



# Department for Environment Food & Rural Affairs

Call Off Order Form for Management Consultancy Services  
under Framework Agreement Ref: RM6008

For

The Provision of a Business Support Partner to the Science  
Capability in Animal Health (SCAH) Programme

The Secretary of State for Environment, Food and Rural Affairs  
(1)

And

KPMG LLP<sup>(2)</sup>

## AGREEMENT

THIS AGREEMENT is dated

2021

BETWEEN

- (1) The **Secretary of State for Environment, Food and Rural Affairs of Nobel House, 17 Smith Square, London, SW1P 3JR**, acting through the Department for Environment Food and Rural Affairs (DEFRA) and its executive agencies (**Customer**) and
- (2) **KPMG LLP**, whose registered company number is **OC301540**, and whose registered address is **15 Canada Square, London, E14 5GL (Supplier)**

### RECITALS

- (A) The Customer intends to proceed with the design and construction of various works in relation to the Science Capability in Animal Health (SCAH) Programme situated at [the existing Weybridge site].
- (B) The Supplier has agreed to provide the Services in accordance with the Framework Agreement for the provision of Management Consultancy Services (RM6008).
- (C) The Customer and the Supplier have agreed to incorporate and amend the Framework Schedule 4 Call Off Terms for Management Consultancy Services as set out in this Agreement and Call Off Contract.

IT IS AGREED as follows: -

1. This Call Off Contract incorporates the Framework Schedule 4 Call Off Terms for Management Consultancy Services, except that the Terms and Conditions, are amended as provided in this Agreement, the Call Off Order Form, Schedule of Amendments and the Appendices attached to this Agreement.
2. In this Call Off Contract, words and expressions have the same meanings as are respectively assigned to them in the Framework Agreement for the Provision of Management Consultancy Services and Framework Schedule 4 Call Off Terms for Management Consultancy Services, as amended as provided in this Agreement, the Call Off Order Form and the Schedule of Amendments attached to this Agreement.
3. The following documents form part of this Call Off Contract:
  - 3.1. this Agreement and the Call Off Order Form the Schedule of Amendments and the Appendices attached to this Agreement; and
  - 3.2. the Framework Schedule 4 Call Off Terms for Management Consultancy Services as amended by this Agreement, Call Off Order Form, the Schedule of Amendments and the Appendices attached to this Agreement.
4. Any disputes, differences or questions arising out of or relating to this Call Off Contract are to be resolved in accordance with the dispute resolution procedures in this Call Off Contract.
5. If there is ambiguity or inconsistency in or between the documents comprising this Call Off Contract, the priority of the documents is in accordance with the following descending order of priority:
  - 5.1. the Call Off Order Form;
  - 5.2. the Schedule of Amendments;
  - 5.3. the Agreement;
  - 5.4. the Statement of Requirements;
  - 5.5. the Appendices;
  - 5.6. Framework Schedule 4 Call Off Terms for Management Consultancy Services;and

5.7. any other document forming part of this Call Off Contract.

6. Notwithstanding any other provision of this Call Off Contract, any such ambiguity, inconsistency and/or instruction or resolution of an ambiguity or inconsistency in accordance with the above list does not result in any increase in the Call Off Contract Charges nor any delay to the Call Off Expiry Date.

EXECUTED by the parties in duplicate on the date which first appears in this Call Off Contract.

**Executed by the Customer acting by**

By



(name of Authorised Signatory)

**Executed by the Supplier acting by**

By



(name of Director)

### 5.3 - RM6008 MCF2 – CALL OFF ORDER FORM

#### PART 1 – CALL OFF ORDER FORM

##### SECTION A

This Call Off Order Form is issued in accordance with the provisions of the Framework Agreement for the provision of **Management Consultancy Services, Lot 4 – Strategic Consultancy Services** dated **04 September 2018**.

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

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

Order Number	TBC
From	The Department for Environment, Food, and Rural Affairs (DEFRA) ("CUSTOMER")
To	KPMG LLP ("SUPPLIER")
Date	1st May 2021 ("DATE")

##### SECTION B

#### 1. CALL OFF CONTRACT PERIOD

1.1.	Commencement Date: 1 <sup>st</sup> May 2021
1.2.	Expiry Date:  End date of Initial Period: 31 <sup>st</sup> March 2025  Minimum written notice to Supplier in respect of extension: 3 months

## 2. SERVICES

2.1	<p><b>Services required:</b></p> <p><b>In Call Off Schedule 2 (Services);</b></p> <p>The Customer is seeking to procure an external Business Support Partner, the Supplier, to provide specialist advice, and to bolster the delivery of the high-profile and hugely complex SCAH (Science Capability in Animal Health) Programme. It is envisaged that the Supplier will provide strategic guidance, assurance and communications support, using best practice tools and methodologies. It will also impart the expert opinion needed to support the development of strategies, business cases, policies and related programme products. A consistency of knowledge and awareness of the SCAH Programme is to be maintained by the Supplier throughout the Contract, to enable proactive and responsive advice.</p> <p>Although the services will predominantly be provided to the SCAH Programme, it is envisaged that the Supplier will also be engaged to provide services to other parts of DEFRA. This will be confirmed and agreed with the SCAH Programme Director, who acts on behalf of the Customer, as appropriate and prior to commencement of those services.</p> <p>The SCAH Programme currently, and in future, will have an experienced and capable programme team consisting of independent consultants, contractors, assigned departmental and Arm's Length Body (ALB) Civil Servants and delivery partners.</p> <p>As the programme progresses towards delivery, there is a desire to:</p> <ul style="list-style-type: none"><li>• Provide additional Strategic and Operational consultancy capability;</li><li>• Introduce different skill sets for future phases;</li><li>• Introduce additional levels of capability and flexibility; and</li><li>• Mitigate programme risk by providing outcome-based services.</li></ul> <p>The Supplier will provide strategic and operational support in several functional areas, including:</p> <ul style="list-style-type: none"><li>• Programme Operating Model development and delivery;</li><li>• Programme Business Case (PBC) production, including input and specialist contribution into 5 case models (including Economics appraisal);</li><li>• Development and implementation of project specific business case strategies and ensuring alignment with the PBC;</li><li>• Stakeholder engagement; e.g. ensuring successful buy-in and approval for the PBC and whole life funding with stakeholders such as the Cabinet Office, HM Treasury and Infrastructure and Projects Authority);</li><li>• Value for Money (VfM) and Financial Support reviews e.g. provision of economic and financial expertise on internal and external reviews and business cases (technical financial issues);</li><li>• Evaluation support e.g. optioneering for business cases including devising and implementing effective evaluation criteria, financial analysis and technical tools;</li><li>• Audit and assurance activities, ensuring that an effective and integrated assurance model is adopted throughout the Programme lifecycle and preparing the Programme for internal and external audits (including National audit Office (NAO) / Government Internal Audit Agency (GIAA));</li><li>• Lessons Learned reviews and application of insight and best-practice on major programme / project activities;</li><li>• Strategic support to the senior team including SCAH Programme Director and SCAH Senior Responsible Owner (SRO);</li></ul>
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- Support to the Integrated Programme Management Office (IPMO) as required e.g. scope development, planning, risk and issue management, change control, scheduling, governance, budgeting and stakeholder engagement;
- Development of senior briefing material, including Ministerial level briefings;
- Supporting the Communications Lead and senior team on public consultations;
- Specific key milestones / deliverables as agreed between the parties;
- Report upon & manage all designated and agreed activities as part of delivering the services under this Contract. This will be managed by the Supplier, in agreement with the Customer at a regular monthly meeting.

The Customer may require the Supplier to provide additional support services in areas not listed as required to deliver a programme of this scale and complexity. the Supplier should therefore have a flexible and available (within short notice) capability that they can draw upon to meet defined work packages for the services required.

The number and type of resources required to provide these services, will vary over the Contract period as the SCAH programme moves through design, procurement, and into construction and delivery.

It is expected that a core resource will be embedded within the SCAH programme to ensure overarching visibility of all activities and continuity of support to the Customer; therefore, reducing the impact of periods of leave, and intensity. This will also help to ensure that knowledge of the SCAH programme is retained and negates the need to continuously brief and familiarise new resources, thus allowing for the services to be provided more efficiently and effectively.

The envisaged 'fixed' requirement is to provide:

Role	No.	Effort
Director / Partner	1	Account / Customer Liaison / Reviews / Quality Control – Part Time as Required to Support a Programme of this Size and Complexity – 4 hours per week
Managing Consultant	0	
Principal Consultant	0	
Senior Consultant	1	Full Time based on Project
Consultant	0	
Junior Consultant	0	

The Supplier will provide rates for all roles (as defined within Appendix E) listed, which can be called off by the Customer as required. The Supplier shall advise who these resources may be but for clear reasons, will not be held to these people due to the non-commitment on a fixed resource schedule beyond that stated above.

#### **General Services**

- Attend meetings as required.
- Facilitate and hold a monthly meeting between the Director / Partner, and the SCAH Programme Director.
- Provide such briefings and reports as required.
- Comply with DEFRA regulations and requirements
- Attend site as necessary in the provision of the service
- Prepare documentation as required to support Board / approval submissions / requests.

	<p>The site where services will be based is at the APHA Science Estate based in Surrey, KT15 3NB. During normal operation the Suppliers' staff would be expected to be based on site full time but this is being kept under regular review owing to Covid-19 and subject to agreement between the parties.</p> <p>The Customer may call off for further roles as and when required throughout the period of the Contract.</p>
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### 3. PROJECT PLAN

3.1.	<p><b>Project Plan:</b></p> <p>Business Support Partner Delivery Plan:</p> <p>The supplier shall provide the Customer with a draft Business Support Partner Delivery Plan for comment within 30 working days from the Call Off Commencement Date. The document shall contain chapters describing how the service is to be delivered and shall act as a live document throughout the service delivery. It shall contain chapters considering:</p> <ul style="list-style-type: none"> <li>- Project Mobilisation Plan</li> <li>- Project Execution Plan</li> <li>- Quality Management Plan</li> <li>- Service Continuity Plan</li> </ul> <p>The supplier shall provide the Customer with an updated Business Support Partner Delivery Plan for comment within 60 working days from the Call Off Commencement Date.</p> <p>Activity Schedule;</p> <ul style="list-style-type: none"> <li>• The Supplier shall provide the Customer with an Activity Schedule on a monthly basis for acceptance by the Customer</li> </ul> <p>Programme;</p> <ul style="list-style-type: none"> <li>• The Supplier shall provide the Customer with a Programme on a monthly basis for acceptance by the Customer</li> </ul>
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### 4. CONTRACT PERFORMANCE

4.1.	<p><b>Standards:</b></p> <p>Data Protection:</p> <ul style="list-style-type: none"> <li>• the Directive 2002/58/EC (ePrivacy Directive) and/or the Privacy and Electronic Communications (EC Directive) Regulations 2003</li> <li>• the General Data Protection Regulation, Regulation (EU) 2016/679</li> </ul>
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<b>4.2</b>	<b>Service Levels/Service Credits:</b> Not applied
<b>4.3</b>	<b>Critical Service Level Failure:</b> Not applied
<b>4.4</b>	<b>Performance Monitoring:</b> Will be managed through regular meetings between the Customer and Supplier representatives, as detailed within the Services.  The Customer may determine at a later date that Key Performance Indicators are to be implemented and will be done so in agreement with the Supplier, and in accordance with the Services as required.
<b>4.5</b>	<b>Period for providing Rectification Plan:</b> In Clause 39.2.1(a) of the Call Off Terms. This shall be 10 working days from the Customers request.

## 5. PERSONNEL

<b>5.1</b>	<b>Key Supplier Personnel:</b> <ul style="list-style-type: none"> <li>• Senior Consultant – Named as [REDACTED]</li> <li>• Director – Named as [REDACTED]</li> </ul> <p>The Supplier has advised of a restructuring of their business prior to the commencement of this Contract, and warrants that the above names Key Supplier Personnel are not, and shall remain unaffected by this restructuring, throughout the duration of this Contract, in accordance with Clause 28.1.1</p> <p>Furthermore, the Supplier has also advised that other familiar resources and roles to the programme will remain available as reasonably required on a call-off basis under this Contract but for clear reasons shall not be held to those people.</p>
<b>5.2</b>	<b>Relevant Convictions</b> (Clause 28.2 of the Call Off Terms):

## 6. PAYMENT

<b>6.1</b>	<b>Call Off Contract Charges</b> (including any applicable discount(s), but excluding VAT): In Clause 24.1, and Call Off Schedule 3 (as amended) (Call Off Contract Charges, Payment and Invoicing)
<b>6.2</b>	<b>Payment terms / profile</b> (including method of payment e.g. Government Procurement Card (GPC) or BACS): In Call Off Schedule 3 (as amended) (Call Off Contract Charges, Payment and Invoicing)
<b>6.3</b>	<b>Reimbursable Expenses:</b> Permitted in accordance with Clause 5, Call Off Schedule 3 (as amended).  The Supplier is deemed to have included all expenses necessary to provide the Services, for the fixed resources detailed, operating at the Customers premises, within the Schedule of Rates.  Additional staff that may be required to provide the Services shall also be deemed to have included expenses for working at the Customers premises.
<b>6.4</b>	<b>Customer billing address</b> (paragraph 7.6 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)): Estates Office, Weybourne Building (Bldg 33), Woodham Lane, New Haw, Surrey, KT15 3NB



<b>6.5</b>	<b>Call Off Contract Charges fixed for</b> (paragraph 8.2 of Schedule 3 (Call Off Contract Charges, Payment and Invoicing)): 2 Call Off Contract Years from the Call Off Commencement Date See Clause 8A of the Call Off Contract Amendments
<b>6.6</b>	<b>Supplier periodic assessment of Call Off Contract Charges</b> (paragraph 9.2 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)) will be carried out upon the start of each new Call Off Contract Year during the Call off Contract Period
<b>6.7</b>	<b>Supplier request for increase in the Call Off Contract Charges</b> (paragraph 10 of Call Off Schedule 3 (Call Off Contract Charges, Payment and Invoicing)): Permitted, and will be carried out upon the start of each new Call Off Contract Year during the Call off Contract Period

## 7. LIABILITY AND INSURANCE

<b>7.1</b>	<b>Estimated year 1 call off contract value:</b> The fixed sum of £112,500.00 The forecast sum of £887,500.00  The Call Off Contract Value for the Full Duration is £4,000,000.00
<b>7.2</b>	<b>Supplier's Limitation of Liability</b> (Clause 37.2.1 of the Call Off Terms); (Clause 37.2 of the Call Off Contract Amendments)
<b>7.3</b>	<b>Insurance</b> (Clause 38.3 of the Call Off Terms): <ul style="list-style-type: none"> <li>Professional indemnity insurance at a level of £10m</li> <li>Employers liability insurance at a level of £5m</li> <li>Public liability insurance at a level of £5m</li> </ul>

## 8. TERMINATION AND EXIT

<b>8.1</b>	<b>Termination on Material Default</b> (Clause 42.2 of the Call Off Terms):
<b>8.2</b>	<b>Termination in Relation to Financial Standing</b> (Clause 42.3 of the Call Off Terms):
<b>8.3</b>	<b>Termination on Insolvency</b> (Clause 42.4 of the Call Off Terms):
<b>8.4</b>	<b>Termination on Change of Control</b> (Clause 42.5 of the Call Off Terms):
<b>8.5</b>	<b>Termination for Breach of Regulations</b> (Clause 42.6 of the Call Off Terms):
<b>8.6</b>	<b>Termination Without Cause</b> (Clause 42.7 of the Call Off Terms):
<b>8.7</b>	<b>Termination in Relation to Benchmarking</b> (Clause 42.9 of the Call Off Terms):
<b>8.8</b>	<b>Termination in Relation to Variation</b> (Clause 42.10 of the Call Off Terms):
<b>8.9</b>	<b>Termination in Relation to Customer Annual Spending Review</b> (Clause 42.11 of the Call Off Contract Amendments)
<b>8.10</b>	<b>Termination in Relation to Failure to Meet Key Performance Indicators</b> (Clause 42.12 of the Call Off Contract Amendments)
<b>8.11</b>	<b>Undisputed Sums Limit:</b> In Clause 43.1.1 of the Call Off Terms (as amended by the Call Off Contract Amendments)
<b>8.12</b>	<b>Exit Management:</b> In Call Off Schedule 9 (Exit Management)

## 9. SUPPLIER INFORMATION

<b>9.1</b>	<b>Supplier's inspection of Sites, Customer Property and Customer Assets:</b> Not Applicable
<b>9.2</b>	<b>Commercially Sensitive Information:</b>

	KPMG Pricing Information
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## 10. OTHER CALL OFF REQUIREMENTS

10.1	<b>Recitals</b> (in preamble to the Call Off Terms): <ul style="list-style-type: none"> <li>• Recital A is Not Applicable</li> <li>• Recitals B to E are Applicable</li> <li>• Recital C - date of issue of the Statement of Requirements: <ul style="list-style-type: none"> <li>○ 12<sup>th</sup> February 2021</li> </ul> </li> <li>• Recital D - date of receipt of Call Off Tender: <ul style="list-style-type: none"> <li>○ 12<sup>th</sup> March 2021</li> </ul> </li> </ul>
10.2	<b>Call Off Guarantee (Clause 4 of the Call Off Terms, and Framework Schedule 13 (for Template)):</b> This Call Off Contract is not subject to a Call Off Guarantee as no parent company exists for the Supplier.
10.3	<b>Security</b> (in Call Off Schedule 7): Short Form security requirements AND Security Policy: Security Aspects Letter (Call Off Schedule 20), which shall be provided to the Supplier after the Commencement date as soon as the Customer is able to do so.
10.4	<b>ICT Policy:</b> To be provided by the Customer to the Supplier as soon as practical after the Commencement Date
10.6	<b>Business Continuity &amp; Disaster Recovery:</b> In Call Off Schedule 8 (Business Continuity and Disaster Recovery)  <b>Disaster Period:</b> For the purpose of the definition of "Disaster" in Call Off Schedule 1 (Definitions) the "Disaster Period" shall be <b>one month</b>
10.7	<b>NOT USED</b>
10.8	<b>Protection of Customer Data</b> (Clause 35.2.3 of the Call Off Terms): Electronically primarily, via the Customers specified document management system for formal submissions, and via email for general exchanges of information and documentation.
10.9	<b>Notices</b> (Clause 56.6 of the Call Off Terms): Customer's postal address and email address: Estates Office, Weybourne Building (Bldg 33), Woodham Lane, New Haw, Surrey, KT15 3NB Supplier's postal address is: <b>15 Canada Square, London, E14 5GL</b> and email address: <span style="background-color: black; color: black;">[REDACTED]</span>
10.10	<b>Transparency Reports</b> In Call Off Schedule 13 (Transparency Reports) – Not Applicable
10.11	<b>Alternative and/or Additional Clauses from Call Off Schedule 14 and if required, any Customer alternative pricing mechanism:</b> See Call Off Contract Amendments
10.12	<b>NOT USED</b>

<b>10.13</b>	<b>Publicity and Branding (Clause 36.3.2 of the Call Off Terms)</b> All services shall be provided in accordance with the Communications Strategy, and the Security Policy, which shall be provided to the Supplier by the Customer at the Commencement date.																		
<b>10.14</b>	<b>Staff Transfer (Call Off Schedule 10)</b> Call Off Schedule 10, Part A & Part B are Not Applicable Part C is Applicable – There will be no transfer of Employees at the Commencement of the Services. Annex to Schedule 10, the Supplier has advised the involvement and use of Interpath Limited (Co reg no. 13225134), as part of a recent organisational restructuring.																		
<b>10.15</b>	<b>Processing Data (Call Off Schedule 17)</b> The Customer Data Protection Officer details shall be provided at the Commencement of the Services.																		
<table border="1"> <tr> <td><b>Contract Reference:</b></td><td><b>TBC</b></td></tr> <tr> <td><b>Date:</b></td><td><b>1<sup>st</sup> May 2021</b></td></tr> <tr> <td><b>Description of Authorised Processing</b></td><td><b>Details</b></td></tr> <tr> <td>Identity of the Controller and Processor</td><td>The Parties acknowledge that for the purposes of the Data Protection Legislation the Parties are independent controllers of Personal Data under this Framework Agreement.</td></tr> <tr> <td>Use of Personal Data</td><td>Managing the obligations under the Call Off Contract Agreement, including exit management, and other associated activities.</td></tr> <tr> <td>Duration of the processing</td><td>For the duration of this Call Off Contract Agreement.</td></tr> <tr> <td>Nature and purposes of the processing</td><td><i>In order to provide and carry out the Services</i></td></tr> <tr> <td>Type of Personal Data</td><td>Full name Workplace address Workplace Phone Number Workplace email address Names Job Title</td></tr> <tr> <td>Categories of Data Subject</td><td>Unidentified at the Commencement of the Services</td></tr> </table>		<b>Contract Reference:</b>	<b>TBC</b>	<b>Date:</b>	<b>1<sup>st</sup> May 2021</b>	<b>Description of Authorised Processing</b>	<b>Details</b>	Identity of the Controller and Processor	The Parties acknowledge that for the purposes of the Data Protection Legislation the Parties are independent controllers of Personal Data under this Framework Agreement.	Use of Personal Data	Managing the obligations under the Call Off Contract Agreement, including exit management, and other associated activities.	Duration of the processing	For the duration of this Call Off Contract Agreement.	Nature and purposes of the processing	<i>In order to provide and carry out the Services</i>	Type of Personal Data	Full name Workplace address Workplace Phone Number Workplace email address Names Job Title	Categories of Data Subject	Unidentified at the Commencement of the Services
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<b>10.16</b>	<b>Not Used</b>																		


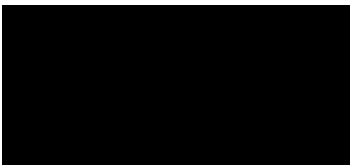
## FORMATION OF CALL OFF CONTRACT

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



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

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

### For and on behalf of KPMG LLP (The Supplier):

Name and Title	
Signature	
Date	17 May 2021

### For and on behalf of Department for Environment, Food, and Rural Affairs (The Customer):

Name and Title	
Signature	
Date	

## **5.1 SCHEDULE OF AMENDMENTS TO FRAMEWORK SCHEDULE 4**

### **CALL OFF TERMS FOR MANAGEMENT CONSULTANCY SERVICES**

#### **5.1 Amendments and additions to Terms and Conditions**

#### **E. PAYMENT, TAXATION AND VALUE FOR MONEY PROVISIONS**

##### **24. CALL OFF CONTRACT CHARGES AND PAYMENT**

###### **24.1 Call Off Contract Charges**

24.1.1 In line 3 delete "undisputed".

##### **30. SUPPLY CHAIN RIGHTS AND PROTECTION**

Insert new Clause:

###### **"30.2A Appointment of Sub-Contractors and Key Sub-Contractors**

- |         |  |
|---------|--|
| 30.2A.1 | The Sub-Contractor and Key Sub-Contractor appointments shall be in the form of the respective draft appointments set out in Schedule 18 (with only such amendments as the Customer approves and/or reasonably requires).   |
| 30.2A.2 | The Supplier shall procure that each Sub-Contractor and Key Sub-Contractor takes out and maintains in force professional indemnity insurance (PI Insurance) provided that such insurance is generally available in the market to members of the relevant Sub-Contractor and Key Sub-Contractor's trade at commercially reasonable rates and provided further that payment of any increased or additional premiums required by insurers by reason of the Sub-Contractor and Key Sub-Contractor's own claims record or other acts, omissions, matters or things peculiar to the relevant party will be deemed to be within the reasonable rates. |
| 30.2A.3 | The Supplier shall provide evidence satisfactory to the Customer (as and when reasonably required by the Customer) of the PI Insurance being in full force and effect for the period beginning at the date of this Call Off Contract and ending twelve (12) years after the date of Call Off Contract Period in respect of the Services which shall be at the appropriate level as agreed with the Customer.   |
| 30.2A.4 | The Supplier ensures that each Sub-Contractor and Key Sub-Contractor immediately upon their appointment executes and delivers a collateral warranty in favour of the Customer in the form of the draft set out in Schedule 19 (with only such amendments as the Customer approves and/or reasonably requires).   |
| 30.2A.5 | If any collateral warranty is not executed and delivered in accordance with Clause 30.2A.3, the Customer is entitled to give the Supplier written notice specifying the breach or non-compliance with Clause 30.2A.3. If such breach or non-compliance is not rectified by the Supplier within 14 days after service of such notice, then the Customer is not liable to pay any amount in respect of the elements of the Services to which the default relates while such breach or non-compliance remains to be rectified.  |
| 30.2A.6 | If the employment of any Sub-Contractor and/or Key Sub-Contractor is terminated before the completion of the services allocated to them, the Supplier as soon as is  |

practicable but on seven days' notice from the Customer appoints another subcontractor to complete those works and services (save any subcontractor to whom the Customer makes reasonable objection in writing). The foregoing provisions of Clause 30.2A apply to such replacement Sub-Contractor and/or and Key Sub-Contractor, mutatis mutandis."

### **35. SECURITY AND PROTECTION OF INFORMATION**

Insert new Clauses:

#### **"35A Security Aspects Letter (Schedule 20)**

35A.1 The Supplier and all members of the Supplier's supply chain engaged to provide the Services agree to and acknowledge the terms of the Customer's Security Aspects Letter (a copy of which is contained within the Security Policy and attached at Schedule 20) and agree to sign a copy of the same prior to commencing any service in accordance with the Call Off Order Form.

#### **35B Exchange of Information**

35B.1 Once available, the Customer shall provide the IMM Policy to the Supplier and the parties shall, acting reasonably, seek to agree on the Supplier's compliance with such policy, subject to any reasonable objections and deviations, to ensure a consistent and coordinated approach to maximise production efficiency and to ensure that all information and material referred to therein is structured correctly to enable efficient data sharing between the Parties.

### **I. LIABILITY AND INSURANCE**

#### **37.2 Financial Limits**

In Clauses 37.2.1(b)(i)-(iii) and Clauses 37.2.2(a)-(c) delete "Call Off Contract Charges" and insert "Contract Value".

### **K. TERMINATION AND EXIT MANAGEMENT**

#### **42. CUSTOMER TERMINATION RIGHTS**

Insert new Clauses:

##### **"42.11 Termination in Relation to Customer Annual Spending Review**

42.11.1 The Customer may terminate this Call Off Contract by issuing a Termination Notice to the Supplier should the Customer be unable to fund the delivery of the Services due to a lack of funding following the Customer Annual Spending Review.

42.12 Termination in Relation to failure to meet KPIs (which may be agreed between the Customer and the Supplier, as detailed within Section 4.4 of the Call Off Order Form)

42.12.1 The Customer may terminate this Call Off Contract by issuing a Termination Notice to the Supplier for:

42.12.1.1 a failure by the Supplier to meet any of the KPIs for four consecutive Months;  
and/or

42.12.1.2 a failure by the Supplier to meet any of the KPIs for a total of six Months or more in any rolling twelve (12) Month period; and/or

42.12.1.2 A number of KPI performance failures have occurred in any twelve (12) Month rolling period.

#### **43. SUPPLIER TERMINATION RIGHTS**

NOT USED

## 46. CONSEQUENCES OF EXPIRY OR TERMINATION

Insert new Clause:

"46A Consequences of Termination under Clause 42.11 (Termination in Relation to Customer Annual Spending Review)

46A.1 Where the Customer terminates (in whole or in part) this Call Off Contract under Clause 42.11 the Customer shall:

Notify the Supplier, and agree the process of the Termination requirements, in accordance with Schedule 9 – Exit Management

46A.2 The Customer shall not be liable to pay any sum which exceeds 50.00% of the Call Off Contract Charges in that Call Off Contract Year, unless where the Customer agrees, in accordance with Schedule 9, that the Exit Management process requires the Supplier provide these Services."

## 45. PARTIAL TERMINATION, SUSPENSION AND PARTIAL SUSPENSION

### CALL OFF SCHEDULES

#### CALL OFF SCHEDULE 1: DEFINITIONS

Insert new definitions:

**"Contract Value"** means the anticipated spend profile in any given Contract Year as set out in the Statement of Requirements as amended from time to time;"

**"Customer Annual Spending Review"** means the UK's Government process carried out by HM Treasury to set expenditure limits;"

**"IMM Requirements"** means the requirements within the DEFRA Weybridge IMM suite of documents as amended from time to time;"

**"Security Aspects Letter"** means the Security requirements set out for the Supplier to undertake and comply with, detailed within Schedule 20;"

#### CALL OFF SCHEDULE 3: CALL OFF CONTRACT CHARGES, PAYMENT AND INVOICING

##### 1. DEFINITIONS

1.1 Amend the following definitions:

**"Reimbursable Expenses"** means any reasonable and allowable expenses that may be incurred as a result of providing the Services, but that have not been allowed by the Supplier to provide the Services (It is assumed that all necessary expenses to provide the Services, and attend the Customers premises are included within the Schedule of Rates"

1.1 Insert the following new definitions:

**"Consumer Prices Index"** means the Consumer Prices Index published by the Office for National Statistics from time to time, or failing such publication, such other index as the parties may agree most closely resembles such index;"

**"Indexation Date"** means the date at which any indexation adjustment will be agreed and applied to the Price, and Schedule of Rates;"

**"Schedule of Rates"** means the priced Schedule of Rates for those roles detailed, forming part of the Contract"

## 7. INVOICING PROCEDURE

Delete Clauses [7.1 to 7.5] and insert:

- "7.1 The Supplier shall submit to the Customer a Valid Invoice, the first being raised one month from the date of this Call Off Contract, together with any supporting documents that are reasonably necessary to check the invoice. The Valid Invoice and supporting documents (if any) shall specify the sum that the Supplier considers will become due on the due date for payment of each instalment, and the basis on which that sum is calculated. Subject to the provisions of Clause 7.8, the due date for payment of each instalment shall be the date of receipt by the Customer of a VAT invoice in accordance with this Clause 7.1 properly addressed to the Customer in respect of the relevant instalment (the **Due Date**).
- 7.2 The final date for payment of each Valid Invoice shall be 30 days from the Due Date (the **Final Date for Payment**).
- 7.3 No later than five days after the Due Date, the Customer shall notify the Supplier of the sum that the Customer considers to have been due at the Due Date in respect of the instalment and the basis on which that sum is calculated.
- 7.4 Unless the Customer has served a notice under Clause 7.5, the Customer shall pay the Supplier the sum referred to in the Customer's notice under Clause 7.3 (or, if the Customer has not served notice under Clause 7.3, the sum referred to in the invoice referred to in Clause 7.1) (in this Clause **Error! Reference source not found.**, the **Notified Sum**) on or before the Final Date for Payment.
- 7.5 Not less than five days before the Final Date for Payment (in this Clause **Error! Reference source not found.**, the **Prescribed Period**), the Customer may give the Supplier notice that it intends to pay less than the Notified Sum (in this Clause **Error! Reference source not found.**, a **Pay Less Notice**). Any Pay Less Notice shall specify:
- 7.5.1 the sum that the Customer considers to be due on the date the notice is served; and
  - 7.5.2 the basis on which that sum is calculated.
- Where a Pay Less Notice is given in accordance with this Clause 7.5, the obligation to pay the Notified Sum in Clause 7.4 applies only in respect of the sum specified in that Pay Less Notice.
- 7.6 For the avoidance of doubt:
- 7.6.1 a notice under Clause 7.5 may be given separately, with or as part of a notice under Clause 7.3 provided always that it complies with the requirements of Clause 7.5; and
  - 7.6.2 more than one notice may be given under Clause 7.5 in relation to any instalment.
- 7.7 If the Customer fails to pay an amount properly due in respect of the Call Off Charges to the Supplier by the Final Date for Payment, and no Pay Less Notice has been given pursuant to Clause 7.5, the Supplier may suspend the performance of any or all of the Services. This right is subject to the Supplier first giving the Customer not less than 14 days' notice in writing of such intention and stating the grounds for suspension. The right to suspend performance shall cease when the Customer makes payment of the amount properly due.
- 7.8 Notwithstanding any other provision of this Call Off Contract, the Customer's obligation to make payment under this Call Off Contract shall be subject to the following:
- 7.8.1 no sums shall become due in respect of any of the Services which have not been performed in accordance with this Call Off Contract;
  - 7.8.2 any entitlement the Customer may have to make any withholding, deduction, retention and/or set-off under this Call Off Contract or otherwise in law; and



- 7.8.3 the Supplier shall provide the Customer with such documentation, information and other facilities as the Customer may reasonably require for it to check the invoice and for the purpose of verifying the amount claimed as due for payment

provided always that the Customer shall comply with the notice procedures set out in Clause 05, as appropriate."

Renumber Clause 7.6 to 7.9.

## **8. ADJUSTMENT OF CALL OFF CONTRACT CHARGES**

Delete "; or" at the end of sub-clause 8.1.6 and insert new sub-clause:

"8.1.7 where all or part of the Call Off Contract Charges are reviewed and reduced or increased in accordance with paragraph 8A of this Call Off Schedule 3; or "

Insert new Clause:

"8A The Call Off Contract Charges shall be adjusted annually from the end of the second Call Off Contract Year by the Customer, on the Indexation Date to reflect the change in the Consumer Prices Index over the previous Call Off Contract Year. The Customer reserves the right to limit any increase in the Call Off Contract Charges as a result of this Clause 8A to 2% but may at its discretion agree a higher increase as it feels reasonable to do so at that time."

## **SCHEDULE 11: DISPUTE RESOLUTION PROCEDURE**

Insert new Clause:

### **"6A ADJUDICATION**

Any party at any time may refer any dispute or difference arising between the parties out of or in connection with this Call Off Contract to adjudication. The Technology and Construction Solicitors Association Adjudication Rules (TeCSA Adjudication Rules) current at the date of the notice of adjudication shall apply to any adjudication and are hereby incorporated into this Call Off Contract."

## **ADDITIONAL SCHEDULES**

**SCHEDULE 18: SUB-CONTRACTOR / KEY SUB-CONTRACTOR APPOINTMENT**

**SCHEDULE 19: SUB-CONTRACTOR / KEY SUB-CONTRACTOR COLLATERAL WARRANTY**

**SCHEDULE 20: SECURITY ASPECTS LETTER**