMATION

- 11.1 Paragraphs 11 to 13 of this Part B shall apply if this Agreement has been specified as a Critical Service Contract under Paragraph 10.1 of this Part B or the Supplier is or becomes a Public Sector Dependent Supplier.
- 11.2 Subject to Paragraphs 11.6, 11.10 and 11.11 of this Part B:
- (a) where this Agreement is a Critical Service Contract, the Supplier shall provide the Relevant Authority or Relevant Authorities with the CRP Information within sixty (60) days of the Effective Date; and
 - (b) except where it has already been provided in accordance with Paragraph 11.2(a) of this Part B, where the Supplier is a Public Sector Dependent Supplier, it shall provide the Relevant Authority or Relevant Authorities with the CRP Information within sixty (60) days of the date of the Relevant Authority's or Relevant Authorities' request.
- 11.3 The Supplier shall ensure that the CRP Information provided pursuant to Paragraphs 11.2, 11.8 and 11.9 of this Part B:
- (a) is full, comprehensive, accurate and up to date;
 - (b) is split into two parts:
 - (i) Group Structure Information and Resolution Commentary;
 - (ii) UK Public Service / CNI Contract Information

and is structured and presented in accordance with the requirements and explanatory notes set out at Annex I of the latest published version of the Resolution Planning Guidance published by the Cabinet Office Government Commercial Function and available at <https://www.gov.uk/government/publications/the-outsourcing-playbook> and contains the level of detail required (adapted as necessary to the Supplier's circumstances);
 - (c) incorporates any additional commentary, supporting documents and evidence which would reasonably be required by the Relevant Authority or Relevant Authorities to understand and consider the information for approval;
 - (d) provides a clear description and explanation of the Supplier Group members that have agreements for goods, services or works provision in respect of UK Public Sector Business and/or Critical National Infrastructure and the nature of those agreements; and

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (e) complies with the requirements set out at Annex 1 (Group Structure Information and Resolution Commentary) and Annex 2 (UK Public Sector / CNI Contract Information) respectively.
- 11.4 Following receipt by the Relevant Authority or Relevant Authorities of the CRP Information pursuant to Paragraphs 11.2, 11.8 and 11.9 of this Part B, the Authority shall procure that the Relevant Authority or Relevant Authorities discuss in good faith the contents of the CRP Information with the Supplier and no later than sixty (60) days after the date on which the CRP Information was delivered by the Supplier either provide an Assurance to the Supplier that Relevant Authority or Relevant Authorities approve the CRP Information or that Relevant Authority or Relevant Authorities reject the CRP Information.
- 11.5 If the Relevant Authority or Relevant Authorities reject the CRP Information:
- (a) the Authority shall (and shall procure that the Cabinet Office Markets and Suppliers Team shall) inform the Supplier in writing of its reasons for its rejection; and
 - (b) the Supplier shall revise the CRP Information, taking reasonable account of the Relevant Authority's or Relevant Authorities' comments, and shall re-submit the CRP Information to the Relevant Authority or Relevant Authorities for approval within thirty (30) days of the date of the Relevant Authority's or Relevant Authorities' rejection. The provisions of Paragraph 11.3 to 11.5 of this Part B shall apply again to any resubmitted CRP Information provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.
- 11.6 Where the Supplier or a member of the Supplier Group has already provided CRP Information to a Department or the Cabinet Office Markets and Suppliers Team (or, in the case of a Strategic Supplier, solely to the Cabinet Office Markets and Suppliers Team) and has received an Assurance of its CRP Information from that Department and the Cabinet Office Markets and Suppliers Team (or, in the case of a Strategic Supplier, solely from the Cabinet Office Markets and Suppliers Team), then provided that the Assurance remains Valid on the date by which the CRP Information would otherwise be required, the Supplier shall not be required to provide the CRP Information under Paragraph 11.2 if it provides a copy of the Valid Assurance to the Relevant Authority or Relevant Authorities on or before the date on which the CRP Information would otherwise have been required.
- 11.7 An Assurance shall be deemed Valid for the purposes of Paragraph 11.6 of this Part B if:
- (a) the Assurance is within the validity period stated in the Assurance (or, if no validity period is stated, no more than twelve (12) months has elapsed since it was issued and no more than eighteen (18) months has elapsed since the Accounting Reference Date on which the CRP Information was based); and
 - (b) no Corporate Change Events or Financial Distress Events (or events which would be deemed to be Corporate Change Events or Financial Distress Events if this Agreement had then been in force) have occurred since the date of issue of the Assurance.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

11.8 If this Agreement is a Critical Service Contract, the Supplier shall provide an updated version of the CRP Information (or, in the case of Paragraph 11.8(c) of this Part B its initial CRP Information) to the Relevant Authority or Relevant Authorities:

- (a) within fourteen (14) days of the occurrence of a Financial Distress Event (along with any additional highly confidential information no longer exempted from disclosure under Paragraph 11.11 of this Part B) unless the Supplier is relieved of the consequences of the Financial Distress Event under Paragraph 7.1 of Schedule 7.4 (*Financial Distress*)
- (b) within thirty (30) days of a Corporate Change Event unless not required pursuant to Paragraph 11.10;
- (c) within thirty (30) days of the date that:
 - (i) the credit rating(s) of each of the Supplier and its Parent Undertakings fail to meet any of the criteria specified in Paragraph 11.10; or
 - (ii) none of the credit rating agencies specified at Paragraph 11.10 hold a public credit rating for the Supplier or any of its Parent Undertakings; and
- (d) in any event, within six (6) months after each Accounting Reference Date or within fifteen (15) months of the date of the previous Assurance received from the Relevant Authority (whichever is the earlier), unless:
 - (i) updated CRP Information has been provided under any of Paragraphs 11.8(a) 11.8(b) or 11.8(c) since the most recent Accounting Reference Date (being no more than twelve (12) months previously) within the timescales that would ordinarily be required for the provision of that information under this Paragraph 11.8(d); or
 - (ii) unless not required pursuant to Paragraph 11.10.

11.9 Where the Supplier is a Public Sector Dependent Supplier and this Agreement is not a Critical Service Contract, then on the occurrence of any of the events specified in Paragraphs 11.8(a) to (d) of this Part B, the Supplier shall provide at the request of the Relevant Authority or Relevant Authorities and within the applicable timescales for each event as set out in Paragraph 11.8 (or such longer timescales as may be notified to the Supplier by the Authority), the CRP Information to the Relevant Authority or Relevant Authorities.

11.10 Where the Supplier or a Parent Undertaking of the Supplier has a credit rating of either:

- (a) Aa3 or better from Moody's;
- (b) AA- or better from Standard and Poors;
- (c) AA- or better from Fitch;

the Supplier will not be required to provide any CRP Information unless or until either (i) a Financial Distress Event occurs (unless the Supplier is relieved of the consequences of the Financial Distress Event under Paragraph 7.1 (*Primacy of Credit Ratings*) of Schedule 7.4 (*Financial Distress*)) or (ii) the Supplier and its Parent

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

Undertakings cease to fulfil the criteria set out in this Paragraph 11.10, in which cases the Supplier shall provide the updated version of the CRP Information in accordance with paragraph 11.8.

- 11.11 Subject to Paragraph 13, where the Supplier demonstrates to the reasonable satisfaction of the Relevant Authority or Relevant Authorities that a particular item of CRP Information is highly confidential, the Supplier may, having orally disclosed and discussed that information with the Relevant Authority or Relevant Authorities, redact or omit that information from the CRP Information provided that if a Financial Distress Event occurs, this exemption shall no longer apply and the Supplier shall promptly provide the relevant information to the Relevant Authority or Relevant Authorities to the extent required under Paragraph 11.8.

12 TERMINATION RIGHTS

- 12.1 The Authority shall be entitled to terminate this Agreement under Clause 33.1(b) (*Termination by the Authority*) if the Supplier is required to provide CRP Information under Paragraph 11 of this Part B and either:
- (a) the Supplier fails to provide the CRP Information within four (4) months of the Effective Date if this is a Critical Service Contract or otherwise within four (4) months of the Relevant Authority's or Relevant Authorities' request; or
 - (b) the Supplier fails to obtain an Assurance from the Relevant Authority or Relevant Authorities within four (4) months of the date that it was first required to provide the CRP Information under this Agreement.

13 CONFIDENTIALITY AND USAGE OF CRP INFORMATION

- 13.1 The Authority agrees to keep the CRP Information confidential and use it only to understand the implications of an Insolvency Event of the Supplier and/or Supplier Group members on its UK Public Sector Business and/or services in respect of CNI and to enable contingency planning to maintain service continuity for end users and protect CNI in such eventuality.
- 13.2 Where the Relevant Authority is the Cabinet Office Markets and Suppliers Team, at the Supplier's request, the Authority shall use reasonable endeavours to procure that the Cabinet Office enters into a confidentiality and usage agreement with the Supplier containing terms no less stringent than those placed on the Authority under Paragraph 13.1 of this Part B and Clause 21 (*Confidentiality*).
- 13.3 The Supplier shall use reasonable endeavours to obtain consent from any third party which has restricted the disclosure of the CRP Information to enable disclosure of that information to the Relevant Authority or Relevant Authorities pursuant to Paragraph 11 of this Part B subject, where necessary, to the Relevant Authority or Relevant Authorities entering into an appropriate confidentiality agreement in the form required by the third party.
- 13.4 Where the Supplier is unable to procure consent pursuant to Paragraph 13.3 of this Part B, the Supplier shall use all reasonable endeavours to disclose the CRP Information to the fullest extent possible by limiting the amount of information it withholds including by:
- (a) redacting only those parts of the information which are subject to such obligations of confidentiality

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (b) providing the information in a form that does not breach its obligations of confidentiality including (where possible) by:
 - (i) summarising the information;
 - (ii) grouping the information;
 - (iii) anonymising the information; and
 - (iv) presenting the information in general terms.
- 13.5 The Supplier shall provide the Relevant Authority or Relevant Authorities with contact details of any third party which has not provided consent to disclose CRP Information where that third party is also a public sector body and where the Supplier is legally permitted to do so.

HMRC Standard Goods and Services Model Contract

ANNEX 1: GROUP STRUCTURE INFORMATION AND RESOLUTION COMMENTARY

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

ANNEX 2: UK PUBLIC SECTOR / CNI CONTRACT INFORMATION

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

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

SCHEDULE 8.7

CONDUCT OF CLAIMS

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

Conduct of Claims**1 INDEMNITIES**

- 1.1 This Schedule shall apply to the conduct, by a Party from whom an indemnity is sought under this Agreement (the “**Indemnifier**”), of claims made by a third person against a party having (or claiming to have) the benefit of the indemnity (the “**Beneficiary**”).
- 1.2 If the Beneficiary receives any notice of any claim for which it appears that the Beneficiary is, or may become, entitled to indemnification under this Agreement (a “**Claim**”), the Beneficiary shall give notice in writing to the Indemnifier as soon as reasonably practicable and in any event within ten (10) Working Days of receipt of the same.
- 1.3 Subject to Paragraph 2, on the giving of a notice by the Beneficiary, where it appears that the Beneficiary is or may be entitled to indemnification from the Indemnifier in respect of all (but not part only) of the liability arising out of the Claim, the Indemnifier shall (subject to providing the Beneficiary with a secured indemnity to its reasonable satisfaction against all costs and expenses that it may incur by reason of such action) be entitled to dispute the Claim in the name of the Beneficiary at the Indemnifier’s own expense and take conduct of any defence, dispute, compromise or appeal of the Claim and of any incidental negotiations relating to the Claim. If the Indemnifier does elect to conduct the Claim, the Beneficiary shall give the Indemnifier all reasonable cooperation, access and assistance for the purposes of such Claim and, subject to Paragraph 2.2, the Beneficiary shall not make any admission which could be prejudicial to the defence or settlement of the Claim without the prior written consent of the Indemnifier.
- 1.4 With respect to any Claim conducted by the Indemnifier pursuant to Paragraph 1.3:
- (a) the Indemnifier shall keep the Beneficiary fully informed and consult with it about material elements of the conduct of the Claim;
 - (b) the Indemnifier shall not bring the name of the Beneficiary into disrepute;
 - (c) the Indemnifier shall not pay or settle such Claim without the prior written consent of the Beneficiary, such consent not to be unreasonably withheld or delayed; and
 - (d) the Indemnifier shall conduct the Claim with all due diligence.
- 1.5 The Beneficiary shall be entitled to have conduct of the Claim and shall be free to pay or settle any Claim on such terms as it thinks fit and without prejudice to its rights and remedies under this Agreement if:
- (a) the Indemnifier is not entitled to take conduct of the Claim in accordance with Paragraph 1.3;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (b) the Indemnifier fails to notify the Beneficiary in writing of its intention to take conduct of the relevant Claim within ten (10) Working Days of the notice from the Beneficiary or if the Indemnifier notifies the Beneficiary in writing that it does not intend to take conduct of the Claim; or
- (c) the Indemnifier fails to comply in any material respect with the provisions of Paragraph 1.4.

2 SENSITIVE CLAIMS

- 2.1 With respect to any Claim which the Beneficiary, acting reasonably, considers is likely to have an adverse impact on the general public's perception of the Beneficiary (a "**Sensitive Claim**"), the Indemnifier shall be entitled to take conduct of any defence, dispute, compromise or appeal of the Sensitive Claim only with the Beneficiary's prior written consent. If the Beneficiary withholds such consent and elects to conduct the defence, dispute, compromise or appeal of the Sensitive Claim itself, it shall conduct the Sensitive Claim with all due diligence and if it fails to do so, the Indemnifier shall only be liable to indemnify the Beneficiary in respect of that amount which would have been recoverable by the Beneficiary had it conducted the Sensitive Claim with all due diligence.
- 2.2 The Beneficiary shall be free at any time to give written notice to the Indemnifier that it is retaining or taking over (as the case may be) the conduct of any Claim, to which Paragraph 1.3 applies if, in the reasonable opinion of the Beneficiary, the Claim is, or has become, a Sensitive Claim.

3 RECOVERY OF SUMS

- 3.1 If the Indemnifier pays to the Beneficiary an amount in respect of an indemnity and the Beneficiary subsequently recovers (whether by payment, discount, credit, saving, relief or other benefit or otherwise) a sum which is directly referable to the fact, matter, event or circumstances giving rise to the Claim, the Beneficiary shall forthwith repay to the Indemnifier whichever is the lesser of:
 - (a) an amount equal to the sum recovered (or the value of the discount, credit, saving, relief, other benefit or amount otherwise obtained) less any out-of-pocket costs and expenses properly incurred by the Beneficiary in recovering or obtaining the same; and
 - (b) the amount paid to the Beneficiary by the Indemnifier in respect of the Claim under the relevant indemnity.

4 MITIGATION

Each of the Authority and the Supplier shall at all times take all reasonable steps to minimise and mitigate any loss for which the relevant Party is entitled to bring a claim against the other Party pursuant to the indemnities in this Schedule.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

SCHEDULE 9.1

STAFF TRANSFER

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

Staff Transfer**1 DEFINITIONS**

In this Schedule, the following definitions shall apply:

“Eligible Redundant Employees”	those employees of a Former Supplier to whom the Employment Regulations will apply on the Relevant Transfer Date. To the extent that a Former Supplier is the Supplier, this shall include those employees to whom the Employment Regulations would have applied on the Operational Service Commencement Date if there was a change in the supplier. Each individual employee is an Eligible Redundant Employee and together they comprise of the Eligible Redundant Employees;
“Former Supplier”	a supplier supplying services to the Authority before the Relevant Transfer Date that are the same as or substantially similar to the Services (or any part of the Services) and shall include any sub-contractor of such supplier (or any sub-contractor of any such sub-contractor);
“New Fair Deal”	the revised Fair Deal position set out in the HM Treasury guidance: “Fair Deal for staff pensions: staff transfer from central government” issued in October 2013 including: <ul style="list-style-type: none"> (a) any amendments to that document immediately prior to the Relevant Transfer Date; (b) any similar pension protection in accordance with the Annexes Annex D1-Annex D3 inclusive to Part D of this Schedule as notified to the Supplier by the Authority;
“Notified Sub-contractor”	a Sub-contractor identified in the Annex to this Schedule to whom Transferring Authority Employees and/or Transferring Former Supplier Employees will transfer on a Relevant Transfer Date;
“Old Fair Deal”	HM Treasury Guidance “Staff Transfers from Central Government: A Fair Deal for Staff Pensions” issued in June 1999 including the supplementary guidance “Fair Deal for Staff pensions: Procurement of Bulk Transfer Agreements and Related Issues” issued in June 2004;
“Redundancy Costs”	shall be comprised of: <ul style="list-style-type: none"> (a) statutory redundancy payments (as defined and calculated in accordance with section 162 Employment Rights Act 1996);

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (b) salary payments in lieu of statutory notice or any contractual notice entitlement in place immediately prior to the Relevant Transfer Date, if and to the extent that the Authority agrees (acting reasonably) that it is not reasonably practicable for the relevant Eligible Redundant Employees to work the entirety of their notice period; and
- (c) any enhanced contractual redundancy payment to the extent that it exceeds the statutory redundancy payment, provided that the Eligible Redundant Employees were entitled to such contractual redundancy payment immediately prior to Relevant Transfer Date, but excluding any entitlement under Regulation 10(2) of the Employment Regulations which transferred (or would have transferred) to the Supplier under the Employment Regulations,

made by the Supplier and/or Notified Sub-contractor to an Eligible Redundant Employee in respect of the termination of their employment by reason of redundancy (as defined in S139 of the Employment Rights Act 1996) as a result of an economic technical organisational reason entailing changes to the workforce in relation to their continuous service up to the date of such redundancy dismissal;

“Relevant Transfer”

a transfer of employment to which the Employment Regulations applies;

“Relevant Transfer Date”

in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place.

For the purposes of Part D and its Annexes, where the Supplier or a Sub-contractor was the Former Supplier and there is no Relevant Transfer of the Fair Deal Employees because they remain continuously employed by the Supplier (or Sub-contractor), references to the Relevant Transfer Date shall become references to the Operational Service Commencement Date.

For the purposes of Paragraph 8 of Part B, where the Supplier or the Notified Sub-contractor was a Former Supplier and there is no Relevant Transfer because the employees remain continuously employed by the Supplier (or Notified Sub-contractor), reference to the Relevant Transfer Date shall become references to the Operational Service Commencement Date;

“Replacement Sub-contractor”

a sub-contractor of the Replacement Supplier to whom Transferring Supplier Employees will transfer on a Service Transfer Date (or any sub-contractor of any such sub-contractor);

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

“Service Transfer”	any transfer of the Services (or any part of the Services), for whatever reason, from the Supplier or any Sub-contractor to a Replacement Supplier or a Replacement Sub-contractor;
“Service Transfer Date”	the date of a Service Transfer or, if more than one, the date of the relevant Service Transfer as the context requires;
“Staffing Information”	in relation to all persons identified on the Supplier's Provisional Supplier Personnel List or Supplier's Final Supplier Personnel List, as the case may be, all information required in Annex E2 (Table of Staffing Information) in the format specified and with the identities of Data Subjects anonymised where possible. The Authority may acting reasonably make changes to the format or information requested in Annex E2 from time to time;
“Statutory Schemes”	means the CSPS, NHSPS or LGPS as defined in the Annexes to Part D of this Schedule;
“Supplier's Final Supplier Personnel List”	a list provided by the Supplier of all Supplier Personnel who will transfer under the Employment Regulations on the Service Transfer Date;
“Supplier's Provisional Supplier Personnel List”	a list prepared and updated by the Supplier of all Supplier Personnel who are at the date of the list wholly or mainly engaged in or assigned to the provision of the Services or any relevant part of the Services which it is envisaged as at the date of such list will no longer be provided by the Supplier;
“Transferring Authority Employees”	those employees of the Authority to whom the Employment Regulations will apply on the Relevant Transfer Date;
“Transferring Former Supplier Employees”	in relation to a Former Supplier, those employees of the Former Supplier to whom the Employment Regulations will apply on the Relevant Transfer Date; and
“Transferring Supplier Employees”	those employees of the Supplier and/or the Supplier's Sub-contractors to whom the Employment Regulations will apply on the Service Transfer Date.

2 INTERPRETATION

Where a provision in this Schedule imposes an obligation on the Supplier to provide an indemnity, undertaking or warranty, the Supplier shall procure that each of its Sub-contractors shall comply with such obligation and provide such indemnity, undertaking or warranty to the Authority, Former Supplier, Replacement Supplier or Replacement Sub-contractor, as the case may be.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

PART A: TRANSFERRING AUTHORITY EMPLOYEES AT COMMENCEMENT OF SERVICES

NOT APPLICABLE

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

PART B: TRANSFERRING FORMER SUPPLIER EMPLOYEES AT COMMENCEMENT OF SERVICES

1 RELEVANT TRANSFERS

1.1 The Authority and the Supplier agree that:

- (a) the commencement of the provision of the Services or of any relevant part of the Services will be a Relevant Transfer in relation to the Transferring Former Supplier Employees; and
- (b) as a result of the operation of the Employment Regulations, the contracts of employment between each Former Supplier and the Transferring Former Supplier Employees (except in relation to any terms disapplied through the operation of regulation 10 of the Employment Regulations) shall have effect on and from the Relevant Transfer Date as if originally made between the Supplier and/or Notified Sub-contractor and each such Transferring Former Supplier Employee.

1.2 The Authority shall procure that each Former Supplier shall comply with all its obligations under the Employment Regulations and shall perform and discharge all its obligations in respect of all the Transferring Former Supplier Employees in respect of the period up to (but not including) the Relevant Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions which in any case are attributable in whole or in part in respect of the period up to (but not including) the Relevant Transfer Date) and the Supplier shall make, and the Authority shall procure that each Former Supplier makes, any necessary apportionments in respect of any periodic payments.

2 FORMER SUPPLIER INDEMNITIES

2.1 Subject to Paragraph 2.2, the Authority shall procure that each Former Supplier shall indemnify the Supplier and any Notified Sub-contractor against any Employee Liabilities arising from or as a result of:

- (a) any act or omission by the Former Supplier in respect of any Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee arising before the Relevant Transfer Date;
- (b) the breach or non-observance by the Former Supplier arising before the Relevant Transfer Date of:
 - (i) any collective agreement applicable to the Transferring Former Supplier Employees; and/or
 - (ii) any custom or practice in respect of any Transferring Former Supplier Employees which the Former Supplier is contractually bound to honour;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (c) any proceeding, claim or demand by the Authority or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
 - (i) in relation to any Transferring Former Supplier Employee, to the extent that the proceeding, claim or demand by the Authority or other statutory authority relates to financial obligations arising before the Relevant Transfer Date; and
 - (ii) in relation to any employee who is not a Transferring Former Supplier Employee and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Former Supplier to the Supplier and/or any Notified Sub-contractor as appropriate, to the extent that the proceeding, claim or demand by the Authority or other statutory authority relates to financial obligations in respect of the period to (but excluding) the Relevant Transfer Date;
 - (d) a failure of the Former Supplier to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Former Supplier Employees in respect of the period to (but excluding) the Relevant Transfer Date;
 - (e) any claim made by or in respect of any person employed or formerly employed by the Former Supplier other than a Transferring Former Supplier Employee for whom it is alleged the Supplier and/or any Notified Sub-contractor as appropriate may be liable by virtue of this Agreement and/or the Employment Regulations and/or the Acquired Rights Directive; and
 - (f) any claim made by or in respect of a Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee relating to any act or omission of the Former Supplier in relation to its obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the failure by the Supplier or any Sub-contractor to comply with regulation 13(4) of the Employment Regulations.
- 2.2 The indemnities in Paragraph 2.1 of this Part B shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Supplier or any Sub-contractor whether occurring or having its origin before, on or after the Relevant Transfer Date including, without limitation, any Employee Liabilities:
- (a) arising out of the resignation of any Transferring Former Supplier Employee before the Relevant Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Supplier or any Sub-contractor to occur in the period from (and including) the Relevant Transfer Date; or
 - (b) arising from the failure by the Supplier and/or any Sub-contractor to comply with its obligations under the Employment Regulations.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- 2.3 If any person who is not identified by the Authority as a Transferring Former Supplier Employee claims, or it is determined in relation to any person who is not identified by the Authority as a Transferring Former Supplier Employee, that his/her contract of employment has been transferred from a Former Supplier to the Supplier and/or any Notified Sub-contractor pursuant to the Employment Regulations or the Acquired Rights Directive then:
- (a) the Supplier shall, or shall procure that the Notified Sub-contractor shall, within five (5) Working Days of becoming aware of that fact, give notice in writing to the Authority and, where required by the Authority, to the Former Supplier; and
 - (b) the Former Supplier may offer (or may procure that a third party may offer) employment to such person within the (10) Working Days of the notification by the Supplier and/or the Notified Sub-contractor or take such other reasonable steps as the Former Supplier considers appropriate to deal with the matter provided always that such steps are in compliance with applicable Law.
- 2.4 If an offer referred to in Paragraph 2.3(b) is accepted, or if the situation has otherwise been resolved by the Former Supplier and/or the Authority, the Supplier shall, or shall procure that the Notified Sub-contractor shall, immediately release the person from his/her employment or alleged employment.
- 2.5 If by the end of the ten (10) Working Day period specified in Paragraph 2.3(b):
- (a) no such offer of employment has been made;
 - (b) such offer has been made but not accepted; or
 - (c) the situation has not otherwise been resolved,
- the Supplier and/or any Notified Sub-contractor may within five (5) Working Days give notice to terminate the employment or alleged employment of such person.
- 2.6 Subject to the Supplier and/or any Notified Sub-contractor acting in accordance with the provisions of Paragraphs 2.3 to 2.5 and in accordance with all applicable proper employment procedures set out in Law, the Authority shall procure that the Former Supplier indemnifies the Supplier and/or any Notified Sub-contractor (as appropriate) against all Employee Liabilities arising out of the termination of employment pursuant to the provisions of Paragraph 2.5 of this Part B provided that the Supplier takes, or shall procure that the Notified Sub-contractor takes, all reasonable steps to minimise any such Employee Liabilities.
- 2.7 The indemnity in Paragraph 2.6:
- (a) shall not apply to:
 - (i) any claim for:
 - (A) discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership,

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

pregnancy and maternity or sexual orientation, religion or belief; or

(B) equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,

in any case in relation to any alleged act or omission of the Supplier and/or any Sub-contractor; or

(ii) any claim that the termination of employment was unfair because the Supplier and/or Notified Sub-contractor neglected to follow a fair dismissal procedure; and

(b) shall apply only where the notification referred to in Paragraph 2.3(a) is made by the Supplier and/or any Notified Sub-contractor (as appropriate) to the Authority and, if applicable, the Former Supplier, within 3 months of the Effective Date.

2.8 If any such person as is described in Paragraph 2.3 is neither re-employed by the Former Supplier nor dismissed by the Supplier and/or any Notified Sub-contractor within the time scales set out in Paragraph 2.5, such person shall be treated as having transferred to the Supplier or Notified Sub-contractor and the Supplier shall, or shall procure that the Notified Sub-contractor shall, comply with such obligations as may be imposed upon it under the Law.

3 SUPPLIER INDEMNITIES AND OBLIGATIONS

3.1 Subject to Paragraph 3.2, the Supplier shall indemnify the Authority and/or the Former Supplier against any Employee Liabilities arising from or as a result of:

(a) any act or omission by the Supplier or any Sub-contractor in respect of any Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee whether occurring before, on or after the Relevant Transfer Date;

(b) the breach or non-observance by the Supplier or any Sub-contractor on or after the Relevant Transfer Date of:

(i) any collective agreement applicable to the Transferring Former Supplier Employee; and/or

(ii) any custom or practice in respect of any Transferring Former Supplier Employees which the Supplier or any Sub-contractor is contractually bound to honour;

(c) any claim by any trade union or other body or person representing any Transferring Former Supplier Employees arising from or connected with any failure by the Supplier or a Sub-contractor to comply with any legal obligation to such trade union, body or person arising on or after the Relevant Transfer Date;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (d) any proposal by the Supplier or a Sub-contractor prior to the Relevant Transfer Date to make changes to the terms and conditions of employment or working conditions of any Transferring Former Supplier Employees to their material detriment on or after their transfer to the Supplier or a Sub-contractor (as the case may be) on the Relevant Transfer Date, or to change the terms and conditions of employment or working conditions of any person who would have been a Transferring Former Supplier Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Relevant Transfer Date as a result of or for a reason connected to such proposed changes;
- (e) any statement communicated to or action undertaken by the Supplier or a Sub-contractor to, or in respect of, any Transferring Former Supplier Employee before the Relevant Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Authority and/or the Former Supplier in writing;
- (f) any proceeding, claim or demand by the Authority or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
 - (i) in relation to any Transferring Former Supplier Employee, to the extent that the proceeding, claim or demand by Authority or other statutory authority relates to financial obligations arising on or after the Relevant Transfer Date; and
 - (ii) in relation to any employee who is not a Transferring Former Supplier Employee, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Former Supplier to the Supplier or a Sub-contractor, to the extent that the proceeding, claim or demand by the Authority or other statutory authority relates to financial obligations arising on or after the Relevant Transfer Date;
- (g) a failure of the Supplier or any Sub-contractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Former Supplier Employees in respect of the period from (and including) the Relevant Transfer Date;
- (h) any claim made by or in respect of a Transferring Former Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Former Supplier Employee relating to any act or omission of the Supplier or any Sub-contractor in relation to obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the Former Supplier's failure to comply with its obligations under regulation 13 of the Employment Regulations; and
- (i) a failure by the Supplier or any Sub-contractor to comply with its obligations under Paragraph 2.8 of this Part B above.

OFFICIAL - SENSITIVE - COMMERCIAL**HMRC Standard Goods and Services Model Contract**

- 3.2 The indemnities in Paragraph 3.1 of this Part B shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Former Supplier whether occurring or having its origin before, on or after the Relevant Transfer Date including, without limitation, any Employee Liabilities arising from the Former Supplier's failure to comply with its obligations under the Employment Regulations.
- 3.3 The Supplier shall comply, and shall procure that each Sub-contractor shall comply, with all its obligations under the Employment Regulations (including without limitation its obligation to inform and consult in accordance with regulation 13 of the Employment Regulations) and shall perform and discharge, and shall procure that each Sub-contractor shall perform and discharge, all its obligations in respect of all the Transferring Former Supplier Employees, on and from the Relevant Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions and any other sums due under the Admission Agreement which in any case are attributable in whole or in part to the period from (and including) the Relevant Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between the Supplier and the Former Supplier.

4 INFORMATION

The Supplier shall, and shall procure that each Sub-contractor shall, promptly provide to the Authority and/or at the Authority's direction, the Former Supplier, in writing such information as is necessary to enable the Authority and/or the Former Supplier to carry out their respective duties under regulation 13 of the Employment Regulations. The Authority shall procure that the Former Supplier shall promptly provide to the Supplier and each Notified Sub-contractor in writing such information as is necessary to enable the Supplier and each Notified Sub-contractor to carry out their respective duties under regulation 13 of the Employment Regulations.

5 PRINCIPLES OF GOOD EMPLOYMENT PRACTICE

- 5.1 The Supplier shall, and shall procure that each Sub-contractor shall, comply with any requirement notified to it by the Authority relating to pensions in respect of any Transferring Former Supplier Employee as set down in:
- (a) the Cabinet Office Statement of Practice on Staff Transfers in the Public Sector of January 2000, revised December 2013;
 - (b) Old Fair Deal; and/or
 - (c) the New Fair Deal.
- 5.2 Any changes embodied in any statement of practice, paper or other guidance that replaces any of the documentation referred to in Paragraph 5.1 of this Part B shall be agreed in accordance with the Change Control Procedure.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

6 PROCUREMENT OBLIGATIONS

Notwithstanding any other provisions of this Part B, where in this Part B the Authority accepts an obligation to procure that a Former Supplier does or does not do something, such obligation shall be limited so that it extends only to the extent that the Authority's contract with the Former Supplier contains a contractual right in that regard which the Authority may enforce, or otherwise so that it requires only that the Authority must use reasonable endeavours to procure that the Former Supplier does or does not act accordingly.

7 PENSIONS

7.1 The Supplier shall, and shall procure that each Sub-contractor shall, comply with:

- (a) the requirements of part 1 of the pensions act 2008, section 258 of the pensions act 2004 and the transfer of employment (pension protection) regulations 2005 for all transferring staff; and
- (b) Part D (and its Annexes) to this Staff Transfer Schedule

8 REDUNDANCY COSTS ON COMMENCEMENT

8.1 The Authority will pay Redundancy Costs to the Supplier and/or Notified Sub-contractor in accordance with the provisions of this Paragraph 8 with respect to the Eligible Redundant Employees. The Redundancy Costs are not a charge for the provision of any element of the Services and instead are a mechanism by which the Supplier and/or Notified Sub-contractor will be reimbursed for certain redundancy payments it incurs following the Relevant Transfer Date.

8.2 For the avoidance of doubt, the Authority will not be liable for or indemnify the Supplier and/or Notified Sub-contractor for any other costs, other than the Redundancy Costs, incurred by the Supplier and/or Notified Sub-contractor in connection with the employment of the Eligible Redundant Employees (including, but not limited to the termination of employment).

8.3 Payment by the Authority of Redundancy Costs shall be strictly subject to and conditional on the Supplier and any Notified Sub-contractor demonstrating to the Authority's satisfaction (acting reasonably and in good faith) that, in respect of the Redundancy Costs:

- a) all the Eligible Redundant Employees in respect of whom Redundancy Costs are claimed were at all times wholly and mainly assigned and dedicated to the provision of the Services;
- b) the effective date of termination of employment of the relevant Eligible Redundant Employees in respect of whom Redundancy Costs are claimed is or was within the six (6) month period immediately following the Relevant Transfer Date;
- c) redundancy as defined in S139 of the Employment Rights Act 1996 is or was the genuine primary reason for dismissal of the relevant Eligible Redundant Employees;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- d) the Supplier and/or Notified Sub-contractor has used reasonable endeavours to mitigate the Redundancy Costs, including, but not limited to, using reasonable endeavours to redeploy any such Eligible Redundant Employees;
 - e) the Supplier and/or Notified Sub-contractor has complied with all relevant statutory and contractual obligations which are imposed on an employer in relation to redundancy (including, but not limited to, any collective obligations under section 188 of the Trade Union & Labour Relations (Consolidation) Act 1992 and requirements of fairness and reasonableness under the Employment Rights Act 1996).
- 8.4** The Redundancy Costs will be capped at £1m (One Million pounds) in aggregate with respect to the Supplier and any Notified Sub-contractor and the Authority shall have no liability for any Redundancy Costs incurred by the Supplier and/or Notified Sub-contractor in relation to Eligible Redundant Employees in excess of such amount.
- 8.5** Payments from the Authority pursuant to this Paragraph 8 shall be payable to the Supplier and/or Notified Sub-contractor within thirty (30) days after issuance of a written demand by the Supplier and/or Notified Sub-contractor for such amount subject to:
- a) the Supplier and/or Notified Sub-contractor having provided sufficient information to the Authority to verify to the reasonable satisfaction of the Authority compliance with Paragraph 8.3 and 8.6; and
 - b) that the written demand is received within the six (6) month period immediately following the commencement of the Services (or a part of the Services).
- 8.6** For the avoidance of any doubt:
- a) in the event that the Supplier and/or Notified Sub-contractor has already received any reimbursement from the Authority with respect to the termination of employment of any Eligible Redundant Employee pursuant to the terms of any other agreement with the Authority, the Supplier and/or Notified Sub-contractor will not seek to recover any Redundancy Costs or an equivalent payment with respect to the same Eligible Redundant Employee. The Supplier and/or Notified Sub-contractor will not be able to recover more than once with respect to any Eligible Redundant Employee; and
 - b) the Supplier and/or Notified Sub-contractor cannot seek reimbursement pursuant to this Paragraph 8 with respect to any employee that is not identified by the Authority as an Eligible Redundant Employee.
- 8.7** If any Eligible Redundant Employee is made redundant by the Supplier but is subsequently re-employed by the Supplier or any Notified Sub-contractor within 1 year of the date such Eligible Redundant Employee's employment terminates, the Supplier and/or Notified Sub-Contractor shall repay the Authority any payment made by the Authority to the Supplier pursuant to this Paragraph 8 within thirty (30) days of such re-employment commencing.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

PART C: NO TRANSFER OF EMPLOYEES AT COMMENCEMENT OF SERVICES

NOT APPLICABLE

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

PART D: PENSIONS**1 DEFINITIONS**

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

“Actuary”	a Fellow of the Institute and Faculty of Actuaries;
“Admission Agreement”	either or both of the CSPA Admission Agreement (as defined in Annex D1: CSPA or the LGPS Admission Agreement) as defined in Annex D3: LGPS), as the context requires;
“Best Value Direction”	the Best Value Authorities Staff Transfers (Pensions) Direction 2007 or the Welsh Authorities Staff Transfers (Pensions) Direction 2012 (as appropriate);
“Broadly Comparable”	<p>(a) in respect of a pension scheme, a status satisfying the condition that there are no identifiable employees who will suffer material detriment overall in terms of future accrual of pension benefits as assessed in accordance with Annex A of New Fair Deal and demonstrated by the issue by the Government Actuary’s Department of a broad comparability certificate; and/or</p> <p>(b) in respect of benefits provided for or in respect of a member under a pension scheme, benefits that are consistent with that pension scheme’s certificate of broad comparability issued by the Government Actuary’s Department,</p> <p>and “Broad Comparability” shall be construed accordingly;</p>
“CSPA”	the schemes as defined in Annex D1 to this Part D;
“Direction Letter/Determination”	has the meaning in Annex D2 to this Part D;
“Fair Deal Eligible Employees”	means each of the CSPA Eligible Employees, the NHSPA Eligible Employees and/or the LGPS Eligible Employees (as applicable) (and shall include any such employee who has been admitted to and/or remains eligible to join a Broadly Comparable pension scheme at the relevant time in accordance with Paragraph 10 or 11 of this Part D);
“Fair Deal Employees”	any of:

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (a) Transferring Authority Employees;
- (b) Transferring Former Supplier Employees; and/or
- (c) employees who are not Transferring Authority Employees or Transferring Former Supplier Employees but to whom the Employment Regulations apply on the Relevant Transfer Date to transfer their employment to the Supplier or a Sub-Contractor, and whose employment is not terminated in accordance with the provisions of Paragraphs 2.5 of Parts A or B or Paragraph 1.4 of Part C;
- (d) where the Supplier or a Sub-contractor was the Former Supplier, the employees of the Supplier (or Sub-contractor) who at the Relevant Transfer Date are or become entitled to New Fair Deal or Best Value Direction protection in respect of any of the Statutory Schemes or a Broadly Comparable pension scheme provided in accordance with Paragraph 10 of this Part D as notified by the Authority;

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

“LGPS” the scheme as defined in Annex D3 to this Part D; and

“NHSPS” the schemes as defined in Annex D2 to this Part D.

2 PARTICIPATION

- 2.1 In respect of all or any Fair Deal Employees each of Annex D1: CSPA, Annex D2: NHSPS and/or Annex D3: LGPS shall apply, as appropriate.
- 2.2 The Supplier undertakes to do all such things and execute any documents (including any relevant Admission Agreement and/or Direction Letter/Determination, if necessary) as may be required to enable the Supplier to participate in the appropriate Statutory Scheme in respect of the Fair Deal Employees and shall bear its own costs in such regard.
- 2.3 The Supplier undertakes:
- (a) to pay to the Statutory Schemes all such amounts as are due under the relevant Admission Agreement and/or Direction Letter/Determination or otherwise and shall deduct and pay to the Statutory Schemes such employee contributions as are required; and
 - (b) subject to Paragraph 5.4 of Annex D3: LGPS to be fully responsible for all other costs, contributions, payments and other amounts relating to its participation in the Statutory Schemes, including for the avoidance of

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

doubt any exit payments and the costs of providing any bond, indemnity or guarantee required in relation to such participation.

- 2.4 Where the Supplier is the Former Supplier (or a Sub-contractor is a sub-contractor of the Former Supplier) and there is no Relevant Transfer of the Fair Deal Employees because they remain continuously employed by the Supplier (or Sub-contractor) at the Operational Service Commencement Date, this **Part D** and its Annexes shall be modified accordingly so that the Supplier (or Sub-contractor) shall comply with its requirements from the Operational Service Commencement Date or, where it previously provided a Broadly Comparable pension scheme, from the date it is able to close accrual of its Broadly Comparable pension scheme (following appropriate consultation and contractual changes as appropriate) if later. The Supplier (or Sub-contractor) shall make arrangements for a bulk transfer from its Broadly Comparable pension scheme to the relevant Statutory Scheme in accordance with the requirements of the previous contract with the Authority.

3 PROVISION OF INFORMATION

3.1 The Supplier undertakes to the Authority:

- (a) to provide all information which the Authority may reasonably request concerning matters referred to in this Part D as expeditiously as possible;
- (b) not to issue any announcements to any Fair Deal Employee prior to the Relevant Transfer Date concerning the matters stated in this Part D without the consent in writing of the Authority (such consent not to be unreasonably withheld or delayed); and
- (c) retain such records as would be necessary to manage the pension aspects in relation to any current or former Fair Deal Eligible Employees arising on expiry or termination of this Agreement.

4 INDEMNITIES

4.1 The Supplier shall indemnify and keep indemnified the Authority, NHS Pensions, any Replacement Supplier and/or any Replacement Sub-contractor on demand from and against all and any Losses whatsoever suffered or incurred by it or them which:

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

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

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

4.2 The indemnities in this Part D and its Annexes:

- (a) shall survive termination of this Agreement; and
- (b) shall not be affected by the caps on liability contained in Clause 25 (*Limitation of Liability*).

5 DISPUTES

5.1 The Dispute Resolution Procedure will not apply to any dispute (i) between the Authority and/or the Supplier or (ii) between their respective actuaries and/or the Fund Actuary about any of the actuarial matters referred to in this Part D and its Annexes shall in the absence of agreement between the Authority and/or the Supplier be referred to an independent Actuary:

- (a) who will act as an expert and not as an arbitrator;
- (b) whose decision will be final and binding on the Authority and/or the Supplier; and
- (c) whose expenses shall be borne equally by the Authority and/or the Supplier unless the independent Actuary shall otherwise direct.

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

6 THIRD PARTY RIGHTS6.1 The Parties agree Clause 43 (*Third Party Rights*) does not apply and that the CRTPA applies to this Part D to the extent necessary to ensure that any Fair Deal Employee will have the right to enforce any obligation in respect of to him or her by the Supplier under this Part D, in his or her or its own right under section 1(1) of the CRTPA.

6.2 Further, the Supplier must ensure that the CRTPA will apply to any Sub-contract to the extent necessary to ensure that any Fair Deal Employee will have the right to enforce any obligation owed to them by the Sub-contractor in his or her own right under section 1(1) of the CRTPA.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

7 BREACH

7.1 The Supplier agrees to notify the Authority should it breach any obligations it has under this Part D and agrees that the Authority shall be entitled to terminate its Agreement for material Default in the event that the Supplier:

- (a) commits an irremediable breach of any provision or obligation it has under this Part D; or
- (b) commits a breach of any provision or obligation it has under this Part D which, where capable of remedy, it fails to remedy within a reasonable time and in any event within twenty-eight (28) days of the date of a notice from the Authority giving particulars of the breach and requiring the Supplier to remedy it.

8 TRANSFER TO ANOTHER EMPLOYER/SUB-CONTRACTORS

8.1 Save on expiry or termination of this Agreement, if the employment of any Fair Deal Eligible Employee transfers to another employer (by way of a transfer under the Employment Regulations or other form of compulsory transfer of employment), the Supplier shall or shall procure that any relevant Sub-contractor shall:

- (a) notify the Authority as far as reasonably practicable in advance of the transfer to allow the Authority to make the necessary arrangements for participation with the relevant Statutory Scheme(s);
- (b) consult with about, and inform those Fair Deal Eligible Employees of, the pension provisions relating to that transfer; and
- (c) procure that the employer to which the Fair Deal Eligible Employees are transferred (the "**New Employer**") complies with the provisions of this Part D and its Annexes provided that references to the "**Supplier**" will become references to the New Employer, references to "**Relevant Transfer Date**" will become references to the date of the transfer to the New Employer and references to "**Fair Deal Employees**" will become references to the Fair Deal Eligible Employees so transferred to the New Employer.

9 PENSION ISSUES ON EXPIRY OR TERMINATION

9.1 The provisions of Part E: Staff Transfer On Exit (Mandatory) apply in relation to pension issues on expiry or termination of this Agreement.

9.2 The Supplier shall (and shall procure that any of its Sub-contractors shall) prior to the termination of this Agreement provide all such co-operation and assistance (including co-operation and assistance from the Broadly Comparable pension scheme's Actuary) as the Replacement Supplier and/or NHS Pension and/or CSPA and/or the relevant Administering Authority and/or the Authority may reasonably require, to enable the Replacement Supplier to participate in the appropriate Statutory Scheme in respect of any Fair Deal Eligible Employee that remains eligible for New Fair Deal protection following a Service Transfer.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

10 BROADLY COMPARABLE PENSION SCHEME ON RELEVANT TRANSFER DATE

10.1 If the terms of any of Paragraphs 4.1 of Annex D2: NHSPS or 3.1 of Annex D3: LGPS applies, the Supplier must (and must, where relevant, procure that each of its Sub-contractors will) ensure that, with effect from the Relevant Transfer Date until the day before the Service Transfer Date, the relevant Fair Deal Employees will be eligible for membership of a pension scheme under which the benefits are Broadly Comparable to those provided under the relevant Statutory Scheme, and then on such terms as may be decided by the Authority.

10.2 Such Broadly Comparable pension scheme must be:

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

10.3 Where the Supplier has provided a Broadly Comparable pension scheme pursuant to the provisions of this Paragraph 10, the Supplier shall (and shall procure that any of its Sub-contractors shall):

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

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

schemes) credits in the Broadly Comparable pension scheme in respect of any Fair Deal Eligible Employee who consents to such a transfer; and

- (d) provide a replacement Broadly Comparable pension scheme in accordance with this Paragraph 10 with immediate effect for those Fair Deal Eligible Employees who are still employed by the Supplier and/or relevant Sub-contractor and are still eligible for New Fair Deal protection in the event that the Supplier and/or Sub-contractor's Broadly Comparable pension scheme is closed to future accrual and/or terminated. The relevant Fair Deal Eligible Employees must be given the option to transfer their accrued benefits from the previous Broadly Comparable pension scheme to the new Broadly Comparable pension scheme on day for day and/or pound for pound terms (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes).

10.4 Where the Supplier has provided a Broadly Comparable pension scheme pursuant to the provisions of this Paragraph 10, the Supplier shall (and shall procure that any of its Sub-contractors shall) prior to the termination of this Agreement:

- (a) allow and make all necessary arrangements to effect, in respect of any Fair Deal Eligible Employee that remains eligible for New Fair Deal protection, following a Service Transfer, the bulk transfer of past service from any such Broadly Comparable pension scheme into the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable). The bulk transfer terms provided shall be on a past service reserve basis which should be calculated allowing for projected final salary at the assumed date of retirement, leaving service or death (in the case of final salary benefits). The actuarial basis for this past service reserve basis should be aligned to the funding requirements of the Broadly Comparable pension scheme in place at the time the bulk transfer terms are offered. The bulk transfer terms shall be subject to an underpin in relation to any service credits awarded in the Broadly Comparable pension scheme in accordance with Paragraph 10.3(c) such that the element of the past service reserve amount which relates to such service credits shall be no lower than that required by the bulk transfer terms that were agreed in accordance with Paragraph 10.3(c) but using the last day of the Fair Deal Eligible Employees' employment with the Supplier or Sub-contractor (as appropriate) as the date used to determine the actuarial assumptions; and
- (b) if the transfer payment paid by the trustees of the Broadly Comparable pension scheme is less (in the opinion of the Actuary to the Replacement Supplier's Broadly Comparable pension scheme (or to the relevant Statutory Scheme if applicable)) than the transfer payment which would have been paid had Paragraph 10.4(a) been complied with, the Supplier shall (or shall procure that the Sub-contractor shall) pay the amount of the difference to the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable) or as the Authority shall otherwise direct. The Supplier shall indemnify the Authority or the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (as the Authority directs) for any failure to pay the difference as required under this Paragraph.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

11 BROADLY COMPARABLE PENSION SCHEME IN OTHER CIRCUMSTANCES

- 11.1 If the terms of any of Paragraphs 2.2 of Annex D1: CSPS, 5.2 of Annex D2: NHSPS and/or 3.2 of Annex D3: LGPS apply, the Supplier must (and must, where relevant, procure that each of its Sub-contractors will) ensure that, with effect from the cessation of participation in the Statutory Scheme, until the day before the Service Transfer Date, the relevant Fair Deal Eligible Employees will be eligible for membership of a pension scheme under which the benefits are Broadly Comparable to those provided under the relevant Statutory Scheme at the date of cessation of participation in the relevant Statutory Scheme, and then on such terms as may be decided by the Authority.
- 11.2 Such Broadly Comparable pension scheme must be:
- (a) established by the date of cessation of participation in the Statutory Scheme;
 - (b) a registered pension scheme for the purposes of Part 4 of the Finance Act 2004;
 - (c) capable of receiving a bulk transfer payment from the relevant Statutory Scheme (where instructed to do so by the Authority);
 - (d) capable of paying a bulk transfer payment to the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (unless otherwise instructed by the Authority); and
 - (e) maintained until such bulk transfer payments have been received or paid (unless otherwise instructed by the Authority).
- 11.3 Where the Supplier has provided a Broadly Comparable pension scheme pursuant to the provisions of this Paragraph 11, the Supplier shall (and shall procure that any of its Sub-contractors shall):
- (a) supply to the Authority details of its (or its Sub-contractor's) Broadly Comparable pension scheme and provide a full copy of the valid certificate of broad comparability (which remains valid as at the date of cessation of participation in the Statutory Scheme) covering all relevant Fair Deal Eligible Employees, as soon as it is able to do so before the cessation of participation in the Statutory Scheme (where possible) and in any event no later than seven (7) days after receipt of the certificate;
 - (b) be fully responsible for all costs, contributions, payments and other amounts relating to the setting up, certification of, ongoing participation in and/or withdrawal and exit from the Broadly Comparable pension scheme, including for the avoidance of doubt any debts arising under section 75 or 75A of the Pensions Act 1995; and

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (c) where required to do so by the Authority, instruct any such Broadly Comparable pension scheme's Actuary to provide all such co-operation and assistance in agreeing a bulk transfer process with the Actuary to the relevant Statutory Scheme and to provide all such co-operation and assistance with any other Actuary appointed by the Authority (where applicable). The Supplier must ensure that day for day and/or pound for pound (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes) credits in the Broadly Comparable pension scheme are provided in respect of any Fair Deal Employee who consents to such a transfer from the Statutory Scheme and the Supplier shall be fully responsible for any costs of providing those credits in excess of the bulk transfer payment received by the Broadly Comparable pension scheme; and
 - (d) provide a replacement Broadly Comparable pension scheme in accordance with this Paragraph 11 with immediate effect for those Fair Deal Eligible Employees who are still employed by the Supplier and/or relevant Sub-contractor and are still eligible for New Fair Deal protection in the event that the Supplier and/or Sub-contractor's Broadly Comparable pension scheme is closed to future accrual and/or terminated. The relevant Fair Deal Eligible Employees must be given the option to transfer their accrued benefits from the previous Broadly Comparable pension scheme to the new Broadly Comparable pension scheme on day for day and/or pound for pound terms (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes).
- 11.4 Where the Supplier has provided a Broadly Comparable pension scheme pursuant to the provisions of this Paragraph 11, the Supplier shall (and shall procure that any of its Sub-contractors shall) prior to the termination of this Agreement allow and make all necessary arrangements to effect, in respect of any Fair Deal Eligible Employee that remains eligible for New Fair Deal protection, following a Service Transfer, the bulk transfer of past service from any such Broadly Comparable pension scheme into the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable). The bulk transfer terms provided shall be sufficient to secure day for day and/or pound for pound credits (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes) in the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable). For the avoidance of doubt, should the amount offered by the Broadly Comparable pension scheme be less than the amount required by the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) to fund the required credits ("the Shortfall"), the Supplier or the Sub-contractor (as agreed between them) must pay the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable) the Shortfall as required, provided that in the absence of any agreement between the Supplier and any Sub-contractor, the Shortfall shall be paid by the Supplier. The Supplier shall indemnify the Authority or the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (as the Authority directs) for any failure to pay the Shortfall under this Paragraph.
- 12 RIGHT OF SET-OFF**
- 12.1 The Authority shall have a right to set off against any payments due to the Supplier under this Agreement an amount equal to:

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (a) any unpaid employer's contributions or employee's contributions or any other financial obligations under the CSPA or any CSPA Admission Agreement in respect of the CSPA Eligible Employees whether due from the Supplier or from any relevant Sub-contractor or due from any third party under any indemnity, bond or guarantee;
- (b) any unpaid employer's contributions or employee's contributions or any other financial obligations under the NHSPA or any Direction Letter/Determination in respect of the NHSPA Eligible Employees whether due from the Supplier or from any relevant Sub-contractor or due from any third party under any indemnity, bond or guarantee; or
- (c) any unpaid employer's contributions or employee's contributions or any other financial obligations under the LGPS or any LGPS Admission Agreement in respect of the LGPS Eligible Employees whether due from the Supplier or from any relevant Sub-contractor or due from any third party under any indemnity, bond or guarantee;

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

- 12.2 The Authority shall also have a right to set off against any payments due to the Supplier under this Agreement all reasonable costs and expenses incurred by the Authority as result of Paragraphs 12.1 above.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

ANNEX D1 | CSPA

1 DEFINITIONS

- 1.1. In this Annex D1: CSPA to Part D: Pensions, the following words have the following meanings:

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

2 FUTURE SERVICE BENEFITS

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

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- 2.2. If the Supplier and/or any of its Sub-contractors enters into a CSPA Admission Agreement in accordance with Paragraph 2.1 but the CSPA Admission Agreement is terminated during the term of this Agreement for any reason at a time when the Supplier or Sub-contractor still employs any CSPA Eligible Employees, the Supplier shall (and procure that its Sub-contractors shall) at no extra cost to the Authority, offer the remaining CSPA Eligible Employees membership of a pension scheme which is Broadly Comparable to the CSPA on the date those CSPA Eligible Employees ceased to participate in the CSPA in accordance with the provisions of Paragraph 11 of Part D.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

ANNEX D2 | NHSPS

1 DEFINITIONS

1.1 In this **Annex D2: NHSPS to Part D: Pensions**, the following words have the following meanings:

"Direction Letter/Determination"

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

"NHS Broadly Comparable Employees"

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

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

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

"NHSPS Eligible Employees"

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

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

"NHSPS Fair Deal Employees"

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

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

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

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

"NHS Body"

has the meaning given to it in section 275 of the National Health Service Act 2006 as amended by section 138(2)(c) of Schedule 4 to the Health and Social Care Act 2012;

"NHS Pensions"

NHS Pensions as the administrators of the NHSPS or such other body as may from time to time be responsible for relevant administrative functions of the NHSPS;

"NHSPS"

the National Health Service Pension Scheme for England and Wales, established pursuant to the Superannuation Act 1972 and the Public Service

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

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

3 MEMBERSHIP OF THE NHSPS

- 3.1. In accordance with New Fair Deal, the Supplier and/or any of its Sub-contractors to which the employment of any NHSPS Fair Deal Employee compulsorily transfers as a result of either the award of this Agreement or a Relevant Transfer, if not an NHS Body or other employer which participates automatically in the NHSPS, shall each secure a Direction Letter/Determination to enable the NHSPS Fair Deal Employees to retain either continuous active membership of or eligibility for the NHSPS for so long as they remain employed in connection with the delivery of the Services under this Agreement.
- 3.2. Where it is not possible for the Supplier and/or any of its Sub-contractors to secure a Direction Letter/Determination on or before the Relevant Transfer Date, the Supplier must secure a Direction Letter/Determination as soon as possible after the Relevant Transfer Date, and in the period between the Relevant Transfer Date and the date the Direction Letter/Determination is secure, the Provider must ensure that:
 - (a) all employer's and NHSPS Fair Deal Employees' contributions intended to go to the NHSPS are kept in a separate bank account; and

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (b) the Pension Benefits and Premature Retirement Rights of NHSPS Fair Deal Employees are not adversely affected.
- 3.3. The Supplier must supply to the Authority a complete copy of each Direction Letter/Determination within five (5) Working Days of receipt of the Direction Letter/Determination.
- 3.4. The Supplier must ensure (and procure that each of its Sub-contractors (if any) ensures) that all of its NHSPS Fair Deal Employees have a contractual right to continuous active membership of or eligibility for the NHSPS for so long as they have a right to membership or eligibility of that scheme under the terms of the Direction Letter/Determination.
- 3.5. The Supplier will (and will procure that its Sub-contractors (if any) will) comply with the terms of the Direction Letter/Determination, the NHS Pension Scheme Regulations (including any terms which change as a result of Changes in Law) and any relevant policy issued by the Department of Health and Social Care in respect of the NHSPS Fair Deal Employees for so long as it remains bound by the terms of any such Direction Letter/Determination.
- 3.6. Where any employee omitted from the Direction Letter/Determination supplied in accordance with Paragraph 2.3 of this Annex are subsequently found to be an NHSPS Fair Deal Employee, the Supplier will (and will procure that its Sub-contractors (if any) will) treat that person as if they had been an NHSPS Fair Deal Employee from the Relevant Transfer Date so that their Pension Benefits and NHS Premature Retirement Rights are not adversely affected.
- 3.7. The Supplier will (and will procure that its Sub-contractors (if any) will) provide any indemnity, bond or guarantee required by NHS Pensions in relation to a Direction Letter/Determination.

4 NHS PREMATURE RETIREMENT RIGHTS

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

5 NHS BROADLY COMPARABLE EMPLOYEES

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

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

6 BREACH AND CANCELLATION OF ANY DIRECTION LETTER/DETERMINATION(S)

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

7 COMPENSATION

- 7.1. If the Supplier (or its Sub-contractor, if relevant) is unable to provide the NHSPS Fair Deal Employees with either membership of:
- (a) the NHSPS (having used its best endeavours to secure a Direction Letter/Determination); or
 - (b) a Broadly Comparable pension scheme,
- the Authority may in its sole discretion permit the Supplier (or any of its Sub-contractors) to compensate the NHSPS Fair Deal Employees in a manner that is Broadly Comparable or equivalent in cash terms, the Supplier (or Sub-contractor as relevant) having consulted with a view to reaching agreement with any recognised trade union or, in the absence of such body, the NHSPS Fair Deal Employees. The Supplier must meet (or must procure that the relevant Sub-contractor meets) the costs of the Authority determining whether the level of compensation offered is reasonable in the circumstances.
- 7.2. This flexibility for the Authority to allow compensation in place of Pension Benefits is in addition to and not instead of the Authority's right to terminate the Agreement under Paragraph 7 (Breach) of Part D of this Schedule.

8 SUPPLIER INDEMNITIES

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

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

ANNEX D3 | LGPS

1 DEFINITIONS

1.1 In this Annex D3: LGPS to Part D: Pensions, the following words have the following meanings:

"2013 Regulations"	the Local Government Pension Scheme Regulations 2013 (SI 2013/2356) (as amended from time to time);
"Administering Authority"	in relation to the Fund [insert name] , the relevant administering authority of that Fund for the purposes of the 2013 Regulations;
"Fund Actuary"	the actuary to a Fund appointed by the Administering Authority of the Fund;
"Fund"	[insert name], a pension fund within the LGPS;
["Initial Contribution Rate"]	[XX %] of pensionable pay (as defined in the 2013 Regulations);]
"LGPS"	the Local Government Pension Scheme as governed by the LGPS Regulations, and any other regulations (in each case as amended from time to time) which are from time to time applicable to the Local Government Pension Scheme;
"LGPS Admission Agreement"	an admission agreement within the meaning in Schedule 1 of the 2013 Regulations;
"LGPS Admission Body"	an admission body (within the meaning of Part 3 of Schedule 2 of the 2013 Regulations);
"LGPS Eligible Employees"	any LGPS Fair Deal Employee who at the relevant time is an active member or eligible to participate in the LGPS under an LGPS Admission Agreement;
"LGPS Fair Deal Employees"	any Fair Deal Employee who at the Relevant Transfer Date is or becomes entitled to protection in respect of the LGPS or a pension scheme that is Broadly Comparable to the LGPS in accordance with the provisions in accordance with the provisions of New Fair Deal and/or the Best Value Direction; and
"LGPS Regulations"	the 2013 Regulations and The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (SI 2014/525), and any other regulations (in each case as amended from time

OFFICIAL - SENSITIVE - COMMERCIAL**HMRC Standard Goods and Services Model Contract**

to time) which are from time to time applicable to the LGPS.

2 SUPPLIER TO BECOME AN LGPS ADMISSION BODY

- 2.1 In accordance with the principles of New Fair Deal and/or the Best Value Direction, the Supplier and/or any of its Sub-contractors to which the employment of any LGPS Fair Deal Employee compulsorily transfers as a result of either the award of this Agreement or a Relevant Transfer, if not a scheme employer which participates automatically in the LGPS, shall each become an LGPS Admission Body by entering into an LGPS Admission Agreement on or before the Relevant Transfer Date to enable the LGPS Fair Deal Employees to retain either continuous active membership of or eligibility for the LGPS on and from the Relevant Transfer Date for so long as they remain employed in connection with the delivery of the Services under this Agreement.
- 2.2 Any LGPS Fair Deal Employees who:
- (a) were active members of the LGPS (or a Broadly Comparable pension scheme) immediately before the Relevant Transfer Date shall be admitted to the LGPS with effect on and from the Relevant Transfer Date; and
 - (b) were eligible to join the LGPS (or a Broadly Comparable pension scheme) but were not active members of the LGPS (or a Broadly Comparable pension scheme) immediately before the Relevant Transfer Date shall retain the ability to join the LGPS on or after the Relevant Transfer Date if they wish to do so.
- 2.3 The Supplier will (and will procure that its Sub-contractors (if any) will) provide at its own cost any indemnity, bond or guarantee required by an Administering Authority in relation to an LGPS Admission Agreement.

3 BROADLY COMPARABLE SCHEME

- 3.1 If the Supplier and/or any of its Sub-contractors is unable to obtain an LGPS Admission Agreement in accordance with Paragraph 2.1 because the Administering Authority will not allow it to participate in the Fund, the Supplier shall (and procure that its Sub-contractors shall), with effect from the Relevant Transfer Date, offer the LGPS Fair Deal Employees membership of a pension scheme which is Broadly Comparable to LGPS on the Relevant Transfer Date in accordance with the provisions of Paragraph 10 of Part D.
- 3.2 If the Supplier and/or any of its Sub-contractors becomes an LGPS Admission Body in accordance with Paragraph 2.1 but the LGPS Admission Agreement is terminated during the term of this Agreement for any reason at a time when the Supplier or Sub-contractors still employs any LGPS Eligible Employees, the Supplier shall (and procure that its Sub-contractors shall) at no extra cost to the Authority, offer the remaining LGPS Eligible Employees membership of a pension scheme which is Broadly Comparable to the LGPS on the date the LGPS Eligible Employees ceased to participate in the LGPS in accordance with the provisions of Paragraph 11 of Part D.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

4 DISCRETIONARY BENEFITS

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

5 LGPS RISK SHARING

- 5.1 Subject to Paragraphs 5.4 to 5.10, if at any time during the term of this Agreement the Administering Authority, pursuant to the LGPS Admission Agreement or the LGPS Regulations, requires the Supplier or any Sub-contractor to pay employer contributions or other payments to the Fund in aggregate in excess of the Initial Contribution Rate, the excess of employer contributions above the Initial Contribution Rate for a Contract Year (the “**Excess Amount**”) shall be paid by the Supplier or the Sub-contractor, as the case may be, and the Supplier shall be reimbursed by the Authority.

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

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

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

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

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

- (a) any employer contributions relating to the costs of early retirement benefits arising on redundancy or as a result of business efficiency under Regulation 30(7) of the 2013 Regulations or otherwise;
- (b) any payment of Fund benefits to active members on the grounds of ill health or infirmity of mind or body under Regulation 35 of the 2013 Regulations or otherwise;
- (c) any payment of Fund benefits to deferred or deferred pensioner members on the grounds of ill health or infirmity of mind or body under Regulation 38 of the 2013 Regulations or otherwise;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (d) any employer contributions relating to the costs of early or flexible retirement where the actuarial reduction is waived in whole or in part or a cost neutral reduction is not applied with the consent of the Supplier or any relevant Sub-contractor including without limitation any decision made under Regulation 30(8) of the 2013 Regulations or Schedule 2 of The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014;
 - (e) any employer contributions relating to the costs of enhanced benefits made at the discretion of the Supplier or any relevant Sub-contractors including without limitation additional pension awarded under Regulation 31 of the 2013 Regulations or otherwise;
 - (f) any increase to the employer contribution rate resulting from the award of pay increases by the Supplier or relevant Sub-contractors in respect of all or any of the LGPS Eligible Employees in excess of the pay increases assumed in the Fund's most recent actuarial valuation (unless the Supplier and/or any Sub-contractor is contractually bound to provide such increases on the Relevant Transfer Date);
 - (g) to the extent not covered above, any other costs arising out of or in connection with the exercise of any discretion or the grant of any consent under the LGPS Regulations by the Supplier or any relevant Sub-contractors where a member does not have an absolute entitlement to that benefit under the LGPS;
 - (h) any cost of the administration of the Fund that are not met through the Supplier's or Sub-contractor's employer contribution rate, including without limitation an amount specified in a notice given by the Administering Authority under Regulation 70 of the 2013 Regulations;
 - (i) the costs of any reports and advice requested by or arising from an instruction given by the Supplier or a Sub-contractor from the Fund Actuary; and/or
 - (j) any interest payable under the 2013 Regulations or LGPS Administration Agreement.
- 5.5 For the purposes of calculating any Exit Payment, Excess Amount or Refund Amount, any part of such an amount which is attributable to any costs which the Supplier or Sub-contractors are responsible for in accordance with Paragraph 5.4 above shall be disregarded and excluded from the calculation. In the event of any dispute as to level of any cost that should be excluded from the calculation, the opinion of the Fund Actuary shall be final and binding.
- 5.6 Where the Administering Authority obtains an actuarial valuation and a revised rates and adjustment certificate under the LGPS Regulations and/or the terms of the LGPS Admission Agreement when the LGPS Admission Agreement ceases to have effect and the Supplier or any Sub-contractor receives payment of an exit credit payment under Regulation 64(2) of the 2013 Regulations (the "Exit Credit"), the Supplier shall (or procure that any Sub-contractor shall) reimburse the Authority an amount equal to the Exit Credit within twenty (20) Working Days of receipt of the Exit Credit.
- 5.7 The Supplier shall (or procure that the Sub-contractor shall) notify the Authority in writing within twenty (20) Working Days:

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

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

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

PART E: EMPLOYMENT EXIT PROVISIONS**1 PRE-SERVICE TRANSFER OBLIGATIONS**

1.1 The Supplier agrees that within twenty (20) Working Days of the earliest of:

- (a) receipt of a notification from the Authority of a Service Transfer or intended Service Transfer;
- (b) receipt of the giving of notice of early termination or any Partial Termination of this Agreement;
- (c) the date which is 12 months before the end of the Term; or
- (d) receipt of a written request of the Authority at any time (provided that the Authority shall only be entitled to make one such request in any 6 month period),

it shall provide in a suitably anonymised format so as to comply with the DPA, the Supplier's Provisional Supplier Personnel List, together with the Staffing Information in relation to the Supplier's Provisional Supplier Personnel List and it shall provide an updated Supplier's Provisional Supplier Personnel List at such intervals as are reasonably requested by the Authority.

1.2 At least twenty (20) Working Days prior to the Service Transfer Date, the Supplier shall provide to the Authority or at the direction of the Authority to any Replacement Supplier and/or any Replacement Sub-contractor:

- (a) the Supplier's Final Supplier Personnel List, which shall identify which of the Supplier Personnel are Transferring Supplier Employees; and
- (b) the Staffing Information in relation to the Supplier's Final Supplier Personnel List (insofar as such information has not previously been provided).

1.3 The Authority shall be permitted to use and disclose information provided by the Supplier under Paragraphs 1.1 and 1.2 for the purpose of informing any prospective Replacement Supplier and/or Replacement Sub-contractor.

1.4 The Supplier warrants, for the benefit of the Authority, any Replacement Supplier, and any Replacement Sub-contractor that all information provided pursuant to Paragraphs 1.1 and 1.2 shall be true and accurate in all material respects at the time of providing the information.

1.5 From the date of the earliest event referred to in Paragraph 1.1(a), 1.1(b) and 1.1(c), the Supplier agrees, that it shall not, and agrees to procure that each Sub-contractor shall not, assign any person to the provision of the Services who is not listed on the Supplier's Provisional Supplier Personnel List and shall not without the approval of the Authority (not to be unreasonably withheld or delayed):

- (a) replace or re-deploy any Supplier Personnel listed on the Supplier Provisional Supplier Personnel List other than where any replacement is of equivalent grade, skills, experience and expertise and is employed on the same terms and conditions of employment as the person he/she replaces;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

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

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

1.6 During the Term, the Supplier shall provide, and shall procure that each Sub-contractor shall provide, to the Authority any information the Authority may reasonably require relating to the manner in which the Services are organised, which shall include:

- (a) the numbers of employees engaged in providing the Services;
- (b) the percentage of time spent by each employee engaged in providing the Services;
- (c) the extent to which each employee qualifies for membership of any of the Schemes or any broadly comparable scheme set up pursuant to the provisions of an of the Annexes to Part D (Pensions) of this Schedule 9.1 (Staff Transfer)(as appropriate); and
- (d) a description of the nature of the work undertaken by each employee by location.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- 1.7 The Supplier shall provide, and shall procure that each Sub-contractor shall provide, all reasonable cooperation and assistance to the Authority, any Replacement Supplier and/or any Replacement Sub-contractor to ensure the smooth transfer of the Transferring Supplier Employees on the Service Transfer Date including providing sufficient information in advance of the Service Transfer Date to ensure that all necessary payroll arrangements can be made to enable the Transferring Supplier Employees to be paid as appropriate. Without prejudice to the generality of the foregoing, within five (5) Working Days following the Service Transfer Date, the Supplier shall provide, and shall procure that each Sub-contractor shall provide, to the Authority or, at the direction of the Authority, to any Replacement Supplier and/or any Replacement Sub-contractor (as appropriate), in respect of each person on the Supplier's Final Supplier Personnel List who is a Transferring Supplier Employee:
- (a) the most recent month's copy pay slip data;
 - (b) details of cumulative pay for tax and pension purposes;
 - (c) details of cumulative tax paid;
 - (d) tax code;
 - (e) details of any voluntary deductions from pay; and
 - (f) bank/building society account details for payroll purposes.

2 EMPLOYMENT REGULATIONS EXIT PROVISIONS

- 2.1 The Authority and the Supplier acknowledge that subsequent to the commencement of the provision of the Services, the identity of the provider of the Services (or any part of the Services) may change (whether as a result of termination or Partial Termination of this Agreement or otherwise) resulting in the Services being undertaken by a Replacement Supplier and/or a Replacement Sub-contractor. Such change in the identity of the supplier of such services may constitute a Relevant Transfer to which the Employment Regulations and/or the Acquired Rights Directive will apply. The Authority and the Supplier further agree that, as a result of the operation of the Employment Regulations, where a Relevant Transfer occurs, the contracts of employment between the Supplier and the Transferring Supplier Employees (except in relation to any contract terms disapplied through operation of regulation 10 of the Employment Regulations) will have effect on and from the Service Transfer Date as if originally made between the Replacement Supplier and/or a Replacement Sub-contractor (as the case may be) and each such Transferring Supplier Employee.
- 2.2 The Supplier shall, and shall procure that each Sub-contractor shall, comply with all its obligations in respect of the Transferring Supplier Employees arising under the Employment Regulations in respect of the period up to (and including) the Service Transfer Date and shall perform and discharge, and procure that each Sub-contractor shall perform and discharge, all its obligations in respect of all the Transferring Supplier Employees arising in respect of the period up to (and including) the Service Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions and all such sums due as a result of any Fair Deal Employees' participation in the Statutory

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

Schemes which in any case are attributable in whole or in part to the period ending on (and including) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between: (i) the Supplier and/or the Sub-contractor (as appropriate); and (ii) the Replacement Supplier and/or Replacement Sub-contractor.

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

- (a) any act or omission of the Supplier or any Sub-contractor in respect of any Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee whether occurring before, on or after the Service Transfer Date;
- (b) the breach or non-observance by the Supplier or any Sub-contractor occurring on or before the Service Transfer Date of:
 - (i) any collective agreement applicable to the Transferring Supplier Employees; and/or
 - (ii) any other custom or practice with a trade union or staff association in respect of any Transferring Supplier Employees which the Supplier or any Sub-contractor is contractually bound to honour;
- (c) any claim by any trade union or other body or person representing any Transferring Supplier Employees arising from or connected with any failure by the Supplier or a Sub-contractor to comply with any legal obligation to such trade union, body or person arising on or before the Service Transfer Date;
- (d) any proceeding, claim or demand by the Authority or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
 - (i) in relation to any Transferring Supplier Employee, to the extent that the proceeding, claim or demand by the Authority or other statutory authority relates to financial obligations arising on and before the Service Transfer Date; and
 - (ii) in relation to any employee who is not identified in the Supplier's Final Supplier Personnel List, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Supplier to the Authority and/or Replacement Supplier and/or any Replacement Sub-contractor, to the extent that the proceeding, claim or demand by the Authority or other statutory authority relates to financial obligations arising on or before the Service Transfer Date;
- (e) a failure of the Supplier or any Sub-contractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Supplier Employees in respect of the period up to (and including) the Service Transfer Date;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (f) any claim made by or in respect of any person employed or formerly employed by the Supplier or any Sub-contractor other than a Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List for whom it is alleged the Authority and/or the Replacement Supplier and/or any Replacement Sub-contractor may be liable by virtue of this Agreement and/or the Employment Regulations and/or the Acquired Rights Directive; and
 - (g) any claim made by or in respect of a Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee relating to any act or omission of the Supplier or any Sub-contractor in relation to its obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the failure by the Authority and/or Replacement Supplier to comply with regulation 13(4) of the Employment Regulations.
- 2.4 The indemnities in Paragraph 2.3 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Replacement Supplier and/or any Replacement Sub-contractor whether occurring or having its origin before, on or after the Service Transfer Date, including any Employee Liabilities:
- (a) arising out of the resignation of any Transferring Supplier Employee before the Service Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Replacement Supplier and/or any Replacement Sub-contractor to occur in the period on or after the Service Transfer Date; or
 - (b) arising from the Replacement Supplier's failure, and/or Replacement Sub-contractor's failure, to comply with its obligations under the Employment Regulations.
- 2.5 If any person who is not identified in the Supplier's Final Supplier Personnel List claims, or it is determined in relation to any person who is not identified in the Supplier's Final Supplier Personnel List that his/her contract of employment has been transferred from the Supplier or any Sub-contractor to the Replacement Supplier and/or Replacement Sub-contractor pursuant to the Employment Regulations or the Acquired Rights Directive, then:
- (a) the Authority shall procure that the Replacement Supplier shall, or any Replacement Sub-contractor shall, within five (5) Working Days of becoming aware of that fact, give notice in writing to the Supplier; and
 - (b) the Supplier may offer (or may procure that a Sub-contractor may offer) employment to such person within fifteen (15) Working Days of the notification by the Replacement Supplier and/or any and/or Replacement Sub-contractor or take such other reasonable steps as it considers appropriate to deal with the matter provided always that such steps are in compliance with Law.
- 2.6 If such offer is accepted, or if the situation has otherwise been resolved by the Supplier or a Sub-contractor, the Authority shall procure that the Replacement Supplier shall, or procure that the Replacement Sub-contractor shall, immediately release or procure the release of the person from his/her employment or alleged employment.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

2.7 If after the fifteen (15) Working Day period specified in Paragraph 2.5(b) has elapsed:

- (a) no such offer of employment has been made;
- (b) such offer has been made but not accepted; or
- (c) the situation has not otherwise been resolved

the Replacement Supplier and/or Replacement Sub-contractor, as appropriate may within five (5) Working Days give notice to terminate the employment or alleged employment of such person.

2.8 Subject to the Replacement Supplier and/or Replacement Sub-contractor acting in accordance with the provisions of Paragraphs 2.5 to 2.7, and in accordance with all applicable proper employment procedures set out in applicable Law, the Supplier shall indemnify the Replacement Supplier and/or Replacement Sub-contractor against all Employee Liabilities arising out of the termination of employment pursuant to the provisions of Paragraph 2.7 provided that the Replacement Supplier takes, or shall procure that the Replacement Sub-contractor takes, all reasonable steps to minimise any such Employee Liabilities.

2.9 The indemnity in Paragraph 2.8:

- (a) shall not apply to:
 - (i) any claim for:
 - (A) discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or
 - (B) equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,

in any case in relation to any alleged act or omission of the Replacement Supplier and/or Replacement Sub-contractor; or
 - (ii) any claim that the termination of employment was unfair because the Replacement Supplier and/or Replacement Sub-contractor neglected to follow a fair dismissal procedure; and
- (b) shall apply only where the notification referred to in Paragraph 2.5(a) is made by the Replacement Supplier and/or Replacement Sub-contractor to the Supplier within 6 months of the Service Transfer Date.

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

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- 2.11 The Supplier shall comply, and shall procure that each Sub-contractor shall comply, with all its obligations under the Employment Regulations and shall perform and discharge, and shall procure that each Sub-contractor shall perform and discharge, all its obligations in respect of any person identified in the Supplier's Final Supplier Personnel List before and on the Service Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions and such sums due as a result of any Fair Deal Employees' participation in the Schemes and any requirement to set up a broadly comparable pension scheme which in any case are attributable in whole or in part in respect of the period up to (and including) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between:
- (a) the Supplier and/or any Sub-contractor; and
 - (b) the Replacement Supplier and/or the Replacement Sub-contractor.
- 2.12 The Supplier shall, and shall procure that each Sub-contractor shall, promptly provide to the Authority and any Replacement Supplier and/or Replacement Sub-contractor, in writing such information as is necessary to enable the Authority, the Replacement Supplier and/or Replacement Sub-contractor to carry out their respective duties under regulation 13 of the Employment Regulations. The Authority shall procure that the Replacement Supplier and/or Replacement Sub-contractor, shall promptly provide to the Supplier and each Sub-contractor in writing such information as is necessary to enable the Supplier and each Sub-contractor to carry out their respective duties under regulation 13 of the Employment Regulations.
- 2.13 Subject to Paragraph 2.14, the Authority shall procure that the Replacement Supplier indemnifies the Supplier on its own behalf and on behalf of any Replacement Sub-contractor and its sub-contractors against any Employee Liabilities arising from or as a result of:
- (a) any act or omission of the Replacement Supplier and/or Replacement Sub-contractor in respect of any Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List or any appropriate employee representative (as defined in the Employment Regulations) of any such Transferring Supplier Employee;
 - (b) the breach or non-observance by the Replacement Supplier and/or Replacement Sub-contractor on or after the Service Transfer Date of:
 - (i) any collective agreement applicable to the Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List; and/or
 - (ii) any custom or practice in respect of any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List which the Replacement Supplier and/or Replacement Sub-contractor is contractually bound to honour;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (c) any claim by any trade union or other body or person representing any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List arising from or connected with any failure by the Replacement Supplier and/or Replacement Sub-contractor to comply with any legal obligation to such trade union, body or person arising on or after the Service Transfer Date;
- (d) any proposal by the Replacement Supplier and/or Replacement Sub-contractor to change the terms and conditions of employment or working conditions of any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List on or after their transfer to the Replacement Supplier or Replacement Sub-contractor (as the case may be) on the Service Transfer Date, or to change the terms and conditions of employment or working conditions of any person identified in the Supplier's Final Supplier Personnel List who would have been a Transferring Supplier Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Service Transfer Date as a result of or for a reason connected to such proposed changes;
- (e) any statement communicated to or action undertaken by the Replacement Supplier or Replacement Sub-contractor to, or in respect of, any Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List on or before the Service Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Supplier in writing;
- (f) any proceeding, claim or demand by the Authority or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
 - (i) in relation to any Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List, to the extent that the proceeding, claim or demand by the Authority or other statutory authority relates to financial obligations arising after the Service Transfer Date; and
 - (ii) in relation to any employee who is not a Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Supplier or Sub-contractor, to the Replacement Supplier or Replacement Sub-contractor to the extent that the proceeding, claim or demand by the Authority or other statutory authority relates to financial obligations arising after the Service Transfer Date;
- (g) a failure of the Replacement Supplier or Replacement Sub-contractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List in respect of the period from (and including) the Service Transfer Date; and

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (h) any claim made by or in respect of a Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List or any appropriate employee representative (as defined in the Employment Regulations) of any such Transferring Supplier Employee relating to any act or omission of the Replacement Supplier or Replacement Sub-contractor in relation to obligations under regulation 13 of the Employment Regulations.

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

3 STRANDED REDUNDANCY COSTS ON EXIT

New Definitions:

Stranded Redundancy Costs means the liabilities set out in Paragraph 3.2 of Part E to this Schedule 9.1.

Supplier Services Employee means an employee of the Supplier and any Sub-Contractor who was assigned to the Services (or a part of the Services) for the purposes of the Employment Regulations immediately before the expiry of the Term and where such employee either:

- (i) transferred to the Supplier (or Sub-contractor) in accordance with the Employment Regulations as a Transferring Former Supplier Employee for the purposes of Part B of this Schedule 9.1 and was included in the final staffing information provided by the Former Suppliers during Mobilisation; or
- (ii) where the Supplier (or Sub-contractor) is a Former Supplier, has been continuously employed by the Supplier (or Sub-contractor) since before the Operational Service Commencement Date and assigned to the Services or services that are the same as or substantially similar to the Services (or any part of the Services) for the purposes of the Employment Regulations.

- 3.1 The Authority shall indemnify the Supplier and any Sub-contractor against any Stranded Redundancy Costs relating to a Supplier Services Employee which arises as a result of:

- (a) the expiry of the Term leading to a change in the identity of the provider of the Services (or a part of the Services), where the Authority and the Supplier agrees (acting reasonably and in good faith) that it does not constitute a Relevant Transfer in respect of the Services (or part of the Services); or
- (b) the expiry of the Term in circumstances where there shall be no Replacement Supplier and/or Replacement Services such that the Authority and the Supplier agree (acting reasonably and in good faith) that the Employment Regulations do not apply.

- 3.2 The Stranded Redundancy Costs shall be comprised of the aggregate of:

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (a) statutory redundancy payments (as defined and calculated in accordance with section 162 Employment Rights Act 1996); and
- (b) any enhanced redundancy payment (excluding any liability or any other payment payable to or in respect of the Supplier Services Employee arising from or in relation to early retirement) under a contractual enhanced redundancy scheme in place at the Operational Service Commencement Date,

made by the Supplier and any Sub-contractor to any relevant Supplier Services Employee in respect of the termination of their employment by reason of redundancy (as defined in S139 of the Employment Rights Act 1996) in relation to their continuous service up to the date of such redundancy dismissal.

3.3 The Stranded Redundancy Costs shall exclude any other liability incurred by the Supplier and any Sub-contractor, including but not limited to:

- (a) any claim in respect of discrimination of any type, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief;
- (b) any claim in respect of equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,
- (c) any claim in respect of holiday pay;
- (d) any claim in respect of any contractual benefit;
- (e) any claim in relation to any alleged act or omission of the Supplier and/or any Sub-contractor;
- (f) any claim that the termination of employment was unfair because the Supplier and/or any Sub-contractor neglected to follow a fair dismissal procedure; or
- (g) any claim in respect of a failure by the Supplier and/or any Sub-contractor to comply with all relevant statutory obligations in relation to redundancy (including, but not limited to, any collective obligations under section 188 of the Trade Union & Labour Relations (Consolidations) Act 1992).

3.4 The Stranded Redundancy Costs will be capped at £1m (One Million pounds) in aggregate with respect to the Supplier and any Sub-contractor.

3.5 Payment by the Authority of Stranded Redundancy Costs shall be strictly subject to and conditional on the Supplier and any Sub-contractor demonstrating to the Authority's satisfaction (acting reasonably and in good faith) that, in respect of the Stranded Redundancy Costs:

- (a) that all the employees in respect of whom Stranded Redundancy Costs are claimed were at all times a genuine Supplier Services Employee;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (b) that all the employees in respect of whom Stranded Redundancy Costs are claimed were assigned to the Services (or a part of the Services) for the purposes of the Employment Regulations immediately before the expiry of the Term and included in the Supplier's Provisional Supplier Personnel List (if applicable);
 - (c) the effective date of termination of employment of the relevant Supplier Services Employee in respect of whom Stranded Redundancy Costs are claimed is or was within the three (3) month period immediately following expiry of the Term;
 - (d) redundancy as defined in S139 of the Employment Rights Act 1996 is or was the genuine primary reason for dismissal of the relevant Supplier Services Employee;
 - (e) the Supplier or Sub-contractor as the case may be has complied with all relevant statutory obligations which are imposed on an employer in relation to redundancy (including, but not limited to, any collective obligations under section 188 of the Trade Union & Labour Relations (Consolidation) Act 1992 and requirements of fairness and reasonableness under the Employment Rights Act 1996); and
 - (f) the Supplier or Sub-contractor as the case may be has used best endeavours to mitigate the Stranded Redundancy Costs, including, but not limited to, using reasonable endeavours to redeploy any Supplier Services Employees.
- 3.6 Payments from the Authority pursuant to Paragraph 3.1 shall be payable to the Supplier and any Sub-contractor within thirty (30) days after issuance of a written demand by the Supplier and any Sub-contractor for such amount subject to:
- (a) the Supplier and any Sub-contractor having provided sufficient information to the Authority to verify to the reasonable satisfaction of the Authority compliance with Paragraphs 3.4 and 3.5; and
 - (b) that the written demand is received within the six (6) month period immediately following the expiry of the Term.
- 3.7 In the event that it is determined that the expiry of the Term constituted a Relevant Transfer with respect to some or all of the Supplier Services Employees, the Supplier will reimburse the Authority for any Stranded Redundancy Costs paid in respect of those Supplier Services Employees who have transferred pursuant to the Employment Regulations and/or the Acquired Rights Directive.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

ANNEX E1: LIST OF NOTIFIED SUB-CONTRACTORS

[REDACTED]

ANNEX E2: STAFFING INFORMATION

EMPLOYEE INFORMATION (ANONYMISED)

Name of Transferor:

Number of Employees in-scope to transfer:

Completion notes

1. *If you have any Key Sub-contractors, please complete all the above information for any staff employed by such Key Sub-contractor(s) in a separate spreadsheet.*
2. *This spreadsheet is used to collect information from the current employer (transferor) about employees performing the relevant services to help plan for a potential TUPE transfer. Some or all of this information may be disclosed to bidders as part of a procurement process. The information should not reveal the employees' identities.*
3. *If the information cannot be included on this form, attach the additional information, such as relevant policies, and cross reference to the item number and employee number where appropriate.*

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

EMPLOYEE DETAILS & KEY TERMS								
Details	Job Title	Grade / band	Work Location	Age	Employment status (for example, employee, fixed-term employee, self-employed, agency worker)?	Continuous service date (dd/mm/yy)	Date employment started with existing employer	
Emp No 1								
Emp No 2								
Emp No								
Emp No								
Emp No								
Emp No								
Emp No								
Emp No								

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

EMPLOYEE DETAILS & KEY TERMS							
Details	Contract end date (if fixed term contract or temporary contract)	Contractual notice period	Contractual weekly hours	Regular overtime hours per week	Mobility or flexibility clause in contract?	Previously TUPE transferred to organisation? If so, please specify (i) date of transfer, (ii) name of transferor, and (iii) whether ex public sector	Any collective agreements?
Emp No 1							
Emp No 2							
Emp No							
Emp No							
Emp No							
Emp No							
Emp No							

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

CONTRACTUAL PAY AND BENEFITS		ASSIGNMENT	Salary (or hourly rate of pay)	Payment interval (weekly / fortnightly / monthly)	Bonus payment for previous 12 months (please specify whether contractual or discretionary entitlement)	Pay review method	Frequency of pay reviews	Agreed pay increases	Next pay review date
Details	% of working time dedicated to the provision of services under the contract								
Emp No 1									
Emp No 2									
Emp No									
Emp No									
Emp No									
Emp No									
Emp No									

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

	CONTRACTUAL PAY AND BENEFITS							
Details	Any existing or future commitment to training that has a time-off or financial implication	Car allowance (£ per year)	Lease or company car details	Any other allowances paid (e.g. shift allowance, standby allowance, travel allowance)	Private medical insurance (please specify whether single or family cover)	Life assurance (xSalary)	Long Term Disability / PHI (% of Salary)	Any other benefits in kind
Emp No 1								
Emp No 2								
Emp No								
Emp No								
Emp No								
Emp No								
Emp No								

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

Details	CONTRACTUAL PAY AND BENEFITS					
	Annual leave entitlement (excluding bank holidays)	Bank holiday entitlement	Method of calculating holiday pay (i.e. based on fixed salary only or incl. entitlements to variable remuneration such as bonuses, allowances, commission or overtime pay?)	Maternity or paternity or shared parental leave entitlement and pay	Sick leave entitlement and pay	Redundancy pay entitlement (statutory / enhanced / contractual / discretionary)
Emp No 1						
Emp No 2						
Emp No						
Emp No						
Emp No						
Emp No						
Emp No						

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

PENSIONS						
Details	Employee pension contribution rate	Employer pension contribution rate	Please provide the name of the pension scheme and a link to the pension scheme website	Is the scheme an occupational pension scheme as defined in the Pension Schemes Act 1993?	If the scheme is not an occupational pension scheme, what type of scheme is it? E.g. personal pension scheme?	Type of pension provision e.g. defined benefit (CARE or final salary, and whether a public sector scheme e.g. CSPS, NHSPS, LGPS etc. or a broadly comparable scheme) or a defined contribution scheme or an auto enrolment master trust?
Emp No 1						
Emp No 2						
Emp No						
Emp No						
Emp No						
Emp No						
Emp No						

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

PENSIONS						
Details	If the Employee is in the Local Government Pension Scheme, please supply details of Fund and Administering Authority.	If the Employee is in the Civil Service Pension Scheme, please provide details of the Admission Agreement.	If the Employee is in the NHSPS, please provide details of the Direction Letter.	If the Employee is in a broadly comparable pension scheme, please supply a copy of the GAD certificate of Broad Comparability.	Did Fair Deal or any other similar pension protection for ex-public sector employees apply to the employee when they TUPE transferred into your employment? If so, what was the nature of that protection (e.g. right to participate in a public sector pension scheme, or a broadly comparable scheme, or to bulk transfer past pension service into their current scheme)?	If Fair Deal, Best Value or other pension protection applied, which public sector employer did they originally transfer out of and when?
Emp No 1						
Emp No 2						
Emp No						
Emp No						
Emp No						
Emp No						
Emp No						

OFFICIAL - SENSITIVE - COMMERCIAL
HMRC Standard Goods and Services Model Contract

OTHER			
Details	Security Check Level	Security Clearance Expiry date	Additional info or comments
Emp No 1			
Emp No 2			
Emp No			
Emp No			
Emp No			
Emp No			
Emp No			

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

SCHEDULE 9.2

KEY PERSONNEL

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

Key Personnel

1 KEY PERSONNEL

- 1.1 The Supplier shall ensure that the Key Personnel fulfil the Key Roles at all times during the Term.
- 1.2 Paragraph 2 of this Schedule lists the Key Roles and names of the persons who the Supplier shall appoint to fill those Key Roles at the Effective Date.
- 1.3 The Authority may identify any further roles as being Key Roles and, following agreement to the same by the Supplier (such agreement not to be unreasonably withheld or delayed), the relevant person selected to fill those Key Roles shall be deemed to be included on the list of Key Personnel.
- 1.4 The Supplier shall not remove or replace any Key Personnel (including when carrying out Exit Management) unless:
 - (a) requested to do so by the Authority;
 - (b) the person concerned resigns, retires or dies or is on maternity or long term sick leave;
 - (c) the person's employment or contractual arrangement with the Supplier or a Sub contractor is terminated for material breach of contract by the employee; or
 - (d) the Supplier obtains the Authority's prior written consent (such consent not to be unreasonably withheld or delayed).
- 1.5 The Supplier shall:
 - (a) notify the Authority promptly of the absence of any Key Personnel (other than for short-term sickness or holidays of two (2) weeks or less, in which case the Supplier shall ensure appropriate temporary cover for that Key Role);
 - (b) ensure that any Key Role is not vacant for any longer than ten (10) Working Days;
 - (c) give as much notice as is reasonably practicable of its intention to remove or replace any member of Key Personnel and, except in the cases of death, unexpected ill health or a material breach of the Key Personnel's employment contract, this will mean at least sixty (60) Working Days' notice;
 - (d) ensure that all arrangements for planned changes in Key Personnel provide adequate periods during which incoming and outgoing personnel work together to transfer responsibilities and ensure that such change does not have an adverse impact on the performance of the Services; and
 - (e) ensure that any replacement (including any temporary cover pursuant to Paragraph 1.5(a) above) for a Key Role:
 - (i) has a level of qualifications and experience appropriate to the relevant Key Role; and

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

[illegible]

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

[illegible]

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

KEY ROLE	Name of Key Personnel	Responsibilities/Authorities	Phase of the project during which they will be a member of Key Personnel
		<ul style="list-style-type: none"> <ul style="list-style-type: none"> [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] <ul style="list-style-type: none"> [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] <ul style="list-style-type: none"> [REDACTED] [REDACTED] [REDACTED] <ul style="list-style-type: none"> [REDACTED] [REDACTED] [REDACTED] [REDACTED] <ul style="list-style-type: none"> [REDACTED] [REDACTED] [REDACTED] <ul style="list-style-type: none"> [REDACTED] [REDACTED] <ul style="list-style-type: none"> [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] <ul style="list-style-type: none"> [REDACTED] [REDACTED] [REDACTED] <ul style="list-style-type: none"> [REDACTED] [REDACTED] [REDACTED] <ul style="list-style-type: none"> [REDACTED] [REDACTED] [REDACTED] 	

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

KEY ROLE	Name of Key Personnel	Responsibilities/Authorities	Phase of the project during which they will be a member of Key Personnel
		<div>[REDACTED]</div>	
Mobilisation Manager	<div>[REDACTED]</div>	<div>[REDACTED]</div>	Mobilisation phase from contract Award

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

KEY ROLE	Name of Key Personnel	Responsibilities/Authorities	Phase of the project during which they will be a member of Key Personnel
		<p>[REDACTED]</p> <ul style="list-style-type: none"> • [REDACTED] 	

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

KEY ROLE	Name of Key Personnel	Responsibilities/Authorities	Phase of the project during which they will be a member of Key Personnel
		<ul style="list-style-type: none"> • [REDACTED] [REDACTED] [REDACTED] [REDACTED] • [REDACTED] [REDACTED] [REDACTED] [REDACTED] • [REDACTED] [REDACTED] [REDACTED] [REDACTED] • [REDACTED] [REDACTED] [REDACTED] [REDACTED] 	
Social Impact Manager	[REDACTED] [REDACTED]	<ul style="list-style-type: none"> • [REDACTED] [REDACTED] [REDACTED] [REDACTED] • [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] • [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] • [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] 	For the Term of the Agreement from Mobilisation

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

[illegible]

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

[illegible]

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

KEY ROLE	Name of Key Personnel	Responsibilities/Authorities	Phase of the project during which they will be a member of Key Personnel
General Manager - Sevington	[To be agreed within sixty (60) days of the Effective Date]	<ul style="list-style-type: none"> [REDACTED] [REDACTED] [REDACTED] 	Live Operations upon the Operational Service Commencement Date
General Manager - Holyhead	[To be agreed within sixty (60) days of the Effective Date]	<ul style="list-style-type: none"> [REDACTED] [REDACTED] [REDACTED] 	Live Operations upon the Operational Service Commencement Date

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

SCHEDULE 11

SOCIAL VALUE

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

1. DEFINITIONS

In this Schedule, the following definitions shall apply:

“Authority’s Sustainability Requirements”	means the ‘Authority’s Sustainable Development Policy Requirements and Standards’ set out in this Schedule and Annexes 1 to 3 to this Schedule 11 (<i>Social Value</i>);
“Contract Revenue”	means the monetary value (excluding VAT) received through a contract between the Supplier and a Central Government Department or its Arms Length Bodies (ALBs);
“Plan for Growth”	means the Plan for Growth policy paper published by HM Treasury on 20 March 2013 that can be accessed at: Plan for growth (GOV.UK) ;
“Policy Outcome”	means the policy areas identified in the Social Value Model, Social Value Model Policy Outcomes (Government Commercial Function) ;
“Social Value”	means to improve the environmental, social and economic outcomes to maximise benefits to the communities we serve;
“Social Value Model”	means the policies set out in the Social Value Model (GOV.UK) ;
“Social Value Plan”	the social value plan referred to in Paragraph 9.1;
“Social Value Report”	has the meaning given to it in Paragraph 10.1;
“SV Assessment”	has the meaning given to it in Paragraph 11.3;
“Wider Sustainability Aims”	means the wider sustainability aims that the Supplier is encouraged to support where possible as set out in Annex 1 to Schedule 11 (<i>Social Value</i>).

2. INTRODUCTION

- 2.1 HM Government policy requires that Central Government organisations take account of the additional social benefits that can be achieved in the delivery of its contracts, using policy outcomes aligned with HM Government’s priorities.
- 2.2 The public sector must maximise social value effectively and comprehensively through its procurement. Applying social value requirements in procurement activities and subsequent commercial contracts can have a significantly positive impact by broadening the benefits that are delivered.
- 2.3 This Schedule sets out the Social Value standards and principles that will apply to the Agreement.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- 2.4 In this Schedule, unless the contrary intention appears, each capitalised term shall have the meaning set out in Paragraph 1 of this Schedule 11 (*Social Value*).
- 2.5 The Public Services (Social Value) Act 2012 ("[the Social Value Act \(legislation.gov.uk\)](#)") requires the Authority to have regard to economic, social and environmental well-being in connection with public services contracts; and for connected purposes. Where services are contracted out the Authority will place similar obligations on its Suppliers.
- 2.6 The Authority is required to explicitly evaluate and embed Social Value throughout the commissioning lifecycle by adhering to the [Social Value Model \(GOV.UK\)](#). The Authority must also ensure that value for money is delivered for the taxpayer whilst contributing to the Government's [Plan for Growth \(GOV.UK\)](#).

3. SUPPLIER OBLIGATIONS FOR DELIVERING SOCIAL VALUE

- 3.1 The Supplier shall deliver the Services to the Authority in accordance with the [Social Value Act 2012 \(legislation.gov.uk\)](#) and in accordance with its Social Value commitments set out within Schedule 4.1 (*Supplier Solution*) and this Schedule 11 (*Social Value*). The Supplier shall take account of, and comply with, the Authority's Social Value requirements and the Authority's aims, objectives and targets in relation to the Authority's Social Value Strategy set out in this Schedule and within Annexes 1, 2 and 3 including the framework for the [Greening Government Commitments 2021-2025 \(GOV.UK\)](#) policy and any successor arrangements.
- 3.2 The Supplier shall take account of and comply with any future social value legislation, policies, strategies and codes of practice put in place by the Authority and any relevant Government body (in particular Cabinet Office, Department for Environment, Food and Rural Affairs, Department of Business, Energy and Industrial Strategy, Government Property Unit and the Environment Agency).
- 3.3 The Supplier shall advise the Authority on new technologies and approaches which may be beneficial to the Authority in the delivery of Social Value.
- 3.4 Changes to the Supplier's Solution and the Authority Requirements which are necessary to meet changes occurring after the Effective Date to the Authority's Sustainability Requirements and Social Value Aims, Strategy and Model shall be agreed in accordance with Schedule 8.3 (*Change Control Procedure*).

4. PRINCIPLES OF ENVIRONMENTAL SOCIAL VALUE TO FIGHT CLIMATE CHANGE

- 4.1 In delivering the Services the Supplier shall, support the Authority to deliver the Social Value Model Policy Outcome of Effective Stewardship of the Environment.
- 4.2 The Supplier shall seek to avoid any adverse impact upon the environment by setting targets to support the Authority to fulfil its [Greening Government Commitments 2021-2025 \(GOV.UK\)](#) or any successor arrangements and demonstrate contribution towards the [25 Year Environment Plan \(GOV.UK\)](#), [Sustainable Development Goals \(UN\)](#), [Government Buying Standards \(GOV.UK\)](#), [Greening government: ICT and digital services strategy 2020-2025 \(GOV.UK\)](#) and [10 Point Plan for a Green Industrial Revolution \(GOV.UK\)](#) by:
- (a) recycling waste and reducing the amount of waste generated and going to landfill;

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (b) reducing the consumption of water and energy and enhancing energy and water efficiency;
- (c) reducing the use of single use plastics and increasing the use of durable and recyclable materials;
- (d) taking measures to restore, maintain or enhance biodiversity through increasing the number of green spaces and increasing the number of people-hours spent protecting and improving the environment;
- (e) reducing carbon and other emissions including to achieve zero greenhouse gas emissions by 2050; and
- (f) reducing or removing the use of hazardous materials.

5. PRINCIPLES OF ECONOMIC SOCIAL VALUE TO TACKLE ECONOMIC INEQUALITY

5.1 In support of the Policy Outcome “Tackling Economic Inequality” the Authority aims to create new businesses, new jobs and new skills and increase supply chain resilience and capacity. To support this Policy Outcome the Supplier shall:

- (a) ensure their supply chain is accessible for all including, where appropriate, SMEs and VCSEs and those owned or led by protected characteristics (as described in the [Equality Act \(legislation.gov.uk\)](https://legislation.gov.uk));
- (b) where applicable to the contract increase the number of sub-contract opportunities for start-ups, SMEs, VCSEs and mutuals;
- (c) where applicable, have initiatives in place to improve the gender pay balance;
- (d) embedded prompt payment reporting and practices by complying with all applicable legislation, regulations and other government requirements including the [Prompt Payment Code \(GOV.UK\)](https://gov.uk);
- (e) where appropriate to the delivery of these Services, have initiatives in place to improve skills development by increasing the quantity and quality of apprenticeship and full-time equivalent opportunities; and
- (f) advertise all sub-contracting opportunities above £25k, that are delivering against this contract, on [Contracts Finder \(GOV.UK\)](https://gov.uk) in accordance with Paragraph 6.2 of Schedule 4.3 (*Sub-contractors*) of this Agreement.

6. SOCIAL SUPPLY CHAIN PRINCIPLES TO SUPPORT EQUAL OPPORTUNITY AND WELLBEING

6.1 In support of the following Policy Outcomes

- (a) Reduce the Disability Employment Gap;
- (b) Tackle Workforce Inequality;
- (c) Improve Health and Wellbeing; and

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

(d) Improve Community Integration

and to deliver the Authority's aim to improve employability and skills including staff mental health and wellbeing through the delivery of its contracts, the Supplier shall:

- (i) ensure equality and accessibility, without discrimination, to employment and other opportunities and promote them to be fully accessible;
- (ii) where appropriate to the delivery of these Services, have initiatives in place which aim to increase full-time employment for people with disabilities, Black, Asian and Minority Ethnic (BAME) and Lesbian, Gay, Bisexual & Transgender (LGBTQ+) people;
- (iii) where appropriate to the delivery of these Services, increase the percentage of disabled, Black, Asian and Minority Ethnic (BAME) and Lesbian, Gay, Bisexual & Transgender (LGBTQ+) people on apprenticeship schemes and other training opportunities;
- (iv) have initiatives in place which aim to support local community integration including volunteering opportunities and other community led schemes; and
- (v) commit to the [Good Work Plan - GOV.UK](#), [6 Standards of Mental Health \(Mental Health at Work\)](#) and [Thriving at Work \(GOV.UK\)](#) including the supply chain where applicable.

7. COVID-19 RECOVERY

7.1 In support of the policy outcome COVID-19 Recovery the Authority aims to help local communities to manage and recover from the impact of COVID-19. To support this Policy Outcome the Supplier shall where relevant to the Service:

- (a) increase the number of full-time equivalent opportunities for those who were made redundant due to COVID-19;
- (b) increase the number of people-hours spent supporting local community integration, such as volunteering and other community-led initiatives related to COVID-19; and
- (c) implement the 6 Standards of Mental Health at Work Commitment.

8. SAFE & SECURE SUPPLY CHAIN PRINCIPLES

8.1 In delivering the Services the Supplier shall ensure it is compliant with the [Modern Slavery Act 2015 \(legislation.gov.uk\)](#).

8.2 Where the Supplier's turnover is £36m per annum or more, the Supplier shall publish an annual slavery and human trafficking statement setting out what actions have been taken to tackle modern slavery in their business and/or supply chains.

8.3 To mitigate the risk of Modern Slavery the Supplier shall:

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (a) if requested by the Authority, provide information to demonstrate its approach to modern slavery and human trafficking. This could include completion of the Modern Slavery Assessment Tool (MSAT); if requested by the Authority;
- (b) allow unannounced inspections of their premises by the Authority or a 3rd party auditor with the right to speak directly to the Supplier's employees, in accordance with Clause 12 (*Records, Reports, Audits & Open Book Data*) of this Agreement;
- (c) allow themselves to be called upon by the Authority to collaborate on assessing risks and designing due diligence processes including regular reporting.
- (d) conduct supply chain mapping to the appropriate tier or to source in order to reduce the risks of modern slavery; and
- (e) increase the number of people-hours devoted to supporting victims of modern slavery.

9. SUPPLIER'S SOCIAL VALUE POLICY AND SOCIAL VALUE PLAN

- 9.1 The Supplier shall provide to the Authority a copy of its Social Value policy or equivalent and shall develop, maintain and implement a Social Value Plan in line with the Authority's Social Value model at Annex 3, the Authority's Wider Social Value Policy Aims in Annex 1, and the requirements of this Schedule. The Supplier shall ensure that any Key Sub-contractors comply with the Social Value Plan.
- 9.2 The Supplier shall submit its Social Value Plan for the Authority's approval within 90 calendar Days of the Effective Date. The Social Value Plan shall ensure that all objectives, targets and aims contained therein are ambitious but achievable.
- 9.3 The Supplier shall ensure that the Social Value Plan complies with the [Government Buying Standards \(GOV.UK\)](https://www.gov.uk/government/buying-standards).
- 9.4 The Supplier's Social Value Plan shall include the Supplier's approach to delivering the Services which shall incorporate Social Value and the government's Plan for Growth as set out in Paragraph 3.1 and shall set out how it will meet, monitor and measure its Social Value targets set out in Annex 4.
- 9.5 The Social Value Plan should also include the following principles:
 - (a) value for money;
 - (b) environmental and social benefits;
 - (c) more efficient use of resources;
 - (d) greater social inclusion;
 - (e) support for innovation;
 - (f) better risk management; and
 - (g) improved supplier relationships.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- 9.6 In addition to the provision of the Social Value Plan, the Supplier shall set out within its Social Value Plan:
- (a) whether the Supplier intends to contract with any Start-ups, Small to Medium-sized Enterprises (SMEs) and/or Voluntary, Community and Social Enterprises (VSCs) to provide any supplies or services required to deliver the Services;
 - (b) the Supplier's projected level of spend in detail relating to the delivery of the Services with Start-ups, SMEs and/or VSCs;
 - (c) any plans the Supplier may have to increase the level of spend relating to the delivery of the Services with Start-ups, SMEs and/or VSCs;
 - (d) confirmation that the Supplier has systems in place to include (as a minimum) 30-day payment terms in all of its supply chain contracts and require that such terms are passed down through its supply chain in accordance with Clause 10.25 (*Payment of Sub-contractors*) of the Agreement; and
 - (e) confirmation that the Supplier has procedures for resolving disputed invoices with those in its supply chain promptly and effectively.
- 9.7 Carbon Reduction Plan (CRP)
- (a) The Supplier shall provide the Authority with a Carbon Reduction Plan which shall confirm the Supplier's commitment to achieving Net Zero in the UK by 2050.
 - (b) The Carbon Reduction Plan shall set out the environmental management measures that the Supplier has implemented, and which shall be in effect and utilised during the delivery of the Agreement. These environmental management measures should include but are not limited to the following:
 - (i) confirming the Supplier's commitment to achieving Net Zero by 2050 for its UK operations;
 - (ii) providing the Supplier's current emissions for the sources included in Scope 1 and Scope 2 of the Green House Gases Protocol, and a defined subset of Scope 3 emissions;
 - (iii) providing emissions reporting in CO₂e (Carbon Dioxide Equivalent) for the six greenhouse gases covered by the Kyoto Protocol;
 - (iv) setting out the environmental management measures in effect, including certification schemes or specific carbon reduction measures adopted and applied that support achieving Net Zero by 2050; and
 - (v) publicising the CRP on the Supplier's website.
 - (c) The Carbon Reduction Plan shall be completed in accordance with the UK Government's [Carbon Reduction Plan Guidance \(GOV.UK\)](https://www.gov.uk/government/publications/carbon-reduction-plan-guidance).

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- (d) The Carbon Reduction Plan shall be delivered to the Authority within 20 (twenty) Working Days of the Effective Date.
- (e) The Supplier's Carbon Reduction Plan shall be reviewed and updated a minimum of annually to reflect changes in organisational structure and the completion of activity taken to reduce emissions over time.
- (f) During the life of the Agreement the Supplier shall provide the Authority with an updated Carbon Reduction Plan within 60 (sixty) Working Days of the Supplier's financial year end. The Supplier shall detail the rationale and nature of any changes made to the Carbon Reduction Plan to the Authority for the Authority's information.
- (g) The Supplier shall provide the Authority with quarterly updates regarding its progress against the Carbon Reduction Plan as part of the Social Value Report. These updates must include an update of progress against carbon reduction targets using the table within PPN 0621: [Carbon Reduction Plan Guidance \(GOV.UK\)](#).
- (h) The Supplier shall publish the Carbon Reduction Plan on its organisation's Website. The Carbon Reduction Plan published on the Supplier's website shall be the most up to date version of the plan and shall be re-uploaded in the event of any changes to the plan.

10. MANAGEMENT INFORMATION

10.1 In addition to any other management information requirements set out in this Agreement, the Supplier agrees and acknowledges that it shall, provide a quarterly report (the "**Social Value Report**"). The Social Value Report shall include:

- (a) a record of the Supplier's progress against its Social Value Plan including any targets set;
- (b) details of the actions taken in the previous reporting period and actions planned for the next reporting period;
- (c) the total Contract Revenue received directly from this Agreement;
- (d) the total value of sub-contracted revenues from this Agreement (including revenues for non-SMEs and/or non-VCSEs);
- (e) the number, type and value of sub-contracted revenues to start-ups, SMEs and VCSEs; and
- (f) an update on the Supplier's progress against its Carbon Reduction Plan.

10.2 The SME Management Information Reports shall be provided in the format required as set out in guidance issued by the Authority from time to time, in accordance with Annex 2 of Schedule 8.2 (*Reports & Records*).

11. MONITORING AND REVIEW

11.1 The Supplier will demonstrate its commitment to Social Value through annual review of its Social Value policy.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

- 11.2 The Supplier and Authority will discuss the Supplier's Social Value Plan and progress against it during meetings of the Quarterly Contract Review Meetings (QCRM).
- 11.3 The Authority may annually request the Supplier to complete a Social Value assessment (a "**SV Assessment**"), which will set out an action plan to improve performance against an agreed baseline. The parties shall review the progress of this action plan at the Quarterly Contract Review Meetings (QCRM).
- 11.4 Following the completion of the Social Value Assessment, the Supplier will report on any agreed actions, in a format to be agreed between the Parties.
- 11.5 In addition, the Authority shall periodically request the Supplier to complete its Carbon Emissions (CE) Assessment, currently undertaken by CARBON Smart data gathering exercise in an agreed format. This will measure against the previous years' score and the Supplier will be required to set out an action plan to improve performance for the following year. The parties shall review the progress of this action plan during meetings of the Quarterly Contract Review Meetings (QCRM).
- 11.6 Following the completion of the CE Assessment, the Supplier will report on any agreed actions, in a format to be agreed between the Parties.
- 11.7 Where the risk of modern slavery is high (as reflected within the [Modern Slavery Guidance \(GOV.UK\)](#)), the Supplier will provide to the Authority assurance on the processes in place to identify and address modern slavery risks in their supply chains including, where relevant, assurance of legal compliance with the Modern Slavery. An action plan would need to be put in place where there were suspected and confirmed instances of modern slavery to detail how these are to be addressed. Additionally, any recommendations generated by MSAT would need to be included within the action plan.

HMRC Standard Goods and Services Model Contract

ANNEX 1 - SOCIAL VALUE BACKGROUND

The following sets out the Authority strategy in relation to Social value which the Supplier must comply with.

Social Value Strategy**Our Goal**

The strategy is supported by a number of government policies outlined below. This enables us to understand our legal obligations and policy requirements in order to achieve positive, sustainable outcomes, in line with best practice and with the highest overall value from our contracts.

This includes:

- adhering to the [Social Value Act 2012 \(GOV.UK\)](#);
- adhering to the [Modern Slavery Act 2015 \(GOV.UK\)](#);
- compliance with the [Civil Society Strategy \(GOV.UK\)](#);
- compliance with the [Public Sector Equality Duty \(GOV.UK\)](#);
- reducing the environmental impact of our contracts through compliance [Greening Government Commitments 2021 to 2025 \(GOV.UK\)](#), [25 Year Environment Plan \(GOV.UK\)](#), [Sustainable Development Goals \(UN\)](#) and [Government Buying Standards \(GOV.UK\)](#);
- compliance with the [Greening government: ICT and digital services strategy 2020-2025 \(GOV.UK\)](#);
- supporting the [Plan for Growth \(GOV.UK\)](#);
- supporting the UK ambition to be net zero by 2050.
- supporting the [10 Point Plan for a Green Industrial Revolution \(GOV.UK\)](#); and
- adherence to the Law generally, all relevant Government Guidance and Procurement Policy Notes.

The Social Value Act

The Public Services (Social Value) Act 2012 came into force on 31st January 2013. It requires the Authority “to have regard to economic, social and environmental well-being in connection with public services contracts; and for connected purposes”, see [Procurement policy note 10/12: The Public Services \(Social Value\) Act 2012 \(GOV.UK\)](#). This means that we must consider where added benefit, in relation to social value aspects, can be delivered to the department, where relevant and proportionate, above those already delivered as part of the requirements of the specification. To learn how to apply the principles of this Act through a new delivery model please read: [PPN 0620 Taking Account of Social Value in the Award of Central Government Contracts \(GOV.UK\)](#).

The Modern Slavery Act

HMRC Standard Goods and Services Model Contract

The Modern Slavery Act 2015 (the “Act”) categorises offences of Slavery, Servitude and Forced or Compulsory Labour and Human Trafficking. These are all included in the term ‘modern slavery’. The Act requires businesses with a total turnover of £36m or above who carry out all or some of their business in the UK to publish an annual slavery and human trafficking statement. Businesses should set out what action they have taken to tackle modern slavery in their business or supply chains. This will allow consumers, investors and campaigners to hold them to account and call for them to do more.

Civil Society Strategy

This strategy has committed the Government to use its buying power to drive social change. Central Government will take account of social benefits in the award of its contracts. This will have the effect of levelling the playing field for all types of businesses including small businesses, voluntary and community sector organisations and social enterprises, encouraging employment opportunities, developing skills and improving environmental sustainability.

Public Sector Equality Duty (PSED)

This duty came in to force in April 2011. It requires the Authority to have due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010 to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The PSED should help to ensure that public goods and services are accessible to and meet the diverse needs of all users to ensure that no one group is disadvantaged in accessing public goods and services. Further information can be found within [Procurement policy note 01/13: public sector equality duty \(GOV.UK\)](#).

Greening Government Commitments (GGC)

The [Greening Government Commitments 2016 to 2020 \(GOV.UK\)](#) set out the actions UK government departments and their agencies will take to reduce their impacts on the environment in the period 2016 to 2020. They set out targets to reduce their greenhouse gas emissions, send less waste to landfill and reduce the overall amount of waste they produce and reduce water consumption. They also set out commitments for departments to improve sustainable procurement and report transparently on key sustainability issues.

25 Year Environment Plan

The [25-year environment plan \(GOV.UK\)](#) sets out our goals for improving the environment, within a generation, and leaving it in a better state than we found it. It details how we in government will work with communities and businesses to do this and sets out what we will be doing over the next 25 years. Single-Use Plastics: Chapter 4 of the 25 Year Environment Plan discusses “Increasing resource efficiency and reducing pollution and waste”. Reduction in the use of Single-Use Plastics in the department’s activities and services it provides is an important part of this. There are an increasing number of multi-use plastics or plastic-free alternatives that we can use and encourage our suppliers to use in their supply chains. By

HMRC Standard Goods and Services Model Contract

reducing our use of Single-Use Plastics and asking our suppliers to reduce or eliminate their use of these in our supply chains, we can help to achieve the goals of the 25 Year Plan.

Sustainable Development Goals (SDGs)

SDGs were adopted by all United Nations Member States in 2015 providing a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are 17 SDGs, which are an urgent call for action by all countries - developed and developing - in a global partnership. They recognise that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth - all while tackling climate change and working to preserve our oceans and forests.

Government Buying Standards (GBS)

All government departments and their related organisations must make sure that they meet the minimum mandatory GBS standards when buying goods and services and to specify the minimum mandatory standards within tenders. This forms part of sustainable procurement - the process whereby organisations meet their needs for goods, services, works and utilities in a way that benefits not only the organisation, but also society and the economy, while minimising damage to the environment.

Greening government: ICT and digital services strategy 2020-2025

This strategy sets out how the government will work in partnership with industry and other sectors to provide ICT and digital services to help achieve the United Nation's Sustainable Development Goals, implement Defra's 25 Year Environment Plan and meet the government's net zero commitments. The objectives of this strategy is to deliver the following outcomes:

- reduced carbon and cost;
- increased resilience;
- increased responsibility (doing the right thing);
- increased transparency and collaboration; and
- increased accountability.

Plan for Growth

Government announced a programme of structural reforms to remove barriers to growth for businesses and equip the UK to compete in the global race. These reforms span a range of policies including improving UK infrastructure, cutting red tape, root and branch reform of the planning system and boosting trade and inward investment, to achieve the government's 4 ambitions for growth:

- creating the most competitive tax system in the G20;
- encouraging investment and exports as a route to a more balanced economy;
- making the UK the best place in Europe to start, finance and grow a business; and
- creating a more educated workforce that is the most flexible in Europe.

HMRC Standard Goods and Services Model Contract

Net Zero by 2050

As part of assessing a supplier's technical and professional ability, from 30th September 2021, there will be a requirement for bidding suppliers to provide a Carbon Reduction Plan confirming their commitment to achieving Net Zero by 2050 in the UK, and setting out the environmental management measures that they have in place and which will be in effect and utilised during the performance of the contract. This will apply to contracts valued above £5m per annum. Please refer to [Procurement Policy Note 06/21: Taking account of Carbon Reduction Plans in the procurement of major government contracts \(GOV.UK\)](#) for further information.

Health and Wellbeing Strategy Apr 2018 to Mar 2021

The Authority aspires to be a great place to work where staff will benefit from a positive environment, and physical and emotional health and wellbeing. The [Health and Wellbeing Strategy \(on Horizon\)](#) aligns with the 5 Civil Service strategic priorities. It aims to improve:

- leadership capability by providing leaders with advice and training;
- the tools, policies, guidance and processes you and your leaders use; and
- work culture, practices, environment and staff behaviours.

10 Point Plan for a Green Industrial Revolution

The Ten Point Plan sets firm foundations to potentially deliver up to an estimated £42 billion of private investment by 2030 across energy, buildings, transport, innovation and the natural environment. The plan will start by supporting 90,000 jobs across the UK within this Parliament, and up to 250,000 by 2030 and will seek to put the UK at the forefront of global markets for clean technology. It will generate new clean power with offshore wind farms, nuclear plants and will invest up to half a billion pounds in new hydrogen technologies. Finally, it will harness nature's ability to absorb carbon by establishing new national parks and areas of outstanding natural beauty, making them havens of biodiversity, with the aim of protecting 30% of England's countryside by 2030. The cumulative effect of this plan will be to reduce UK emissions by 180 million tonnes of carbon dioxide equivalent (Mt CO₂ e) between 2023 and 2032, equal to taking all of today's cars off the road for around two years, all will help to meet our net zero by 2050 target.

The SME Agenda

[HMRC SME Action Plan 2021 to 2022 - GOV.UK \(www.gov.uk\)](#)

Diversity and Inclusion including LGBTQi+ Equality

[The Civil Service Diversity and Inclusion Strategy: 2022 to 2025](#) launched in February 2022, prioritises greater representation and inclusion, which are essential to maintaining our focus on mainstreaming the delivery of inclusion.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

ANNEX 2 - SOCIAL VALUE OBJECTIVES

The [Social Value Model \(GOV.UK\)](#) details the Authority's objectives for Social Value, articulating it in terms of high-level themes and strategic policy priorities.

The Supplier shall incorporate the Social Value Model as described within this Schedule 11, where relevant and proportionate to the Services and its Social Value solution as described within Schedule 4.1 (*Supplier Solution*), within the Supplier's Social Value Plan and Social Value Report,.

The Supplier shall set their own benchmarks and targets within their Social Value Plan, for improvements or activities that support the delivery of the Authority's aims as set out within this Schedule.

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

ANNEX 3: CARBON REDUCTION TARGETS REPORTING

In accordance with Paragraph 9.7(g) of this Schedule 11 (*Social Value*) the Supplier shall deliver to the Authority an update regarding the Supplier's progress against its carbon reduction targets as part of the quarterly Social Value Report.


In the Social Value Report the Supplier shall use [Carbon Reduction Plan Template \(GOV.UK\)](#) to provide the update regarding the Supplier's progress against its carbon reduction targets.

The Supplier can link their plan to the themes and outcomes model from the [Procurement Policy Note 0620 Taking Account of Social Value in the Award of Central Government Contracts](#).

Contract details

Category	Add details below
Contract Title	IBF Enduring Site Operator
Date	Effective Date
Plan Owner	
Version	V1.0
Accountable to	
Governance	Joint Social Value Steering Committee (terms of reference to be agreed with the Authority during mobilisation) held quarterly and attended by the Authority, Sodexo’s IBF Social Impact Manager and key stakeholder representatives
Key Contributors	

OFFICIAL - SENSITIVE - COMMERCIAL
HMRC Standard Goods and Services Model Contract

Supplier's Impact Pathways	Supplier's Social Impact Pledge	Authority IBF Bid commitments
	[REDACTED]	
[REDACTED] 	[REDACTED]	[REDACTED]

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

Supplier's Impact Pathways	Supplier's Social Impact Pledge	Authority IBF Bid commitments
		<div></div> <div></div> <div></div>

Detail here what the plan sets out.

[Redacted content]

Theme 2: Tackling economic inequality

Policy Outcome: Create new businesses, new jobs and new skills

Commitment Title	Commitment Description (What will be delivered)	Actions (How will the commitment be delivered)	Unit of Measurement	Target(s) (Why - Benefits and Outcomes)	Date/Timescale for Completion (When)	Reporting Period
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

Commitment Title	Commitment Description (What will be delivered)	Actions (How will the commitment be delivered)	Unit of Measurement	Target(s) (Why - Benefits and Outcomes)	Date/Timescale for Completion (When)	Reporting Period
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Theme 3: Fighting climate change

Policy Outcome: Effective stewardship of the environment

Commitment Title	Commitment Description (What will be delivered)	Actions (How will the commitment be delivered)	Unit of Measurement	Target(s) (Why - Benefits and Outcomes)	Date/Timescale for Completion (When)	Reporting Period
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

HMRC Standard Goods and Services Model Contract

Commitment Title	Commitment Description (What will be delivered)	Actions (How will the commitment be delivered)	Unit of Measurement	Target(s) (Why - Benefits and Outcomes)	Date/Timescale for Completion (When)	Reporting Period
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

HMRC Standard Goods and Services Model Contract

Commitment Title	Commitment Description (What will be delivered)	Actions (How will the commitment be delivered)	Unit of Measurement	Target(s) (Why - Benefits and Outcomes)	Date/Timescale for Completion (When)	Reporting Period
	[REDACTED]	[REDACTED]		[REDACTED]		[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

OFFICIAL - SENSITIVE - COMMERCIAL

HMRC Standard Goods and Services Model Contract

Commitment Title	Commitment Description (What will be delivered)	Actions (How will the commitment be delivered)	Unit of Measurement	Target(s) (Why - Benefits and Outcomes)	Date/Timescale for Completion (When)	Reporting Period
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

HMRC Standard Goods and Services Model Contract

Commitment Title	Commitment Description (What will be delivered)	Actions (How will the commitment be delivered)	Unit of Measurement	Target(s) (Why - Benefits and Outcomes)	Date/Timescale for Completion (When)	Reporting Period
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

HMRC Standard Goods and Services Model Contract

Commitment Title	Commitment Description (What will be delivered)	Actions (How will the commitment be delivered)	Unit of Measurement	Target(s) (Why - Benefits and Outcomes)	Date/Timescale for Completion (When)	Reporting Period
		[REDACTED]				[REDACTED]