

Service Order

HM REVENUE & CUSTOMS SERVICE ORDER	
A1. HMRC Information Purchase Order to be issued under separate cover	
CD Reference:	SR1077156360
Purchase / Limit Order No	TBC
HMRC Commercial Contact	
Name:	REDACTED
Contact Telephone No.:	REDACTED
email:	REDACTED
HMRC Work Manager	
Name:	REDACTED
Contact Telephone No.:	REDACTED
Contact Address:	HM Revenue & Customs 100 Parliament Street London SW1A 2BQ
email:	REDACTED
HMRC Authorised Officer: (Sponsor/Budget Approver/Invoicing & timesheets)	REDACTED

A2. Supplier Information	
Supplier:	Capita Business Services Ltd
Contact:	REDACTED
Contact Tel No:	REDACTED
Contact Address:	65 Gresham St London EC2V 7NQ
email:	REDACTED

A3. Contractual Detail	
Special Terms and Conditions: e.g. overtime, expenses, travel & subsistence, notice period.	This agreement will be governed by the terms and conditions as set out within Appendix 1: Authority's Mandatory Clauses.

A4. Project Information	
Project Title Primary Location:	ODP Apprenticeship Pilot
	<i>Washington</i> The Supplier shall offer a varied method of training delivery including digital, fully flexible models of support, face-to-face teaching in HMRC estate, workplace learning, classroom, workshops, and action learning sets or a combination thereof.
Services Start Date:	05/10/2022
End Date:	04/10/2024
Possible Extension period:	Up to 6 months

A5. Commercial Detail	
Operational Delivery apprenticeships fee per learner (up to 24 learners in total)	REDACTED
Grand Total (£) exclusive of VAT:	£60,000 (maximum call-off value and not a commitment to spend).

A6. Specification
The section below should be used to provide clear details relating to the requirements for delivery of the project/assignment. It should include, where appropriate, milestones / key deliverables with dates, and proposals for skills transfer.
<p>Required Services</p> <p>The Services which the Supplier must be able to deliver under the Contract are as follows:</p> <ul style="list-style-type: none"> • Providing advice and guidance to ensure compliance with the Government's Apprenticeship Levy, and any amendments made by ESFA during the lifetime of the Contract; • Delivery of a tailored learning experience that supports achievement of capability milestones and develops skills and behaviours to meet requirements of HMRC Pilot and achievement of qualification; • The provision of an Individual Learner Record (ILR), a compliant online portal which allows for multiple levels of access, to enable authorised users (e.g. Apprentices, HMRC, and line manager(s) as appropriate), to log the progress of the training and development of the Apprentice throughout the Apprenticeship; • Delivery of apprenticeship learning to ensure success at the End Point Assessment Liaison with EPA organisation to ensure completion of the apprenticeship; • Ensuring timeliness of Apprenticeship completion within agreed timeframes; • Ensuring delivery of Apprenticeship training meets all OFSTED quality standards; and

- Ensuring delivery of Apprenticeship training is in line with standards of professional bodies, where the Apprenticeship is to include the achievement of a qualification from the relevant professional body.

Management and Administration of Services

- The Supplier will be expected to track the progress of each Apprentice using a "RAG" rating process.
- The Supplier shall use the following RAG rating categorisation:
 - o Green: Actual percentage progress is less than 10 percentage points behind expected percentage progress
 - o Amber: Actual percentage progress is between 10 and 20 percentage points (inclusive) behind expected percentage progress.
 - o Red: Actual percentage progress is more than 20 percentage points behind expected percentage progress
- The Supplier shall discuss the Apprentice's progress and agree any changes or development plans with each Apprentice, their respective line manager and HMRC SPOC through regular meetings.
- Where the Apprentice is rated "red" or "amber", the Supplier, along with the Apprentice, their line manager and HMRC SPOC will jointly agree an action plan to ensure that the Apprentice has sufficient support to get back on track where necessary.
- The Supplier must notify the HMRC SPOC within 5 Working Days of becoming aware that any Apprentice's progress performance is rated as "Red" and shall provide the details of the reason(s) for the red rating being given.
- The Supplier will work with the Apprentice, their line manager HMRC SPOC to agree an action plan to ensure that the Apprentice has sufficient support to get back on track where necessary.
- The Supplier will be responsible for ensuring Talent Coaches closely monitor the action plan to ensure it is adhered to by all parties.
- The Supplier will promptly notify HMRC of any non-compliance with the action plan by any party.
- As the Apprentices approach the end of their programme, the action plan must indicate when their expected date of portfolio submission will be and their most likely date of completion or End Point Assessment.

Programme delivery

- The Supplier shall identify relevant needs for reasonable adjustment at the point of application for the Apprenticeship, and shall communicate any proposed changes to HMRC
- HMRC will have responsibility for meeting these needs in the workplace.
- The Supplier shall provide a detailed timetable of support, including Information, Advice and Guidance (IAG) for each Apprentice setting out a plan for each individual Apprenticeship pathway.
- The Supplier shall ensure IAG continues throughout the Apprenticeship programme to help keep the Apprentice on track and aware of what they need to do to progress.
- The Supplier shall deliver enrolment for Apprentices and line managers on Day 11 of employment.
- All Apprentices shall be registered for their Apprenticeship and provided by the Supplier with an Individual Learning Plan in line with DfE (BIS/ESFA) guidance and rules.
- The Supplier shall allocate specific support to each Apprentice, in the form of a Talent Coach, from enrolment on the Apprenticeship through to End Point Assessment (EPA) qualification.

- The Supplier shall have in place a process to ensure the consistency and the quality of the line manager support provided.
- The Supplier shall ensure that Talent Coaches demonstrate a high level of competence, relevant experience of the Apprenticeship programme requirements and that their Apprenticeship subject area knowledge is kept up to date.
- The Supplier shall ensure that Talent Coaches are trained to deliver the HMRC Pilot Programme and provide support to new Apprentices.
- The Supplier shall provide training and consolidation for all Talent Coaches to ensure consistency of approach and knowledge levels.
- The Supplier shall have in place an effective quality assurance process, which includes monitoring and reviewing Talent Coach performance.
- The Supplier shall conduct interim and formal progress reviews with the Apprentice with input from Talent Coaches and HMRC managers. This shall include but not be limited to:
 - o A schedule of regular progress review meetings, as per HMRC Pilot Learner Journey
 - o Involving the Apprentice and managers in the reviews;
 - o Identifying progress for learning aims – both to date and between reviews;
 - o Reflecting on and recording progress made towards the Apprentice's learning goals;
 - o Reviewing the Apprentice's Individual Learning Plan and monitoring the achievement of agreed milestones;
 - o Agreeing and recording actions and targets between reviews;
 - o Monitoring and tracking the Apprentice's progress to ensure they are meeting their targets and identify at an early stage those Apprentices requiring additional support and amending the training plan accordingly;
 - o Ensuring the manager is involved throughout the Apprentice learner journey and the assessment of the Apprentice suitability for entry into the 'Gateway';
 - o Assessing that an Apprentice has reached the 'Gateway' and determine the Apprentice's readiness for the End Point Assessment (EPA);
 - o Ensuring the Apprentice and manager have a copy of the record of the reviews.
- The Supplier shall not remove any Apprentice from the programme without the direct written consent of HMRC except if such removal is necessary due to funding regulations or misconduct after discussion with HMRC.

Interface

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- The Supplier shall (at its own cost):
 - o provide all necessary support, tools, services, and software (including automated and application programming interfaces), to enable and support the provision of the Services, and in particular a Supplier Learning Management System which provides for the seamless and secure sharing of Learning Data between the Supplier, HMRC, and the Apprentices;
 - o ensure it provides and maintains throughout the Term a suitable Supplier Learning Management System which, together with the rest of the Supplier System used in connection with the Services (each as may be updated from time to time in accordance with the Contract) is:
 - I. readily accessible and useable by the Apprentices and at all times during the Contract Period via a user-friendly, accessible, password protected interface;

- II. suitable for use as a learning management system by Apprentices (including allowing them to keep a full, detailed, and updateable record of their completed and outstanding learning) in connection with the Services (as may be further detailed in a Services Request Form);
- III. fully compatible with and interface with HMRC Recipient Systems (including compatibility with Internet Explorer and the Authority's E-Commerce (P2P) system and networks), Property and Assets;
- IV. able to deliver the required functionality and interoperability to enable the proper provision of the Services and to allow the Learning Data to pass seamlessly between the Supplier System, and HMRC;
- V. sufficiently flexible to allow for any changes and updates from time to time;
- VI. capable of securely holding and allowing authorised access to the Learning Data, and of backing up the Learning Data to a secure off-site system;
- VII. structured and maintained in accordance with the security requirements as set out in the Contract
- VIII. compliant with Good Industry Practice and the standards set out in this Statement of Requirement and Quality Standards, together with any further standards specified in a Services Request Form;
- o implement appropriate controls in order to ensure that access to the Interface is constrained to authenticated and authorised individuals;
- o be responsible for, and obtain and maintain throughout the duration of this Contract, all consents, approvals, licences and permissions required from third parties or otherwise for its and the Apprentices' use of the Supplier Learning Management System and remainder of the Supplier System, Learning Data and the Interfaces in accordance with this Contract;
- o promptly inform HMRC of:
 - I. all details of the Supplier Learning Management System (including technical and functional details and specifications, any third parties involved, the Interfaces required, and any software, hardware, data centres, networks, and systems used by or in connection with the Supplier Learning Management System), and in any event within two (2) Working Days of HMRC's request;
 - II. any unavailability of, or incidents, faults or other issues in respect of the Supplier Learning Management System or Learning Data (and in any event, within two (2) business hours, or such other time period as may be agreed in writing between the Supplier and HMRC);
 - III. any new or potential improvements to the interfaces or integration of the Services with HMRC, or other services provided by third parties, which might result in efficiency or productivity gains or in reduction of operational risk;
- o co-operate with the Other Suppliers and provide reasonable information (including any Documentation), advice and assistance in connection with the Services to any Other Supplier as may be necessary to enable such Other Supplier to create and maintain technical or organisational interfaces with the Services, Supplier Learning Management System (and rest of the Supplier System, as applicable), and HMRC Systems

- The Supplier, in agreement with HMRC, shall select an organisation to deliver the End Point Assessment from the Register of Apprentice end-point assessment organisations (EPAO).
- The Supplier shall ensure that the registered assessment organisation and the assessor is independent of, and separate from, the training provided by the Supplier and HMRC.
- The Supplier shall ensure the Apprentice undergoes an EPA at the very end of the on-programme phase of training when HMRC and Supplier are satisfied that they have met the "Gateway" criteria to undertake the assessment.
- The Supplier shall ensure that the EPA is conducted in accordance with the requirements set out in the assessment plan that accompanies each Apprenticeship Standard
- The Supplier shall ensure transparency around costs and any Key Performance Indicators for the touch points leading up to EPA and the Supplier will be expected to provide a full library of products, timeline and process based on the following:
 - o an induction programme;
 - o an Apprentice handbook;
 - o a line manager guide;
 - o a detailed summary of the delivery model; and
 - o a detailed summary of the Apprenticeship learner journey process.
- The Supplier shall provide a robust assessment process for assessment of the Apprentice's achievement of the relevant Apprenticeship Standard and any related qualifications, and this shall include, but is not limited to, the following:
 - o Defining the cost of the End Point Assessment (this will clarify what proportion of overall costs are charged by the Training Provider for their services and the End Point Assessment respectively);
 - o Providing assessment criteria/guidance at the start of the Apprenticeship for Apprentices and line managers to work with;
 - o Providing training to ensure quality, standardisation and consistency for all End Point Assessment (EPA) panel members;
 - o Giving the Apprentice at least one month advance notification of their End Point Assessment appointment, to enable them to prepare;
 - o Assessing all individuals who have embarked on their Apprenticeship no later than 3 month (maximum of 6 months) from the end of their Apprenticeship period;
 - o Conducting the End Point Assessment in the most appropriate location, as agreed with HMRC This could be, but is not limited to, an End Point Assessment at the Apprentice's 'home' office location (or region), nearest accredited assessment centre, or an online assessment;
 - o Wherever possible undertake multiple End Point Assessments in a single day in order to maximise delivery and minimise costs;
 - o Notifying outcomes of the End Point Assessment in one of the following categories: Pass, Distinction or Fail, by applying the criteria for each category as set out in the standards document;
 - o Conveying the overall markings to individuals as a % rating, in addition to the category above;
 - o Allowing flexibility for any adjustments in the End Point Assessment standards and for these to be reflected in the assessment process itself should that standard change for any reason; and
 - o Endeavour to ensuring that each Apprentice who starts an Apprenticeship obtains an accredited qualification and completes their Apprenticeship, where required by the Apprenticeship Standard and in agreement with HMRC.

Account Management

- The Supplier shall ensure that a Contract Manager and deputy to the Contract Manager are both appointed in and their names and contact details (including email address and telephone number) are provided to the Authority prior to any period of the Contract Manager's unavailability and absence.
- The Supplier shall ensure that the deputy to the Contract Manager has the same powers, authority and discretion as the Contract Manager.
- The Supplier shall, when required, support HMRC in providing recommendations in relation to the Services provided, improve value for money, answering queries, dealing with complaints and technical support.
- The Supplier shall be required to provide and maintain a dedicated customer service team, which will act as the first point of contact and focal point for all enquiries from HMRC.
- The Supplier shall be responsible for ensuring that all enquiries received from HMRC are dealt with and resolved in accordance with agreed Key Performance Indicators.
- The Supplier will be expected to attend regular meetings with the HMRC to discuss performance of the Contract.

Customer Support Service Requirements

- The Supplier shall provide a free of charge dedicated helpdesk service to HMRC that comply with the following:
 - o Provision of a customer service helpdesk, which shall be open to answer general enquiries and shall operate as a minimum from office hours 09:00 until 17:30 Monday to Friday throughout the year excluding public holidays to deal with queries.
 - o Provision of operational support and/or emergency call numbers (where emergency support shall be operational twenty-four (24) hours per day, every day of the year, including public holidays).
 - o All calls shall be charged at no more than a standard call rate (no premium rate telephone numbers). Standard rate in the UK means calls to local and national numbers beginning, 01, 02, and 03. Excluded numbers include non-geographic numbers (e.g. 0871) and Premium Rate Services.
 - o The Supplier shall also provide a dedicated email address for written enquiries and make this known to HMRC SPOCs and Apprentices.
 - o The Supplier shall ensure all Supplier Personnel appointed to the helpdesk have the relevant skills; experience and knowledge of the services offered under the Contract and have the capability to manage relations with HMRC.
 - o The Supplier shall provide support to all HMRC queries, which will include but not be limited to providing:
 - Advice and support to HMRC to claim any additional employer incentive payments as set out in government guidance;
 - Advice on their individual requirements;
 - Plans regarding the most cost effective delivery model (agreeing locations of cohorts etc.); and
 - resolution of issues and complaints raised in accordance with the KPIs.

Complaints Handling

- The Supplier shall have a robust and auditable complaints procedure for logging, investigating, managing and escalating and resolving complaints initiated by HMRC.
- The Supplier shall ensure its complaints procedure complies with the following;

- o All complaints shall be logged and acknowledged within 48 hours of receipt;
 - o All complaints shall be resolved within five (5) Working Days of the original complaint being made unless otherwise agreed with HMRC; and
 - o All complaints shall be recorded, together with the actions and timescales taken to resolve the complaint.
 - The Supplier shall ensure that the level and nature of complaints arising and proposed corrective action that are under way or completed will be reviewed by the parties as part of the performance management meetings
 - The Supplier shall analyse and identify any pattern of complaints and bring these to the attention of HMRC during supplier review meetings.
- Funding, Invoicing and Payment Requirements
- The Supplier will register eligible apprentices on the Digital Apprentice Service within 1 month of enrolment to draw down payments from the HMRC Apprenticeship Levy
 - The Supplier will advise HMRC of any apprentices who are ineligible for Levy funding as soon as possible of enrolment and request commercial funding
 - The Supplier will submit invoices in arrears to HMRC SPoC
 - HMRC will pay all sums properly due and payable within 30 days of receipt

MI and Data Reporting

- The Supplier shall provide MI Data Reporting to the Authority, and to the Profession Lead of HMRC free of charge in accordance with the requirements set out in this Statement of Requirement.
- The Supplier shall have appropriate management information systems in place to collect, check, manage and return monthly data to the ESFA through the Individual Learner Record (ILR) and other learner data collection as specified in the link below:
<https://www.gov.uk/government/collections/individualised-learner-record-ilr>
- The Supplier shall provide secure and accurate monthly MI Data to the Authority, and HMRC to monitor starts, completions and progress against Apprenticeship and End Point Assessment. This must be provided on the basis of the cohort as a whole and for individual Apprentices and adhere to nationally recognised Data Protection and records and retention policies, data transfer agreements with the employer and information security requirements.
- The Supplier shall provide MI Data to HMRC which will detail the number of Apprentices assessed in weeks/months and by rolling total to date, highlighting any re-sits. Further reporting MI Data may include:
 - o Number of passes, distinctions and fails in week and by rolling total;
 - o Total numbers of Apprentices scheduled for assessment and broken down by region;
 - o Number of Apprentices not yet scheduled for assessment, by region highlighting any re-sits amongst these;
 - o Full details of Apprentices who have needed to reschedule their assessment (name/ location), highlighting any re-sits amongst these;
 - o Full details of any Apprentices who are unavailable for assessment at any point full within 6 weeks of the expiration of the period of their Apprenticeship;
 - o Precise details of any Apprentices who fail to attend their scheduled assessment appointment; and
 - o Full details of any completions rates and highlighting exceptional Apprentices.
 - o The Supplier shall provide the required data or information free of charge, within five Working Days of request by HMRC.

- o HMRC may request data and reports on an ad hoc basis to assist with Freedom of Information (FOI) requests, Parliamentary Questions (PQs) or other committee requests.

Performance monitoring

- Fortnightly progress meetings with Senior Client Partner
- Weekly operational meetings with Client Support Manager
- Monthly reviews with Talent Coaches

The Agreement effected by the signing of this Form of Agreement constitutes the entire agreement between the Parties relating to the subject matter of the Agreement and supersedes all prior negotiations, representations or understandings whether written or oral.

Signed for and on behalf of:

	The Commissioners for HM Revenue & Customs:		Capita Business Services Ltd:
Signature:		Signature:	
Name:		Name:	
Capacity:		Capacity:	
Date:		Date:	
Address:		Address:	
Telephone:		Telephone:	
email:		email:	



HM Revenue & Customs

Appendix 1 AUTHORITY'S MANDATORY TERMS

- A.** For the avoidance of doubt, references to 'the Agreement' mean the signed Service Order and this Appendix 1 between the Supplier and the Authority. References to 'the Authority' mean 'the Buyer' (the Commissioners for Her Majesty's Revenue and Customs).
- B.** The Agreement incorporates the Authority's mandatory terms set out in this Appendix 1.
- C.** In case of any ambiguity or conflict, the Authority's mandatory terms in this Appendix 1 will supersede any other terms in the Agreement.

1. Definitions

- "Affiliate"** in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control with, that body corporate from time to time;
- "Authority Data"** (a) the data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, and which are:
- (i) supplied to the Supplier by or on behalf of the Authority; and/or
 - (ii) which the Supplier is required to generate, process, store or transmit pursuant to this Agreement; or
- (b) any Personal Data for which the Authority is the Controller, or any data derived from such Personal Data which has had any designatory data identifiers removed so that an individual cannot be identified;
- "Charges"** the charges for the Services as specified in Clause A5 Commercial Detail;
- "Connected Company"** means, in relation to a company, entity or other person, the Affiliates of that company, entity or other person or any other person associated with such company, entity or other person;
- "Control"** the possession by a person, directly or indirectly, of the power to direct or cause the direction of the management and policies of the other person (whether through the ownership of voting shares, by contract or otherwise) and "Controls" and "Controlled" shall be interpreted accordingly;

"Controller", "Processor", "Data Subject", "Data Protection Legislation"	<p>take the meaning given in the GDPR;</p> <p>(a) the GDPR, the Law Enforcement Directive (Directive EU 2016/680) and any applicable national implementing Laws as amended from time to time;</p> <p>(b) the Data Protection Act 2018 to the extent that it relates to processing of personal data and privacy;</p> <p>all applicable Law about the processing of personal data and privacy;</p>
"GDPR"	the General Data Protection Regulation (Regulation (EU) 2016/679);
"Key Subcontractor"	<p>any Subcontractor:</p> <p>which, in the opinion of the Authority, performs (or would perform if appointed) a critical role in the provision of all or any part of the Services; and/or</p> <p>with a Subcontract with a contract value which at the time of appointment exceeds (or would exceed if appointed) ten per cent (10%) of the aggregate Charges forecast to be payable under this Contract;</p>
"Law"	<p>any applicable Act of Parliament, subordinate legislation within the meaning of section 21(1) of the Interpretation Act 1978, exercise of the royal prerogative, enforceable community right within the meaning of section 2 of the European Communities Act 1972, regulatory policy, guidance or industry code, judgment of a relevant court of law, or directives or requirements of any regulatory body with which the Supplier is bound to comply;</p>
"Personal Data"	has the meaning given in the GDPR;
"Purchase Order Number"	the Authority's unique number relating to the supply of the Services;
"Services"	the services to be supplied by the Supplier to the Authority under the Agreement, including the provision of any Goods;
"Subcontract"	any contract or agreement (or proposed contract or agreement) between the Supplier (or a Subcontractor) and any third party whereby that third party agrees to provide to the Supplier (or the Subcontractor) all or any part of the Services, or facilities or services which are material for the provision of the Services, or any part thereof or necessary for the management, direction or control of the Services or any part thereof;
"Subcontractor"	<p>any third party with whom:</p> <p>(a) the Supplier enters into a Subcontract; or</p> <p>(b) a third party under (a) above enters into a Subcontract, or the servants or agents of that third party;</p>

"Supplier Personnel"	all directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any Subcontractor of the Supplier engaged in the performance of the Supplier's obligations under the Agreement;
"Supporting Documentation"	sufficient information in writing to enable the Authority to reasonably verify the accuracy of any invoice;
"Tax"	<p>(a) all forms of tax whether direct or indirect;</p> <p>(b) national insurance contributions in the United Kingdom and similar contributions or obligations in any other jurisdiction;</p> <p>(c) all statutory, governmental, state, federal, provincial, local government or municipal charges, duties, imports, contributions, levies or liabilities (other than in return for goods or services supplied or performed or to be performed) and withholdings; and</p> <p>(d) any penalty, fine, surcharge, interest, charges or costs relating to any of the above,</p> <p>in each case wherever chargeable and whether of the United Kingdom and any other jurisdiction;</p>
"Tax Non-Compliance"	<p>where an entity or person under consideration meets all 3 conditions contained in the relevant excerpt from HMRC's "Test for Tax Non-Compliance", as set out in Annex 1, where:</p> <p>(a) the "Economic Operator" means the Supplier or any agent, supplier or Subcontractor of the Supplier requested to be replaced pursuant to Clause 4.3; and</p> <p>(b) any "Essential Subcontractor" means any Key Subcontractor;</p>
"VAT"	value added tax as provided for in the Value Added Tax Act 1994.

2. Payment and Recovery of Sums Due

2.1 The Supplier shall invoice the Authority as specified in Clause A5 Commercial Detail of the Agreement. Without prejudice to the generality of the invoicing procedure specified in the Agreement, the Supplier shall procure a Purchase Order Number from the Authority prior to the commencement of any Services and the Supplier acknowledges and agrees that should it commence Services without a Purchase Order Number:

2.1.1 the Supplier does so at its own risk; and

2.1.2 the Authority shall not be obliged to pay any invoice without a valid Purchase Order Number having been provided to the Supplier.

2.2 Each invoice and any Supporting Documentation required to be submitted in accordance with the invoicing procedure specified in the Agreement shall be

submitted by the Supplier, as directed by the Authority from time to time via the Authority's electronic transaction system.

- 2.3** If any sum of money is recoverable from or payable by the Supplier under the Agreement (including any sum which the Supplier is liable to pay to the Authority in respect of any breach of the Agreement), that sum may be deducted unilaterally by the Authority from any sum then due, or which may come due, to the Supplier under the Agreement. The Supplier shall not be entitled to assert any credit, set-off or counterclaim against the Authority in order to justify withholding payment of any such amount in whole or in part.

3. Warranties

- 3.1** The Supplier represents and warrants that:

3.1.1 in the three years prior to the Effective Date, it has been in full compliance with all applicable securities and Laws related to Tax in the United Kingdom and in the jurisdiction in which it is established;

3.1.2 it has notified the Authority in writing of any Tax Non-Compliance it is involved in; and

3.1.3 no proceedings or other steps have been taken and not discharged (nor, to the best of its knowledge, are threatened) for the winding up of the Supplier or for its dissolution or for the appointment of a receiver, administrative receiver, liquidator, manager, administrator or similar officer in relation to any of the Supplier's assets or revenue and the Supplier has notified the Authority of any profit warnings issued in respect of the Supplier in the three years prior to the Effective Date.

- 3.2** If at any time the Supplier becomes aware that a representation or warranty given by it under Clause 3.1.1, 3.1.2 and/or 3.1.3 has been breached, is untrue, or is misleading, it shall immediately notify the Authority of the relevant occurrence in sufficient detail to enable the Authority to make an accurate assessment of the situation.

- 3.3** In the event that the warranty given by the Supplier pursuant to Clause 3.1.2 is materially untrue, the Authority shall be entitled to terminate the Agreement pursuant to the clause which provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause or equivalent clause).

4. Promoting Tax Compliance

- 4.1** All amounts stated are stated exclusive of VAT, which shall be added at the prevailing rate as applicable and paid by the Authority following delivery of a valid VAT invoice.
- 4.2** To the extent applicable to the Supplier, the Supplier shall at all times comply with all Laws relating to Tax and with the equivalent legal provisions of the country in which the Supplier is established.

- 4.3** The Supplier shall provide to the Authority the name and, as applicable, the Value Added Tax registration number, PAYE collection number and either the Corporation Tax or self-assessment reference of any agent, supplier or Subcontractor of the Supplier prior to the provision of any material Services under the Agreement by that agent, supplier or Subcontractor. Upon a reasonable request by the Authority for cause, the Supplier shall not contract, or will cease to contract, with any agent, supplier or Subcontractor supplying Services under the Agreement, for the purposes of supplying such Services.
- 4.4** If, at any point during the Term, there is Tax Non-Compliance, the Supplier shall:
- 4.4.1** notify the Authority in writing of such fact within five (5) Working Days of its occurrence; and
- 4.4.2** promptly provide to the Authority:
- (a)** details of the steps which the Supplier is taking to resolve the Tax Non Compliance and to prevent the same from recurring, together with any mitigating factors that it considers relevant; and
- (b)** such other information in relation to the Tax Non-Compliance as the Authority may reasonably require.
- 4.5** Subject to the Annex 4 Supplier Terms and Conditions, The Supplier shall indemnify the Authority on a continuing basis against any liability, including any interest, penalties or costs incurred, that is levied, demanded or assessed on the Authority at any time in respect of the Supplier's failure to account for or to pay any Tax relating to payments made to the Supplier under this Agreement. Any amounts due under this Clause 4.5 shall be paid in cleared funds by the Supplier to the Authority not less than five (5) Working Days before the date upon which the Tax or other liability is payable by the Authority.
- 4.6** Upon the Authority's request, the Supplier shall provide (promptly or within such other period notified by the Authority) information which demonstrates how the Supplier complies with its Tax obligations.
- 4.7** If the Supplier:
- 4.7.1** fails to comply (or if the Authority receives information which demonstrates to it that the Supplier has failed to comply) with Clauses 4.2, 4.4.1 and/or 4.6 this may be a material breach of the Agreement;
- 4.7.2** fails to comply (or if the Authority receives information which demonstrates to it that the Supplier has failed to comply) with a reasonable request by the Authority that it must not contract, or must cease to contract, with any agent, supplier or Subcontractor of the Supplier as required by Clause 4.3 on the grounds that the agent, supplier or Subcontractor of the Supplier is involved in Tax Non-Compliance this shall be a material breach of the Agreement; and/or
- 4.7.3** fails to provide details of steps being taken and mitigating factors pursuant to Clause 4.4.2 which in the reasonable opinion of the Authority are acceptable this shall be a material breach of the Agreement;

and any such material breach shall allow the Authority to terminate the Agreement pursuant to the Clause which provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause or equivalent clause).

- 4.8** The Authority may internally share any information which it receives under Clauses 4.3 to 4.4 (inclusive) and 4.6, for the purpose of the collection and management of revenue for which the Authority is responsible.

5. Use of Off-shore Tax Structures

- 5.1** Subject to the principles of non-discrimination against undertakings based either in member countries of the European Union or in signatory countries of the World Trade Organisation Agreement on Government Procurement, the Supplier shall not, and shall ensure that its Connected Companies, Key Subcontractors (and their respective Connected Companies) shall not, have or put in place (unless otherwise agreed with the Authority) any arrangements involving the use of off-shore companies or other off-shore entities the main purpose, or one of the main purposes, of which is to achieve a reduction in United Kingdom Tax of any description which would otherwise be payable

by it or them on or in connection with the payments made by or on behalf of the Authority under or pursuant to this Agreement or (in the case of any Key Subcontractor and its Connected Companies) United Kingdom Tax which would be payable by it or them on or in connection with payments made by or on behalf of the Supplier under or pursuant to the applicable Key Subcontract ("**Prohibited Transactions**"). Prohibited Transactions shall not include transactions made between the Supplier and its Connected Companies or a Key Subcontractor and its Connected Companies on terms which are at arms-length and are entered into in the ordinary course of the transacting parties' business.

- 5.2** The Supplier shall notify the Authority in writing (with reasonable supporting detail) of any proposal for the Supplier or any of its Connected Companies, or for a Key Subcontractor (or any of its Connected Companies), to enter into any Prohibited Transaction. The Supplier shall notify the Authority within a reasonable time to allow the Authority to consider the proposed Prohibited Transaction before it is due to be put in place.

- 5.3** In the event of a Prohibited Transaction being entered into in breach of Clause 5.1 above, or in the event that circumstances arise which may result in such a breach, the Supplier and/or the Key Subcontractor (as applicable) shall discuss the situation with the Authority and, in order to ensure future compliance with the requirements of Clauses 5.1 and 5.2, the Parties (and the Supplier shall procure that the Key Subcontractor, where applicable) shall agree (at no cost to the Authority) timely and appropriate changes to any such arrangements by the undertakings concerned, resolving the matter (if required) through the escalation process in the Agreement.

5.4 Failure by the Supplier (or a Key Subcontractor) to comply with the obligations set out in Clauses 5.2 and 5.3 shall allow the Authority to terminate the Agreement pursuant to the Clause that provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause).

6 Data Protection and off-shoring

6.1 The Processor shall, in relation to any Personal Data processed in connection with its obligations under the Agreement:

6.1.1 not transfer Personal Data outside of the United Kingdom unless the prior written consent of the Controller has been obtained and the following conditions are fulfilled:

- (a)** the Controller or the Processor has provided appropriate safeguards in relation to the transfer (whether in accordance with GDPR Article 46 or LED Article 37) as determined by the Controller;
- (b)** the Data Subject has enforceable rights and effective legal remedies;
- (c)** the Processor complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the Controller in meeting its obligations); and
- (d)** the Processor complies with any reasonable instructions notified to it in advance by the Controller with respect to the processing of the Personal Data;

6.2 Failure by the Processor to comply with the obligations set out in Clause 6.1 shall allow the Authority to terminate the Agreement pursuant to the Clause that provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause or equivalent clause).

6.3. Protection of Personal Data

The parties acknowledge and agree that if the Supplier processes any personal data for the Authority under the Agreement:

- (A) The Authority is the data controller and the Supplier is the data processor for the purposes of the Data Protection Legislation;
- (B) the data processing provisions set out in the table Data Processing Activities shall apply as between the parties.

6.4. Processing Obligations

The Supplier shall, in relation to any personal data processed in connection with the performance by Supplier of its obligations under the Agreement:

- (A) process such personal data only on the written instructions of the Authority unless the Supplier is otherwise required by the laws of the European Union applicable to the Supplier and/or the Data Protection Legislation ("Data Laws") to process such personal data. Where the Supplier is relying on Data Laws as the basis for processing personal data, Supplier shall notify the Authority of this in a timely manner before performing such processing unless such Data Laws prohibit Capita from so notifying the Authority;
- (B) ensure that it has in place appropriate technical and organisational measures, to protect against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data appropriate to the harm that might otherwise result, having regard to the state of technological development and the cost of implementing and maintaining any measures (including, as appropriate, pseudonymisation and/or encryption of such personal data, ensuring confidentiality, integrity, availability and resilience of its systems and services);

Data Processing Activities

Subject matter of the processing	REDACTED
Duration of the processing	REDACTED
Nature and purpose of the processing	REDACTED
Type of personal data processed	REDACTED
Categories of data subjects	REDACTED
Obligations and rights of Client	REDACTED

7 Commissioners for Revenue and Customs Act 2005 and related Legislation

7.1 The Supplier shall comply with, and shall ensure that all Supplier Personnel who will have access to, or are provided with, Authority Data comply with the obligations set out in Section 18 of the Commissioners for Revenue and Customs Act 2005 ('CRCA') to maintain the confidentiality of Authority Data. Further, the

Supplier acknowledges that (without prejudice to any other rights and remedies of the Authority) a breach of the aforesaid obligations may lead to a prosecution under Section 19 of CRCA.

7.2 The Supplier shall comply with, and shall ensure that all Supplier Personnel who will have access to, or are provided with, Authority Data comply with the obligations set out in Section 123 of the Social Security Administration Act 1992, which may apply to the fulfilment of some or all of the Services. The Supplier acknowledges that (without prejudice to any other rights and remedies of the Authority) a breach of the Supplier's obligations under Section 123 of the Social Security Administration Act 1992 may lead to a prosecution under that Act.

7.3 The Supplier shall regularly (not less than once every six (6) months) remind all Supplier Personnel who will have access to, or are provided with, Authority Data in writing of the obligations upon Supplier Personnel set out in Clause 7.1 above. The Supplier shall monitor the compliance by Supplier Personnel with such obligations.

7.4 The Supplier shall ensure that all Supplier Personnel who will have access to, or are provided with, Authority Data sign (or have previously signed) a Confidentiality Declaration, in the form provided at Annex 2. The Supplier shall provide a copy of each such signed declaration to the Authority upon demand.

7.5 In the event that the Supplier or the Supplier Personnel fail to comply with this Clause 7, the Authority reserves the right to terminate the Agreement with immediate effect pursuant to the clause that provides the Authority the right to terminate the Agreement for Supplier fault (termination for Supplier cause).

Definitions:

"Background IPR" means any and all IPR owned by or licensed to either party and developed or obtained before or independently of the Agreement.

"Foreground IPR" means any IPR that arises, is created or developed by Capita for Client as part of or in connection with the Services, including any such IPR subsisting in any product, process, deliverables, documents, works, designs and/or services.

"IPR" means patents, utility models, rights to inventions, copyright and related rights, moral rights, trade marks (registered or unregistered), domain names, goodwill, right to sue for passing off, design rights (registered or unregistered), rights in computer software, database rights, trade secrets, know-how, right to preserve confidentiality of information, any other industrial and intellectual property rights, including all applications for, renewals or extensions of, such rights and all similar or equivalent rights or protections which are recognised, subsist or will subsist, now or in the future, in any part of the world.

8. IPR

8.1 Background IPR.

The parties acknowledge and agree that:

- (A) all Background IPR is and shall remain the exclusive property of the party owning it or that of its licensor; and
- (B) where one party owns any Background IPR which the other party needs to legitimately access and/or use for the purposes of the Services, then such party grants to the other party a non-exclusive licence to use its Background IPR solely for the purposes of the Services and for the duration of the Agreement.

8.2 IPR in the Services.

The parties acknowledge and agree that:

- (A) any and all Foreground IPR shall vest in and be owned by Supplier;
- (B) Supplier grants the Authority, a worldwide, non-exclusive, royalty free licence for the period of the Agreement to use (but not adapt, modify, enhance or create any derivatives of) the Foreground IPR for its internal business purposes only and to the extent required by the Authority to benefit from the Services. The Authority is not permitted to sub-licence, assign or otherwise transfer rights granted to it under such licence to any third-party.

8.3 IPR Indemnity.

Each party shall indemnify and hold the other party (and applicable Group members) harmless against all direct losses arising out of or in connection with any infringement (actual or alleged) of a third party's IPR which results from the other party's use of that party's IPR in connection with the Services, in each case in accordance with the Agreement.

9. LIMITATION OF LIABILITY

9.1 Unlimited Liability.

The limits on liability under Clauses 9.2 (Exclusion of Liability) and 9.3 (Limitations on Liability) shall not apply to:

- (A) death or personal injury caused by negligence;
- (B) fraud or fraudulent misrepresentation;
- (C) the indemnity set out in Clause 8.3 (IPR Indemnity); and/or
- (D) any other matter for which it would be unlawful to exclude or attempt to exclude its liability.

9.2 Exclusion of Liability.

Neither party shall be liable to the other for any:

- (A) indirect, special or consequential losses arising in connection with the Agreement;
- (B) loss of profits (except with respect to the Fees or other Capita charge specified in the SoW), loss of sales, anticipated savings or goodwill, loss of business opportunity or contracts in each case whether direct or indirect,

even if such Losses could have been foreseen.

9.3 Limitations on Liability.

Subject to Clauses 9.1 (Unlimited Liability) and 9.2 (Exclusion of Liability), the total aggregate liability of each party for all other losses, whether arising from tort (including negligence), indemnity, breach of contract or otherwise in respect of each Agreement, shall not exceed an amount equal to the annual Charges paid or payable under the Agreement.

Annex 1 Excerpt from HMRC's "Test for Tax Non-Compliance"

Condition one (An in-scope entity or person)

1. There is a person or entity which is either: ("X")
 - 1) The Economic Operator or Essential Subcontractor (EOS)
 - 2) Part of the same Group of companies of EOS. An entity will be treated as within the same Group of EOS where that entities' financial statements would be required to be consolidated with those of EOS if prepared in accordance with IFRS 10 Consolidated Financial Accounts¹;
 - 3) Any director, shareholder or other person (P) which exercises control over EOS. 'Control' means P can secure, through holding of shares or powers under articles of association or other document that EOS's affairs are conducted in accordance with P's wishes.

Condition two (Arrangements involving evasion, abuse or tax avoidance)

2. X has been engaged in one or more of the following:
 - a. Fraudulent evasion²;
 - b. Conduct caught by the General Anti-Abuse Rule³;
 - c. Conduct caught by the Halifax Abuse principle⁴;
 - d. Entered into arrangements caught by a DOTAS or VADR scheme⁵;
 - e. Conduct caught by a recognised 'anti-avoidance rule'⁵ being a statutory provision which targets arrangements where either a main purpose, or an expected benefit, is to obtain a tax advantage or where the arrangement is not effected for commercial purposes. 'Targeted Anti-Avoidance Rules' (TAARs). It may be useful to confirm that the Diverted Profits Tax is a TAAR for these purposes;
 - f. Entered into an avoidance scheme identified by HMRC's published Spotlights list⁶;

¹ <https://www.iasplus.com/en/standards/ifrs/ifrs10>

² 'Fraudulent evasion' means any 'UK tax evasion offence' or 'UK tax evasion facilitation offence' as defined by section 52 of the Criminal Finances Act 2017 or a failure to prevent facilitation of tax evasion under section 45 of the same Act.

³ "General Anti-Abuse Rule" means (a) the legislation in Part 5 of the Finance Act 2013; and (b) any future legislation introduced into Parliament to counteract tax advantages arising from abusive arrangements to avoid national insurance contributions

⁴ "Halifax Abuse Principle" means the principle explained in the CJEU Case C-255/02 Halifax and others ⁵ A Disclosure of Tax Avoidance Scheme (DOTAS) or VAT Disclosure Regime (VADR) scheme caught by rules which require a promoter of tax schemes to tell HM Revenue & Customs of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Section 19 and Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in Section 19 and Part 7 of the Finance Act 2004 and as extended to National Insurance Contributions by the National Insurance Contributions (Application of Part 7 of the Finance Act 2004) Regulations 2012, SI 2012/1868 made under s.132A Social Security Administration Act 1992.

⁵ The full definition of 'Anti-avoidance rule' can be found at Paragraph 25(1) of Schedule 18 to the Finance Act 2016 and Condition 2 (a) above shall be construed accordingly.

⁶ Targeted list of tax avoidance schemes that HMRC believes are being used to avoid paying tax due and which are listed on the Spotlight website: <https://www.gov.uk/government/collections/tax-avoidance-schemescurrently-in-the-spotlight>

- g. Engaged in conduct which falls under rules in other jurisdictions which are equivalent or similar to (a) to (f) above.

Condition three (Arrangements are admitted, or subject to litigation/prosecution or identified in a published list (Spotlights))

- 3. X's activity in Condition 2 is, where applicable, subject to dispute and/or litigation as follows:
 - 1. In respect of (a), either X:
 - 1. Has accepted the terms of an offer made under a Contractual Disclosure Facility (CDF) pursuant to the Code of Practice 9 (COP9) procedure⁷; or,
 - 2. Has been charged with an offence of fraudulent evasion.
 - 2. In respect of (b) to (e), once X has commenced the statutory appeal process by filing a Notice of Appeal and the appeal process is ongoing including where the appeal is stayed or listed behind a lead case (either formally or informally). NB Judicial reviews are not part of the statutory appeal process and no supplier would be excluded merely because they are applying for judicial review of an HMRC or HMT decision relating to tax or national insurance.
 - 3. In respect of (b) to (e), during an HMRC enquiry, if it has been agreed between HMRC and X that there is a pause with the enquiry in order to await the outcome of related litigation.
 - 4. In respect of (f) this condition is satisfied without any further steps being taken.
 - 5. In respect of (g) the foreign equivalent to each of the corresponding steps set out above in (i) to (iii).

For the avoidance of doubt, any reference in this Annex 1 to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time including any implementing or successor legislation.

⁷ The Code of Practice 9 (COP9) is an investigation of fraud procedure, where X agrees to make a complete and accurate disclosure of all their deliberate and non-deliberate conduct that has led to irregularities in their tax affairs following which HMRC will not pursue a criminal investigation into the conduct disclosed.

Annex 2 Form CONFIDENTIALITY DECLARATION

CONTRACT REFERENCE: Virtual Assessment Centres for Tax Specialist Recruitment - SR495898738 ('the Agreement') DECLARATION:

I solemnly declare that:

- 1.** I am aware that the duty of confidentiality imposed by section 18 of the Commissioners for Revenue and Customs Act 2005 applies to Authority Data (as defined in the Agreement) that has been or will be provided to me in accordance with the Agreement.
- 2.** I understand and acknowledge that under Section 19 of the Commissioners for Revenue and Customs Act 2005 it may be a criminal offence to disclose any Authority Data provided to me.

SIGNED:
FULL NAME:
POSITION:
COMPANY:
DATE OF SIGNATURE:

The following Annexes will also apply:

Annex 1 Proposal

REDACTED



REDACTED

Security Plan Questionnaire - Low

ACCESSIBILITY

REDACTED

SERVICE LEVELS AND SEVERITY LEVELS

The service levels and severity levels given below are minimum percentages of acceptable delivery. In the event that a service level falls below the minimum percentage level, both parties will be expected to work collaboratively and conduct a deep dive exercise to identify and rectify the root issues. A Critical Service Failure shall mean if a service level should fall below 91%.

		Level achieved			
Service Level		60-70%	71-90%	91-95%	96-100%
1.	Consistent functionality of Customer Service Support and availability, to be operational between the hours of 9:00 and 16:00 on any working weekday (excluding bank holidays)				X
2.	Resolution of telephone enquiries - Within 3 days working days of receipt			X	
3.	Resolution of complaints; within 10 working days of receipt			X	
4.	Production of RAG rated progress reports by 10 th of each month, sent to a dedicated email account, including successful completions MI.				X
5.	Telephone progress reports with dedicated HMRC representatives each month to discuss learner progress and resolution plans				X
6.	Quarterly performance measurement review meetings with HMRC representatives to discuss safeguarding, overall progress and queries.				X
7.	Contact with individual learners within 5 working days of the receipt of the service request form				X

8.	Ensure that all referred learners complete their initial assessment within 5 working days of contact				X
9.	For functional skills assessments and qualifications to be completed within 6 and 10 weeks of the initial assessment. Reporting to the HMRC dedicated representative where the learner is at risk of failing to complete.				X