

Change Authorisation Note No. 11

This Change Authorisation Note No. 11 is made on

24 April

2025.

BETWEEN:

- (1) **THE SECRETARY OF STATE FOR THE HOME DEPARTMENT**, of 2 Marsham Street, London SW1P 4DF (the "**Customer**"); and
- (2) **SHARED SERVICES CONNECTED LIMITED** a company registered in England and Wales under company number 08460577 whose registered office is at Three Cherry Trees Lane, Hemel Hempstead, Hertfordshire, HP2 7AH (the "**Contractor**"),

each a "**Party**" and together the "**Parties**".

SECTION 1: ADMINISTRATIVE MATTERS

1. Change Title	ISSC 2 Renewal	
2. Type of change	<input checked="" type="checkbox"/> Permitted Contract Change <input type="checkbox"/> Emergency Change <input type="checkbox"/> Order for Core and/or Additional Services	
3. Requesting Party	Customer <input checked="" type="checkbox"/> Contractor <input type="checkbox"/>	
4. Date raised	24 April 2025	
5. Impact Assessment No.	Not applicable	

This Change Authorisation Note 11 amends the Call-Off Agreement between the Customer and the Contractor dated 30 October 2014 (as amended) with effect from the Second Further Renewal CAN Effective Date. The Parties acknowledge that this Change Authorisation Note 11 does not impact any existing special conditions or other amendments to the Standard Terms which the Parties have already agreed in their Call-Off Order Forms or previous Change Authorisation Notes, save as otherwise agreed in this Change Authorisation Note 11.

SECTION 2: SUMMARY OF CHANGE REQUIRED

The Parties agree as follows:

<p>Summary of change</p>	<p>The Parties have agreed under this Change Authorisation Note 11 to the extension of the Customer's Call-Off Agreement for the Second Further Extension Period (as that term is defined below).</p> <p>As part of this extension the Parties have agreed to make certain non-material variations to the Customer's Call-Off Order Form as set out in this Change Authorisation Note 11.</p> <p>The Parties have agreed that this Change Authorisation Note 11:</p> <ul style="list-style-type: none"> (a) satisfies the requirement to provide notification of extension in accordance with Clause 44 (Term) of the Standard Terms (in its form as amended by the Special Condition set out at Attachment 1 - Part A to this Change Authorisation Note 11); and (b) confirms that the Customer is exercising its right to an extension to the Call-Off Agreement for the Second Further Extension Period and the Contractor has agreed to such extension. <p>Therefore, on execution of this Change Authorisation Note 11 by the Parties, the Call-Off Agreement shall be extended for the Second Further Extension Period.</p> <p>This Change Authorisation Note 11, including the amendments to the Standard Terms referred to in Attachment 1 – Part A set out these changes in more detail.</p> <p>The Parties have agreed that the requirement for an RFC and Impact Assessment specified in Schedule 4.1 (Change Control Procedure) to the Call-Off Agreement shall not apply in respect of the changes set out in this Change Authorisation Note 11.</p> <p>During the Initial Term, the Extension Period and the Further Extension Period of the Call-Off Agreement, the Parties have agreed RFCs in accordance with the Change Control Procedure. Save as expressly otherwise agreed or as set out in this Change Authorisation Note 11, the Parties agree that all ongoing Services and associated Charges implemented by RFCs during the Initial Term, Extension Period and the Further Extension Period, will continue to be provided in accordance with the applicable terms of those RFCs until the expiry of the Second Further Extension Period, unless otherwise terminated by the Customer.</p>
<p>Cost</p>	<p>As set out in Section 7 and Schedule 3.2 (Pricing and Rate Card) to the Framework Agreement.</p>

Agreed delivery date	From the date of this Change Authorisation Note 11
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SECTION 3: AUTHORISATION

In this Change Authorisation Note 11, capitalised expressions shall have the meanings set out in Schedule 1 (Definitions) of the Call-Off Agreement unless specified otherwise.

This Change Authorisation Note 11 may be executed in any number of counterparts and by the different Parties on separate counterparts. This has the same effect as if the signatures on the counterparts were on a single copy of this Change Authorisation Note 11.

Unless set out in this Change Authorisation Note 11 to the contrary, all changes agreed by the Parties prior to this Change Authorisation Note 11 shall continue to apply with full force and effect.

The Parties acknowledge and agree that:

- (a) the changes agreed in this Change Authorisation Note 11 are intended to accommodate:
 - (i) the inclusion of Transition Services as Additional Services procured under the Call-Off Agreement; and
 - (ii) the extension of the BAU Services as additional Core Services procured under the Call-Off Agreement; and
- (b) for Transition Services, the Secretary of State for Work and Pensions (otherwise known as DWP or Department for Work and Pensions) will act in its capacity as the Synergy Cluster Lead on behalf of the Synergy Cluster Members, as set out in Paragraph 2.2 of Schedule 4.2 (Exit and Transition Management) to the Department for Work and Pensions Call-Off Agreement and Special Condition 46 hereof. If the Department for Work and Pensions ceases to be the Synergy Cluster Lead and only where the Customer agrees to take over the role, as set out in Special Condition 37 the Customer shall take all necessary actions and execute any documents required to give effect to the novation of the Synergy Cluster Lead's rights and obligations under the Department for Work and Pensions Call-Off Agreement prior to the Department for Work and Pensions ceasing to be the Synergy Cluster Lead.

The provisions of Clause 61 (Governing Law and Jurisdiction) of the Call-Off Agreement (as amended by this Change Authorisation Note) shall apply to this Change Authorisation Note 11 and are hereby incorporated by reference.

Signed for and on behalf of the Customer:	
Signature:	
Print name: Redacted	
Position: Deputy Director, METIS, Migration & Borders Technology Portfolio, HMPO & Borders IT.	
Date: 24 April	2025

Signed for and on behalf of the Contractor:	
Signature:	
Print name:	Redacted
Position:	Chief Commercial and Legal Officer
Date:	24th April 2025

Attachment 1: Amendments to the Call-Off Order Form**Section 3: Call-Off Agreement Particulars**

The Customer elects to extend the Call-Off Agreement as varied or amended during the Initial Term, the Extension Period and the Further Extension Period for the duration of the Second Further Extension Period in accordance with Clause 44.1 (Term) of the Standard Terms (in its form as amended by the Special Condition set out at Attachment 1 – Part A to this Change Authorisation Note 11).

Paragraph 6 of Section 3: Call-Off Agreement Particulars shall be deleted and replaced with the following:

6.	Extension Period	there shall be one Extension Period of three (3) years from the end of the Initial Term;
	Further Extension Period	one subsequent Further Extension Period of one (1) year from the end of the Extension Period; and
	Second Further Extension Period	an extension from the end of the Further Extension Period for a period ending on the earlier of the completion of the Customer's Wave Transition Final Phase Period and expiry of three (3) years from expiry of the Further Extension Period (but for the avoidance of doubt, any Wave Transition in respect of such BAU Services shall be subject to the relevant Baseline Date as set out in Schedule 4.2 (Exit and Transition Management) to the Standard Terms);

Section 4: Personnel and Governance

The tables in Section 4 shall be deleted and replaced by the following:

9.	Customer Representative	Name	Redacted
		Address	2 Marsham Street, London, SW1P 4DF
		Telephone No.	Redacted
		Email	Redacted
10.	Contractor's Contract Manager	Name	Redacted
		Address	Shared Services Connected Limited: Three Cherry Trees Lane, Hemel Hempstead, HP2 7AH
		Telephone No.	Redacted
		Email	Redacted

11.	Customer Notice	Name	Redacted
		Address	2 Marsham Street, London, SW1P 4DF
		Email	Redacted
12.	Contractor Notice	Name	Redacted
		Address	Shared Services Connected Limited: Three Cherry Trees Lane, Hemel Hempstead, HP2 7AH
		Email	Redacted

Section 7: Charges and Invoicing

Changes to Appendix 2 (Charges for the Services) to the Call-Off Agreement are set out in Attachment 1 - Part B to this Change Authorisation Note 11.

Section 10: Special Conditions

Changes to the Special Conditions under the Call-Off Agreement are set out at Attachment 1 - Part A to this Change Authorisation Note 11.

Section 11: Applicable version of the Framework Agreement

11.1 Section 11 of the Call-Off Order Form shall be amended as follows:

"For the purposes of Clause 46.3 of the Call-Off Agreement, the version dated 1 November 2013 of the Framework Agreement, as amended by:

- (a) the A2A Decision Note dated 16 September 2014;
- (b) Framework Change Authorisation Note 003 dated on or around 30 October 2014;
- (c) Framework Change Authorisation Note 004 dated on or around 15 December 2014;
- (d) Framework Change Authorisation Note 006 dated on or around 20 February 2015;
- (e) Framework Change Authorisation Note 007 dated on or around 24 August 2015;
- (f) Framework Change Authorisation Note 008 dated on or around 11 November 2015;
- (g) Framework Change Authorisation Note 009 dated on or around 12 January 2016;
- (h) Framework Change Authorisation Note 010 dated on or around 15 August 2016;
- (i) Framework Change Authorisation Note 011 dated on or around 22 August 2016;
- (j) Framework Change Authorisation Note 012 dated on or around 23 November 2016;

- (k) Framework Change Authorisation Note 013 dated on or around 19 June 2017;
 - (l) Framework Change Authorisation Note 015 dated on or around 20 December 2018;
 - (m) Framework Change Authorisation Note 016 dated on or around 18 April 2018;
 - (n) Framework Change Authorisation Note 017 dated on or around 13 April 2018;
 - (o) Framework Change Authorisation Note 018 dated on or around 13 May 2019;
 - (p) Framework Change Authorisation Note 019 dated on or around 31 May 2019;
 - (q) Framework Change Authorisation Note 020 dated on or around 31 October 2019;
 - (r) Framework Change Authorisation Note 021 dated on or around 06 April 2021;
 - (s) Framework Change Authorisation Note 021a dated on or around 30 April 2021;
 - (t) Framework Change Authorisation Note 021b dated on or around 6 October 2021;
 - (u) Framework Change Authorisation Note 022 dated on or around 17 December 2021;
 - (v) Framework Change Authorisation Note 023 dated on or around 31 March 2023;
 - (w) Framework Change Authorisation Note 024 dated on or around 16 February 2023;
 - (x) Framework Change Authorisation Note 025 dated on or around 13 February 2023;
 - (y) Framework Change Authorisation Note 026 dated on or around 31 March 2023;
 - (z) Framework Change Authorisation Note 027 dated on or around 25 July 2024;
 - (aa) Framework Change Authorisation Note 029 dated on or around 16 October 2024;
 - (bb) Framework Change Authorisation Note 30 dated on or around 18 December 2024
 - (cc) Framework Change Authorisation Note 35 dated on or around 24 April 2025; and
 - (dd) Framework Change Authorisation Note 36 dated on or around 28 February 2025,
- shall apply."

Section 12: Formation of Call-Off Agreement

12.1 This Call-Off Agreement shall be amended by adding a new Appendix 11 titled "Terms to be used from the "Second Further Renewal CAN Effective Date"" which shall incorporate the following schedules set out in this Change Authorisation Note 11:

- Schedule 3.1 (Charges and Invoicing) to the Standard Terms;
- Schedule 4.2 (Exit and Transition Management) to the Standard Terms; and
- Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms.

Attachment 1: Part A – Amendments to the Special Conditions at Section 10 of the Call-Off Order Form

1. Special Condition 7:

Clause 44

Clause 44 of the Standard Terms shall be amended as follows (with text in bold and underlined showing the changes being made):

Term

44.1 This Call-Off Agreement will begin on the Effective Date and, unless terminated earlier will expire at the end of the Second Further Extension Period.

~~(a) the end of the Initial Term, if the Customer does not elect to extend the Initial Term in accordance with Clause 44.2; or~~

~~(b) at the end of the Extension Period if:~~

~~(i) the Customer elects to extend this Call-Off Agreement by giving at least six (6) months' written notice to the Contractor and Framework Authority prior to expiry of the Initial Term ; and~~

~~(ii) such election is approved by the Framework Authority in writing;~~

~~or~~

~~(c) at the end of the Further Extension Period if:~~

~~(i) the Customer elects to further extend this Call-Off Agreement for the Further Extension Period by written notice to the Contractor and Framework Authority no later than 31st March 2023; and~~

~~(ii) such election to extend for the Further Extension Period is approved by the Framework Authority in writing.~~

2. Special Condition 17: Social Value

Special Condition 17 (Social Value) shall be amended so that references to "Further Extension Period" shall be replaced with "Further Extension Period and the Second Further Extension Period".

3. Unless otherwise specified, from the Second Further Renewal CAN Effective Date, the following shall be added to this Call-Off Agreement as new Special Conditions by taking the next unallocated number.

Special Condition 20: REDACTED

Special Condition 21: Optional Service

21.1 The Parties acknowledge and agree that the Optional Service known as the "Joint Insight Working Group" ("**JIWG**") has already commenced and shall continue until at least 1 October 2025.

21.2 If the Parties agree that the JIWG has been mutually beneficial, the Parties can agree on or before 1 October 2025 whether the JIWG and services provided from the Contractor associated with the JIWG should continue post 1 October 2025.

21.3 If the Parties do agree to continue with the JIWG, the Contractor shall raise an RFC and, as part of the Impact Assessment provided by the Contractor in relation to such RFC, provide details of the impact (if any) that the proposed Permitted Contract Change will have on the Charges and Services.

21.4 Details of the JIWG are set out in Attachment 1: Annex 4 (JIWG Outline Solution) to this Change Authorisation Note, which shall be added to this Call-Off Agreement at the next available appendix.

Special Condition 22: Legislative updates – Sub-contract Opportunities

Sub-contract Opportunities

22.1 Subject to Special Conditions 22.2 and 22.3 and effective from the Second Further Renewal CAN Effective Date the Contractor shall:

22.1.1 advertise on Contracts Finder all Sub-contract opportunities arising from or in connection with the provision of the Available Services above a minimum threshold of £25,000;

22.1.2 within ninety (90) days of awarding a Sub-contract to a Sub-contractor, update the relevant advert on Contracts Finder with details of the successful Sub-contractor;

22.1.3 monitor the number, type and value of the Sub-contract opportunities placed on Contracts Finder advertised and awarded in its supply chain;

22.1.4 provide reports on the information at Special Condition 22.1.3 to the Customer in the format and frequency as reasonably specified by the Customer; and

22.1.5 promote Contracts Finder to its suppliers and encourage those organisations to register on Contracts Finder.

22.2 Each advert referred to in Special Condition 22.1.1 above shall provide a full and detailed description of the Sub-contract opportunity with each of the mandatory fields being completed on Contracts Finder by the Contractor.

22.3 Notwithstanding Special Condition 22.1, the Customer may, by giving its prior written approval, such approval not to be unreasonably withheld or delayed, agree that a Sub-contract opportunity is not required to be advertised on Contracts Finder.

Special Condition 23: Tax Compliance

The Contractor warrants and represents that it has notified the Customer in writing of any Occasions of Tax Non-Compliance and any litigation in which it is involved that is in connection with any Occasion of Tax Non-Compliance.

Special Condition 24: Legislative updates – Whistleblowing

Whistleblowing

24.1 Without prejudice to Paragraph 9 of Schedule 5 (Security and Assurance), the Contractor must, as soon as reasonably practicable (and in any event within 5 Working Days) following it being made aware, report to the Customer any actual breach of:

24.1.1 Law;

24.1.2 Clause 45 of the Framework Agreement (Compliance), Special Condition 24, Special Condition 25 and/ or Special Condition 26; or

24.1.3 Clause 49 of the Framework Agreement (Prevention of Fraud and Bribery).

24.2 The Contractor must not retaliate against any Contractor Personnel who in good faith reports a breach listed in this Clause to the Customer or a Prescribed Person, in relation to the report made by them.

Special Condition 25: Legislative updates – Occasion of Tax Non-Compliance

Occasion of Tax Non-Compliance

25.1 If, at any point from and including the Second Further Renewal CAN Effective Date, an Occasion of Tax Non-Compliance occurs, the Contractor shall:

25.1.1 notify the Customer in writing of such fact within 5 Working Days of its occurrence; and

25.1.2 promptly provide to the Customer:

25.1.2 (i) details of the steps which the Contractor is taking to address the Occasion of Tax Non-Compliance and to prevent the same from recurring, together with any mitigating factors that it considers relevant; and

25.1.2 (ii) such other information in relation to the Occasion of Tax Non-Compliance as the Customer may reasonably require.

Special Condition 26: Legislative updates – Modern Slavery

Modern Slavery

26.1 The Contractor:

26.1.1 shall not use, nor allow its Sub-contractors to use forced, bonded or involuntary prison labour;

26.1.2 shall not require any Contractor Personnel or the personnel of any Sub-contractors to lodge deposits or identity papers with their employer and shall be free to leave their employer after reasonable notice;

26.1.3 warrants and represents that it has not been convicted of any slavery or human trafficking offences anywhere around the world;

26.1.4 warrants that to the best of its knowledge it is not currently under investigation, inquiry or enforcement proceedings in relation to any allegation of slavery or human trafficking offences anywhere around the world;

26.1.5 shall make reasonable enquires to ensure that its officers, employees and Sub-contractors have not been convicted of slavery or human trafficking offences anywhere around the world;

26.1.6 shall have and maintain from and including the Second Further Renewal CAN Effective Date its own policies and procedures to ensure its compliance with the Modern Slavery Act 2015 and include in its contracts with its Sub-contractors anti-slavery and human trafficking provisions;

26.1.7 shall implement due diligence procedures to ensure that there is no slavery or human trafficking in any part of its supply chain performing obligations under the Call-Off Agreement;

26.1.8 shall, following written request from the Customer (such request to be limited to once per calendar year), prepare and deliver to the Customer, a slavery and human trafficking report setting out the steps it has taken to ensure that slavery and human trafficking is not taking place in any of its supply chains or in any part of its business;

26.1.9 shall not use, nor allow its employees or sub-contractors to use, physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation of its employees or Sub-contractors;

26.1.10 shall not use, or allow its Sub-contractors to use child or slave labour;

26.1.11 shall report the discovery or suspicion of any slavery, trafficking, forced labour, child labour, involuntary prison labour or labour rights abuses by it or its Sub-contractors to the Customer and the Modern Slavery Helpline and relevant national or local law enforcement agencies;

26.1.12 if the Contractor is in Default under Special Conditions 26.1.1 to 26.1.11 the Customer may by notice:

- (i) require the Contractor to remove from performance of the Call-Off Agreement any sub-contractor, Contractor Personnel or other persons associated with it whose acts or omissions have caused the Default; or
- (ii) immediately terminate the Call-Off Agreement in accordance with Clause 45.1(a)(i) of the Standard Terms; and

26.1.13 shall, if the Contractor or the Customer identifies any occurrence of modern slavery connected to this Customer, comply with any request of the Customer to follow the Rectification Plan Process to submit a remedial action plan which follows the form set out in Annex D of the Tackling Modern Slavery in Government Supply Chains guidance to PPN 02/23 (Tackling Modern Slavery in Government Supply Chains).

Special Condition 27: Legislative updates – Tax compliance

For the purposes of this Call-Off Agreement, Clause 49.3 of the Framework Agreement shall be deleted. A new Special Condition shall be added as set out below:

27 The Contractor shall:

27.1 during the Term:

27.1.1 establish, maintain and enforce, and require that its Sub-contractors establish, maintain and enforce, policies and procedures which are adequate to ensure compliance with the Relevant Requirements and prevent the occurrence of a Prohibited Act; and

27.1.2 keep appropriate records of its compliance with its obligations under Special Condition 27.1.1 and make such records available to the Framework Authority, Customers and Service Recipients on request;

27.2 from and including the Second Further Renewal CAN Effective Date:

27.2.1 have in place reasonable prevention measures (as defined in sections 45(3) and 46(4) of the Criminal Finance Act 2017) to ensure that Associated Persons of the Contractor do not commit tax evasion facilitation offences as defined under that Act; and

27.2.2 take account of any guidance about preventing facilitation of tax evasion offences which may be published and updated in accordance with Section 47 of the Criminal Finances Act 2017.

Special Condition 28: Amendments to Schedule 1 (Definitions) of the Framework Agreement

The following Definitions shall be amended in Schedule 1 (Definitions) of the Framework Agreement for the purposes of this Call-Off Agreement (text in bold and underlined showing the changes being made):

Expression	Definition
"Actual Volume Calculation"	<p>is:</p> <p><u>(a) prior to the commencement of the Second Further Extension Period,</u> the calculation of Actual Volumes, the Minimum Purchase Volume and the Shortfall (if any); <u>or</u></p> <p><u>(b) with effect from the commencement of the Second Further Extension Period, the calculation of Customer Actual Volumes, Customer Minimum Purchase Volumes and the Customer Shortfalls (if any),</u></p> <p><u>in each case</u> to be prepared from time to time in accordance <u>with the applicable provisions of</u> Paragraph 8 of Schedule 3.2 (Pricing and Rate Card) this Framework Agreement:</p>
"Annual Volume Forecast"	<p>(a) <u>prior to the commencement of the Second Further Extension Period,</u> the document to be prepared and maintained by the Contractor in accordance with Paragraphs 4 to 6 of Schedule 3.2 (Pricing and Rate Card) to the Framework Agreement which shall determine by Accounting Year the Unit Price and the Price Band for each Volumetric Service; <u>or</u></p> <p><u>(b) with effect from the commencement of the Second Further Extension Period, the Customer's annual volume forecast for the Second Further Extension Period as specified in the columns headed "Annual Forecast Volumes" and "Forecast Volumes" in Table 2.2A of Appendix 2 of each of the Customer's Call-Off Agreements;</u></p>
"Default"	<p><u>means</u> any:</p> <p>(a) breach of the obligations of the relevant party (including fundamental breach or breach of a fundamental term); or</p>

	<p>(b) other default, act, omission, negligence or statement of the relevant party, its employees, servants, agents or Sub contractors,</p> <p>under, in connection with or in relation to the subject matter of the Framework Agreement or a Call-Off Agreement (as applicable) and in respect of which such party is liable to the other under the Framework Agreement or a Call-Off Agreement (as applicable); <u>provided always that a Transition Services Default (as defined in the Department for Work and Pension's Call-Off Agreement) is not a Default and wherever Default is used within the Framework Agreement, it will not apply to or include a Transition Services Default;</u></p>
"Dispute"	<p>any dispute, difference or question of interpretation arising out of or in connection with the Framework Agreement or any Call-Off Agreement, including any dispute, difference or question of interpretation relating to the Available Services, failure to agree in accordance with the Change Control Procedure or any matter where the Framework Agreement or a Call-Off Agreement directs the Parties to resolve an issue by reference to the Dispute Resolution Procedure <u>provided always that a Transition Services Dispute (as defined in the Department for Work and Pension's Call-Off Agreement) is not a Dispute for the purposes of the Framework Agreement and wherever Dispute is used within the Framework Agreement, it will not apply to or include a Transition Services Dispute;</u></p>
"Term"	<p>the period commencing on the Effective Date and ending on the expiry of the Initial Term or any Extension Period, the Further Extension Period <u>or the Second Further Extension Period</u> or on earlier termination of the relevant Call-Off Agreement;</p>
"Unit Price"	<p>means the price for processing a unique Unit of Measurement of an Ordered Service to which Volumetric Charges applies which <u>are set out in the Framework Agreement and prior to the Second Further Extension Period</u> shall be set according to the applicable Price Band and set out in the Framework Agreement;</p>

Special Condition 29: Additions to Schedule 1 (Definitions) of the Framework Agreement

The following Definitions shall be added to Schedule 1 (Definitions) of the Framework Agreement for the purposes of this Call-Off Agreement:

Expression	Definition
"Customer Actual Volume"	has the meaning given to it in Paragraph 8.2A(a) of Schedule 3.2 (Pricing and Rate Card) to the Framework Agreement;
"Customer Minimum Purchase Volume"	has the meaning given to it in Paragraph 8.2A(b) of Schedule 3.2 (Pricing and Rate Card) to the Framework Agreement;
"Customer Shortfall"	has the meaning given to it in Paragraph 8.2A(c)(i) of Schedule 3.2 (Pricing and Rate Card) to the Framework Agreement;
"Customer Shortfall Payment"	has the meaning given to it in Paragraph 8.2A(c)(ii) of Schedule 3.2 (Pricing and Rate Card) to the Framework Agreement;
"Transition Governance Boards"	means the governance boards, checkpoints and other transition related meeting groups created by the Synergy Cluster Lead for the purposes of overseeing the Transition Services;

Special Condition 30: Schedule 3.2 (Pricing and Rate Card)

For the avoidance of doubt, Schedule 3.2 (Pricing and Rate Card) of the Framework Agreement as set out in the Framework Authority's Change Authorisation Note 35 shall be incorporated into this Change Authorisation Note 11.

Special Condition 31: Schedule 7.1 (Governance)

For the purposes of this Call-Off Agreement, a new paragraph 1.3 is added to Schedule 7.1 (Governance) of the Framework Agreement as follows:

- 1.3 The Parties acknowledge and agree that governance in connection with Transition Services will be handled by the Synergy Cluster Lead in accordance with the terms of its Call-Off Agreement. Accordingly, this Schedule 7.1 (Governance) shall not apply to governance in respect of Transition Services.

Special Condition 32: Amendments to Clause 1.5 (Definitions and Interpretation)

Clause 1.5 of the Standard Terms shall be amended as set out below (with text in bold and underlined showing the changes being made):

1.5 Without prejudice to Clause 7.3, if there is any conflict between the Call-Off Order Form, the Clauses and the Schedules and/or any Annexes to the Schedules and/or any other documents referred to in this Call-Off Agreement, the conflict shall be resolved in accordance with the following order of precedence:

- (a) the Call-Off Order Form;
- (b) the Clauses;
- (c) Schedule 1 (Definitions);
- (d) any other Schedules to this Call-Off Agreement and their Annexes and appendices;

(e) Statement(s) of Work:

(f) Clauses and/or Schedules to the Framework Agreement incorporated into this Call-Off Agreement, except for the provisions of Schedule 4.1 (Solution) to the Framework Agreement;

(g) any Contract Controlled Documents; and

(h) the provisions of Schedule 4.1 (Solution) to the Framework Agreement incorporated into this Call-Off Agreement.

Special Condition 33: Amendments to Clauses 4 (Customer Stabilisation, Customer Transformation and Migration) and 5 (Testing)

The Parties agree that Clauses 4 (Customer Stabilisation, Customer Transformation and Migration) and 5 (Testing) of the Standard Terms shall not apply to the Transition Services.

Special Condition 34: Amendments to Clause 38 (Limitations on Liability)

Clause 38 of the Standard Terms shall be replaced with the following:

38.1 Neither Party nor any Service Recipient limits its liability for:

- (a) death or personal injury caused by its negligence, or that of its employees, agents or sub-contractors (as applicable);
- (b) fraud or fraudulent misrepresentation by it or its employees;
- (c) breach of any obligation as to title implied by section 12 of the Sale of Goods Act 1979 or section 2 of the Supply of Goods and Services Act 1982; or
- (d) any liability which cannot be limited or excluded by Law.

38.2 Subject to Clauses 38.1 and 38.5, the Contractor's liability under or in connection with this Call-Off Agreement (which shall be deemed not to include any liability of the Contractor incurred under the Framework Agreement or any other Call-Off Agreement), whether arising from contract, tort (including negligence) or otherwise, including the Contractor's liability for any Service Credits:

- (a) in respect of the indemnities in:
 - (i) Clause 11.2 (VAT);
 - (ii) Clause 36.1(a) but only in respect of the quantum of the Wrong Payment;
 - (iii) Clause 36.1(c);
 - (iv) Paragraphs 2.2 and 4.3 of Part A, 2.2 and 4.3 of Part B, 3.1, 5.1 and 5.2 (e) of Part D and Paragraphs 9.1, 10.1 and 10.2(e) of Part E of Schedule 5.1 (Staff Transfer); and
 - (v) Paragraphs 4.2, 6.1, 11.5 and 16.1 of Schedule 5.2 (Pensions);

shall be unlimited;

- (b) for all Losses incurred by the Customer and/or Service Recipients resulting from the wilful abandonment by the Contractor of its obligations under this Call-Off Agreement shall be unlimited;
- (c) for all loss of or damage to the Customer Premises, property or assets (including technical infrastructure, assets or equipment but excluding any loss or damage to the Customer Data or any other data) of the Customer or any Service Recipient caused by the Contractor's Default shall not exceed in aggregate REDACTED (subject to indexation);
- (d) subject to Clause 38.3 (b), for all other Defaults by the Contractor in each Contract Year, shall not exceed the greater of REDACTED and REDACTED of the BAU Charges paid or payable in that Contract Year (the "**Contractor's Contract Year Cap**").

38.3

- (a) Unless expressly stated otherwise in the Call-Off Order Form, Clause 38.2(d) shall include any liability for breach of a Critical Performance Indicator or any Losses relating to a Payment Failure other than those referred to in Clause 38.2(a)(ii).
- (b) In respect of Clause 38.2, the Contractor and the Customer have also agreed that to the extent that the Contractor is obliged to pay the Synergy Cluster Lead (pursuant to the Synergy Cluster Lead's Call-Off Agreement) on behalf of the Customer in relation to any Transition Services Default(s) and/or is obliged to make any Transition Services Delay Payment(s) in a particular Contract Year from the Second Further Renewal CAN Effective Date then:

- (i) the obligation to make such payment(s) shall have the effect of reducing, by an equivalent amount, the amount of the available Contractor's Contract Year Cap in Clause 38.2(d) of this Call off Agreement for the relevant Contract Year; and
- (ii) in the event that the Contractor's Contract Year Cap in this Call off Agreement has already been reached in a Contract Year the Contractor shall not be obligated to make any Transition Services Delay Payments and / or to compensate the Synergy Cluster Lead on behalf of the Customer in damages in relation to the relevant Transition Services Default.

A worked example is set out in Attachment 1: Annex 5 to this Call Off Agreement. It is for guidance purposes only and where there is a conflict between this worked example and this Clause 38, Clause 38 shall take precedence.

38.4 Subject to Clauses 38.1 and 38.5, the Customer's liability, in addition to the Customer's obligation to pay the Charges as and when they fall due for payment under or in connection with this Call-Off Agreement, whether arising from contract, tort (including negligence) or otherwise shall not exceed:

- (a) in respect of the indemnities in Paragraphs 2.1, 4.1 and 4.2(e) of Part A, Paragraph 1.2(e) of Part C, Paragraphs 3.2 and 5.3 of Part D and Paragraphs 9.2, 10.3, 10.4, 10.5, 10.6 and 11.8 of Part E of Schedule 5.1 (Staff Transfer) and Paragraphs 6.2 and 16.2 of Schedule 5.2 (Pensions) shall be unlimited;
- (b) for all loss of or damage to the property or assets (including technical infrastructure, assets or equipment) of the Contractor caused by the Customer's or a Service Recipient's Default shall not exceed REDACTED in aggregate;
- (c) for early termination of this Call-Off Agreement by the Customer pursuant to Clause 45.1(a)(iii) (Termination by the Customer) or by the Contractor pursuant to Clause 45.4(a)(i) (Termination by the Contractor) shall in no event exceed:
 - (i) the Termination Payment and, if applicable, the Compensation Payment calculated in accordance with Schedule 3.2 (Payments on Termination) where the termination occurs prior to the Second Further Renewal CAN Effective Date; and
 - (ii) where a Wave Transition or a Non Wave Exit occurs, the Stranded Costs and/or Diseconomies of Scale payable in accordance with Schedule 3.6 (Stranded Costs, Diseconomies of Scale and related Gain Sharing) of the Synergy Cluster Lead's Call-Off Agreement;
- (d) subject to Clauses 38.4A for all other Defaults by the Customer and/or any Service Recipient under this Call-Off Agreement in each Contract Year shall not exceed fifty percent (50%) of the BAU Charges paid or payable in that Contract Year (the "**Customer Contract Year Cap**").

38.4A In respect of Clause 38.4(d) the Contractor and the Customer have also agreed that to the extent that the Customer is obliged to pay the Contractor damages in a particular Contract Year from the Second Further Renewal CAN Effective Date then:

- (a) the obligation to make such payment(s) shall have the effect of reducing, by an equivalent amount of such payment(s), the amount of the available Customer's Contract Year Cap in Clause 38.4(d) of this Call off Agreement for the relevant Contract Year; and
- (b) in the event that the Customer's Contract Year Cap in this Call off Agreement has already been reached in a Contract Year the Customer shall not be obligated to make any payments pursuant to Clause 38.4(d).

38.5 Subject to Clause 38.6, neither Party will be liable to the other Party under this Call-Off Agreement for:

- (a) any indirect, special or consequential loss or damage; or
- (b) any loss of profits, turnover, business opportunities or damage to goodwill (in each case whether direct or indirect).

38.6 Subject to Clause 38.2 and notwithstanding Clause 38.5, the Contractor acknowledges that the Losses which the Customer and Service Recipients may recover from the Contractor, to the extent that they arise as a result of a Default and/or Transition Services Default by the Contractor under this Call-Off Agreement, include:

- (a) any additional operational and/or administrative costs and expenses incurred by the Customer and/or Service Recipients, including costs relating to time spent by or on behalf of the Customer and/or Service Recipients in dealing with the consequences of the Default and/or Transition Services Default;
- (b) any wasted expenditure;
- (c) any additional borrowing costs and/or loss of interest arising from any Default and/or Transition Services Default by the Contractor;
- (d) any fine, penalty or costs incurred by the Customer and/or Service Recipient;
- (e) the cost of procuring a replacement contract for the provision of Replacement Services for the remainder of the Term should the Customer terminate this Call-Off Agreement pursuant to Clause 45.1(a)(i); and
- (f) in the context of the Transition Services, such of the above to the extent incurred by the Customer.

38.7 The Parties expressly agree that if any limitation or provision contained or expressly referred to in this Clause 38 is held to be invalid under any Law, it will be deemed omitted to that extent, and if any Party becomes liable for loss or damage to which that limitation or provision applied, that liability will be subject to the remaining limitations and provisions set out in this Clause 38.

38.8 Nothing in this Clause 38 shall act to reduce or affect any Party's or Service Recipient's general duty to mitigate its loss.

38.9 The Parties acknowledge and agree that as the Synergy Cluster Lead is, in connection with the provision of Transition Services, acting on behalf of all of the Synergy Cluster Members:

- 38.9.1 the Synergy Cluster Lead will be bringing any claims on behalf of the Synergy Cluster in aggregate and/or the Customer as an individual Synergy Cluster Member against the Contractor in respect of Transition Services and/or Part E of Schedule 5.1 (Staff Transfer) and the Customer will not bring separate claims against the Contractor for the same loss;
- 38.9.2 the Contractor shall bring any claims in respect of Transition Services and/or Part E of Schedule 5.1 (Staff Transfer) against the Synergy Cluster Lead and the Contractor will not bring separate claims against the Customer for the same loss;
- 38.9.3 any amounts payable by the Contractor in respect of the indemnities under Part E of Schedule 5.1 (Staff Transfer) shall be paid to the Synergy Cluster Lead;
- 38.9.4 any amounts payable in respect of the indemnities under Part E of Schedule 5.1 (Staff Transfer) shall be paid by the Synergy Cluster Lead on behalf of the Customer; and
- 38.9.5 the liability of the Contractor in respect of Transition Services Delays and Transition Services Defaults is to be apportioned, for the purpose of Clause 38.2(d) of the Customer's Call-Off Agreement according to which Synergy Cluster Member suffered the loss.

Special Condition 35: Amendments to Clause 45 (Termination Rights)

Clause 45.4 of the Standard Terms shall be amended as follows (with text in bold and underlined showing the changes being made):

45.4 Termination by the Contractor

- (a) The Contractor may, by issuing a Termination Notice to the Customer, terminate:
- (i) this Call-Off Agreement if the Customer fails to pay an undisputed sum due to the Contractor under this Call-Off Agreement which in aggregate exceeds the mean monthly charges payable in the previous twelve (12) months from the due date of such undisputed invoice and such amount remains outstanding forty (40) Working Days after the receipt by the Customer of a notice of non-payment from the Contractor, provided that the Contractor may not issue a Termination Notice to the Customer unless the Contractor has notified the Customer's Senior Responsible Owner, with a copy to the Framework Authority, that the invoice remains outstanding and such notice has been received by the Customer no later than thirty (30) Working Days following receipt by the Customer of the Contractor's notice of non-payment. The Contractor's right to terminate under this Clause 45.4(a)(i) shall not apply to non-payment of the Charges by the Customer where such non-payment is due to the Customer exercising its rights under Clause 12 (Recovery of Sums Due) or any other set off right that the Customer has under this Call-Off Agreement; ~~or~~
 - (ii) **any Services that are materially impacted by a Force Majeure Event that endures for a continuous period of more than ninety (90) days. If the operation of this Clause 43.1.1(a)(ii) would result in a Partial Termination, the provisions of Clause 45.5 will apply.**

and this Call-Off Agreement shall then terminate on the date specified in the Termination Notice (which shall not be less than twenty (20) Working Days from the date of the issue of the Termination Notice).

Special Condition 36: Amendments to Clause 47 (Payments Made on Termination)

36.1 Clauses 47.1, 47.2 and 47.3 of the Standard Terms shall be amended as follows (with text in bold and underlined showing the changes being made):

47. Payments Made on Termination (REDACTED)

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Special Condition 37: Amendments to Clause 50 (Assignment and Novation)

50. Assignment and Novation

A new Clause 50.5 shall be added to the Standard Terms as follows:

- 50.5 Pursuant to paragraph 2.2.6 of Part 2 of Schedule 4.2 (Exit and Transition Management), in the event of a Synergy Cluster Lead Change Event where the Customer agrees to take over the role of Synergy Cluster Lead, the Parties acknowledge and agree that the relevant rights and obligations of the Synergy Cluster Lead under this Call-Off Agreement shall be novated to the Customer in accordance with clause 50.2, and the Customer shall take all necessary actions and execute any documents required to give effect to the novation of the Synergy Cluster Lead's rights and obligations under the Department for Work and Pensions Call-Off Agreement.
- 50.6 Notwithstanding clause 50.5, in the event of a Synergy Cluster Lead Change Event the Parties shall work together in good faith to agree an amendment to this Call-Off Agreement to reflect the change in identity of the 'Synergy Cluster Lead'.

Special Condition 38: Amendments to Clause 60 (Disputes)

Clauses 60.1 and 60.2 shall be amended as follows (with text in bold and underlined showing the changes being made):

60.1 The Parties shall resolve Disputes arising out of or in connection with this Call-Off Agreement in accordance with the Dispute Resolution Procedure. **The Parties acknowledge that Transition Services Disputes arising out of or in connection with this Call-Off Agreement (including any Statement(s) of Work) shall be resolved by the Synergy Cluster Lead and the Contractor in accordance with the Transition Services Dispute Resolution Procedure (as set out in the Synergy Cluster Lead's Call-Off Agreement).**

60.2 The Contractor shall continue to provide the Services in accordance with the terms of this Call-Off Agreement until a Dispute **or a Transition Services Dispute (as applicable and as defined in the Synergy Cluster Lead's Call-Off Agreement)** has been resolved.

Special Condition 39: Amendments to Clause 61 (Governing Law and Jurisdiction)

Clause 61.2 of the Standard Terms shall be amended as follows (with text in bold and underlined showing the changes being made):

- 61.2 Subject to Clause 60 (Disputes) and Schedule 7.3 (Dispute Resolution Procedure) to the Framework Agreement **and Schedule 4.3 (Transition Services Dispute Resolution Procedure) to the Synergy Cluster Lead's Call-Off Agreement**, the Parties agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (whether contractual or non-contractual) that arises out of or in connection with this Call-Off Agreement or its subject matter or formation.

Special Condition 40: Amendments to Schedule 1 (Definitions) of the Standard Terms

The following Definitions shall be amended in Schedule 1 (Definitions) of the Standard Terms for the purposes of this Call-Off Agreement (with text in bold and underlined showing the changes being made):

Expression	Definition
"Contractor Termination Event"	<p>means:</p> <p>(a) where the Contractor accrues Service Credits under any given Call-Off Agreement, in any Contract Year, in excess of fifteen percent (15%) of the Charges paid or payable by the Customer of that Call-Off Agreement in that Contract Year;</p> <p>(b) the Contractor committing a material Default which is irremediable;</p> <p>(c) as a result of the Contractor's Default, the Customer and/or Service Recipients incurring Losses in any Contract Year which exceed 80% of the aggregate value of one or more relevant liability caps for that Contract Year as set out in Clause 38 (Limitations on Liability) of the Standard Terms;</p> <p>(d) a Rectification Plan Failure;</p> <p>(e) the Contractor committing a material Default of any of the following:</p>

	<ul style="list-style-type: none"> (i) Clause 24 (Confidentiality) of the Standard Terms; (ii) Clause 25 (Freedom of Information) of the Standard Terms; (iii) Clause 26 (Protection of Personal Data) of the Standard Terms; (iv) <u>Special Condition 26 (Modern Slavery); and/or</u> (v) Schedule 5 (Security and Assurance) to the Framework Agreement, with the exception of any material Default which would not have occurred but for the non-compliance of a Legacy Supplier with the applicable requirements of Schedule 5 (Security and Assurance) to the Framework Agreement; (f) an Insolvency Event occurring in respect of the Contractor, the PSP or the Guarantor; (g) the Guarantee ceasing to be valid or enforceable for any reason (without the Guarantee being replaced with a comparable guarantee to the satisfaction of the Framework Authority with the Guarantor or with another guarantor which is acceptable to the Framework Authority); (h) where there has been a BCDR Incident and the Contractor has not acted in accordance with its obligations under the BCDR Plan and such failure to act is in itself a material Default or the result of such failure to act has a material adverse impact on the Customer or a Service Recipient; (i) a Change of Control of the Contractor or the Guarantor unless:
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	<p>(i) the Change of Control is as a result of a bona fide reconstruction, solvent amalgamation, reorganisation or reconstruction of the Contractor's Group that does not invalidate the Guarantee;</p> <p>(ii) the Framework Authority has given its prior written consent to the particular Change of Control, which subsequently takes place as proposed;</p> <p>(iii) the Framework Authority is a shareholder of the Contractor; or</p> <p>(iv) the Customer has not served its notice of objection within six (6) months of the later of the date on which the Change of Control took place or the date on which the Customer received notice of the Change of Control; or</p> <p>(j) the Customer is entitled to terminate the Call-Off Agreement in accordance with:</p> <p>(i) Clause 35.3(a) (IPR Indemnity) of the Framework Agreement;</p> <p>(ii) Clause 49 (Prevention of Fraud and Bribery) of the Framework Agreement;</p> <p>(iii) Paragraph 2 of Schedule 6.3 (Financial Distress) to the Framework Agreement;</p> <p>Clause 40.7 (Remedial Adviser) of the Framework Agreement;</p>
"Default"	<u>Anymean any:</u>

	<p>(a) breach of the obligations of the relevant party (including fundamental breach or breach of a fundamental term);</p> <p>(b) other default, act, omission, negligence or statement of the relevant party, its employees, servants, agents or Sub contractors;</p> <p><u>(c) Cross Cutting Default; and/ or</u></p> <p><u>(d) a Transition Services Default solely for the purposes of Clause 17.1(c), Clause 23.7 and limbs (e) (iii) and (iv) of the definition "Contractor Termination Event and wherever 'Default' is used in this Call-Off Agreement, it will not apply or include Transition Services Default except as set out above,</u></p> <p><u>in each case</u> under, in connection with or in relation to the subject matter of the Framework Agreement or a Call-Off Agreement (as applicable) and in respect of which such party is liable to the other under the Framework Agreement or a Call-Off Agreement (as applicable);</p>
"Detailed Exit Plan"	<p>the detailed exit plan for the Services to be developed and agreed between the Parties in accordance with Paragraph <u>8.3 3A</u> of Schedule 4.2 (Exit <u>and Transition</u> Management);</p>
"Exit Management"	<p>the obligations and rights of the respective Parties pertaining to managing a smooth transition from the provision of the Services by the Contractor to the provision of Replacement Services by the Customer, a Service Recipient or any Replacement Contractor, all as set out in Schedule 4.2 (Exit</p>

	and Transition Management) to the Standard Terms;
"Relief Event"	<p>either:</p> <p>(a) a Customer Cause; or</p> <p>(b) (if applicable and then only up to the date on which the TSA expires or terminates) a TSA Cause; or</p> <p>(c) (if applicable and then only during the first six (6) months from the Framework Effective Date) a Transferring Agreement Cause; or</p> <p>(d) industrial action by the Customer Transferring Employees which is directly connected to their transfer from a Legacy Supplier to the Contractor, provided that such relief under this limb (d) shall:</p> <p>(i) not apply if such industrial action would not have occurred but for, or otherwise if the principal reason for such action was, the Contractor's conduct (but not taking into account any conduct which is consistent with the performance by the Contractor of its obligations under this Agreement or which is specified or described in any written statement provided by the Company in order to comply with regulation 13(4) of the Employment Regulations); and</p> <p>(ii) apply (subject to (i)) in relation to industrial action (A) which occurs within 12 months of the Framework Effective Date or (B) which is taken within 6 months following a ballot for industrial action which (aa) is notified to the Contractor under s266A Trade Union and Labour Relations (Consolidation) Act 1992 within 12 months of the Framework Effective Date and in respect of which (bb) the sole or principal reason for the dispute to which the ballot</p>

	<p>relates is the transfer from the Legacy Supplier to the Contractor or matters directly connected to it (including any measure specified or described in any written statement provided by the Company in order to comply with regulation 13(4) of the Employment Regulations), such reason being identified by reference to union literature prepared or statements made in connection with that specific ballot;</p> <p><u>(e) a Cross Cutting Default Relief Event; and/or</u></p> <p><u>(f) any material adverse impact to the BAU Services which places the Contractor in Default which:</u></p> <p><u>(a) is caused by the overall Synergy transition programme (including any delays, modifications, cancellations and/or acts or omissions of a Synergy Stakeholder) but which is not itself a Transition Services Relief Event or a Cross Cutting Relief Event; and</u></p> <p><u>(b) except to the extent:</u></p> <p><u>(i) it is the result of any act or omission of a Synergy Stakeholder to which the Contractor has given its prior written consent (including by e-mail); or</u></p> <p><u>(ii) it is caused by the Contractor, any Sub-contractor or any Contractor Personnel;</u></p>
"Replacement Contractor"	<p>any third party service provider of Replacement Services appointed by the Framework Authority, a Customer or Service Recipient from time to time; <u>or</u></p> <p><u>references in Part E of Schedule 5.1 (Staff Transfer) to a Replacement Contractor shall include:</u></p>

	<p>(a) <u>any third party service provider of Replacement Services appointed by the Framework Authority, a Customer or Service Recipient from time to time;</u></p> <p>(b) <u>Synergy Futures Shared Services Organisation or any Synergy Cluster member who is appointed to provide services which are the same, substantially similar to or in replacement of the relevant Cluster Services; and</u></p> <p>(c) <u>any sub-contractor of any Replacement Contractor.</u></p> <p><u>For the avoidance of doubt, where there is more than one Replacement Contractor, references to the Replacement Contractor in Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms shall refer to the relevant Replacement Contractor as the context requires;</u></p>
"Replacement Services"	<p>any services which are substantially similar to:</p> <p>(a) any of the Available Services; or</p> <p>(b) any of the Ordered Services;</p> <p>and which the Framework Authority, any Customer or Service Recipient receives in substitution for any of the Available Services or Ordered Services following the expiry or termination of the Framework Agreement or a Call-Off Agreement, or the partial termination of a Call-Off Agreement, <u>or a Wave Transition</u>, as applicable, whether those services are provided by the Framework Authority, the Customer or a Service Recipient internally and/or by any third party;</p>

"Retender Services"	the services and activities to be performed by the Contractor during the Retender Period, including those activities listed in Paragraphs <u>3.5 or 8.4 2.4</u> of Schedule 4.2 (Exit <u>and Transition</u> Management) to the Standard Terms;
"Staffing Information"	<p>in relation to <u>all persons each employee that may be or become a Transferring Employee, identified on the Contractor's Provisional Staff List</u>, such information as the Customer may reasonably request (subject to all applicable provisions of Data Protection Legislation), but including in an anonymised format:</p> <p>(a) <u>their ages date of birth</u>, dates of commencement of employment or engagement and gender;</p> <p>(b) <u>details of whether they be employed, self employed contractors or consultants, agency workers or otherwise;</u></p> <p>(c)(b) the identity of the employer <u>or relevant contracting Party within the Contractor's Group;</u></p> <p>(d)(c) <u>their</u> relevant contractual notice periods and any other terms relating to termination of employment, including redundancy procedures, and redundancy payments;</p> <p>(e)(d) the wages, salaries <u>and any bonus or incentive arrangements profit sharing;</u></p> <p>(f)(e) details of other <u>applicable</u> employment-related benefits, including (without limitation) medical insurance, life assurance, pension or other retirement benefit schemes, share option schemes and company car schedules <u>applicable to them;</u></p> <p>(g)(f) any outstanding or potential contractual, statutory or other liabilities in respect</p>

	<p>of such individuals (including in respect of personal injury claims);</p> <p>(h)(g) details of any such individuals on long term sickness absence, parental leave, maternity leave or other authorised long term absence;</p> <p>(i)(h) copies of all relevant documents and materials relating to such information, including copies of relevant contracts of employment (or relevant standard contracts if applied generally in respect of such employees), <u>relevant policies or scheme documents and collective agreements</u>; and</p> <p><u>(i)</u> any other "employee liability information" as such term is defined in Regulation 11 of the Employment Regulations;</p>
"Term"	the period commencing on the Effective Date and ending on the expiry of the Initial Term or any Extension Period, the Further Extension Period <u>or the Second Further Extension Period</u> or on earlier termination of the relevant Call-Off Agreement;
"Termination Assistance Notice"	has the meaning set out in Paragraph <u>3-18.5.1</u> of Schedule 4.2 (Exit <u>and Transition</u> Management) to the Standard Terms;
"Termination Assistance Period"	the period specified in the Termination Assistance Notice during which the Contractor shall provide the Termination Services as may be extended pursuant to Paragraph <u>3-58.5</u> of Schedule 4.2 (Exit <u>and Transition</u> Management) to the Standard Terms;
"Termination Services"	the services and activities to be performed by the Contractor <u>under Part 8 of Schedule 4.2 (Exit and Transition Management)</u> after the appointment of a Replacement Contractor or the Customer's (or any Service Recipient's) decision to perform the Replacement Services and before the termination or expiry of the relevant Call-Off Agreement, including those activities listed <u>referred to</u> in Paragraph <u>5-18.7.1</u> of Schedule 4.2 (Exit <u>and Transition</u> Management) to the Standard Terms and any other services required pursuant to the

	Termination Assistance Notice;
"Transferring Employees"	means each employee of the Contractor or any Sub-contractor assigned (other than on a temporary basis) to the Services (or such part thereof) immediately before the Service Transfer Date, and whose name is listed as such in the Contractor's Final Staff List, and who does not object to his or her transfer pursuant to regulation 4(7) of the Employment Regulations or otherwise resign or treat his or her employment as terminated before the Service Transfer Date; has the meaning given to it in Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms;
"Unit Price"	means the price for processing a unique Unit of Measurement of an Ordered Service to which Volumetric Charges applies which <u>are set out in the Framework Agreement and prior to the Second Further Extension Period</u> shall be set according to the applicable Price Band and set out in the Framework Agreement;

Special Condition 41: Additions to Schedule 1 (Definitions) of the Standard Terms

The following Definitions shall be added (alphabetically as appropriate) as follows in Schedule 1 (Definitions) of the Standard Terms for the purposes of this Call-Off Agreement:

Expression	Definition
"Agile TS Rectification Plan"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Alteration"	has the meaning given to it in Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms;
"Attain, Attained and Attainment"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Baseline Date"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"BAU Charges"	means the Service Charges for all Services that are not Transition Services, being the Service Charges less the Transition Services Charges;

"BAU Services"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Cluster Service Transfer"	has the meaning given to it in Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms;
"Cluster Service Transfer Date"	has the meaning given to it in Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms;
"Commercially Sensitive Information"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Contingency Fund"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Contingency Fund Baseline"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Contractor Transition Documents"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Contractor's Transition Services Defaults Cap"	<p>means a total and singular aggregate cap for all Transition Services Defaults of the Contractor in an amount equal to the greater of:</p> <ul style="list-style-type: none"> (i) £5,000,000 GBP (five million Great British Pounds); and (ii) 50% (fifty percent) of the Transition Services Charges <p>which applies across the Transition Services for the Synergy Cluster Members collectively in accordance with Clause 38.2(d) of the Synergy Cluster Lead's Call-Off Agreement;</p>
"Contracts Finder"	means the online government portal which allows suppliers to search for information about contracts as prescribed by Part 4 of the Public Contract Regulations 2015;
"Core Management Transition Team(s)"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Core Management Transition Team Terms of Reference"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;

"Critical Path"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Cross Cutting Default"	means a Default under limb (a) and/or limb (b) of the definition of Default and which has been caused by, or is otherwise related to, a Transition Services Default;
"Cross Cutting Default Relief Event"	means any Transition Services Relief Event in relation to the relevant Transition Services Default that caused or is related to the relevant Cross Cutting Default;
"Customer Accounting Year"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Customer Requirements"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Detailed Wave Exit Plan"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Diseconomies of Scale"	has the meaning given to it in Schedule 3.6 (Stranded Costs, Diseconomies of Scale and related Gain Sharing) of the Synergy Cluster Lead's Call-Off Agreement;
"DOTAS"	means the Disclosure of Tax Avoidance Schemes rules which require a promoter of tax schemes to tell HMRC of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in 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 section 132A of the Social Security Administration Act 1992;
"Exclusive Assets"	has the meaning given in Schedule 4.2 (Exit and Transition Management);
"Fast Track TS Rectification Plan"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Final Wave Transition"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;

"FTE Day"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"FTE Hours"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"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;
"Go Decision"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Go Decision Deadline"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Go-Live Date"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Halifax Abuse Principle"	means the principle explained in the CJEU Case C-255/02 Halifax and others;
"Integrated Implementation Plan"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Initial In-Scope Employee List"	has the meaning given to it in Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms;
"In-Scope Employees"	has the meaning given to it in Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms;
"In-Scope Employee Information"	has the meaning given to it in Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms;
"In-Scope Employee Tender Information"	has the meaning given to it in Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms;
"Minimum Wave Notice Period"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;

"Net Book Value"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Non-Exclusive Assets"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Non-HR Stranded Costs"	has the meaning given to it in Schedule 3.6 (Stranded Costs, Diseconomies of Scale and related Gain Sharing) of the Synergy Cluster Lead's Call-Off Agreement;
"Non-Transferring Employee"	has the meaning given to it in Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms;
"Objecting Employees"	has the meaning given to it in Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms;
"Occasion of Tax Non-Compliance"	<p>means:</p> <p>(a) any tax return of the Contractor submitted to a Relevant Tax Authority on or after 1 October 2012 is found on or after 1 April 2013 to be incorrect as a result of:</p> <p>(i) a Relevant Tax Authority successfully challenging the Contractor under the General Anti-Abuse Rule or the Halifax Abuse Principle or under any tax rules or legislation that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle;</p> <p>(ii) the failure of an avoidance scheme which the Contractor was involved in, and which was, or should have been, notified to a Relevant Tax Authority under the DOTAS or any equivalent or similar regime; and/or</p> <p>(b) any tax return of the Contractor submitted to a Relevant Tax Authority on or after 1 October 2012 gives rise on or after 1 April 2013 to a criminal conviction in any jurisdiction for tax related offences which is not spent at the Effective Date or to a civil penalty for fraud or evasion;</p>
"Optional Services"	means the service set out in the Special Condition titled "Optional Service";
"Out-of-Scope Employees"	has the meaning given to it in Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms;

"Outline Wave Notice"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Outline Wave Notice Date"	has the meaning given to it in Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms;
"Prescribed Person"	means a legal adviser, an MP, or an appropriate body which a whistleblower may make a disclosure to as detailed in 'Whistleblowing: list of prescribed people and bodies', available online at: https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2/whistleblowing-list-of-prescribed-people-and-bodies , as updated from time to time;
"Redundancy Costs"	has the meaning given to it in Part 1 of Schedule 3.6 (Stranded Costs, Diseconomies of Scale and related Gain Sharing) of the Synergy Cluster Lead's Call-Off Agreement;
"Redundant"	has the meaning given to it in Part 1 of Schedule 3.6 (Stranded Costs, Diseconomies of Scale and related Gain Sharing) of the Synergy Cluster Lead's Call-Off Agreement;
"Registers"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Relevant Tax Authority"	means HMRC, or, if applicable, a tax authority in the jurisdiction in which the Contractor is established;
"Second Further Extension Period"	an extension from the end of the Further Extension Period for a period ending on the earlier of the completion of the Customer's Wave Transition Final Phase Period and expiry of three (3) years from expiry of the Further Extension Period (but for the avoidance of doubt, any Wave Transition in respect of such BAU Services shall be subject to the relevant Baseline Date as set out in Schedule 4.2 (Exit and Transition Management) to the Standard Terms);
"Second Further Renewal CAN Effective Date"	means the date of last signature of Change Authorisation Note 11;
"Services Dependencies Matrix"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;

"SoW Breakage Costs"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"SOW Deliverable"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"SOW Dependencies Schedule"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"SOW Key Milestone"	means a milestone identified as a SOW Key Milestone in the relevant Statement of Work provided always that the maximum number of SoW Key Milestones across all Statements of Work for Transition Services shall not, subject to Paragraph 2.8.11 of Schedule 4.2 (Exit and Transition Management) exceed 15 (fifteen);
"SoW Key Milestone Date"	means the date set against the relevant SOW Key Milestone in a Statement of Work;
"SOW Milestone"	has the meaning given in Part 1 of Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"SOW Milestone Attainment Certificate"	has the meaning given in Annex 11 (Testing Procedures) of Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"SOW Milestone Charges"	those Transition Services Charges identified as such in a Statement of Work payable by the Synergy Cluster Lead to the Contractor in respect of the Achievement of a SOW Milestone;
"SOW Milestone Date"	has the meaning given in Part 1 of Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"SoW Termination Notice"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Statement of Requirements"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Statement of Work" or "SoW"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Stranded Costs"	means Non-HR Stranded Costs plus Redundancy Costs;

"Stranded Redundancy Costs Reimbursement Arrangement"	has the meaning given to it in Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms;
"Synergy Cluster"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Synergy Cluster Member(s)"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Synergy Cluster Lead"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Synergy Cluster Lead's Call-Off Agreement"	means the completed Call-Off Order Form signed by the Synergy Cluster Lead and the Contractor, each appendix to it and any documents attached to it and the Standard Terms, and any Statement(s) of Work entered into in accordance with Parts 2 to 7 of Schedule 4.2 (Exit and Transition Management);
"Synergy Cluster Lead Change Event"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Synergy Dependencies"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Synergy Programme"	means the cross departmental collaboration between the Department for Work and Pensions as lead and sponsor department, and the other Synergy Cluster Members set up to promote the Government Shared Services Strategy and to collaboratively implement the next generation of shared services for the Synergy Cluster Members;
"Synergy Registers"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Synergy Stakeholder"	has the meaning given in Paragraph 2.4.1 of Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Transition Key Milestone(s)"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Transition Key Milestone Date"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;

"Transition Key Personnel"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Transition Key Role"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Transition Key Role Minimum Period"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Transition Manager(s)"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Transition Services"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Transition Services Charges"	means the total aggregate Charges paid or payable by the Synergy Cluster Lead for and on behalf of the Customer for the provision of Transition Services as set out in Paragraph 6B or Schedule 3.1 (Charges and Invoicing) to the Standard Terms;
"Transition Services Default"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Transition Services Delay"	means a delay in the attainment of a SoW Key Milestone in accordance with its acceptance criteria and any applicable SOW Test Plan as set out in the relevant Statement of Work for Transition Services (as applicable) by its SoW Key Milestone Date;
"Transition Services Delay Payment"	means an amount to be paid by the Contractor in respect of a Transition Services Delay as specified in Part 3 of Schedule 3.1 (Charges and Invoicing) to the Standard Terms. For the avoidance of doubt, Transition Services Delay Payments shall only apply to SOW Key Milestones, and are subject always to any adjustment under Paragraph 16.5.1 of Schedule 3.1 (Charges and Invoicing) to the Standard Terms;
"Transition Services Delay Payments Cap"	<p>means a total and singular aggregate cap for all Transition Services Delay Payments in an amount equal to the greater of:</p> <p>(a) 15% of the Transition Services Charges paid or payable as at the date of the Transition Services Default; and</p> <p>(b) REDACTED</p> <p>which applies across all SOW Key Milestones across the Transition Services for the Synergy Cluster Members collectively in accordance with Clause 38.2(d) of the Synergy Cluster Lead's Call-Off Agreement;</p>

"Transition Services Period"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Transition Services Relief Event"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Transition Services Relief Notice"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Transition Services Relief Payment"	means a payment made to the Contractor by the Customer in accordance with paragraphs 2.7.1 (e) of Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Transfer Threshold Level"	has the meaning given to it in Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms;
"Transition Testing"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"TS Default Warning Notice"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"TS Rectification Expense Limit"	has the meaning given to it in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"TS Rectification Plan Process"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Updated In-Scope Employee List"	has the meaning given to it in Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms;
"Wave Notice"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Wave Notice Impact Assessment"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Wave Notice Process"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Wave Transition"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Wave Transition Final Phase"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;

"Wave Transition Final Phase Period"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;
"Wave Transition Period"	has the meaning given in Schedule 4.2 (Exit and Transition Management) to the Standard Terms;

Special Condition 42: Schedule 2 (Customer Stabilisation, Customer Transformation, Migration and Testing)

The Parties agree that Schedule 2 (Customer Stabilisation, Customer Transformation, Migration and Testing) of the Standard Terms shall not apply to Transition Services.

Special Condition 43: Schedule 3.1 (Charges and Invoicing)

For the purposes of this Call-Off Agreement, Schedule 3.1 (Charges and Invoicing) of the Standard Terms shall be deleted and replaced with Schedule 3.1 (Charges and Invoicing) at Attachment 1: Annex 1.

Notwithstanding the terms of the replacement Schedule 3.1 (Charges and Invoicing), the Parties acknowledge and agree that:

- (i) Charges for any Transition Services commissioned by the Synergy Cluster Lead (on its behalf or on behalf of any other Synergy Cluster Member(s)) in accordance with Schedule 4.2 (Exit and Transition Management) of the Synergy Cluster Lead's Call-Off Agreement, shall be calculated and charged to the Synergy Cluster Lead in accordance with the provisions of its Call-Off Agreement. For the avoidance of doubt, the Customer shall have no obligation to pay any Transition Services Charges to the Contractor in any circumstance, save where the Customer is appointed as the Synergy Cluster Lead pursuant to a Synergy Cluster Lead Change Event as described in Paragraph 2.2.6 of Schedule 4.2 and therefore takes over responsibility for payment of the Transition Services Charges from the outgoing Synergy Cluster Lead from that point as is agreed pursuant to arrangements entered into under Clause 50.2 of the Standard Terms; and
- (ii) Payments in respect of Stranded Costs and/or Diseconomies of Scale which are payable by the Synergy Cluster Lead as determined in accordance with Schedule 3.6 (Stranded Costs, Diseconomies of Scale and related gain sharing) of the Synergy Cluster Lead's Call-Off Agreement, shall be calculated and charged to the Synergy Cluster Lead in accordance with the provisions of its Call-Off Agreement. For the avoidance of doubt, the Customer shall have no obligation to pay any Stranded Costs and/or Diseconomies of Scale to the Contractor in any circumstance, save where the Customer is appointed as the Synergy Cluster Lead pursuant to a Synergy Cluster Lead Change Event as described in Paragraph 2.2.6 of Schedule 4.2 and therefore takes over responsibility for payment of the Stranded Costs and Diseconomies of Scale from the outgoing Synergy Cluster Lead from that point

as is agreed pursuant to arrangements entered into under Clause 50.2 of the Standard Terms.

Special Condition 44: Schedule 3.2 (Payments on Termination)

The Parties agree that from the Second Further Renewal CAN Effective Date, Schedule 3.2 (Payments on Termination) is no longer applicable. In the event the Customer terminates its Call-Off Agreement, the amounts payable by the Customer and the Synergy Cluster Lead shall be calculated in accordance with Clause 47 (as amended by Special Condition 36).

Special Condition 45: Schedule 4.1 (Change Control Procedure)

For the purposes of this Call-Off Agreement, the Parties acknowledge and agree that any changes in respect of Transition Services shall be dealt with by the Synergy Cluster Lead and governed in accordance with the amended Schedule 4.1 (Change Control Procedure) of the Standard Terms as set out in the Synergy Cluster Lead's Call-Off Agreement.

Special Condition 46: Schedule 4.2 (Exit and Transition Management)

The Parties acknowledge that Transition Services are being procured and managed by the Synergy Cluster Lead as Customer's agent and Customer has authorised the Secretary of State for the Department of Work and Pensions to act as its agent. For the purposes of this Call-Off Agreement, Schedule 4.2 (Exit) shall be deleted and the Parties shall comply with (acknowledging that the obligations and rights for the Customer will be enforced by the Synergy Cluster Lead) Schedule 4.2 (Exit and Transition Management) of the Standard Terms as set out in Attachment 1: Annex 2, except in respect of paragraph 8.3 of Part 8 of Schedule 4.2 which shall be interpreted in accordance with the terms set out below.

All references to "Schedule 4.2 (Exit Management)" in the Framework Agreement and this Call-Off Agreement shall be replaced with "Schedule 4.2 (Exit and Transition Management)".

Paragraph 8.3 of Part 8 shall be interpreted as follows:

8.3 Exit Plan

- 8.3.1 The Parties acknowledge that the Customer requirements for Termination Services will be subject to the provisions of Paragraph 8.5.1 and the Customer defining the Termination Services it requires from the Contractor under a Termination Assistance Notice. Notwithstanding the provisions of Paragraph 8.6.1, and without prejudice to any other terms set out under Part 8 of this Schedule 4.2 (Exit and Transition Management), the Contractor shall support the Customer's planning activity for Termination Services through the development of an Outline Exit Plan in accordance with Paragraph 8.3.3.
- 8.3.2 Subject to payment of applicable charges by the Customer in accordance with Paragraph 8.3.9, the Contractor shall develop an Outline Exit Plan for the Services which shall be provided by the Contractor to the Customer on or before 31 October 2021. In advance of the Customer

setting out its requirements for Termination Services in accordance with a Termination Assistance Notice, the Outline Exit Plans shall be prepared as far as reasonably possible on a basis consistent with the principles set out in Paragraph 8.3.7 and shall be subject to ongoing review by the Parties during the Extension Period, Further Extension Period and Second Further Extension Period. Such reviews shall be carried out not less than once in each rolling six (6) month period in the Extension Period, Further Extension Period and Second Further Extension Period, and the Parties shall seek to increase the frequency of such reviews by mutual agreement of the Parties (whereby such agreement shall not be unreasonably withheld) during the second Contract Year in the Second Further Extension Period. The requirement for review and update of Outline Exit Plans shall cease on issue of a Termination Assistance Notice by the Customer or six (6) months prior to expiry of the Call Off Agreement (whichever is sooner). The Outline Exit Plan shall serve to set some proposed indicative Termination Services for the Customer to consider in advance of it serving a Termination Assistance Notice. For the avoidance of doubt the development of the Outline Exit Plan shall create no obligations for the Contractor whereby the Customer's requirements for Termination Services shall be confirmed, agreed and commissioned under a valid Termination Assistance Notice.

- 8.3.3 Within twenty (20) Working Days after service of a Termination Assistance Notice, the Contractor shall submit for the Customer's review and approval Detailed Exit Plans in a form that could be implemented as soon as reasonably practicable thereafter. The Detailed Exit Plans shall be prepared on a basis consistent with the principles set out in Paragraph 8.3.7 below and shall reflect any changes in the Services that have occurred since the Outline Exit Plans were last reviewed.
- 8.3.4 The Customer may, at its option following the Contractor's written request, share the Replacement Contractor's (or its own) transition plan for transition of the Services to a Replacement Contractor or the Customer (as applicable) with the Contractor, to inform the Contractor's proposed methodology for achieving an orderly exit of the relevant Services.
- 8.3.5 The Customer may, at its option following the Contractor's written request, provide the Contractor with the Replacement Contractor's (or its own) management structure for exit to assist the Contractor's development of the Outline Exit Plans and/or the Detailed Exit Plans.
- 8.3.6 The Detailed Exit Plans shall set out (as a minimum):
- (a) the Contractor's proposed methodology for achieving an orderly exit of the relevant Services by the Contractor on the partial termination, expiry or termination of this Call-Off Agreement;
 - (b) the management structure and proposed resources to be employed to provide the Termination Services during both exit and cessation of the relevant Services during the Termination Assistance Period;
 - (c) a detailed description of both the proposed exit and cessation processes, including a timetable, applicable in the case of the partial termination, expiry or termination of this Call-Off Agreement;
 - (d) how the Contractor proposes that the relevant Services will be exited, including details of the processes, documentation, proposed data transfer, proposed systems migration, security and the segregation of the Customer's technology components from any technology components operated by the Contractor or its Sub-contractors (where applicable);
 - (e) subject to the Customer's notification in accordance with Paragraph 8.5.1, the scope of the Termination Services that may be required for the benefit of the Customer;

- (f) a timetable and plan for critical issues which the Customer has highlighted in its Termination Assistance Notice and/or of which the Contractor is aware for providing the Termination Services;
- (g) how the Termination Services would be provided (if required) during the Termination Assistance Period;
- (h) procedures to deal with requests made by the Customer and/or a Replacement Contractor for Staffing Information pursuant to Schedule 5.1 (Staff Transfer);
- (i) plans for the development and implementation of an exit communication plan;
- (j) how each of the issues set out in Part 8 of this Schedule will be addressed to facilitate the exit of the relevant Services from the Contractor with the aim of ensuring that there is as far as possible as limited disruption to or degradation of the Services during the Termination Assistance Period; and
- (k) the Customer Responsibilities required in order for the Contractor to meet its obligations during the Termination Assistance Period.

8.3.7 The Parties will meet and use their respective reasonable endeavours to agree the contents of the final form of the Detailed Exit Plans. If the Parties are unable to agree the contents of either of Detailed Exit Plan within twenty (20) Working Days following its delivery to the Customer then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.

8.3.8 Subject to Paragraph 8.5.1 and Paragraph 8.7, the Parties shall comply with all of their respective obligations contained in the Detailed Exit Plans in respect of any partial termination or termination.

8.3.9 The obligations of the Contractor under this Paragraph 8.3 shall be subject to the provisions of Paragraph 8.7.1 and funding by the Customer in accordance with the Rate Card.

Special Condition 47: Schedule 7.3 (Dispute Resolution Procedure)

The Parties agree that for the purposes of this Call-Off Agreement, the provisions set out in Schedule 7.3 (Dispute Resolution Procedure) to the Framework Agreement shall not apply to Transition Services Disputes, and any such Transition Services Dispute will be handled by Synergy Cluster Lead in accordance with the terms of its Call-Off Agreement.

Special Condition 48: Amendments to Schedule 5.1 (Staff Transfer)

For the purposes of this Call-Off Agreement,

48.1 Paragraph 1.1 of Schedule 5.1 (Staff Transfer) of the Standard Terms shall be amended as follows (with text in bold and underlined showing the changes being made):

This Schedule sets out the Parties' respective rights and obligations in relation to staff transfer issues and the application or otherwise of the Employment Regulations to this Call-Off Agreement. It is structured in ~~four (4)~~ **five (5)** parts which shall apply or not apply in whole as agreed between the Parties in the relevant Call-Off Agreement or otherwise as set out in the remainder of this Paragraph 1.

48.2 Part D of Schedule 5.1 (Staff Transfer) of the Standard Terms shall be amended by the insertion of a new Paragraph 7 as set out below:

7. Cluster Service Transfers

7.1 In the event of a Cluster Service Transfer, the terms of Part E of this Schedule 5.1 (Staff Transfer) shall apply in place of Part D of this Schedule 5.1 (Staff Transfer) in respect of those persons employed by the Contractor and any member of the Contractor's Group.

7.2 In the event of the termination of this Call-Off Agreement after the Second Further Renewal CAN Effective Date, the terms of this Part D of Schedule 5.1 (Staff Transfer) shall apply in respect of those persons employed by any Sub-contractor (other than a member of the Contractor's Group) save that:

7.2.1 the Contractor shall use reasonable endeavours to enforce the terms it has agreed with affected Sub-contractors relating to its employees and staff transfer where such terms benefit the Customer, Replacement Contractor and/or Service Recipient; and

7.2.2 Paragraph 11 of Part E of this Schedule 5.1 (Staff Transfer) will apply in relation to Subcontractor Redundancy Costs as defined in Paragraph 11.7 of Part E of this Schedule 5.1 (Staff Transfer).

48.3 A new Part E to Schedule 5.1 (Staff Transfer) shall be inserted into Schedule 5.1 (Staff Transfer) of the Standard Terms, as set out in Attachment 1: Annex 3. The Parties shall comply with this Part E where there is a Cluster Service Transfer relating to staff of the Contractor and/or the Contractor's Group.

Attachment 1: Part B – Amendments to Appendices to the Call-Off Agreement

The following amendments shall be deemed to be applied to the Appendices to the Call-Off Agreement:

1 The following changes shall be made to Part A Paragraph 1.2 of Appendix 1 (with text in bold and underlined showing the changes being made):

- 1.1 The Target Volume Forecast for the Services is set out by Service Offering in Table 2.2 (Target Volume Forecast and Annual Volume Forecast) **up to the expiry of the Further Extension Period or Table 2.3A (Target Volume Forecast and Annual Volume Forecast For The Second Further Extension Period)** of Appendix 2 (Charges for the Services) to this Call-Off Order Form.

2 The following changes shall be made to Appendix 2 (with text in bold and underlined showing the changes being made):

- 2.1 Part A, Paragraph 1.3 shall be amended as set out below:

"Up to and including 31st March 2016 ~~in~~ accordance with Paragraph 3 of Schedule 3.1 (Charges and Invoicing) to the Standard Terms, if the actual volume of Units of Measurement invoiced to the Customer and its Service Recipients in an Accounting Year for a Service Offering falls outside the Tolerance Band for that Service Offering any increase or decrease in the Fixed Charges shall be made in accordance with the Change Control Procedure."

- 2.2 Part A, Paragraph 1.4 shall be amended as set out below:

"All **fixed** charges payable **up to and including 31st March 2016** will be subject to indexation and calculated in accordance with Parts C and A of Schedule 3.2 (Pricing and Rate Card) to the Framework Agreement. For the avoidance of doubt, the first indexation point will be 1 April 2016."

- 2.3 Part B, Paragraphs 1.1, 1.2 and 1.3 shall be amended as set out below:

"1.1 From 1 April 2016 **until the expiry of the Further Extension Period**~~onwards~~, the Charges payable by the Customer for each Ordered Service **identified in Table 2.3** shall be calculated on a Volumetric Charge basis (as applicable) based on the Customer Unit Prices set out in Table 2.5 below. **The Parties acknowledge that Table 2.5 does not include the Customer Unit Prices for 1 November 2024 to 31 October 2025, however the Parties acknowledge that the Customer Unit Prices were agreed for this period.**

1.2 The Customer Unit Prices are based upon the Forecast Unit Price Bands set out in Table 2.6. The actual Unit Price Band applicable will be based on the volume for that Ordered Service across all Customers in accordance with Paragraph 4 of Schedule 3.1 (Charges and Invoicing) to the Standard Terms. **Until the end of the Further Extension Period, in** the event that the applicable Price Band varies for a service or services, the associated Customer Unit Prices will be adjusted by the same percentage change as applies to the Unit Prices within the Framework Agreement.

1.3 During the Second Further Extension Period and subject to the adjustments set out at Part C of this Appendix 2, the Charges payable by a Customer for each Ordered Service identified in Table 2.3A below shall be calculated on a Volumetric Charge basis (as applicable) and based on the volume for that Ordered Service in respect of that Customer in accordance with Paragraph 4 of Schedule 3.1 (Charges and Invoicing) to the Standard Terms."

2.4 Part B shall include a new Table 2.3A as set out below:

Table 2.3A Target Volume Forecast and Annual Volume Forecast For The Second Further Extension Period

Home Office		Annual Volumes		Point in Time	
Service Offering	Volume Basis	Annual Forecast Volumes	Annual Minimum Volumes (75%)	Forecast Volumes	Minimum Volumes (75%)
1. Resource Service	monthly posts filled	Redacted	Redacted		
2. Employee Life-cycle Services	number of employees				Redacted
3. Employee Support	number of employees				
4. Other Employee Services	number of employees			Redacted	Redacted
5. Payroll, Expenses & Allowances	number of employees			Redacted	Redacted
6. Other payroll Services	number of employees			Redacted	Redacted
7. Financial Accounting	number of cost centres			Redacted	fixed
8. Management Accounting	number of cost centres				
9. Finance Operations	number of cost centres			Redacted	fixed
10. Accounting Services Support	number of cost centres				
11. Other Accounting Services	number of cost centres				
12. Revenue & Billing	number of invoices	Redacted	Redacted		
13. Business Intelligence	number of cost centres				
14. Procurement Services	number of invoices				
15. Payment Services	number of invoices	Redacted	Redacted		
16. Operational Support & Process Development	number of invoices				
17. Overarching Services	number of cost centres			Redacted	fixed

2.5 Part C Paragraphs 1.1, 1.2, 1.3 and 1.4(a) shall be amended as set out below:

"1.1 This Part C outlines the relationship between the Unit Prices in the Framework Agreement and the Customer Unit Prices set out in Table 2.5 below **(applicable until the expiry of the Further Extension Period). The Parties acknowledge that Table 2.5 does not include the Customer Unit Prices for 1 November 2024 to 31 October 2025, however the Parties acknowledge that the Customer Unit Prices were agreed for this period.**

1.2 The Parties have agreed that **up until the expiry of the Extension Period**, the Framework Unit prices require a 'Factor Adjustment Mechanism' to represent the ratio of the Customer Unit Prices within this Call-Off Order to the Unit Prices contained within Schedule 3.2 (Pricing and Rate Card) of the Framework Agreement.

1.3 The percentage adjustments which apply to the Framework Unit Prices to derive the Customer Unit Prices are set out in Table 2.8 below. **Up until 31 October 2023, w**where the Framework Unit Prices are to be updated for a change in the Price Band or for the application of Indexation, the percentage in Table 2.8 will be applied to the revised Framework Agreement Unit Prices to derive the revised Customer Unit Prices. **From 1 November 2023 until the expiry of the Further Extension Period, the Framework Unit Prices are to be updated for a change in the Price Band or for the application of Indexation, the percentage in the table at Paragraph 7.1 of Part D will be applied to the revised Framework Agreement Unit Prices to**

1.4 Indicative Volumetric Charges

(a) The Indicative Volumetric Charges **up until the expiry of the Extension Period over the contract term** are set out in Table 2.4 below. These are the total Charges payable, subject

to addition of applicable indexation, where the volumes in Table 2.3 and the Unit Price Bands in Table 2.6 remain applicable for up until the expiry of the Extension Period. ~~the contract term.~~ The Parties acknowledge that Table 2.6 does not include the Unit Price Bands for 1 November 2024 to 31 October 2025, however the Parties acknowledge that the Customer Unit Prices were agreed for this period.

2.6 The Paragraph above Table 2.5 in Part C shall be amended as set out below:

"The Customer Unit Prices are shown in Table 2.5 below **(applicable until the expiry of the Extension Period)** and have been calculated by using the Indicative Volumetric Charges from Table 2.4 and dividing by the Volumes set out in Table 2.3."

2.7 Part C Paragraph 1.4(c) shall be amended as set out below:

"(c) The Forecast Unit Price Bands are based on the forecast aggregate volumes for each service across ~~the Contractor's SSCL~~ customers, including the Ministry of Justice and the **Home Office Customer**, during each period.

Where a different Price Band to those set out in Table 2.6 above is applicable to a service, up until the expiry of the Extension Period, the Customer Unit Prices will be recalculated by applying the Unit Price Factor Adjustment to the revised Framework Unit Price as set out in the Pricing Worksheets in Paragraph 5 of Schedule 3.2 (Pricing and Rate Card) to the Framework Agreement."

2.8 The Price Band tables, Pricing Worksheets by Service Offering and Annual Volume Forecast Work Example in Paragraph 1.4(d) of Part C shall be deleted.

2.9 Part D Paragraph 1.1 shall be amended as set out below:

"1.1 The Parties agree that, as set out at Paragraph 2 below, subject to the Extension Period Compensation Payment, percentage reductions shall apply to certain of the Unit Prices payable by the Customer from commencement of the Extension Period **and expiring at the end of the Further Extension Period.**"

2.10 Part D Paragraph 2.1(b) shall be amended as set out below:

"(b) The Unit Prices are subject to Indexation from and including 1 November 2021, and up to and including 31st March 2024 (on 1st April 2022 and 1st April 2023), in accordance with paragraph 10.3 of Framework Schedule 3.2 (Pricing and Rate Card). The ~~the~~ Parties agree that during the period of 1st November 2021 to 31st March 2024 the indexation factor "I" to be applied on 1st April 2022 and 1st April 2023 shall be discounted by 0.25%, subject to the annual increase in the value of "I" not falling below 1.5% (one point five percent) due to the discount being applied."

2.11 Part D Paragraph 2.2 shall be amended as set out below:

"2.2 From and including 1 January 2024 until the expiry of the Further Extension Period **whereby this paragraph 2.2 shall be disapplied from the commencement of the Second Further Extension Period: and Termination Assistance Period:**

(a) The Unit Prices chargeable to the Customer for Service Offerings 1 to 18 (inclusive) as amended by the Adjustment Factors in the Call-Off Order Form, shall be reduced by 18.3% (eighteen point three percent) (the **"Further Extension Period Unit Charge Reductions"**).

i. The Further Extension Period Unit Charge Reductions shall not apply to:

Any project work commissioned under the Change Control Procedure,

Any additional Services introduced under the Change Control Procedure,

Change Authorisation Note No. 11

Any project or ongoing Service Charges contracted under Change Authorisation Notes introduced via the Change Control Procedure during the Initial Term, first Extension Term and Further Extension Period.

Exit and Termination Services activity,

Any additional FTE resources the Contractor has agreed to provide to support service delivery post METIS go-live,

The New Ways of Working Resources as set out at Paragraph 4.1,

Any other Charges under the Call-Off Agreement which are not volumetric or unit based.

- (b) From 1 April 2024, for the remainder of the Extension Period and during the Further Extension Period the Unit Prices shall be subject to Indexation, in accordance with Paragraph 10.3A and 10.3B of Framework Schedule 3.2 (Pricing and Rate Card)."

2.12 REDACTED

i _____t

2.13 Part D Paragraph 3.1 shall be amended as set out below:

- "3.1 From the commencement of the Extension Period ~~(and for the duration of the Extension Period and Further Extension Period)~~, and subject to sections 3.3 and 3.5 (below), for the purpose of calculating the applicable Volumetric Charges, the Parties have agreed to fix the number of chargeable cost centres for the Further Extension Period at 1,815 (one thousand eight-hundred and fifteen) and for the Second Further extension Period at 1930 (one thousand, nine hundred and thirty) for the following Service Offerings (where taken by the Customer) ~~for the remainder of the Term~~. This will have the effect of the Customer paying a fixed Charge for these Service Offerings during the Extension Period, ~~and~~ Further Extension Period and the Second Further Extension Period.

Service Offering No.	Service Offering Description
7.	Financial Accounting
9.	Finance Operations

17.

Overarching Services

2.14 Part D Paragraph 4 shall be amended as set out below:

"4.1 From the 1st November 2021 and for the **remainder of the Term, duration of the Extension Period and Further Extension Period** the Contractor shall provide **54 65** fixed full time equivalent (FTE) resources to support the Services and to support the Customer's 'new ways of working' following the implementation of Metis, in accordance with the table below (the "**New Ways of Working Resources**").

	<u>New Ways of Working Resources by service area</u>	<u>No of resources</u>
1	<u>Complaints</u>	<u>2</u>
2	<u>Finance — Contact — Centre — / Overpayments</u>	<u>4</u>
3	<u>HR Contact Centre</u>	<u>17</u>
4	<u>HR</u>	<u>20</u>
5	<u>Pensions/Compendia</u>	<u>4</u>
6	<u>Payroll</u>	<u>7</u>
	<u>Total</u>	<u>54</u>

4.1.1 The Charges payable by the Customer for the New Ways of Work Resources as set out in the table in paragraph 4.1 above shall be **REDACTED** for each calendar month **from during the Extension Period and Further Extension Period**, which shall be invoiced by the Contractor at the end of the month in which the Charges were incurred and payable in accordance with paragraph 9 of Schedule 3.1 of the Standard Terms, and shall be subject to indexation in accordance with paragraph 6.1 below.

4.2.2 The Parties acknowledge that the number and allocation of New Ways of Working Resources shall be subject to ongoing review by the Parties on a not more than 6 (six) weekly review basis, whereby any change to the number and allocation of New Ways of Working Resources and associated Charges (**during from the Extension Period, and Further Extension Period**), shall be subject to the Change Control Procedure and such reasonable notice in advance, in line with the Contractors notice period within the terms and conditions of employment of its resources."

2.15 Part D Paragraph 6 shall be amended as set out below:

"6.1 The Charges for i) the New Ways of Working Resources set out at paragraph 4.11 shall be subject to indexation on 1st April in each Contract Year of the Extension Period and Further Extension Period (**other than in the last year of the Further Extension Period where the indexation factor shall cease on 31 October 2025**). The formula to be adopted to calculate the indexation factor "I" to be applied is: Section **REDACTED**

<u>Date Indexation to be applied</u>	<u>Indexation factor</u>
---	---------------------------------

REDACTED	REDACTED

Where

No discount shall apply to the Indexation under this paragraph 6.1.

6.2 Indexation of the New Ways of Working Resources during the Second Further Extension Period

The Charges for i) the New Ways of Working Resources set out at paragraph 4.11 shall be subject to indexation on 1st April in each Contract Year of the Second Further Extension Period. The formula to be adopted to calculate the indexation factor "I" to be applied is : Section REDACTED

<u>Date Indexation to be applied</u>	<u>Indexation factor</u>
_____	_____ _____
_____	_____
_____	_____
_____	_____

Where

_____ ,

2.16 Part D Paragraph 7 shall be amended as set out below:

"7. Unit Prices in the Year to 31st October 2025 ~~and subsequent Termination Assistance Period~~

7.1 For the Extension Period and Further Extension Period the Unit Prices set out under Schedule 3.2 (Pricing and Rate Card) as amended by Change Authorisation Note 023 shall apply:

- (a) the Adjustment Factors to be applied to the Unit Prices from the 1st November 2023 and for the remained of the first Extension Period and Further Extension Period will be as follows:

Volumetric Service	Unit of charge	Adjustment factor from 01/11/23 <u>to expiry of the Further Extension Period</u>
1. Resource Services	£s per post filled	REDACTED
2. Employee Life-cycle Services	£s per employee per year	REDACTED
3. Employee Support	£s per employee per year	Service not taken
4. Other Employee services	£s per employee per year	REDACTED
5. Payroll. Expenses & Allowances	£s per employee per year	REDACTED
6. Other Payroll services	£s per employee per year	REDACTED
7. Financial Accounting	£s per cost centre per year	REDACTED
8. Management Accounting	£s per cost centre per year	Service not taken
9. Finance Operations	£s per cost centre per year	REDACTED
10. Accounting Service Support	£s per cost centre per year	Service not taken
11. Other Accounting Services	£s per cost centre per year	Service not taken
12. Revenue and Billing	£s per 1000 invoices	REDACTED
13. Business Intelligence	£s per cost centre per year	Service not taken
14. Procurement Services	£s per 1000 invoices	Service not taken
15. Payment Services	£s per 1000 invoices	REDACTED
16. Operational Support & Process Development	£s per 1000 invoices	Service not taken
17. Overarching Services	£s per cost centre per year	REDACTED
18 Vetting	£s per number of completed vetting requests	Service not taken

~~For the avoidance of doubt the above provisions of; i) this Part D, and ii) indexation in accordance with part D of paragraph 10.3 and 10.3A (as applicable) of Schedule 3.2 (Pricing and Rate Card) of the Framework Agreement shall apply to the Unit Prices for the Services during any Termination Assistance Period."~~

2.17 A new Paragraph 8 shall be added to Part D, as set out below:

"8. Unit Prices from 1 November 2025

8.1 For the Second Further Extension Period, the Unit Prices are set out in Paragraph 6 of Annex 2 of Schedule 3.2 (Pricing and Rate Card)."

ISSC2 Standard Terms

Schedule 3.1

Charges and Invoicing

Change Authorisation Note No. 11

This document incorporates the amendments contained in the following Framework Change Authorisation Notes:

No	Document	Date Executed
1	Framework Change Authorisation Note 002	16 September 2014
2	Framework Change Authorisation Note 003	30 October 2014
3	Framework Change Authorisation Note 004	15 December 2014
4	Framework Change Authorisation Note 006	20 February 2015
5	Framework Change Authorisation Note 007	24 August 2015
6	Framework Change Authorisation Note 008	3 December 2015
7	Framework Change Authorisation Note 009	9 February 2016
8	Framework Change Authorisation Note 010	30 August 2016
9	Framework Change Authorisation Note 011	30 August 2016
10	Framework Change Authorisation Note 012	23 November 2016
11	Framework Change Authorisation Note 013	19 June 2017
12	Framework Change Authorisation Note 015	20 December 2018
13	Framework Change Authorisation Note 016	30 April 2018
14	Framework Change Authorisation Note 017	13 April 2018
15	Framework Change Authorisation Note 018	31 May 2019
16	Framework Change Authorisation Note 019	31 May 2019
17	Framework Change Authorisation Note 020	31 October 2019
18	Framework Change Authorisation Note 021a	30 April 2021
19	Framework Change Authorisation Note 021b	6 October 2021
20	Framework Change Authorisation Note 022	17 December 2021
21	Framework Change Authorisation Note 023	31 March 2023
22	Framework Change Authorisation Note 024	16 February 2023
23	Framework Change Authorisation Note 025	13 February 2023

Change Authorisation Note No. 11

No	Document	Date Executed
24	Framework Change Authorisation Note 026	31 March 2023

1. Introduction

This Schedule sets out the provisions relating to:

- (a) Part 1: the calculation of the Charges payable by the Customer;
- (b) Part 2: the method by which the Contractor shall raise invoices to the Customer for payment, the requirements which apply to such invoices and the payment terms; and
- (c) Part 3: the calculation of Transition Services Delay Payments.

2. General

Subject to the terms of this Call-Off Agreement, the Customer will pay the Charges to the Contractor.

The Charges shall be the only charges payable by the Customer to the Contractor in respect of the Services and, except as expressly provided otherwise, the Charges:

- (a) shall be deemed to include consideration for all of the Contractor's costs and overheads incurred and profits due in providing the Services or complying with the other obligations set out in this Call-Off Agreement, including its costs in respect of staff, equipment, software and technical refresh and the preparation of Change Authorisation Notes;
- (b) exclude the costs and expenses incurred by the Contractor in re-performing and/or rectifying any Services that do not meet the requirements of this Call-Off Agreement, which shall be borne by the Contractor; and
- (c) shall be deemed to include the Contractor's charges relating to undertaking the Stabilisation and Transformation work described in Schedule 3.7 of the Framework Agreement (other than the SOP Activities which shall be recovered through the SOP Charges payable by the Framework Authority).

Part 1: Charges

3. Day 1 Fixed Charges

In the period between the Framework Effective Date and 31 October 2015 the Contractor shall provide the Ordered Services on a fixed charge basis unless otherwise agreed with the Customer or Service Recipient in accordance with the Change Control Procedure.

The Contractor shall provide the Ordered Services to the Customer and each Service Recipient in the period prior to 1 November 2015 for the fixed charges set out in the Appendix 2 to the Customer's Call-Off Order Form provided that, in respect of each Service Offering, the actual volume of Units of Measurement invoiced to the Customer and its Service Recipients in each Accounting Year remains within the Tolerance Band for the Service Offering.

If the actual volume of Units of Measurement invoiced to the Customer and its Service Recipients in an Accounting Year for a Service Offering falls outside the Tolerance Band for that Service Offering any increase or decrease in the fixed charges set out in the Customer's Call-Off Order Form shall be made in accordance with the Change Control Procedure. Any

change to the fixed price charges payable by the Customer prior to 1 November 2015 will be calculated based on Price Band 4 and the Unit Price set out in the column headed "6 mths to 04/16" for the relevant Service Offering set out in Annex 2 to Schedule 3.2 (Pricing and Rate Card) to the Framework Agreement except where the Contractor demonstrates, to the Customer's satisfaction, that an alternate Unit Price is appropriate. Any dispute relating to a proposed change to the Charges shall be resolved through the Dispute Resolution Procedure.

4. **Volumetric Charges**

All Services shall be provided on a Volumetric Charge basis from 1 November 2015 unless otherwise agreed in writing between the Parties and (with the exception of 'Other Accounting Services' and 'Contact Centre Services') shall be calculated in accordance with the following formula:

REDACTED

where:

$V =$ **REDACTED**

$U =$

$A =$

REDACTED

REDACTED

where:

$V =$ **REDACTED**

$$U = \text{REDACTED}$$

$$O =$$

$$A =$$

Subject to Paragraph 4.5, the Charges for Contact Centre Services shall apply from the Contact Centre Services Go-Live Date and consist of a fixed charge and a Volumetric Charge element as follows:

$$(a) \text{ REDACTED}$$

$$V = \text{REDACTED}$$

$$V = \text{REDACTED}$$

$$U_{SR} = \text{REDACTED}$$

$$U_{VE} = \text{REDACTED}$$

$$U_{LC} = \text{REDACTED}$$

A = REDACTED

B = REDACTED

C = REDACTED

Subject to Paragraph 4.5, the Contractor shall not be entitled to invoice the Customer for an individual Service Request, Voice/Email Request and/or Livechat Contact where:

- (a) the contact relates to a breach by the Contractor of the Framework Agreement or this Call Off Agreement or any other error or omission by the Contractor in respect of the Services, and
- (b) the volume of contacts described in Paragraph 4.3(a) in a monthly reporting period by Users is in excess (in aggregate) of 50 such contacts which result from or relate to the same breach, error or omission by the Contractor.

Subject to Paragraph 4.5, the Contractor shall maintain a record of each contact and whether the contact is one to which Paragraph 4.3(a) applies (including all necessary supporting evidence) for the relevant month. The Contractor shall provide this record to the Customer as part of the Supporting Documentation in accordance with Paragraph 7.6.

Paragraphs 4.1, 4.2, 4.3 and 4.4 shall cease to apply with effect from the Second Further Renewal CAN Effective Date.

5. Reconciliation Process

In relation to the Volumetric Services, the Contractor shall calculate and deliver to the Customer for approval, within fifteen (15) Working Days of the end of each Payment Period, the difference by Volumetric Service between:

- (a) the actual number of Units of Measure processed by the Contractor for the Customer and each Service Recipient for the relevant Volumetric Service during the relevant Payment Period (the "**Actual Volume**"); and
- (b) the Target Volume for the Customer and each Service Recipient for the relevant Volumetric Service during the relevant Payment Period.

If the Actual Volume is greater than the Target Volume the Contractor shall be entitled to invoice the Customer or relevant Service Recipient in the next Payment Period, the difference.

If the Actual Volume is less than the Target Volume the Contractor shall issue a credit note to the Customer or relevant Service Recipient against the previous invoice and the difference shall be credited against the next invoice or, if no further invoices are due to be issued, payable as a debt within thirty (30) days of the date of the credit note.

The Actual Volume shall not include any reprocessing of a Unit of Measurement which may be required for any reason. For example, if the Contractor is required to return a Unit of Measurement to the Customer or a Service Recipient to obtain further information, only the initial processing shall count towards the actual consumption of the relevant Unit of Measurement and any subsequent reprocessing shall not count.

This Paragraph 5 shall not apply to the Volumetric Charges for Contact Centre Services.

6. Time and Materials Charges

The Charges for any Services which are requested by the Customer to be provided on a "time and materials" basis shall be calculated in accordance with Schedule 3.2 (Pricing and Rate Card) to the Framework Agreement (excluding Transition Services which shall be calculated in accordance with Paragraph 6B below).

6A Shared Services Fixed Charges

- 6.1A The Shared Services Fixed Charges set out in the Customer's Call-Off Order Form (which apply from the OCI Go-Live Date) incorporate all Contractor Charges in respect of the provision of the SOP by the Contractor in support of the Services (including all support Charges) as at 15 March 2019. In the event the Customer requires any changes to SOP following this date, any additional project or support costs associated with these changes shall be agreed by the Parties in accordance with the Change Control Procedure. This Paragraph shall not apply to DfE, MPS or HO.

6B Transition Services Charges

- 6B.1 The Charges for any Transition Services commissioned by the Synergy Cluster Lead (on its behalf or on behalf of any other Synergy Cluster Member(s)) in accordance with Schedule 4.2 (Exit and Transition Management) of the Synergy Cluster Lead's Call-Off Agreement, shall be calculated and charged to the Synergy Cluster Lead in accordance with the provisions of its Call-Off Agreement. For the avoidance of doubt, the Customer shall have no obligation to pay any Transition Services Charges to the Contractor in any circumstance, save where the Customer is appointed as the Synergy Cluster Lead pursuant to a Synergy Cluster Lead Change Event as described in Paragraph 2.2.6 of Schedule 4.2 (Exit and Transition Management) and therefore takes over responsibility for payment of the Transition Services Charges from the outgoing Synergy Cluster Lead from that point as is agreed pursuant to arrangements entered into under Clause 50.2 of the Standard Terms

6C Stranded Costs and Diseconomies of Scale

Payments in respect of Stranded Costs and/or Diseconomies of Scale which are chargeable to the Customer as determined in accordance with Schedule 3.6 (Stranded Costs, Diseconomies of Scale and related Gain Sharing) of the Synergy Cluster Lead's Call-Off Agreement, shall be calculated and charged to the Synergy Cluster Lead in accordance with the provisions of its Call-Off Agreement. For the avoidance of doubt, the Customer shall have no obligation to pay any Stranded Costs and/or Diseconomies of Scale to the Contractor in any circumstance, save where the Customer is appointed as the Synergy Cluster Lead pursuant to a Synergy Cluster Lead Change Event as described in Paragraph 2.2.6 of Schedule 4.2 (Exit and Transition Management) and therefore takes over responsibility for payment of the Stranded Costs and Diseconomies of Scale from the outgoing Synergy Cluster Lead from that point as is agreed pursuant to arrangements entered into under Clause 50.2 of the Standard Terms.

Part 2: Invoicing

7. Contractor Invoices

The Contractor shall be entitled to raise an invoice in respect of any payment which falls payable to the Contractor pursuant to this Call-Off Agreement.

Change Authorisation Note No. 11

The Customer may direct the Contractor to split invoices between the Customer and the Service Recipients or to invoice Service Recipients separately in respect of the Services that they receive so that a Service Recipient receives a self-contained invoice for the Services it receives including such information set out in Paragraph 7.5.

Any Charges payable by the Customer to the Contractor shall be invoiced in accordance with the Payment Schedule set out in the Annex to this Schedule unless otherwise agreed in writing between the Parties.

The Contractor shall invoice the Customer separately in respect of:

- (a) Service Charges in accordance with the Payment Schedule unless otherwise agreed in writing between the Parties; and
- (b) where Milestone Charges are set out in the Call-Off Order Form, Milestone Charges:
 - (i) on the Achievement of the relevant Milestone; or
 - (ii) otherwise in accordance with the Call-Off Order Form; and
- (c) any other Charges under this Call-Off Agreement.

The Contractor shall ensure that each invoice contains the following information

- (a) the date of the invoice;
- (b) a unique invoice number;
- (c) the month or other period(s) to which the relevant Charge(s) relate;
- (d) details of the correct Call-Off Agreement reference;
- (e) the reference number of the purchase order to which it relates (if any);
- (f) the relevant Service Recipient(s) (if any);
- (g) the dates between which the Services which are the subject of each of the Service Charges detailed on the invoice were or are to be performed;
- (h) if required by the Customer, the Customer's cost centre for which each Service was or is to be provided;
- (i) any payments due in respect of the Achievement of a Milestone or SOW Milestone;
- (j) the total Charges gross and net of any applicable deductions and, separately, the amount of any disbursements properly chargeable to the Customer under the terms of this Call-Off Agreement, and, separately, any VAT or other sales tax payable in respect of the same;
- (k) details of any Service Credits, Transition Services Delay Payments or similar deductions that shall apply to the Charges detailed on the invoice;

- (l) reference to any reports required by the Customer or any Service Recipient in respect of the Services to which the Charges detailed on the invoice relate (or in the case of reports issued by the Contractor for validation by the Customer or any Service Recipient, then to any such reports as are validated by the Customer or the relevant Service Recipient in respect of the Services);
- (m) a contact name and telephone number of a responsible person in the Contractor's finance department in the event of administrative queries; and
- (n) the banking details for payment to the Contractor via electronic transfer of funds (i.e. name and address of bank, sort code and account name and number).

Each invoice shall at all times be accompanied by sufficient information to enable the Customer and the Service Recipients to reasonably assess whether the Charges detailed thereon are properly payable ("**Supporting Documentation**"). Any such assessment by the Customer or a Service Recipient shall not be conclusive. The Contractor undertakes to provide to the Customer and/or relevant Service Recipient any other documentation reasonably required by the Customer and/or relevant Service Recipient from time to time to substantiate an invoice.

The Contractor shall submit all invoices and Supporting Documentation in such format as the Customer or Service Recipient may specify from time to time to the address set out in the Call-Off Order Form.

All Contractor invoices shall be expressed in pounds sterling (£) or such other currency as shall be required by the Customer or a Service Recipient in writing.

The Customer and the Service Recipients shall only regard an invoice as valid if it complies with the provisions of this Paragraph 7. Where any invoice does not conform to the Customer's or a Service Recipient's requirements set out in this Paragraph 7, the Customer or the relevant Service Recipient will return the disputed invoice to the Contractor. The Contractor shall promptly issue a replacement invoice which shall comply with the provisions of this Paragraph 7.

8. Disputed Invoices

If the Customer disputes any invoice:

- (a) the Customer shall notify the Contractor of such disputed invoice and provide details of the specific elements of the invoice which are in dispute;
- (b) following notification, the disputed invoice shall be immediately deemed void and the Contractor shall re-issue two invoices to the Customer, the first for the disputed sum (the "**Disputed Invoice**") and the second for the undisputed sum (the "**Undisputed Invoice**");
- (c) Paragraph 9 shall apply in respect of the Undisputed Invoice; and
- (d) the Disputed Invoice shall be referred to the Dispute Resolution Procedure for resolution.

9. **Payment Terms**

Subject to the provisions of Paragraph 7 and 8, the Customer shall make payment to the Contractor:

- (a) within thirty (30) days of receipt of a valid and undisputed invoice (together with all Supporting Documentation required by the Customer or a Service Recipient) by the Customer at its nominated address for invoices; or
- (b) where a Payment Schedule has been agreed between the Parties in respect of the relevant Service, in accordance with the relevant Payment Schedule.

10. **Corporate Overhead**

The Corporate Overhead Percentage shall be applied to the Charges for fixed price and Cost Plus Changes (together "**In-Scope Changes**") in accordance with Paragraphs 11 and 12 of this Schedule 3.1 (Charges and Invoicing) on the following basis from 1 November 2019:

- (a) for fixed price changes contracted prior to 1 November 2019, the Charges set out in the relevant Change Authorisation Note shall continue to apply with no change to the corporate overhead;
- (b) for fixed price changes contracted on or after 1 November 2019, the Contractor shall apply the then current Corporate Overhead Percentage (as determined in accordance with Paragraphs 10.2 and 10.3, below) in determining its pricing; and
- (c) the Charges for those items or activities provided under Change Authorisation Notes which are on a Cost Plus basis shall be subject to the Corporate Overhead Percentage applicable when the associated costs were incurred.

The Corporate Overhead Percentage shall be updated by the Contractor on 1st November 2020 and annually thereafter, in each case using the Corporate Overhead and the Applicable Revenue from the Contractor's most recent Annual Financial Report ("**AFR**").

The Corporate Overhead Percentage shall be calculated and applied on the following basis:

- (a) The Corporate Overhead Percentage shall be calculated as follows:

REDACTED

- (b) The Corporate Overhead Percentage will then be applied by the Contractor to all In-Scope Changes, as set out in Paragraphs 10.1, 11 and 12 below.

The Corporate Overhead Percentage for the year 1st November 2019 to 31st October 2020 shall be **REDACTED** as calculated from the AFR for the calendar year 2018.

The Parties agree that there shall not be a true-up in respect of the Corporate Overheads charged prior to 31 October 2019 or thereafter.

Changes to the Corporate Overhead Percentage shall not apply retrospectively.

Change Authorisation Note No. 11

The Parties agree that the Corporate Overhead Percentage applied to In-Scope Changes shall be capped at 15%.

11. Cost Plus Changes

Any Change Authorisation Notes which are agreed to be calculated on a Cost Plus basis shall be calculated in the following manner:

Charge = Change Direct Costs (with profit) + Corporate Overhead

Where: SECTION REDACTED

Change Direct Costs (with profit) =

$$\left(- \frac{\quad}{(a)} + \left(\frac{\quad}{()} \right) + \right)$$

Change Profit Margin =

REDACTED

REDACTED

$$\frac{\text{REDACTED}}{\text{REDACTED}} - \text{REDACTED}$$

12. Fixed Price Changes

Any Change Authorisation Notes which are agreed to be calculated on a fixed price basis shall be calculated in the following manner:

Charge = REDACTED

Where: SECTION REDACTED

Change Direct Costs (with profit and risk) =

$$\left(- \frac{\quad}{()} + \left(\frac{\quad}{()} \right) + \right)$$

Change Profit Margin =

(a) REDACTED

(b) REDACTED

Risk = a risk sum which shall be agreed between the Parties in order for the Contractor to accept the risk of delivering a change at a fixed price.

Corporate Overhead = SECTION REDACTED

(
())

13. **Change Administration Team Charge**

The Customer shall pay that element of the Change Administration Team Charge allocated to it in accordance with Paragraph 17 of Schedule 3.2 (Pricing and Rate Card) of the Framework Agreement.

14. **Agency Charges**

With effect from 1 November 2019 where the Parties agree, subject to Paragraphs 14.2 and 14.3 below, that the Contractor shall act as a procurement agent on behalf of the Customer then the charges for the relevant purchases from the agreed third party supplier(s) shall be "Agency Charges".

Unless otherwise agreed by the Parties in writing, the Contractor shall be entitled to charge an administration fee on the Agency Charges of the lesser of:

REDACTED or

(a) REDACTED of the Agency Charges.

For Agency Charges to apply, all of the following criteria must be met:

- (a) the Contractor shall act only as a procurement and payment agent and the Customer shall be responsible for agreeing its requirements with the relevant third party supplier;
- (b) the Contractor shall have no obligation or liability other than placing orders against the Customer's requests, facilitating payments to the relevant third party suppliers on behalf of the Customer; and
- (c) save for the activities set out under Paragraphs 14.3(a) and 14.3(b) above, all liability shall be directly between the Customer and the third party supplier.

Paragraphs 14.2 to 14.3 shall not apply in respect of the Oracle Agreements.

15. **Applicability**

The provisions of Paragraphs 11 to 14 inclusive shall not apply to MPS.

Part 3: Transition Services Delay Payments

Change Authorisation Note No. 11

Transition Services Delay Payments shall be dealt with in accordance with the Synergy Cluster Lead's Call-Off Agreement.

Annex

Payment Schedule

Save for the Transition Services Charges and (subject to Paragraph 4.5) the variable components of the Volumetric Charges for Contact Centre Services, the Service Charges (including fixed charges for Contact Centre Services) shall be invoiced to the Customer monthly in advance on the last Working Day of the month unless otherwise agreed between the Parties.

Subject to Paragraph 4.5, the Volumetric Charges for Contact Centre Services shall be invoiced to the Customer monthly in arrears (following determination in accordance with Paragraph 4.3 of which Service Requests, Voice/Email Requests and/or Livechat Contact are not chargeable) unless otherwise agreed between the Parties.

The Transition Services Charges shall be invoiced to the Synergy Cluster Lead monthly in arrears save as otherwise agreed between the Parties in an applicable Statement of Work.

Charges set out in a Stranded Costs and Diseconomies Summary Report in respect of Stranded Costs and/or Diseconomies of Scale shall be invoiced to the Synergy Cluster Lead in accordance with the provisions of Paragraph 9 of Schedule 3.6 (Stranded Costs, Diseconomies of Scale and related Gain Sharing).

Attachment 1: Annex 2

ISSC2 Standard Terms

Schedule 4.2

Exit and Transition Management

Change Authorisation Note No. 11

This document incorporates the amendments contained in the following Framework Change Authorisation Notes:

No	Document	Date Executed
1	Framework Change Authorisation Note 002	16 September 2014
2	Framework Change Authorisation Note 003	30 October 2014
3	Framework Change Authorisation Note 004	15 December 2014
4	Framework Change Authorisation Note 006	20 February 2015
5	Framework Change Authorisation Note 007	24 August 2015
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8	Framework Change Authorisation Note 010	30 August 2016
9	Framework Change Authorisation Note 011	30 August 2016
10	Framework Change Authorisation Note 012	23 November 2016
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20	Framework Change Authorisation Note 022	17 December 2021
21	Framework Change Authorisation Note 023	31 March 2023
22	Framework Change Authorisation Note 024	16 February 2023
23	Framework Change Authorisation Note 025	13 February 2023
24	Framework Change Authorisation Note 026	31 March 2023

1 Part 1 - Definitions and Contents

1.1 Definitions:

In this Schedule the following definitions shall apply:

"Agile TS Rectification Plan"	has the meaning given in Paragraph 2.8.2;												
"Attain", "Attained" and "Attainment"	has the meaning given in Annex 11 (Testing Procedures);												
"Baseline Date"	means the earliest date at which the Go-Live Date occurs for each of the Synergy Cluster Members, as follows: <table> <tr> <td>DWP, HSE and ONR HCM</td><td>REDACTED</td></tr> <tr> <td>DWP, HSE and ONR ERP</td><td>REDACTED</td></tr> <tr> <td>Defra and EA HCM</td><td>REDACTED</td></tr> <tr> <td>Defra and EA ERP</td><td>REDACTED</td></tr> <tr> <td>MoJ ERP & HCM</td><td>REDACTED</td></tr> <tr> <td>HO</td><td>REDACTED</td></tr> </table>	DWP, HSE and ONR HCM	REDACTED	DWP, HSE and ONR ERP	REDACTED	Defra and EA HCM	REDACTED	Defra and EA ERP	REDACTED	MoJ ERP & HCM	REDACTED	HO	REDACTED
DWP, HSE and ONR HCM	REDACTED												
DWP, HSE and ONR ERP	REDACTED												
Defra and EA HCM	REDACTED												
Defra and EA ERP	REDACTED												
MoJ ERP & HCM	REDACTED												
HO	REDACTED												
"BAU Services"	means the services to be provided by the Contractor to the Synergy Cluster Members under their respective Call-Off Agreements (as such term is defined in the Framework Agreement), but in every case excluding the following services: <table> <tr> <td>(a)</td><td>Transition Services; and</td></tr> <tr> <td>(b)</td><td>Termination Services.</td></tr> </table>	(a)	Transition Services; and	(b)	Termination Services.								
(a)	Transition Services; and												
(b)	Termination Services.												
"Commercially Sensitive Information"	information of a commercially sensitive nature relating to: <table> <tr> <td>(a)</td><td>the pricing of the Services;</td></tr> <tr> <td>(b)</td><td>details of the disclosing party's IPRs; and</td></tr> <tr> <td>(c)</td><td>the disclosing party's business and investment plans,</td></tr> </table> <p>which the disclosing party has indicated to the receiving party (and the receiving party reasonably agrees) that, if disclosed, would cause the disclosing party significant commercial disadvantage or material financial loss;</p>	(a)	the pricing of the Services;	(b)	details of the disclosing party's IPRs; and	(c)	the disclosing party's business and investment plans,						
(a)	the pricing of the Services;												
(b)	details of the disclosing party's IPRs; and												
(c)	the disclosing party's business and investment plans,												
"Contingency Fund"	has the meaning given in Paragraph 2.5.1;												
"Contingency Fund Baseline"	means REDACTED per annum;												

"Contractor Documents"	Transition	means the following documentation that the Contractor must provide/update in relation to the provision of the Transition Services: (a) Services Dependencies Matrix; (b) RACI; (c) Registers and/or Synergy Registers (where commissioned by the Synergy Cluster Lead pursuant to Paragraph 3.4 of this Schedule 4.2 (Exit and Transition Management)); (d) SOW Dependencies Schedules; (e) Wave Notice Impact Assessments; and (f) Detailed Wave Exit Plans.
"Core Management Transition Team(s)"		has the meaning given in Paragraph 3.2.5 of this Schedule 4.2 (Exit and Transition Management);
"Core Management Transition Team Terms of Reference"		means the terms of reference applicable to the Contractor's Core Management Transition Team as agreed and set out in or referred to in the relevant quarterly Statement of Work pursuant to Paragraph 3.2.9;
"Critical Path"		means the set of sequential SOW Milestones where: (i) any element of each relevant SOW Milestone cannot be commenced until completion of another prior SOW Milestone or associated task; and (ii) each such relevant SOW Milestone has relevantly been agreed and documented as a "critical path" SOW Milestone in the relevant Statement of Work and documented in the Integrated Implementation Plan.
"Customer Accounting Year"		means 1 April to 31 March (inclusive);
"Customer Requirements"		means the requirements of the Synergy Cluster Lead (on behalf of the Customer and/or the Synergy Cluster as a whole) in respect of matters dealt with by Parts 2 to 7 of this Schedule 4.2 (Exit and Transition Management), and as set out in any Statement of Requirements and/or Wave Notice;
"Detailed Wave Exit Plan"		in respect of each Wave Transition, the plan approved and updated from time to time in accordance with the Wave Notice Process and this Schedule 4.2 (Exit and Transition Management) for the transition of relevant BAU Services and/or service components to the Customer and/or one or more Replacement Contractor(s);
"Exclusive Assets"		those Assets used by the Contractor or a Key Sub-contractor which are used exclusively in the provision of the Services;

"Fast Track TS Rectification Plan"	has the meaning given in Paragraph 2.8.6(a);
"Final Wave Transition"	means the final Wave Transition in respect of this Call-Off Agreement, as set out in the Integrated Implementation Plan, following which there are no remaining Services or service components to be delivered under this Call-Off Agreement or any Other Call-Off Agreement in respect of the Synergy Cluster;
"FTE Day"	eight (8) FTE Hours, whether or not such hours are worked consecutively and whether or not they are worked on the same day;
"FTE Hours"	the hours spent by the Contractor Personnel properly working on the Services including time spent travelling (other than to and from the Contractor's offices, or to and from the Sites) but excluding lunch breaks;
"Go Decision"	means a decision by the Synergy Cluster Lead (pursuant to Paragraph 6.3.1 of this Schedule 4.2 (Exit and Transition Management)) to trigger commencement of the Wave Transition Final Phase;
"Go Decision Deadline"	means the last feasible date (taking into account the relevant Transition Key Milestone Date in the prevailing Integrated implementation Plan) on which the Synergy Cluster Lead may issue its Go Decision in relation to a Wave Transition, as agreed between the Contractor and Synergy Cluster Lead through the Wave Notice Process and set out in the relevant Wave Notice;
"Go-Live Date"	means, in respect of any Wave Transition, the date of the corresponding Transition Key Milestone as set out in the prevailing Integrated Implementation Plan, and on which date the relevant Wave Transition must complete and the Wave Transition Period ends, which in any event will not be prior to the applicable Baseline Date for the relevant Customer;
"Integrated Implementation Plan"	the overarching programme level plan for the phased transition of the BAU Services from the Contractor to one or more members of the Synergy Cluster and/or Replacement Contractor(s);
"Minimum Wave Notice Period"	means the minimum period before the Go-Live Date by which a Wave Notice may be served in respect of a proposed Wave Transition, as specified in the agreed Wave Notice Impact Assessment pursuant to Paragraph 6.2.1(c) (<i>Wave Notice Process</i>), and which shall be one hundred and eighty (180) days or such other period as agreed in writing between the parties;
"Net Book Value"	the net book value of the relevant Asset(s) calculated in accordance with IAS16 at the same date as the Second Further Renewal CAN Effective Date;

"Non-Exclusive Assets"	those Assets (if any) which are used by the Contractor or a Key Sub-contractor in connection with the Services, but which are also used by the Contractor or Key Sub-contractor for other purposes of material value;
"Outline Wave Notice"	has the meaning given in Paragraph 6.2.1(a) of this Schedule 4.2 (Exit and Transition Management);
"TS Rectification Expense Limit"	<p>means a total and singular aggregate limit on the costs and expenses incurred by the Contractor, including those of its Sub-contractors, in complying with all Agile TS Rectification Plans and/or Fast-Track TS Rectification Plans in an amount equal to the greater of:</p> <ul style="list-style-type: none"> <li data-bbox="715 636 975 703">(i) REDACTED and <li data-bbox="715 732 1326 797">(ii) REDACTED of the aggregate Transition Services Charges;
"Registers"	has the meaning given in Annex 5 of this Schedule 4.2 (Exit and Transition Management);
"Services Matrix" Dependencies	<p>means the non-exhaustive, non-binding foundational list of programme-wide potential dependencies that acts as an 'operational reference library' which:</p> <ul style="list-style-type: none"> <li data-bbox="715 1043 1423 1133">(a) may be taken into account when agreeing any dependencies which apply in respect of any Statement of Work; and <li data-bbox="715 1167 1423 1319">(b) may be amended from time to time to align to the latest version of the Integrated Implementation Plan and any agreed Statement(s) of Work in accordance with Paragraphs 4.4.2 and 4.4.3 of this Schedule.
	<p>The agreed version of the Services Dependencies Matrix as at the Second Further Renewal CAN Effective Date is set out at Annex 13;</p>
"SoW Breakage Costs"	<p>means in relation to the SoW that is being terminated for convenience, any costs (such as the Contractor's own redundancy costs, ramp down costs, and costs payable for early termination of contracts entered into by the Contractor prior to receipt or provision of the SoW Termination Notice) incurred by the Contractor directly as a result of the termination of the relevant Statement of Work which:</p> <ul style="list-style-type: none"> <li data-bbox="715 1722 1423 1812">(a) have only been incurred because the relevant Statement of Work has been terminated before the end of its term; <li data-bbox="715 1845 1423 1904">(b) relate directly to the termination of the applicable Transition Services;

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- (c) are unavoidable, proven, reasonable, and not capable of recovery by the Contractor;
- (d) where applicable, are incurred under arrangements or agreements which relate directly to the Transition Services being terminated;
- (e) do not relate to contracts or subcontracts with Affiliates of the Contractor, unless the express use of such named Affiliates (and details of the service(s) they will provide) is set out in a Statement of Work, provided always that in the case of costs payable in respect of third party contracts it shall be the amount payable by the Contractor in respect of the termination of all or part of third party contracts or Sub-contracts which the Contractor demonstrates:
 - (i) are surplus to the Contractor's requirements after the date of termination of the Statement of Work; and
 - (ii) have been entered into it in the ordinary course of business.

"SOW Deliverable"

an item, feature or service associated with the provision of the Transition Services or a change in the provision of the Transition Services or evidence of the Contractor's readiness to perform the Transition Services which is required to be delivered by the Contractor by a SOW Milestone Date or at any other stage during the performance of a Statement of Work;

"SOW Milestone"

means a milestone agreed to be performed or provided by the Contractor in a Statement of Work and subject to applicable acceptance criteria agreed in that Statement of Work;

"SOW Dependencies Schedule"

has the meaning given in Paragraph 5.1.4(b)(v) of this Schedule 4.2 (Exit and Transition Management);

"SOW Milestone Date"

means the date of delivery of the relevant SOW Milestone as set out in a Statement of Work;

"Statement of Requirements"

has the meaning given in Paragraph 5.1.4(a) of this Schedule 4.2 (Exit and Transition Management);

"Statement of Work" or "SoW"

means a statement of work for the provision of Transition Services, agreed in accordance with the process set out in Part 5 and in substantially the form set out in Annex 1 to this Schedule 4.2 (Exit and Transition Management) (as such template may be amended from time to time in accordance with the applicable Change Control Procedure) and incorporating the relevant SOW Dependencies Schedule;

"Synergy Cluster"	<p>together:</p> <ul style="list-style-type: none"> (a) Department for Work and Pensions ("DWP"); (b) Health and Safety Executive ("HSE"); (c) Office for Nuclear Regulation ("ONR"); (d) Department for Environment, Food and Rural Affairs ("Defra"); (e) Environment Agency ("EA"); (f) Ministry of Justice ("MoJ"); and (g) Home Office ("HO"), <p>including their respective Service Recipients (as such term is defined in the Framework Agreement);</p>
"Synergy Cluster Lead"	has the meaning given in Paragraph 2.2.1 of this Schedule 4.2 (Exit and Transition Management);
"Synergy Cluster Lead Change Event"	has the meaning given in Paragraph 2.2.6 in this Schedule 4.2 (Exit and Transition Management);
"Synergy Cluster Member(s)"	means, as the context requires, any and/or all members of the Synergy Cluster;
"Synergy Dependencies"	the dependencies on any Synergy Stakeholder which are set out in the SOW Dependencies Schedule in a relevant Statement of Work;
"Synergy Registers"	means the aggregate Registers applicable to the Synergy Cluster as a whole, and created and maintained by the Contractor, and provided to the Synergy Cluster Lead, in accordance with the requirements and provisions of Paragraph 3.4;
"Transition Key Milestone(s)"	means the programme level milestones described in the Integrated Implementation Plan which must be completed by the relevant Transition Key Milestone Date;
"Transition Key Milestone Date"	the date set out against the relevant Transition Key Milestone in the Integrated Implementation Plan;
"Transition Key Personnel"	those members of the Contractor Personnel described in Part 2 (Transition Key Personnel) of Annex 4 to this Schedule 4.2 (Exit and Transition Management), as modified by agreement by the Contractor and the Synergy Cluster Lead, and/or as agreed and set out in any Statement(s) of Work;
"Transition Key Role"	those roles set out in Part 2 (Transition Key Personnel) of Annex 4 to this Schedule 4.2 (Exit and Transition Management) as modified by agreement by the Contractor

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and the Synergy Cluster Lead, and/or as agreed and set out in any Statement(s) of Work;

"Transition Key Role Minimum Period" the minimum length of time for which Transition Key Personnel shall remain in their associated Transition Key Roles, as set out in: (i) Part 2 (Transition Key Personnel) of Annex 4 to this Schedule 4.2 (Exit and Transition Management) as modified by agreement by the Contractor and the Synergy Cluster Lead; or (ii) the relevant Statement of Work (as the case may be);

"Transition Testing" has the meaning given in Annex 11 of this Schedule;

"Transition Manager(s)" has the meaning given in Paragraph 3.1 of this Schedule 4.2 (Exit and Transition Management);

"Transition Services Relief Event" means:

(a) a breach by the Synergy Cluster Lead (or, where applicable, a Replacement Contractor acting on its behalf) of any of the following obligations in Schedule 4.2: Paragraph 2.2.2(a)(i) in Part 2 (Overview of Transition Responsibilities); and Paragraphs 4.2.2 and 4.3.1 in Part 4 (Pre-Wave Transition Services); and

(b) a breach of any Synergy Dependencies,

in each case except to the extent that:

(c) it is the result of any act or omission by the Synergy Cluster Lead, or other relevant Synergy Stakeholder, to which the Contractor has given its prior written consent; or

(d) it is caused by the Contractor, any Sub-contractor or any Contractor Personnel;

"Transition Services" means:

(a) the services and activities to be performed by the Contractor as agreed in any one or more Statements of Work (or via the Contingency Fund process set out in Paragraph 2.5 of this Schedule), in preparation for or to effect the exit and transition of one or more BAU Services and/or service components during a Wave Transition, including those activities listed in Annex 2 of this Schedule 4.2 (Exit and Transition Management) as applied to such BAU Services and/or service components and any other services (such as decommissioning or shutdown services) to the extent agreed in a relevant Statement of Work (or via the Contingency Fund process set out in Paragraph 2.5 of this Schedule); and

	(b)	any other obligation the Contractor has in Parts 2 to 7 of this Schedule 4.2 (Exit and Transition Management),
"Transition Services Default"	any:	
	(a)	breach of the obligations of the relevant party (including fundamental breach or breach of a fundamental term); or
	(b)	other default, act, omission, negligence or statement of the relevant party, its employees, servants, agents or Sub-contractors,
		in respect of Transition Services and in respect of which such party is liable to the other but, for the avoidance of doubt, excluding any Cross-Cutting Defaults.
		For clarity, references to Default shall not be construed as including a Transition Services Default, unless the relevant circumstances are expressly listed in limb (d) of the definition of Default or as expressly set out in Paragraph 7.5.1(a)(i) of this Schedule 4.2 (Exit and Transition Management);
"Transition Services Delay"		means a delay in the attainment of a SoW Key Milestone in accordance with its acceptance criteria and any applicable SOW Test Plan as set out in the relevant Statement of Work for Transition Services (as applicable) by its SoW Key Milestone Date;
"Transition Services Period"		the period during which the Contractor shall provide the Transition Services specified in any Statement(s) of Work;
"Transition Services Relief Notice"		has the meaning given in Paragraph 2.7.2;
"TS Default Warning Notice"		has the meaning given in Paragraph 2.8.1(a);
"TS Rectification Plan Process"		the process set out in Paragraph 2.8;
"Wave Notice"		the written notice served by the Synergy Cluster Lead to the Contractor pursuant to Paragraph 6.2.1(d) of this Schedule 4.2 (Exit and Transition Management) to confirm its intention to proceed with the relevant Wave Transition and related activities in accordance with the timetable set out in the prevailing Integrated Implementation Plan, and in substantially the form set out in Annex 6 to this Schedule 4.2 (Exit and Transition Management) (as such template may be amended from time to time in accordance with the applicable Change Control Procedure);
"Wave Notice Impact Assessment"		the document prepared by the Contractor in accordance with Paragraph 6.2.1(b) in response to an Outline Wave Notice issued by the Synergy Cluster Lead under Paragraph 6.2.1(a), and subsequently agreed between the Contractor and Synergy Cluster Lead pursuant to

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Paragraph 6.2.1(c), and in substantially the form set out in Annex 7 to this Schedule 4.2 (Exit and Transition Management) (as such template may be amended from time to time in accordance with the applicable Change Control Procedure);

"Wave Notice Process"	has the meaning given in Paragraph 6.2.1 of this Schedule 4.2 (Exit and Transition Management);
"Wave Transition"	has the meaning given in Paragraph 6.1.1 of this Schedule 4.2 (Exit and Transition Management);
"Wave Transition Final Phase"	the Wave Transition phase commencing on the service of a Go Decision by the Synergy Cluster Lead pursuant to Paragraph 6.3.1(a) of this Schedule 4.2 (Exit and Transition Management); and
"Wave Transition Final Phase Period"	means, in respect of each Wave Transition, the period commencing on the service of the Go Decision and ending on completion of the Wave Transition, during which the Contractor will deliver the activities comprising the Wave Transition Final Phase in accordance with the applicable Statement(s) of Work and Detailed Wave Exit Plan;
"Wave Transition Period"	the period commencing on the date specified in the relevant Wave Notice and ending on completion of the Wave Transition Final Phase, during which the Contractor shall provide the Transition Services to effect the Wave Transition as specified in the relevant Statement(s) of Work;

1.2 Contents

1.2.1 This Schedule sets out the principles of the exit and service transfer arrangements that are intended to achieve an orderly transition (including decommissioning) of the Services from the Contractor to the Customer, any of the Service Recipients and/or to any Replacement Contractor(s) in accordance with the Wave Transition approach, and/or in the event of termination (including partial termination) or expiry of this Call-Off Agreement, and it is broken down into the following parts:

- (a) **Part 1 (Definitions and Contents)** – this part contains the definitions that are applicable to this Schedule, and this Contents paragraph. This part applies whether the Parties are utilising Transition Services under Parts 2 to 7, or Termination Services under Part 8, of this Schedule 4.2 (Exit and Transition Management);
- (b) **Part 2 (Overview of Transition Responsibilities)** – this part sets out an overview of the responsibilities of the Parties, including the appointment and role of the Synergy Cluster Lead, and the collaborative behaviours of the relevant parties in respect of matters dealt with by Parts 2 to 7 of this Schedule 4.2 (Exit and Transition Management). This part applies only where the Parties are utilising Transition Services to prepare for and/or effect a phased exit of BAU Services;
- (c) **Part 3 (Transition Managers and Core Management Transition Team Obligations)** – this part contains the obligations on each of the Contractor and

the Synergy Cluster Lead (acting as agent of the Synergy Cluster) to each elect a Transition Manager and provide a Core Management Transition Team to support the transition and exit process. This part applies only where the Parties are utilising Transition Services to prepare for and/or effect a phased exit of BAU Services;

- (d) **Part 4 (Pre-Wave Transition Services)** – this part outlines the preparatory work that will be provided prior to the commencing of any Wave Transition (such as the preparation and maintenance of the Integrated Implementation Plan and the Services Dependencies Matrix). This part applies only where the Parties are utilising Transition Services to prepare for and/or effect a phased exit of BAU Services;
- (e) **Part 5 (Statement of Work Commissioning Process)** – this part contains the process which will be followed where Transition Services are commissioned by the Synergy Cluster Lead (acting on behalf of the Synergy Cluster), whereby a Statement of Work will be prepared by the Contractor, before being agreed and signed by both the Contractor and Synergy Cluster Lead. This part applies only where the Parties are utilising Transition Services to prepare for and/or effect a phased exit of BAU Services;
- (f) **Part 6 (Wave Transition/Notice Process)** – this part details the provisions which apply in respect of the Wave Notice process to effect a Wave Transition. This part applies only where the Parties are utilising Transition Services to effect a phased exit of BAU Services; and
- (g) **Part 7 (Transition Services – General provisions and Post-Wave closedown)** – General provisions and post-wave de-commissioning) – this part details the provisions which apply in respect of the provision of Transition Services by the Contractor, including post-wave decommissioning/closedown activity.
- (h) **Part 8 (Termination Services)** - this part details the provisions which apply in respect of the provision of Termination Services and Termination Assistance by the Contractor in the event of termination (including a partial termination) or expiry of this Call-Off Agreement outside of a Wave Transition.

2 Part 2 - Overview of Transition Responsibilities

2.1 Introduction

- 2.1.1 This Part 2 sets out provisions which apply where the Parties are utilising Transition Services to effect a phased exit of BAU Services as part of or to support a Wave Transition.

2.2 The Synergy Cluster Lead

- 2.2.1 The Framework Authority shall retain its role in managing the delivery of Services to the Customer pursuant to the Framework Agreement (other than Transition Services). In respect of Transition Services, the members of the Synergy Cluster (including the Customer) shall appoint a joint representative being one or more of the Synergy Cluster Members from time to time to act as an agent on their behalf in respect of matters dealt with under this Call-Off Agreement pertaining to the receipt of Transition Services and/or any Wave Transition(s), including and not limited to performing its responsibilities as set out in this Schedule 4.2 (Exit and Transition Management) and Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms (Change of Identity of the Contractor due to Integrated Implementation Plan) (a "**Synergy Cluster Lead**").

- 2.2.2 The Synergy Cluster Lead on behalf of the Synergy Cluster shall be responsible for:

- (a) leading programme management and monitoring activities to facilitate the smooth transition of the BAU Services from the Contractor to the Synergy Cluster Members and/or one or more Replacement Contractors by way of multiple Wave Transitions in accordance with Parts 2 to 7 of this Schedule 4.2 (Exit and Transition Management), by:
 - (i) proactively co-ordinating between relevant Synergy Stakeholders to enable key decisions to be taken in a timely manner and in alignment with applicable timelines set out in the prevailing Integrated Implementation Plan;
 - (ii) facilitating co-ordination with any Other Customers who are not Synergy Cluster Members as reasonably required where there may be crossover or conflict between the Transition Services and the services any such Other Customer is receiving from the Contractor (providing the Contractor has notified the Synergy Cluster Lead as soon as reasonably possible in advance of any such crossover or conflict arising or potentially arising, and has taken reasonable steps in its own planning to mitigate the same), and escalating such matters to the Strategic Board for resolution where the Synergy Cluster Lead, Contractor and the relevant Other Customer(s) have been unable to resolve any such crossover or conflict between them within a reasonable period of time (taking into account and subject to any required timeframes applicable to the delivery of the Transition Services and/or those services provided to the Other Customer(s) by the Contractor under this Call-Off Agreement (including any Statement(s) of Work) or any Other Call-Off Agreement); and
 - (iii) chairing any relevant governance forums dealing with phased exit and transition;

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- (b) receiving aggregate Registers and information about In-Scope Employees (under Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms (Change of Identity of the Contractor due to Integrated Implementation Plan) on behalf of the Synergy Cluster; and
 - (c) such other matters as may be notified to the Contractor from time to time.
- 2.2.3 The Customer hereby confirms to the Contractor and the Contractor acknowledges and agrees that:
 - (a) the appointment of the Synergy Cluster Lead shall not extend to any matters pertaining to:
 - (i) the provision of Services other than Transition Services; and / or
 - (ii) beyond the matters in 2.2.2 above; as the Framework Authority shall at all times, in accordance with the Framework Agreement, manage non transitional matters not related to Transition Services and/or Wave Transitions on behalf of the Customer in accordance with its agreement with the Customer; and
 - (b) as at the Second Further Renewal CAN Effective Date, the Synergy Cluster has appointed the Department of Work and Pensions as the Synergy Cluster Lead, and as such the Department of Work and Pensions shall fulfil the role of Synergy Cluster Lead as set out in this Call-Off Agreement and in accordance with the authority granted to it by the Synergy Cluster unless and until such time there is a Synergy Cluster Lead Change Event.
- 2.2.4 The Contractor shall:
 - (a) liaise with, report to and accept and be entitled to rely on instructions from, the Synergy Cluster Lead in respect of matters pertaining to the delivery or receipt of Transition Services and/or any Wave Transition(s);
 - (b) provide the Synergy Cluster Lead with information related to each of the Synergy Cluster Members' Call-Off Agreements and/or the provision or receipt of Transition Services hereunder (including information about In-Scope Employees (under Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms (Change of Identity of the Contractor due to Integrated Implementation Plan) and information required for the Synergy Registers) on an aggregated basis across the Synergy Cluster to inform and enable the smooth transition of the BAU Services in accordance with the Integrated Implementation Plan and any and all Statements of Work entered into; and
 - (c) receive all instructions in connection with the Transition Services and Wave Transition process from the Synergy Cluster Lead's Core Management Transition Team (to the exclusion of instructions or direction from any other party in respect of Transition Services and the Wave Transition process). Where there is a conflict between any instructions provided by the Synergy Cluster Lead's Core Management Transition Team and any instructions provided by the Framework Authority or any of the other Synergy Cluster Members in respect of the Wave Transition and/or Transition Services, the Contractor shall adhere to the instructions of the Synergy Cluster Lead's Core Management Transition Team which shall prevail to the exclusion of any conflicting or other direction in respect of Transition Services and the Wave Transition process.

- 2.2.5 Outside of the Synergy Cluster Lead's Core Management Transition Team, no Synergy Cluster Member shall itself provide any instructions to the Contractor in connection with the Wave Transition and/or the Transition Services and to the extent that the Contractor believes that it has received any instructions in connection with the same from anyone in the Synergy Cluster outside of the Synergy Cluster Lead's Core Management Transition Team, it shall promptly:
- (a) notify the Synergy Cluster Lead by e-mail and provide details of the instructions received, copying in the Customers' Customer Representative; and
 - (b) not comply with any such instructions from the Synergy Cluster, unless such instruction is given by the Synergy Cluster Lead's Core Management Transition Team in accordance with Paragraph 2.2.4(c) above.
- 2.2.6 At any time, the Synergy Cluster may collectively:
- (a) withdraw its appointment of the Synergy Cluster Lead as its agent; and/or
 - (b) notify the Contractor of a change in the identity of the Synergy Cluster Lead to another Synergy Cluster Member,
- by giving the Contractor at least twenty (20) Working Days' prior notice in writing (a "**Synergy Cluster Lead Change Event**"). For the avoidance of doubt, the Parties will comply with the provisions of Clause 50.2 of the Standard Terms in respect of any such change in the identity of the Synergy Cluster Lead.
- 2.2.7 From the date specified in the written notification of the Synergy Cluster Lead Change Event, Parts 2 to 7 of this Schedule 4.2 (Exit and Transition Management) and Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms (Change of Identity of the Contractor due to Integrated Implementation Plan) shall apply in their entirety to the transition process involving any newly appointed Synergy Cluster Lead.

2.3 Contractor Obligations

- 2.3.1 The Contractor shall be responsible for the management of its exit and its service transfer arrangements under this Schedule 4.2 (Exit and Transition Management) in respect of the BAU Services, and the provision of Transition Services in accordance with this Call-Off Agreement and:
- (a) the Integrated Implementation Plan (including the Transition Key Milestones detailed therein);
 - (b) the Customer Requirements;
 - (c) the Services Dependencies Matrix;
 - (d) the applicable Statements of Work and Wave Notices (including any Detailed Wave Exit Plans appended thereto); and
 - (e) the provisions of this Schedule 4.2 (Exit and Transition Management).
- 2.3.2 The Contractor shall:
- (a) if requested by the Synergy Cluster Lead from time to time, be required to perform multiple Statements of Work and/or Wave Transitions concurrently and/or on an overlapping basis; and

- (b) support the orderly transition (including decommissioning) of the BAU Services from the Contractor to the Customer (or any other Synergy Cluster Member), any of the Service Recipients and/or to any Replacement Contractor(s) in accordance with each Wave Transition in accordance with this Schedule 4.2 and applicable Statements of Work or other commissioning documentation entered into pursuant to the Contingency Fund process under Paragraph 2.5 of this Schedule.

2.4 Collaborative Behaviours

2.4.1 In addition to the Contractor's obligations under Paragraph 2.3, the Contractor and the Synergy Cluster Lead shall at all times in connection with their respective obligations under this Schedule 4.2 (Exit and Transition Management) co-operate with each other, the other members of the Synergy Cluster, the Framework Authority and the other Suppliers ("**Synergy Stakeholders**"), by:

- (a) providing all reasonable information, advice, documentation and support (excluding the provision of Commercially Sensitive Information) to enable effective delivery of the Transition Services and the timely transition of the BAU Services and/or service components in accordance with the Integrated Implementation Plan and any and all Statements of Work entered into; and
- (b) adhering to the following collaborative working principles:
 - (i) proactively managing, mitigating and contributing to the resolution of problems and/or issues;
 - (ii) being open, transparent and responsive in sharing relevant and accurate information with relevant Synergy Stakeholders;
 - (iii) where reasonable, adopting common working practices, terminology, standards and technology and a collaborative approach to service development and resourcing with relevant Synergy Stakeholders;
 - (iv) providing reasonable cooperation, support, information and assistance to relevant Synergy Stakeholders in a proactive, transparent and open way and in a spirit of trust and mutual confidence; and
 - (v) identifying, implementing and capitalising on opportunities to improve the transition of and exit from the Services.

2.4.2 The Synergy Cluster Lead shall procure that a Replacement Contractor is required to co-operate with the Contractor by providing:

- (a) reasonable information (including any Documentation);
- (b) advice; and
- (c) reasonable assistance,

in connection with the Replacement Services, to enable the Contractor to create and maintain technical or organisational interfaces with the Replacement Services in accordance with the following collaborative working principles:

- (i) proactively managing, mitigating and contributing to the resolution of problems or issues;

- (ii) being open, transparent and responsive in sharing relevant and accurate information with the Contractor;
 - (iii) where reasonable, adopting common working practices, terminology, standards and technology and a collaborative approach to service development and resourcing with the Contractor;
 - (iv) providing reasonable cooperation, support, information, documentation and assistance to the Contractor in a proactive, transparent and open way and in a spirit of trust and mutual confidence; and
 - (v) identifying, implementing and capitalising on opportunities to improve deliverables and deliver better solutions and performance throughout the relationship lifecycle.
- 2.4.3 The Contractor shall attend and proactively contribute to such meetings and/or workshops with any of the Synergy Stakeholders for the purpose of supporting the overall exit and transition process for the BAU Services as may be required by the Synergy Cluster Lead from time to time, providing that the Contractor has been notified a reasonable time in advance (to be no less than fourteen (14) days wherever practicable) of the date, venue and time of such meetings/workshops.
- 2.4.4 The Synergy Cluster Lead will (or will procure that a Replacement Contractor will):
 - (a) prepare and issue the agenda for any such meetings/workshops in advance (such agenda to include a brief description of the capacity in which each attendee is required to attend, by reference to the prevailing RACI where appropriate); and
 - (b) be responsible for taking notes at each such meeting/workshop and circulating copies of such notes to the attendees following the meeting/workshop.
- 2.4.5 Each such meeting/workshop will take place at the Synergy Cluster Lead's (or a Replacement Contractor's or other Supplier's) premises (or may be conducted virtually or may include the option for virtual attendance), and be conducted in such format, as the Synergy Cluster Lead may determine in each instance.
- 2.4.6 Where the Contractor is required to produce any documentation, information, reports or any other materials in preparation for and/or to be presented and/or discussed at any such meeting/workshop, the Synergy Cluster Lead shall provide, or procure the provision of, reasonable notice in advance to the Contractor (taking into consideration the magnitude of the ask and using all reasonable endeavours to give at least seven (7) days' notice in advance wherever possible).

2.5 Contingency Fund

- 2.5.1 The Synergy Cluster Lead and the Contractor agree to establish a facility to enable the Synergy Cluster Lead to request, and the Contractor to assist with mobilising, resources quickly in the situations described in this Paragraph 2.5. Noting this joint intention, with effect from the Second Further Renewal CAN Effective Date until the earlier of:
 - (a) the completion of the Final Wave Transition; and
 - (b) Second Further Extension Period,

("Contingency Fund Period"), the Synergy Cluster Lead shall establish an annual contingency fund, the value of which shall be at least as great as the Contingency Fund Baseline, and shall be notified in writing by the Synergy Cluster Lead to the Contractor on or before the commencement of each Customer Accounting Year (or part year as applicable in respect of the Interim Contingency Fund as set out in Paragraph 2.5.2) during the Contingency Fund Period ("**Contingency Fund**") which, subject to the remainder of this Paragraph 2.5, may be used by the Contractor to pay for the mobilisation of additional resource to the Contractor's Core Management Transition Team on a temporary basis as and when required and notified to the Contractor in writing by the Synergy Cluster Lead in accordance with Paragraph 2.5.3 below. The Contingency Fund shall operate in each Customer Accounting Year during the Contingency Fund Period, and may be utilised in the circumstances described in Paragraph 2.5.3 below and shall not be utilised for any other activity unless expressly agreed otherwise in writing between the Contractor and the Synergy Cluster Lead.

2.5.2 The Synergy Cluster Lead shall determine the values for an interim Contingency Fund on a value at or greater than the pro rated Contingency Fund Baseline for the relevant period ("**Interim Contingency Fund**") which may be applied for the periods running from:

- (a) the Second Further Renewal CAN Effective Date for a period of three months, to be drawn down against prior to the commencement of the first Customer Accounting Year following the Second Further Renewal CAN Effective Date, such value being REDACTED; and
- (b) unless the Contingency Fund Period has already expired, 1 April 2028 to the expiry of the Second Further Extension Period, such value to be notified by the Synergy Cluster Lead to the Contractor on or before 31 March 2028,

each such period referred to above shall be an "**Interim Contingency Fund Period**". With the exception that the Interim Contingency Fund shall run for the relevant Interim Contingency Fund Period rather than a Customer Accounting Year, the Interim Contingency Fund shall operate in accordance with the terms of this Paragraph 2.5 save as otherwise specified below and references to the Contingency Fund shall be deemed to include the Interim Contingency Fund unless otherwise specified.

2.5.3 In the first instance, the Contractor will direct its Core Management Transition Team to perform the Contractor's obligations under Paragraph 2.4 above and/or Paragraph 2.6.1 below, with the aim of using the existing costed resource as provided for in the prevailing SFE Pricing Model and/or agreed Statement(s) of Work wherever reasonably possible. To the extent that the Contractor can reasonably demonstrate to the Synergy Cluster Lead that compliance with Paragraph 2.4 will exceed the reasonable capacity of the Contractor's Core Management Transition Team that has been provided for in the prevailing SFE Pricing Model and/or in agreed Statement(s) of Work, the Contractor will notify the Synergy Cluster Lead via email (and provide such supporting evidence as may be reasonably requested by the Synergy Cluster Lead together with details of the additional resource, the approximate scope and duration of the work to be performed, and the Charges to be drawn down from the Contingency Fund in respect of that additional resource (such Charges to be calculated using the rates set out in Paragraph 6B.1 of Schedule 3.1 (Charges and Invoicing) to the Standard Terms)), and at the discretion of the Synergy Cluster Lead (not unreasonably withholding its consent), the Contractor will be directed by the Synergy Cluster via email to either:

- (a) mobilise additional resource, which shall be paid for by the Contractor drawing down funding from the Contingency Fund to mobilise such additional resources in accordance with Paragraph 2.5.5 below; or
 - (b) not incur additional costs, with the Synergy Cluster Lead accepting this may limit the Contractor's ability to perform its obligations under Paragraph 2.4 and the Contractor shall not be required to perform those activities to the extent the Contractor has evidenced this would require additional resource in its email issued to the Synergy Cluster Lead pursuant to this Paragraph 2.5.3.
- 2.5.4 Prior to the commencement of each Customer Accounting Year during each Contract Year during the Contingency Fund Period (or where applicable, each Interim Contingency Fund Period), the Synergy Cluster Lead shall raise a purchase order for the benefit of the Contractor to a value of 100% (one hundred percent) of the Contingency Fund value for the relevant Customer Accounting Year (as determined in accordance with Paragraph 2.5.1 above) or where applicable, Interim Contingency Fund Period (as determined in accordance with Paragraph 2.5.2 above). The Synergy Cluster Lead shall notify the Contractor of the relevant purchase order number applicable to payments from the Contingency Fund promptly prior to the start of each Customer Accounting Year or where applicable, Interim Contingency Fund Period (as the case may be). Where the Synergy Cluster Lead opts to increase the Contingency Fund value in accordance with Paragraph 2.5.7, the Synergy Cluster Lead shall raise a further purchase order or amend the existing purchase order to the benefit of the Contractor as soon as reasonably practicable to reflect the additional delta value determined by the Synergy Cluster Lead. For the avoidance of doubt, any and all unused amounts under a purchase order or orders at the end of each Customer Accounting Year or where applicable, Interim Contingency Fund Period, shall no longer be available and shall be replaced with a new purchase order for the next Customer Accounting Year or where applicable, Interim Contingency Fund Period (as the case may be).
- 2.5.5 In order to draw down agreed amounts from the Contingency Fund for activity agreed pursuant to Paragraph 2.5.3, the Contractor shall submit to the Synergy Cluster Lead an invoice (which complies with the invoicing requirements in Paragraph 7 of Schedule 3.1 (Charges and Invoicing)) for an amount equal to the Charges agreed by the parties over email under Paragraph 2.5.3(a), together with all relevant and applicable Supporting Documentation as defined at Schedule 3.1 (Charges and Invoicing), including (where relevant) the timesheets for the individuals comprising the resource categories utilised. The Contractor shall keep an audit trail of all such supporting documentation for the duration of the Term and such documentation shall be deemed to be included on the list set out in Appendix 1 of Schedule 7.4 (Records and Management Information of the Framework Agreement and retained accordingly). Where the Contractor fails to promptly provide the information requested by the Synergy Cluster Lead in accordance with this Paragraph, the Synergy Cluster Lead shall be entitled to dispute the relevant invoice(s) in accordance with Paragraph 8 of Schedule 3.1 (Charges and Invoicing) of the Call-Off Agreement.
- 2.5.6 On the occurrence of each draw down from the Contingency Fund in any Customer Accounting Year or where applicable, Interim Contingency Fund Period (as the case may be), the residual value of the Contingency Fund shall be reduced by the value of the amount drawn down by the Contractor in each instance. The residual value of the Contingency Fund shall not be subject to indexation.

- 2.5.7 If, and to the extent to which, the residual value of the Contingency Fund in any Customer Accounting Year (or where applicable, Interim Contingency Fund Period) is insufficient or the Contingency Fund becomes exhausted, the Synergy Cluster Lead may opt (at its absolute discretion) to make additional funds available for the relevant Customer Accounting Year or Interim Contingency Fund Period, as applicable, at an amount to be determined by the Synergy Cluster Lead (also at its absolute discretion).
- 2.5.8 If after drawdown from the Contingency Fund in Paragraph 2.5.3(a) above, the Synergy Cluster Lead can reasonably demonstrate that the Contractor caused or contributed to the issue that the extra resources were mobilised to assist with, the Contractor will promptly refund the relevant amount drawn down proportionate to the extent to which the Contractor has caused or contributed to the issue at hand to the Contingency Fund upon request (and in any event within thirty (30) days of such request).
- 2.5.9 For the avoidance of doubt the Contractor will never be obliged to mobilise additional resource pursuant to Paragraph 2.5.3(a) that exceeds the current available balance of the Contingency Fund, unless otherwise agreed in writing between the Contractor and the Synergy Cluster Lead.
- 2.5.10 Any residual Contingency Fund remaining at the end of each Customer Accounting Year, the Contingency Fund Period, or where applicable, Interim Contingency Fund Period (or at the point of early termination of this Call-Off Agreement) will expire and cease to be available for draw down by the Contractor at that point.

2.6 Disputes

- 2.6.1 The Synergy Cluster Lead may, at any time, request that the Contractor provide general assistance (such as information or support) to the Synergy Cluster Lead to support a dispute that one or more members of the Synergy Cluster is involved in that was not caused or contributed to by the Contractor, each such request for assistance to be fulfilled by the Contractor free of charge where it constitutes no more than two (2) FTE Days of effort per request (up to a total of twenty (20) FTE Days of effort in aggregate for all such requests in any Contract Year), or otherwise may be requested and agreed in a Statement of Work via the Statement of Work Commissioning Process in Part 5.
- 2.6.2 In the event of a Dispute arising in connection with the obligations and activities to be performed under this Schedule involving the Contractor, a member of the Synergy Cluster and/or the Synergy Cluster Lead and any one or more additional parties (such as another one or more Synergy Cluster Members, the Framework Authority, an Other Supplier etc.) then the Dispute shall be referred to the Multi-Party Dispute Resolution Procedure set out in Paragraph 7 of Schedule 4.3 (Transition Services Dispute Resolution Procedure) to this Call-Off Agreement.

2.7 Transition Services Relief Events

- 2.7.1 If the Contractor can demonstrate that a Transition Services Default by the Contractor would not have occurred but for a Transition Services Relief Event, then (subject to the Contractor fulfilling its obligations in this Paragraph 2.7):
 - (a) the Contractor shall not be treated as being in breach of its obligations to provide the relevant Transition Services to the extent the Contractor can demonstrate that the Transition Services Default by the Contractor was caused by the Transition Services Relief Event;

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- (b) the Synergy Cluster Lead shall not be entitled to exercise any rights that may arise as a result of that Transition Services Default by the Contractor to terminate this Call-Off Agreement pursuant to Clause 45.1(a)(i) or the relevant Statement of Work pursuant to Paragraph 7.3 of this Schedule 4.2;
- (c) the Contractor shall have no liability to pay to the Synergy Cluster Lead any compensation that may arise as a result of that Transition Services Default to the extent that the Contractor can demonstrate that such failure would not have occurred but for the Transition Services Relief Event;
- (d) where the Transition Services Default by the Contractor constitutes the failure to Attain a SOW Milestone by its SOW Milestone Date or a failure to meet a date by which the Contractor must perform an obligation in accordance with Parts 2 to 7 of Schedule 4.2 (Exit and Transition Management) of this Call-Off Agreement or the relevant Statement of Work:
 - (i) the SOW Milestone Date or date by which the Contractor must perform such an obligation shall be postponed by a period equal to the period of Transition Services Delay that the Contractor can demonstrate was caused by the Transition Services Relief Event;
 - (ii) if the affected SOW Milestone is on the Critical Path, then the Synergy Cluster Lead shall if necessary update (or procure the update of) the dates of any impacted Transition Key Milestones in the Integrated Implementation Plan accordingly, to reflect the period of Transition Services Delay referred to in (i) above, if applicable;
 - (iii) if the Synergy Cluster Lead, acting reasonably, considers it appropriate, the relevant Statement of Work shall be amended via the Fast Track Change Procedure to reflect any consequential revisions required to subsequent SOW Milestone Dates resulting from the Transition Services Relief Event; and
 - (iv) the Contractor shall have no liability to pay any compensation in accordance with Part 3 of Schedule 3.1 (Charges and Invoicing) to the extent that the Contractor can demonstrate that such failure was caused by the Transition Services Relief Event.
- (e) save in respect of those costs referred to in Paragraph 2.7.1(d)(iv), if the Contractor has incurred any other direct loss and/or expense as a result of a Transition Services Default due to a Transition Services Relief Event, the Contractor shall be entitled to compensation to the extent that it cannot mitigate that loss or expense ("**Transition Services Relief Payment**"). The Contractor shall provide the Synergy Cluster Lead with any information the Synergy Cluster Lead may reasonably require in order to assess the validity of the Contractor's claim for compensation. If the Contractor is entitled to compensation in accordance with this Paragraph 2.7.1(e) then such compensation shall consist of the Contractor's reasonable additional costs and/or expenses arising from such Transition Services Default, provided that this calculation shall not operate as to put the Contractor in a better position than it would have been but for the occurrence of the Transition Services Relief Event.

2.7.2 The Parties agree that the Synergy Cluster Lead and the Contractor would benefit from an 'early warning' if any Transition Services Relief Event occurs that may cause a Transition Services Default. Accordingly, and in addition to the obligation on the Contractor to give formal notice under Paragraph 2.7.3, as an early warning once the

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Contractor becomes aware that a Transition Services Relief Event may cause a Transition Services Default:

- (a) it shall raise this as an issue as soon as reasonably possible in writing (email) to the Synergy Cluster Lead ("**Warning Notice**") and also at the weekly Synergy Transition Meeting at one of the next two (2) scheduled meetings of that forum; and
 - (b) the attendees of that forum shall:
 - (i) have a good faith discussion of the Warning Notice and of the likelihood and impact of such Transition Services Default occurring, and agree any steps to be taken at this stage to (A) eliminate or mitigate the anticipated default as far as possible and (B) minimise any impact on the Critical Path; and
 - (ii) agree the timeframe for such steps to be taken,
- and the Parties shall take such steps (and shall do so within such timeframes) as are agreed at that forum.

2.7.3 In order to claim any of the rights and/or relief referred to in Paragraph 2.7.1, the Contractor shall within fifteen (15) Working Days of becoming aware that a Transition Services Relief Event has caused or is likely to cause a Transition Services Default by the Contractor, notwithstanding any Warning Notice served and any resulting preventative action taken in accordance with Paragraph 2.7.2, give the Synergy Cluster Lead notice (a "**Transition Services Relief Notice**") setting out, to the extent reasonably known at that time, details of:

- (a) the Transition Services Default;
- (b) the Transition Services Relief Event and its effect or likely effect on the Contractor's ability to meet its obligations under Schedule 4.2 of this Call-Off Agreement and/or any Statement(s) of Work;
- (c) any steps which the Synergy Cluster Lead can take to eliminate or mitigate the consequences and impact of such Transition Services Relief Event; and
- (d) the relief and/or compensation in accordance with Paragraph 2.7.1(e) claimed by the Contractor.

2.7.4 Following the receipt of a Transition Services Relief Notice, the Synergy Cluster Lead shall as soon as reasonably practicable consider the nature of the Transition Services Default by the Contractor and the alleged Transition Services Relief Event and whether it agrees with the Contractor's assessment set out in the Transition Services Relief Notice as to the effect of the relevant Transition Services Relief Event and its entitlement to relief and/or compensation, consulting with the Contractor where necessary.

2.7.5 Without prejudice to Clause 60, if a Dispute arises as to:

- (a) whether a Transition Services Default by the Contractor would not have occurred but for a Transition Services Relief Event; and/or
- (b) the nature and/or extent of the relief and/or compensation claimed by the Contractor,

either Party may refer the Dispute to the Transition Services Dispute Resolution Procedure. Pending the resolution of the Dispute, both Parties shall continue to resolve the causes of, and mitigate the effects of, the Transition Services Default.

- 2.7.6 For the avoidance of doubt, the provisions of this Paragraph 2.7 apply in respect of Transition Services Defaults only, and do not replace, the provisions of Clause 43 of the Standard Terms (which shall continue to apply in respect of any other Defaults excluding Transition Services Defaults), providing always that there shall be no double recovery in respect of the same root cause of any Transition Services Relief Event (s) and/or Relief Event.

2.8 Transition Services Rectification Process

Early Warning

- 2.8.1 The Parties agree that the Synergy Cluster Lead and the Contractor would benefit from an 'early warning' of potential Transition Services Defaults occurring. Accordingly, once the Contractor becomes aware that a Transition Services Default has occurred or is likely to occur (or if the Synergy Cluster Lead informs the Contractor that it considers that a Transition Services Default has occurred or is likely to occur):
- (a) it will raise this as an issue as soon as reasonably possible in writing (email) to the Synergy Cluster Lead ("**TS Default Warning Notice**") and also at the Synergy Transition Meeting at one or both of the next two (2) scheduled weekly meetings of that forum: and
 - (b) the attendees of that forum shall:
 - (i) have a good faith discussion of the TS Default Warning Notice and of the impact of such Transition Services Default(s) occurring, and agree the steps to be taken in order to (A) eliminate or mitigate the issue in a collaborative manner and (B) minimise any impact on the Critical Path; and
 - (ii) agree the timeframe for such steps to be taken.

Agile TS Rectification Plan

- 2.8.2 Where it is agreed in the Synergy Transition Meetings that:
- (a) the impact of the Transition Services Default can be managed without delaying any SOW Milestone Date or Go-Live Date; and
 - (b) the financial impact of the Transition Services Default is anticipated to be no more than **REDACTED**, then:

the agreed rectification steps will be recorded by the Contractor in an email ("**Agile TS Rectification Plan**") to be sent by the Contractor to the Synergy Cluster Lead within one (1) Working Day of that meeting (setting out sufficient detail, including where available and reasonably possible, the following information so that it is reasonably clear what the Contractor has to rectify):

- (i) details of the actual or anticipated Transition Services Default, including any available root cause analysis;

- (ii) the number of Contractor Personnel or any Subcontractor used by the Contractor to deliver the Transition Services or obligations to which the Transition Services Default relates;
 - (iii) the actual or anticipated effect of the Transition Services Default (including the actual or anticipated effect on the performance of its obligations under this Call-Off Agreement and/or any Other Call-Off Agreement(s)); and
 - (iv) the steps which it has been agreed the Contractor will take to rectify the Transition Services Default (if applicable) and to prevent such Transition Services Default from recurring, including the agreed timescales for such steps and for the rectification of the Transition Services Default (where applicable).
- 2.8.3 The Contractor shall promptly provide to the Synergy Cluster Lead any further documentation that the Synergy Cluster Lead requires to assess the Contractor's Agile TS Rectification Plan.
- 2.8.4 Once the Agile TS Rectification Plan is approved by the Synergy Cluster Lead, the Contractor shall start work on the actions set out in the Agile TS Rectification Plan without undue delay and (subject to Paragraph 2.8.5) each party shall bear its own additional costs in respect of the TS Rectification Plan Process and the Agile TS Rectification Plan.
- 2.8.5 In the event that the Contractor fails to rectify or prevent (as applicable) the actual or anticipated Transition Services Default(s) that is/are subject to an Agile TS Rectification Plan by the date(s) specified in the Agile TS Rectification Plan, then the matter shall be referred to the next Synergy Transition Meeting to be dealt with via a Fast Track TS Rectification Plan.

Fast Track TS Rectification Plan

- 2.8.6 Where it is agreed in the Synergy Transition Meeting that the impact of the notified Transition Services Default falls outside of the parameters of an Agile TS Rectification Plan set out in Paragraph 2.8.2(a) and (b) (or where it is not possible to determine whether it is to be dealt with as an Agile TS Rectification Plan at the time of the Synergy Transition Meeting, or where Paragraph 2.8.5 applies), then:
- (a) the agreed rectification steps will be recorded by the Contractor in a written rectification plan ("**Fast Track TS Rectification Plan**") sent by the Contractor to the Synergy Cluster Lead by email as soon as is practically possible (but in any event within three (3) Working Days) after the relevant Synergy Transition Meeting, detailing the equivalent information as set out at Paragraph 2.8.2(b)(i) - (iv) above, together with the following additional information (to the extent such information is known by the Contractor at the time):
 - (i) the costs reimbursable in accordance with Paragraph 2.8.10 below;
 - (ii) the applicable Transition Services Delay Payments; and
 - (iii) any amendments proposed in respect of the Integrated Implementation Plan (for consideration pursuant to Paragraph 4.2.3), or in respect of a SOW or Wave Notice (which shall be subject to

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agreement in accordance with the applicable Change Control Procedure);

- (b) the Synergy Cluster Lead shall respond promptly (within three (3) Working Days) with its approval (which shall not be unreasonably withheld or delayed) or request for the Contractor to make changes to the Fast Track TS Rectification Plan; and
 - (c) where the Synergy Cluster Lead has requested changes to the Fast Track TS Rectification Plan the Contractor shall make those changes and resubmit the revised plan to the Synergy Cluster Lead within three (3) Working Days and the process can be repeated a maximum of two (2) times.
- 2.8.7 If the Synergy Cluster Lead approves the Fast Track TS Rectification Plan, the Contractor shall start work on the actions set out in the Fast Track TS Rectification Plan without undue delay.
- 2.8.8 If the Contractor fails to provide and/or the Synergy Cluster Lead does not approve the Fast Track TS Rectification Plan within the timeframes permitted by Paragraph 2.8.6, then the matter shall be escalated to the next Programme Delivery Executive Board meeting to determine the steps to be taken and the timeframe for the same acting reasonably and in good faith.
- 2.8.9 If after escalation to the Programme Delivery Executive Board the Synergy Cluster Lead and Contractor have not reached agreement, then either Party may refer the matter to be determined in accordance with the Transition Services Dispute Resolution Procedure.
- 2.8.10 In respect of any agreed TS Rectification Plan, the Synergy Cluster Lead and the Contractor acknowledge and agree that:
 - (a) the Contractor shall reimburse the Synergy Cluster Lead's reasonable costs and expenses incurred in connection with the TS Rectification Plan Process and the agreed Fast Track TS Rectification Plan, and such costs and expenses are subject to and count towards the Contractor's Transition Services Defaults Cap; and
 - (b) the Contractor's own costs and expenses, including those of its Sub-contractors, in complying with any and all Agile TS Rectification Plan(s) and/or Fast Track TS Rectification Plan(s), shall be limited to the TS Rectification Expense Limit.
- 2.8.11 In the event that the Transition Services Default(s) which is/are the subject of a Fast Track TS Rectification Plan do not relate to a SOW Key Milestone, then:
 - (a) the Contractor's delivery of that Fast Track TS Rectification Plan, in accordance with Paragraph 2.8.7 above, shall be considered a new SOW Key Milestone (which does not count towards the limit of 15 SOW Key Milestones) with a SOW Key Milestone Date as is agreed between the Contractor and the Synergy Cluster Lead in the Fast Track TS Rectification Plan; and
 - (b) the Contractor shall be liable for Transition Services Delay Payments in respect of any failure to deliver against the Fast Track TS Rectification Plan by the date(s) agreed, subject to the Transition Services Delay Payments Cap.

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- 2.8.12 For the avoidance of doubt, this Paragraph 2.8 shall not apply in respect of any Cross Cutting Defaults, which shall be managed and dealt with in accordance with the provisions of Section K (Remedies and Relief) of the Standard Terms.

3 Part 3 - Core Management Transition Team Obligations

3.1 Introduction

Part 3 sets out various provisions which apply to the phasing, delivery and management of the Transition Services so as to help ensure a smooth transition of all BAU Services.

3.2 Transition Managers and Core Management Transition Team

- 3.2.1 As at the Second Further Renewal CAN Effective Date, the Contractor and the Synergy Cluster Lead (on behalf of the Synergy Cluster as a whole) have each appointed an appropriately skilled, knowledgeable and experienced transition manager as detailed in the Second Further Extension CAN and as may be amended on prior written notification to the other from time to time (each such individual being a "**Transition Manager**", and together the "**Transition Managers**"). Any notification provided by the Contractor pursuant to this Paragraph 3.2.1 shall include details of the relevant background and skills of the replacement individual taking on the role of the Contractor's Transition Manager, who the Contractor shall ensure shall also be appropriately skilled, knowledgeable and experienced in the role.
- 3.2.2 The Contactor and Synergy Cluster Lead shall ensure that their Transition Managers have the requisite authority to arrange and procure any resources as are appropriate to enable them to comply with the requirements set out in this Schedule. The Transition Managers shall liaise with one another in relation to all issues relevant to:
- (a) the transition of BAU Services and/or service components pursuant to a Wave Transition; and
 - (b) all matters connected with Parts 2 to 7 of this Schedule 4.2 (Exit and Transition Management) and each Party's compliance with the same.
- 3.2.3 The Synergy Cluster Lead shall procure that its Transition Manager shall be responsible for engaging with and directing its Other Suppliers including any Replacement Contractor(s) in connection with the exit and transition process.
- 3.2.4 The Contractor shall procure that its Transition Manager shall be responsible for engaging with and directing its Sub-contractors in connection with the exit and transition process.
- 3.2.5 With effect from the Second Further Renewal CAN Effective Date, the Contractor and the Synergy Cluster Lead shall each appoint a team to support the Transition Managers in relation to the transition of BAU Services and/or service components (each a "**Core Management Transition Team**" and together the "**Core Management Transition Teams**"), as set out in Annex 4, Part 1 (Team Composition), as may be modified by agreement by the Contractor and the Synergy Cluster Lead, and/or as agreed and set out in any Statement(s) of Work.
- 3.2.6 The Contractor and the Synergy Cluster Lead shall each ensure that they, their Core Management Transition Team and Transition Manager shall support the other's aforementioned individuals to deliver the end-to-end exit and transition process in accordance with the prevailing Integrated Implementation Plan and any and all Statements of Work.

- 3.2.7 The Contractor and the Synergy Cluster Lead shall each be responsible for ensuring that:
- (a) the appropriate levels of suitably skilled and experienced resources are made available to constitute their Core Management Transition Team, taking into account the nature and scope of the activities allocated to that team (including in respect of the Contractor's Core Management Transition Team, as agreed through the process described in Paragraphs 3.2.9 and 3.2.10 below) to support the orderly transition of the BAU Services in accordance with the prevailing Integrated Implementation Plan and Parts 2 to 7 of this Schedule 4.2 (Exit and Transition Management); and
 - (b) their Core Management Transition Team is utilised efficiently at all times in performing its responsibilities as envisaged by this Schedule and the Core Management Transition Team Terms of Reference.
- 3.2.8 From the Second Further Renewal CAN Effective Date, and throughout the Second Further Extension Period, the Contractor's Core Management Transition Team shall be a standing capability of agreed resources required to support the activity set out under this Schedule 4.2 (Exit and Transition Management) (including such activity as agreed in the relevant quarterly Statement of Work):
- (a) liaising with the Synergy Cluster Members, the Synergy Cluster Lead, any Service Recipients and/or any Replacement Contractor(s) or potential Replacement Contractor(s) for the purposes of managing the orderly transition of BAU Services and/or service components via each Wave Transition, including the provision of Transition Services; and
 - (b) coordinating and managing all of the Contractor's activities associated with the development of and delivery against the Integrated Implementation Plan and Statements of Work, including (without limitation):
 - (i) providing inputs to the Integrated Implementation Plan on behalf of the Contractor as described in Paragraph 4.2 in Part 4 of this Schedule 4.2 below;
 - (ii) updating the Contractor Transition Documents as required by Paragraphs 4.2.5 to 4.2.7 in Part 4 of this Schedule 4.2 below;
 - (iii) developing and maintaining the Services Dependencies Matrix in accordance with Paragraph 4.4;
 - (iv) conducting discovery activities and preparing draft Detailed Wave Exit Plans and Statements of Work in line with the timetable set out in the Integrated Implementation Plan or otherwise provided by the Synergy Cluster Lead from time to time, and the requirements of Paragraph 4.5 in Part 4 of this Schedule 4.2 below;
 - (v) performing Retender Services, if such are commissioned in accordance with Paragraph 3.5 below;
 - (vi) performing the Contractor's obligations in respect of the preparation and approval of Statements of Work and Wave Notice Impact Assessments as set out in Parts 5 and 6 of this Schedule 4.2;

- (vii) preparing the reports described in Paragraph 7.1 of Part 7 to this Schedule 4.2;
 - (c) conducting testing of the Detailed Wave Exit Plans in accordance with Paragraph 7.2.4 of Part 7 to this Schedule 4.2; and
 - (d) performing the Contractor's obligations as set out in Paragraph 4.3.3 below.
- 3.2.9 The quantity, resource-type, allocated activities, terms of reference and associated costs for the provision of the Contractor's Core Management Transition Team shall be agreed and paid for between the Synergy Cluster Lead and the Contractor under the Synergy Cluster Lead's call-off agreement with the Contractor, and the Customer shall not be obliged to pay for any Charges or costs incurred by the Contractor in relation to the provision and activities of the Contractor's Core Management Transition Team (including the Contractor's Transition Manager).
- 3.2.10 As part of the monthly review process referred to in Paragraph 3.2.9, the Contractor and Synergy Cluster Lead will consider (and agree) whether the capacity and constituent resources of the Contractor's and/or Synergy Cluster Lead's respective Core Management Transition Teams should be adjusted taking into consideration utilisation over the previous quarter and anticipated demand in the next rolling quarter based on the prevailing Integrated Implementation Plan and any and all requirements for additional resources and / or Statements of Work.
- 3.2.11 Any service levels and the appropriate mechanism applicable to the performance by the Contractor's Core Management Transition Team shall be agreed between the Contractor and Synergy Cluster Lead in a Statement of Work or otherwise in writing.

3.3 Transition Key Personnel

Notwithstanding the provisions contained in the Framework Agreement with regards Key Personnel, the following shall apply in respect of Transition Key Personnel only:

- 3.3.1 The Contractor and Synergy Cluster Lead have agreed to the appointment of the Transition Key Personnel set out in Part 2 of Annex 4 as at the Second Further Renewal CAN Effective Date, which list may be supplemented in respect of any individual Statement of Work by any additional named individuals designated as Transition Key Personnel in that Statement of Work.
- 3.3.2 The Contractor and Synergy Cluster Lead may amend the list of Transition Key Personnel or designate additional Transition Key Personnel via the Fast Track Change Procedure.
- 3.3.3 The Contractor shall (and shall procure that any Sub-contractor who employs Key Personnel) obtain the prior written consent of the Synergy Cluster Lead (such consent not to be unreasonably withheld or delayed) before:
 - (a) removing any member of the Transition Key Personnel from their corresponding Transition Key Role during the Transition Key Role Minimum Period (save where that member of Transition Key Personnel resigns, retires or dies or is on maternity or long-term sick leave); and
 - (b) the appointment of Transition Key Personnel or variation of their Transition Key Roles.

- 3.3.4 The Contractor shall, where possible, provide the Synergy Cluster Lead at least three (3) months' written notice of its intention to remove or appoint any Transition Key Personnel or to vary their corresponding Transition Key Roles. The Synergy Cluster Lead may interview a candidate for a Transition Key Role before such candidate is appointed to such Transition Key Role.
- 3.3.5 The Contractor acknowledges that the Transition Key Personnel are essential to the proper provision of the Transition Services to the Synergy Cluster. The Contractor shall ensure that there is appropriate cover for short term absences, such as vacations and sickness and that no Transition Key Role is vacant for any longer than ten (10) Working Days and that any replacement shall be sufficiently qualified, experienced, trained and competent to carry out such Transition Key Role.
- 3.3.6 Subject to Paragraph 3.3.1, the Contractor shall ensure that each of the Transition Key Personnel shall work for such a period of time in the performance of the Transition Services under the agreed Statement(s) of Work that is commensurate with and sufficient to perform the obligation of that person's Transition Key Role. To the extent that it can do so without disregarding its statutory obligations, the Contractor shall take all reasonable steps to ensure that it retains the services of all the Transition Key Personnel.

3.4 Registers

At any time following a request from the Synergy Cluster Lead, and subject to such Transition Services being set out and agreed in a Statement of Work (agreed upon under the Statement of Work Commissioning Process), the Contractor shall create and maintain the Registers and/or Synergy Registers requested by the Synergy Cluster Lead, as detailed in Annex 5 (with up-to-date copies of such Registers and Synergy Registers to be delivered to the Synergy Cluster Lead upon request).

3.5 Retender Services

- 3.5.1 At any time following a request from the Synergy Cluster Lead and agreed in a Statement of Work, the Contractor shall provide to the Synergy Cluster Lead and/or potential Replacement Contractor(s) (subject to the potential Replacement Contractor entering into a non-disclosure agreement substantially in the form set out in Schedule 7.7 (Non-Disclosure Agreement) to the Framework Agreement) one or more of the following Retender Services, in order to facilitate the preparation by the Synergy Cluster Lead of an invitation to tender and/or to facilitate any potential Replacement Contractor(s) undertaking due diligence on the instruction of the Synergy Cluster Lead:
- (a) provide details of the Service(s) including, without limitation, information, manuals, and data in the possession or control of the Contractor and/or its Sub-contractors which relate to the performance, monitoring, management and reporting of the Services and current and historic performance levels and volumes for each Service(s) over the previous two (2) years;
 - (b) provide a copy of the Registers and/or Synergy Registers updated by the Contractor up to the date of delivery of such Registers and/or Synergy Registers;
 - (c) provide an inventory of Customer Data in the Contractor's (or its Sub-contractors') possession or control;

- (d) provide details of any key terms of any third party contracts and licences, particularly as regards charges, termination, assignment and novation;
- (e) provide a list of on-going and/or threatened disputes in relation to the provision of the Services;
- (f) provide all information relating to employees as required in Schedule 5.1 (Staff Transfer);
- (g) provide to the Synergy Cluster Lead and/or any Service Recipient any reasonable assistance requested by the Synergy Cluster Lead and/or any Service Recipient in preparing for and conducting any re-tender of the Services; and
- (h) answer all reasonable questions from the Synergy Cluster Lead and/or any Service Recipient and/or any potential Replacement Contractor regarding the Services,

in each case in the format reasonably required by the Synergy Cluster Lead, which may include the provision of information on an aggregated basis concerning multiple members of the Synergy Cluster. These Retender Services shall be delivered by the Contractor's Core Management Transition Team (using existing resource at that point in time wherever possible), but to the extent that the Contractor can demonstrate there is insufficient capacity in the Contractor's Core Management Transition team for such Retender Services, any additional resources will be agreed, priced and documented in accordance with the process set out in Paragraphs 3.2.9 and 3.2.10.

3.6 Integrated Transition Change Champion

3.6.1 At any time, the Synergy Cluster Lead may request the Contractor shall provide, subject to availability and the Synergy Cluster Lead shall pay the agreed Charge for:

- (a) a dedicated individual to perform the role of "**Integrated Transition Change Champion**" in accordance with the provisions of an agreed Statement of Work and the following terms of reference (as may be amended in that Statement of Work):
 - (i) Reports to the Synergy Cluster Lead's Chief Technical Officer (or their delegated authorised representative), to facilitate the one team working group culture across the programme.
 - (ii) Provides stakeholder management to ensure all departmental requirements and all contractors (outgoing and incoming) operate in an effective and efficient collaborative team. Supports the Synergy Cluster Lead and relevant third parties in coordination and collaboration approach across the wider programme.
 - (iii) Delivers agile ways of working - owner of the end-to-end transition Critical Path and can propose/agree changes (on behalf of Synergy Cluster Lead and provided this is always within the express written authority granted by the Synergy Cluster Lead's Chief Technical Officer) to the underlying activities and dependencies providing those do not adversely impact the Critical Path.

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- (iv) Reinforces culture of 'programme first' – acting in a way which prioritises and safeguards the programme objectives.
- (v) Empowered to accept programme level risk on behalf of the Synergy Cluster Lead (solely to the extent it has the express written authority granted by the Synergy Cluster Lead's Chief Technical Officer) within pre-authorised parameters to enable agile change response.
- (vi) Responsible for onboarding new people from any party into the programme team on ways of working.
- (vii) Acts as workshop facilitator and deputy chair for the Synergy Cluster Lead's Chief Technical Officer.

3.6.2 The Contractor and the Synergy Cluster Lead agree the Synergy Cluster Lead shall be responsible for the control and management of the Integrated Transition Change Champion (if appointed) whilst such individual is performing that role, save for where the individual is being released back to their employer for permitted activities such as training events and the Contractor shall not seek to direct or otherwise influence the relevant individual.

3.6.3 For the avoidance of doubt, if commissioned in accordance with Paragraph 3.6.1, the Integrated Transition Change Champion is not part of the Contractor's Core Management Transition Team, nor are the activities they perform whilst under the direction of the Synergy Cluster Lead considered to be part of Transition Services.

4 Part 4 - Pre-Wave Transition Services

4.1 Introduction

- 4.1.1 This Part 4 sets out the process and provisions which apply in respect of the provision of Transition Services by the Contractor in preparation for any Wave Transition(s) following the Second Further Renewal CAN Effective Date.

4.2 Integrated Implementation Plan

- 4.2.1 To facilitate the overall exit and transition process for the BAU Services, including each Wave Transition under this Call-Off Agreement, prior to the Second Further Renewal CAN Effective Date, the Synergy Cluster Lead (on behalf of the Synergy Cluster) has worked with the Synergy Cluster and other Suppliers (as appropriate) to develop the first iteration of the Integrated Implementation Plan, set out in Annex 10.
- 4.2.2 The Parties acknowledge and agree that the Integrated Implementation Plan will be updated by the Synergy Cluster Lead (or a Replacement Contractor on its behalf) as required from time to time. Each version of the Integrated Implementation Plan will be prepared in line with standard programme management practices to include the programme level tasks and activities to be carried out by the Contractor, Synergy Stakeholders and/or Replacement Contractor(s) involved in the transition process. The Synergy Cluster Lead, Replacement Contractor(s) and the Contractor shall develop and agree jointly necessary task ID numbering and relevant predecessor and/or dependant tasks or activities as part of regular reviews of the Integrated Implementation Plan. The Contractor will be granted access to the 'live' version of the Integrated Implementation Plan on a 'read-only' basis.
- 4.2.3 The Integrated Implementation Plan shall be reviewed at each weekly Synergy Transition Meeting and Synergy Checkpoint Meeting (or at such other forum as the Synergy Cluster Lead may specify from time to time) and/or each meeting/workshop held in accordance with Paragraph 2.4.3 and following such meetings the Synergy Cluster Lead (or a Replacement Contractor on its behalf) will update the 'live' version of the Integrated Implementation Plan as required.
- 4.2.4 The Contractor shall review the Integrated Implementation Plan, as made available by or on behalf of the Synergy Cluster, on at least a daily basis on Working Days and the Contractor shall provide its comments (if any) to the Synergy Cluster Lead via email (to the address as notified by the Synergy Cluster Lead from time to time), including but not limited to the following areas:
- (a) the Contractor's opinion on the overall feasibility of the Integrated Implementation Plan and any impact of the proposed exit and transition process from a Services perspective;
 - (b) the proposed Transition Key Milestone Dates in the Integrated Implementation Plan, relevant predecessor and/or dependant tasks or activities and data release points;
 - (c) progress against each of the approved Statements of Work and the SOW Milestones, associated tasks and activities agreed thereunder in accordance with Part 5 of this Schedule; and
 - (d) planned Statements of Work and associated Statements of Requirements.

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For the avoidance of doubt, if the Contractor does not have comments to raise in respect of the Integrated Implementation Plan on any given Working Day, then it does not need to provide an email as referred to above to the Synergy Cluster Lead for that Working Day.

- 4.2.5 Save for those Contractor Transition Documents which are subject to Paragraph 4.2.6 below, the Contractor shall:
- (a) update the Contractor Transition Documents in response to, and so as to align the Contractor Transition Documents with, any update to the Integrated Implementation Plan;
 - (b) provide copies of the updated Contractor Transition Documents to the Synergy Cluster Lead for approval as soon as reasonably practicable following each update to the Integrated Implementation Plan (or within such other timeframe as may be agreed between the Contractor and the Synergy Cluster Lead from time to time); and
 - (c) maintain the prevailing version of each of the Contractor Transition Documents in a secure online document repository (as agreed with the Synergy Cluster Lead) which is available to be accessed by the Synergy Cluster Lead at any time.
- 4.2.6 Any updates which are required to any Contractor Transition Documents which are subject to the Agile Change Procedure, Fast Track Change Procedure, or Change Control Procedure (as specified in Schedule 4.1 (Change Control Procedure) of the Standard Terms or otherwise agreed between the Parties in writing), as a result of any update to the Integrated Implementation Plan, shall be managed and agreed in accordance with the relevant procedure as set out in Schedule 4.1. The Contractor shall maintain and make available the prevailing version of each such Contractor Transition Documents in the same manner as described in Paragraph 4.2.5(c) above.
- 4.2.7 Where the work required to update one or more of the Contractor Transition Documents as described in Paragraph 4.2.5 cannot be reasonably accommodated within the capacity of the Contractor's Core Management Transition Team due to the aggregate magnitude of the necessary changes:
- (a) the Contractor and Synergy Cluster Lead shall agree any additional resource to be added to the Contractor's Core Management Transition Team on a temporary basis to enable the work under Paragraph 4.2.5 to be carried out in accordance with that provision, and the applicable Charges for the same (such Charges to be calculated on a fixed price basis (unless otherwise agreed between the Contractor and the Synergy Cluster Lead in writing) using the rates set out in Paragraph 6B.1 of Schedule 3.1 (Charges and Invoicing) to the Standard Terms);
 - (b) the Contractor shall utilise the Contractor's Core Management Transition Team (as supplemented by the additional resource agreed under Paragraph 4.2.7(a)) to carry out the required updates to the Contractor Transition Documents in accordance with Paragraph 4.2.5;

- (c) as soon as reasonably possible after reaching agreement under Paragraph 4.2.7(a), the Contractor and Synergy Cluster Lead shall document such agreement by agreeing and executing either:
 - (i) a new Statement of Work; or
 - (ii) a change to an existing Statement of Work (in accordance with the applicable Change Control Procedure),to reflect the agreed additional resource and applicable Charges agreed pursuant to Paragraph 4.2.7(a); and
- (d) the Contractor and Synergy Cluster Lead shall consider and agree whether there should be any consequential change to the Contractor's Core Management Transition Team at the next monthly review point in accordance with Paragraphs 3.2.9 and 3.2.10 above.

4.3 RACI Matrix, Virtual Library and Project Management Tools

- 4.3.1 To support the relevant Synergy Stakeholders and Replacement Contractor(s) in delivering against the Integrated Implementation Plan from an operational perspective, the Synergy Cluster Lead shall provide and maintain (or procure the provision and maintenance of):
 - (a) a tool enabling project management and issue tracking management. The Contractor will be granted access to the 'live' version of such project management and issue tracking management tool;
 - (b) an 'on-line' shared data environment (a "**Virtual Library**"), that provides access for the Contractor to store the documentation and evidence records required pursuant to Paragraph 4.3.3(a); and
 - (c) a tool capturing, in relation to each task detailed in the Integrated Implementation Plan, the high level roles and responsibilities of relevant parties in a 'RACI' (Responsible, Accountable, Consulted, Informed) matrix format (the "**RACI**").
- 4.3.2 It is acknowledged and agreed that the RACI constitutes an operational document which is intended to support the operational management of the Integrated Implementation Plan, and is not itself contractually binding, nor subject to amendment via the Change Control Procedure.
- 4.3.3 The Contractor shall:
 - (a) utilise the Virtual Library to store: (i) copies of the Contractor Transition Documents (each as amended or updated from time to time, maintaining read-only copies of past versions); and (ii) its detailed evidence records in respect of its documenting and evidencing its performance against any and all Statements of Work and the Integrated Implementation Plan, sufficient to enable the Parties to satisfy their rights and obligations set out in this Schedule 4.2 including, in respect of any SOW Milestones, the requirements of Paragraph 7.3 and Annex 11;

- (b) promptly provide such additional information and/or evidence as may be reasonably requested by the Synergy Cluster Lead from time to time in order to satisfy the requirements of (a) above;
- (c) to the extent that the Synergy Cluster Lead reasonably considers, having given due consideration to the documentation and evidence supplied by the Contractor pursuant to (a) and (b) above, that the Contractor has not adequately performed any task, activity, SOW Milestone or other obligation required under this Schedule 4.2 or any Statement(s) of Work, the Contractor shall reperform such task, activity, SOW Milestone or other obligation at no additional cost, except where the cost of reperformance of elements of a Statement of Work that has been commissioned on a time and materials basis has been agreed within the estimate set out in that Statement of Work pursuant to Paragraph 7.8.3 (and the provisions of this Paragraph 4.3.3 shall apply to any such reperformed task, activity, SOW Milestone or other obligation). To the extent any such failure on the part of the Contractor under this Schedule 4.2 constitutes a Transition Services Default, the provisions of Paragraph 2.8 of this Schedule shall apply. Any dispute arising with regards reperformance under this sub-Paragraph (a) shall in the first instance be escalated to the Parties' Transition Managers for resolution, and if the Transition Managers are unable to resolve the issue within ten (10) Working Days, then either Party may refer the matter to be resolved via the Transition Services Dispute Resolution Procedure.
- (d) promptly provide such information as the Synergy Cluster Lead (or a Replacement Contractor on its behalf) may require from time to time in order to keep the RACI up-to-date; and
- (e) regularly monitor and review the RACI, and promptly inform the Synergy Cluster Lead in the event that the Contractor believes any change(s) may be required to the prevailing RACI (including its reasons for the same) for the Synergy Cluster Lead's consideration.

4.4 Services Dependencies Matrix

4.4.1 Prior to the Second Further Renewal CAN Effective Date, the Contractor and the Synergy Cluster Lead shall agree the initial Services Dependencies Matrix based on the initial Integrated Implementation Plan set out in Annex 10. The Services Dependencies Matrix as at the Second Further Renewal CAN Effective Date is set out in Annex 13. For the avoidance of doubt, the Services Dependencies Matrix is a non-binding operational guidance document, setting out the potential dependencies that may apply in respect of the delivery of the Transition Services and/or any Wave Transition(s) as envisaged in the prevailing Integrated Implementation Plan. Any such dependencies in the Services Dependencies Matrix do not become binding unless and until they are specifically agreed and identified on a case by case basis in a signed Statement of Work.

4.4.2 The Contractor shall:

- (a) keep the Services Dependencies Matrix under review and propose any updates to the Synergy Cluster Lead as necessary to take into account the prevailing Integrated Implementation Plan for the Synergy Cluster Lead's

approval in writing, providing always that for any additional potential dependencies on any Synergy Stakeholder proposed by the Contractor:

- (i) details are provided by the Contractor which evidence to the Synergy Cluster Lead's satisfaction (acting reasonably) the nature and extent of the dependency and why it is required as well as the likely impact on the Contractor of the dependency not being satisfied; and
 - (ii) the dependency is otherwise reasonable in the context of the Transition Services related obligations to be assumed by the Contractor under this Schedule 4.2; and
- (b) proactively identify and promptly report to the Synergy Cluster Lead any potential risks / issues / costs arising from the prevailing Integrated Implementation Plan and/or any proposed Wave Transition on a weekly basis at the weekly Synergy Transition Meetings and Synergy Checkpoint Meetings (or at such other forum as the Synergy Cluster Lead may specify from time to time), including but not limited to:
 - (i) identify assets, data migration, technical and operational resource capacity and capability and shall confirm what BAU Services are potentially linked including any sub-services/components;
 - (ii) enable the Synergy Cluster to understand what BAU Services (whole or part thereof) can be safely transitioned, decommissioned and closed-down without causing detrimental operational impact to remaining BAU Services, or where there could be detrimental operational impact to remaining BAU Services, detailing the possible extent of this impact and how it will be mitigated; and
- (c) take into account the services that the Contractor is receiving from the Synergy Cluster under the applicable TSAs/SSAs, and shall consider the impact on those services (including planning for the decommissioning of such services in accordance with the provisions of the applicable TSAs/SSAs) as a result of the transition approach detailed in the Integrated Implementation Plan.

4.4.3 The Contractor shall maintain in the Virtual Library an up-to-date copy of the Services Dependencies Matrix to take into account each SOW Dependencies Schedule and any updates made pursuant to Paragraph 4.4.2(a).

4.5 Preparing for each Wave Transition

To support the planning for each proposed Wave Transition to take place in accordance with the timetable set out in the prevailing Integrated Implementation Plan:

- 4.5.1 the Contractor shall carry out the following activities in respect of and in advance of each proposed Wave Transition, taking into account the Integrated Implementation Plan and other information available to the Contractor at the time (and in each case ensuring these activities are carried out in advance of the Synergy Cluster Lead issuing its Outline Wave Notice under Paragraph 6.2.1(a) in respect of that Wave Transition):
- (a) prepare any draft Statement(s) of Work in respect of the Transition Services anticipated to be required to deliver the proposed Wave Transition, for refinement and approval in accordance with Part 5 below, including in each case a draft of any relevant SOW Dependencies Schedule for that Statement

of Work, which shall be based on the required scope and outputs of the proposed Transition Services (i.e. containing granular detail relating to assets, data migration, technical and operational resource capacity, etc);

- (b) preparing a draft Wave Notice Impact Assessment in respect of the proposed Wave Transition for refinement and approval in accordance with Part 6 below, having regard to the specific arrangements anticipated by the relevant Wave Transition and any dependencies identified in the relevant SOW Dependencies Schedule, including in each case a draft Detailed Wave Exit Plan in a form that could be implemented as soon as reasonably practicable after it has been approved by the Synergy Cluster Lead. The Detailed Wave Exit Plan shall be prepared on a basis consistent with the principles set out in Annex 3 and the latest iteration of the Integrated Implementation Plan;
- (c) provide its updated Services Dependencies Matrix pursuant to Paragraph 4.4.2; and
- (d) provide such other inputs as the Synergy Cluster Lead may reasonably require,

in each case, the Contractor shall use the Contractor's Core Management Transition Team resources to perform the activities described at (a) - (d) (inclusive), which may be supplemented by other available resources where the Contractor reasonably requests to, subject always to agreement by the Synergy Cluster Lead (not to be unreasonably withheld or delayed) and provided this has no adverse impact on the Contractor's delivery of the BAU Services; and

- 4.5.2 the Contractor and the Synergy Cluster Lead shall discuss and agree at the weekly Synergy Transition Meetings (or at such other forum as the Synergy Cluster Lead may specify from time to time) applicable timeframes for the preparation and agreement of planned and upcoming Statements of Work and Wave Notice Impact Assessments over the remainder of the programme as set out in the prevailing Integration Implementation Plan

5 Part 5 - Statement of Work Commissioning Process

5.1 Introduction

- 5.1.1 This Part 5 details the process for commissioning Transition Services under Statements of Work, and therefore is only applicable in circumstances where the Parties are utilising Transition Services in order to prepare for and/or effect a phased exit of BAU Services.
- 5.1.2 Statements of Work shall be used to commission any requirement for Transition Services to be provided by the Contractor, and may encompass a variety of activities such as (but not limited to) discovery work, preparatory activity and discrete tasks (whether in advance of, or directly related to, a Wave Transition), Core Management Transition Team activities, delivery of a Wave Transition, decommissioning and/or closedown activities.
- 5.1.3 A diagram depicting the process detailed in this Part 5 (Statement of Work Commissioning Process) is set out in Annex 8. To the extent of there being any conflict or inconsistency between the wording of this Part 5 (Statement of Work Commissioning Process) and Annex 8 (SOW Commissioning Process), the wording of this Part 5 (Statement of Work Commissioning Process) shall prevail to the extent of such conflict or inconsistency.
- 5.1.4 Where the Synergy Cluster Lead commissions any Transition Services set out in this Schedule 4.2 (Exit and Transition Management) to be provided by the Contractor, the Transition Services shall be commissioned under the following process (the **"Statement of Work Commissioning Process"**):
- (a) The Synergy Cluster Lead shall issue its statement of requirements to the Contractor, outlining:
 - (i) the nature of the required Transition Services to be provided by the Contractor; and
 - (ii) the applicable timescales for receiving any requests from the Contractor for further information pursuant to (b)(i) below, and receiving and agreeing the resulting draft Statement of Work (as agreed pursuant to Paragraph 4.5.2 above, or where no such timescales were agreed, as determined by the Synergy Cluster Lead taking into account the prevailing Integrated Implementation Plan),

("Statement of Requirements").
 - (b) The Contractor shall promptly (and in any case in line with the timeframes set out in the Statement of Requirements) review the Statement of Requirements and, acting reasonably:
 - (i) may request such further information as necessary from the Synergy Cluster Lead to the extent the Statement of Requirements is insufficient to enable the Contractor to prepare a draft Statement of Work in accordance with (c) below;
 - (ii) shall inform the Synergy Cluster Lead if the Contractor reasonably considers that the timescales set out in the Statement of Requirements for providing and agreeing the draft Statement of Work are not

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feasible, and shall propose reasonable alternative timescales for discussion and agreement with the Synergy Cluster Lead; and/or

- (iii) shall inform the Synergy Cluster Lead if the Contractor reasonably considers, taking into account considerations that may benefit the wider transition programme, that there are suggested amendments to the Statement of Requirements which would be necessary or beneficial for the success of the wider transition programme (such as in respect of the nature of the required Transition Services, SOW Milestones or other aspects of the Statement of Requirements). The Synergy Cluster Lead may (at its discretion) choose to update its Statement of Requirements to take into account any or all of the suggestions put forward by the Contractor.
- (c) Following receipt of any further information provided by the Synergy Cluster Lead under (b)(i) above, or following receipt of the Statement of Requirements where no such further information is requested, or any updated Statement of Requirements under (b)(iii) above, the Contractor shall promptly (and in accordance with the timeframes agreed pursuant to (b)(ii) above) prepare and deliver to the Synergy Cluster Lead a draft Statement of Work (or where a draft Statement of Work has already been prepared pursuant to Paragraph 4.5.1(a) above, update (and deliver to the Synergy Cluster Lead) that draft Statement of Work as may be required taking into account the Statement of Requirements) to include:
 - (i) the detailed Transition Services to be provided by the Contractor under that Statement of Work;
 - (ii) any and all SOW Milestones and SOW Deliverables to be provided by the Contractor under that Statement of Work, and the proposed acceptance criteria and SOW Test Plan (developed in accordance with Paragraph 5 of Annex 11 (Testing Procedures) for the same;
 - (iii) save where Paragraph 5.1.4(b) applies, a Charges proposal for delivery of the Transition Services under the Statement of Work, calculated in accordance with Paragraph 6B (Transition Services Charges) of Schedule 3.1 (Charges and Invoicing) of the Standard Terms;
 - (iv) a timeframe for delivering the required Transition Services, including any relevant SOW Milestones and SOW Milestone Dates;
 - (v) a services dependencies schedule, setting out:
 - (A) any relevant Synergy Dependencies taken from the Services Dependencies Matrix; and
 - (B) any additional identified dependencies applicable to the Transition Services under the Statement of Work, provided always that:
 - a. details are provided by the Contractor which evidence to the Synergy Cluster Lead's satisfaction (acting reasonably) the nature and extent of the dependency and why it is required as well as the likely impact on

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the Contractor of the dependency not being satisfied;
and

- b. the dependency is otherwise reasonable in the context of the Transition Services related obligations to be assumed by the Contractor under the Statement of Work,

("SOW Dependencies Schedule"); and

(vi) the identification of:

- (A) any areas of potential or actual risk or conflict between the Transition Services and the services the Contractor provides to any Other Customer; and/or
- (B) without prejudice to Paragraph 7.6 below, any circumstances the Contractor is aware of in the context of that Statement of Work which are beyond the Contractor's reasonable control and which, notwithstanding the Contractor's compliance with its obligations in connection with Transition Services, would or would be likely to have a material adverse impact on the Contractor's ability to meet any of the Service Levels in respect of any of the BAU Services,

together with the reasonable steps the Contractor will take under that Statement of Work in order to mitigate the same.

- (d) Following receipt, the Synergy Cluster Lead will either approve the Contractor's draft Statement of Work or request amendments to the Statement of Work. If the Synergy Cluster Lead requests amendments the Contractor will as soon as reasonably practicable, and in any event in line with the timescales as agreed in accordance with Paragraph (b)(ii) above, update the draft Statement of Work to take into account the requested amendments and deliver it to the Synergy Cluster Lead for further review and approval. This process shall be repeated until the Statement of Work has been agreed by the Contractor and Synergy Cluster Lead, however if the Synergy Cluster Lead and Contractor are unable to agree the Statement of Work within twenty (20) Working Days (or as otherwise agreed between the Parties) following its initial delivery to the Synergy Cluster Lead, then the matter shall be referred to the Synergy Transition Meeting, and if it is not resolved at the next meeting of the Synergy Transition Meeting, then it shall be referred to the Programme Delivery Executive Board. If it is not resolved at the next meeting of the Programme Delivery Executive Board, it shall be referred to the Transition Services Dispute Resolution Procedure, or where Paragraph 2.6.2 applies, the Multi-Party Dispute Resolution Procedure.
- (e) Once approved by the Synergy Cluster Lead, the Contractor shall prepare and sign two (2) copies of the agreed Statement of Work and deliver them to the Synergy Cluster Lead for its signature. Following receipt by the Synergy Cluster Lead of the Statement of Work, it shall sign both copies and return one copy to the Contractor. Once signed by both the Contractor and the Synergy Cluster Lead, the Statement of Work shall be binding on the parties thereto

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from the effective date set out in the Statement of Work (or, if no such date is included, from the date of last signature), subject to any variation or cancellation of the Statement of Work in connection with the Go Decision (or lack thereof) under Paragraph 6.3.1, or early termination of the Statement of Work (in whole or in part) in accordance with Paragraph 7.3 or as otherwise permitted in accordance with this Call-Off Agreement.

- 5.1.5 The parties shall perform their respective obligations set out in the relevant Statement of Work once agreed and executed in accordance with Paragraphs 5.1.4(e) above.
- 5.1.6 Once agreed, a Statement of Work may only be amended by agreement between the Contractor and Synergy Cluster Lead (acting on behalf of the Customer) in accordance with the Agile Change Procedure or Fast Track Change Procedure, as applicable.
- 5.1.7 The Parties acknowledge and agree that if a SOW Key Milestone has not been Attained by its relevant SOW Milestone Date, the provisions of Part 3 of Schedule 3.1 (Charges and Invoicing) shall apply in relation to the payment of Transition Services Delay Payments.

6 Part 6 - Wave Notice Process

6.1 Introduction

- 6.1.1 This Part 6 sets out the process by which the Synergy Cluster Lead may require the Contractor to transfer responsibility for the provision of all or part of the BAU Services from the Contractor to the Customer, any Service Recipient(s), any other member(s) of the Synergy Cluster, or one or more Replacement Contractors by serving a Wave Notice on the Contractor pursuant to Paragraph 6.2.1(d) below (each a "**Wave Transition**"), and is therefore only applicable in circumstances where the Parties are utilising Transition Services to effect a phased exit of BAU Services via one or more such Wave Transitions.
- 6.1.2 As is more particularly detailed in this Part 6, each Wave Transition will takes place in two stages, with the initial stage being delivered by the Contractor from the date specified in the relevant Wave Notice and comprising all activity required in relation to that Wave Transition (as agreed and set out in a Statement of Work) in the lead up to the point at which the Synergy Cluster Lead must decide whether or not to issue its Go Decision pursuant to Paragraph 6.3. A Go Decision by the Synergy Cluster Lead commences the Wave Transition Final Phase, which is the second stage of the Wave Transition, and comprises the remaining activity required to complete the transition of the relevant BAU Services and switch off the delivery of such BAU Services by the Contractor including any decommissioning (as agreed and set out in the relevant Statement of Work).
- 6.1.3 A diagram depicting the process detailed in this Part 6 (Wave Notice Process) is set out in Annex 9. To the extent of there being any conflict or inconsistency between the wording of this Part 6 (Wave Notice Process) and Annex 9, the wording of this Part 6 (Wave Notice Process) shall prevail to the extent of such conflict or inconsistency.

6.2 Wave Notice Process

- 6.2.1 Where the Synergy Cluster Lead elects to trigger a Wave Transition on behalf of any one or more members of the Synergy Cluster, the following process shall be followed with respect to each Wave Transition (the "**Wave Notice Process**"):
 - (a) The Synergy Cluster Lead shall issue a draft Wave Notice (an "**Outline Wave Notice**") setting out, with respect to a particular Wave Transition, the Customer Requirements including:
 - (i) the BAU Services and/or service components which are the subject of the proposed Wave Transition; and
 - (ii) an indicative Go-Live Date, for the Wave Transition as per the prevailing Integrated Implementation Plan (which indicative date shall not be binding on the Synergy Cluster Lead or any member of the Synergy Cluster);
 - (iii) the applicable timescales for receiving any requests from the Contractor for further information pursuant to (b)(i) below, and receiving and agreeing the resulting draft Wave Notice Impact Assessment (as agreed pursuant to Paragraph 4.5.2 above, or where no such timescales were agreed, as determined by the Synergy Cluster Lead taking into account the prevailing Integrated Implementation Plan);

- (b) Following service by the Synergy Cluster Lead of an Outline Wave Notice the Contractor shall:
- (i) promptly (and in any case in line with the timeframes set out in the Outline Wave Notice) consider the Outline Wave Notice, and, acting reasonably, shall inform the Synergy Cluster Lead if the Contractor reasonably considers that the timescales set out in the Outline Wave Notice for providing and agreeing the draft Wave Notice Impact Assessment are not feasible, and shall propose reasonable alternative timescales for discussion and agreement with the Synergy Cluster Lead; and
 - (ii) utilise its Core Management Transition Team to prepare and submit a draft Wave Notice Impact Assessment to the Synergy Cluster Lead in accordance with the timeframes agreed pursuant to 6.2.1(b)(i) (using the relevant draft prepared pursuant to Paragraph 4.5.1(b) where one is available, and updating it as required to take into account the Outline Wave Notice), setting out:
 - (A) any issues it may have in respect of the scope and indicative timeline for the proposed Wave Transition as set out in the Outline Wave Notice (including, without prejudice to Paragraph 7.6 below, any circumstances the Contractor is aware of in the context of the proposed Wave Transition which are beyond the Contractor's reasonable control and which, notwithstanding the Contractor's compliance with its obligations in connection with the proposed Wave Transition, would or would be likely to have a material adverse impact on the Contractor's ability to meet any of the Service Levels in respect of any of the BAU Services) and shall include proposals or recommendations to address such issues for the Synergy Cluster Lead's consideration;
 - (B) the Minimum Wave Notice Period;
 - (C) the last possible date for the Go Decision Deadline relevant to the indicative Go-Live Date in the Outline Wave Notice;
 - (D) reference to the Statement(s) of Work applicable to the relevant Wave Transition;
 - (E) reference to the Transition Key Milestone(s) applicable to the relevant Wave Transition;
 - (F) a Detailed Wave Exit Plan which complies with the requirements set out in Annex 3 and the latest iteration of the Integrated Implementation Plan;
 - (G) the information required pursuant to Paragraph 3 of Schedule 5.1 (Staff Transfer) to the Standard Terms;
 - (H) the Total Assigned Staff Complement, together with the list of Potentially At Risk Employees (each as defined in Schedule 3.6 (Stranded Costs, Diseconomies of Scale and related Gain Sharing));
 - (I) calculation of the Worst Case Scenario Redundancy Costs (as defined in Part E of Schedule 5.1 (Staff Transfer) to the Standard

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Terms) in respect of each Potentially At Risk Employee and in aggregate for all Potentially At Risk Employees;

- (J) such information as is then available to the Contractor regarding the Pension Costs (as defined in Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms) in respect of each Potentially At Risk Employee and in aggregate for all Potentially At Risk Employees;
 - (K) the proposed Stranded Costs and Diseconomies of Scale applicable to the relevant Wave Transition, in each case calculated in accordance with the provisions of Schedule 3.6 (Stranded Costs, Diseconomies of Scale and related Gain Sharing); and
 - (L) in respect of the Wave Notice Impact Assessment for the Final Wave Transition only, the information required pursuant to Paragraph 1.12 of Part 1 of Schedule 3.6 (Stranded Costs, Diseconomies of Scale and related Gain Sharing).
- (c) Following receipt, the Synergy Cluster Lead will either approve the Contractor's Wave Notice Impact Assessment or request amendments to the Wave Notice Impact Assessment. If the Synergy Cluster Lead requests amendments the Contractor will as soon as reasonably practicable, and in any event in line with the timescales as agreed in accordance with Paragraph 5.1.4(b)(ii) above, update the Wave Notice Impact Assessment to take into account the requested amendments and deliver it to the Synergy Cluster Lead for further review and approval. This process may be reasonably repeated until the Wave Notice Impact Assessment has been agreed by the Contractor and Synergy Cluster Lead. If the Synergy Cluster Lead and Contractor are unable to agree the Wave Notice Impact Assessment on or before the date which is seven (7) calendar months prior to the indicative Go-Live Date set out in the Outline Wave Notice (or prevailing Integrated Implementation Plan), then the matter shall be referred to the Synergy Transition Meeting, and if it is not resolved at the next meeting of the Synergy Transition Meeting, then it shall be referred to the Programme Delivery Executive Board. If it is not resolved at the next meeting of the Programme Delivery Executive Board, it shall be referred to the Transition Services Dispute Resolution Procedure, or where Paragraph 2.6.2 applies, the Multi-Party Dispute Resolution Procedure.
- (d) Once a Wave Notice Impact Assessment is agreed pursuant to Paragraph 6.2.1(c), the Synergy Cluster Lead may issue a corresponding Wave Notice to the Contractor at any time (providing it complies with the Go-Live Date, the scope of the Services, and the Minimum Wave Notice Period agreed in the Wave Notice Impact Assessment, with any deviations to be managed by the Synergy Cluster Lead and the Contractor acting reasonably in accordance with the Change Control Procedure in Schedule 4.1), setting out:
 - (i) the start date of the Wave Transition Period for the relevant Wave Transition;
 - (ii) the applicable Go Decision Deadline;

- (iii) the Go-Live Date (which shall be subject to the Synergy Cluster Lead issuing a Go Decision pursuant to Paragraph 6.3 below);
 - (iv) the agreed Wave Notice Impact Assessment as an appendix to the Wave Notice.
- (e) Once a Wave Notice has been issued in accordance with Paragraph 6.2.1(d):
- (i) providing it does not proceed with the Wave Transition Final Phase unless and until a Go Decision is issued by the Synergy Cluster Lead pursuant to Paragraph 6.3 below, the Contractor shall perform the applicable Transition Services to deliver the Wave Transition during the applicable Wave Transition Period pursuant to the relevant Statement(s) of Work (and any Stranded Costs and/or Diseconomies of Scale payable in respect of that Wave Transition shall be as agreed in the Wave Notice Impact Assessment pursuant to Paragraph 6.2.1(c) and shall be payable by the Synergy Cluster Lead in accordance with Schedule 3.6 (Stranded Costs, Diseconomies of Scale and related Gain Sharing)); and
 - (ii) the commencement of staff consultation in Paragraph 7.1 Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms.

6.3 Go Decision and Wave Transition Final Phase

6.3.1 If the Synergy Cluster Lead (acting on behalf of one or more members of the Synergy Cluster):

- (a) wishes to proceed with a Wave Transition Final Phase (including any decommissioning of the relevant BAU Service(s) or service components that are the subject of the Wave Transition as stated in a Statement of Work) it shall issue a Go Decision to the Contractor. The Synergy Cluster Lead may request amendments to the relevant Statement of Work via the Agile Change Procedure or Fast Track Change Procedure (as applicable) to enable it to issue the Go Decision (and the Contractor shall use all reasonable endeavours to accommodate such requests); or
- (b) elects not to issue a Go Decision in respect of any Wave Transition, it may pause, delay or cancel the relevant Wave Notice (and by extension, any associated Statement of Work) by giving written notice to the Contractor to that effect prior to the expiry of the Go Decision Deadline, and providing the Contractor (including the Contractor Personnel) is not at fault, Paragraph 7.4.2 shall apply in the event of termination in its entirety of any Statement(s) of Work for convenience under Paragraph 7.4.1 as a result of the decision by the Synergy Cluster Lead not to issue a Go Decision.
- (c) In the event that there is a pause or a delay in a Go Decision under a relevant Wave Notice in accordance with 6.3.1(b) and such pause or delay exceeds five (5) Working Days, any impact of such pause or delay on the relevant Wave Notice (or corresponding Wave Notice Impact Assessment) shall be agreed between the Contractor and the Synergy Cluster Lead in accordance with the Fast Track Change Procedure.

6.3.2 The Synergy Cluster Lead (acting on behalf of the relevant member(s) of the Synergy Cluster) and the Contractor shall agree additional Statement(s) of Work to commission

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any additional activities as the Synergy Cluster Lead may require to implement a Go Decision, or as a result of the Synergy Cluster Lead's election not to issue a Go Decision (as the case may be).

- 6.3.3 Where the Synergy Cluster Lead issues a Go Decision pursuant to Paragraph 6.3.1, the Wave Transition Final Phase shall commence and the Contractor shall carry out any remaining activities specified in the relevant Statement(s) of Work and Detailed Wave Exit Plan to be carried out within the Wave Transition Final Phase Period. A Wave Transition shall complete on completion of the activities specified in the relevant Statement(s) of Work and Detailed Wave Exit Plan.

7 Part 7 - Transition Services – General provisions and Post-Wave closedown

7.1 Introduction

7.1.1 This part sets out provisions which apply in the context of Transition Services only.

7.2 Reporting

7.2.1 The Contractor's Transition Manager shall provide weekly snapshot reports and monthly detailed reports (at a programme level across the Synergy Cluster, and in respect of individual Statements of Work and Wave Transitions) to the Synergy Cluster Lead regarding:

- (a) the status of, and/or the Contractor's adherence to and performance against, the Integrated Implementation Plan (including the Transition Key Milestones detailed therein), any Statements of Work, Detailed Wave Exit Plans and the Services Dependencies Matrix; and
- (b) any issues that may affect the Contractor's ability to perform its obligations contained within the Integrated Implementation Plan, any Statement of Work, Detailed Wave Exit Plan and/or the Services Dependencies Matrix in accordance with their terms,

together with any other reports as may be reasonably required by the Synergy Cluster Lead from time to time in connection with matters dealt with in this Schedule 4.2 (Exit and Transition Management). The form and content of the reports provided under this Paragraph 7.2.1 shall be as reasonably required by the Synergy Cluster Lead.

7.2.2 The Transition Managers shall meet on a weekly basis to: (i) discuss the reports provided under Paragraph 7.2.1; (ii) in good faith and using all reasonable endeavours work together to identify and resolve any issues in relation to either Party's performance in accordance with any Statement of Work, Detailed Wave Exit Plan and/or the Services Dependencies Matrix; and (iii) to assist the Synergy Cluster Lead to identify and resolve any issues in relation to the Integrated Implementation Plan. Where any issue being considered at such meeting is not resolved at that meeting, the issue shall be escalated to the Programme Delivery Executive Board for resolution.

7.2.3 Testing of the Detailed Wave Exit Plans and other Contractor Transition Documents

7.2.4 The Synergy Cluster Lead (acting on behalf of the Synergy Cluster) may, at its discretion and on providing fifteen (15) Working Days' notice to the Contractor, require the Contractor to test any Detailed Wave Exit Plan. The nature of such tests shall be at the reasonable discretion of the Synergy Cluster Lead (and may include but shall not be limited to scenario-based workshops to stress test any Detailed Wave Exit Plan). Any such testing that is not provided for in an applicable Statement of Work or in the Detailed Wave Exit Plan, or which cannot be reasonably supported by the resources within the Contractor's Core Management Transition Team, shall be subject to agreement in a separate testing Statement of Work in accordance with the Statement of Work Commissioning Process in Part 5.

7.2.5 The Synergy Cluster Lead may, at its discretion, require the Contractor to update any Detailed Wave Exit Plan to take account of any issues arising from such testing.

7.3 Testing and Attainment of SOW Milestones

The Parties shall comply with the provisions of Annex 11 (Testing Procedures) with respect to Transition Testing of SOW Deliverables and Attainment of SOW Milestones.

- 7.3A Subject to Clause 35 (Force Majeure) and Paragraph 2.7 (Transition Services Relief Events) of Schedule 4.2 (Exit and Transition Management), the Attainment of each SOW Milestone by its associated SOW Milestone Date.

7.4 Termination of Transition Services and associated Breakage Costs

- 7.4.1 The Synergy Cluster Lead may, on behalf of any member(s) of the Synergy Cluster, terminate a Statement(s) of Work:

- (a) in accordance with Clause 45.1(b)(ii):
 - (i) only where the circumstances under any of limbs (e)(i) (which for these purposes shall be read such that the reference to 'Default' includes Transition Services Default), (e)(iii), (e)(iv), (f), (g), (i) or (j) of Contractor Termination Event arise, pursuant to Clause 45.1(a)(i); or
 - (ii) pursuant to Clause 45.1(a)(ii).
- (b) with immediate effect if any of the following events occur:
 - (i) the Contractor commits a material Transition Services Default which is irremediable;
 - (ii) the Contractor failing to submit or resubmit a draft Fast Track TS Rectification Plan to the Synergy Cluster Lead within the timescales specified in Paragraph 2.8.6(a) provided that the Synergy Cluster Lead has notified the Contractor of the failure and permitted the Contractor a further five (5) Working Days to submit or resubmit the Fast Track TS Rectification Plan;
 - (iii) the Synergy Cluster Lead, acting reasonably, rejecting, for material reasons, a revised draft of the Fast Track TS Rectification Plan submitted by the Contractor pursuant to Paragraph 2.8.6(b);
 - (iv) the Contractor failing to rectify a material Transition Services Default within the later of:
 - (A) twenty (20) Working Days of a notification made pursuant to Paragraph 2.8.1(a); and
 - (B) where the Parties have agreed a Fast Track TS Rectification Plan in respect of that material Transition Services Default and the Contractor can demonstrate that it is implementing the Fast Track TS Rectification Plan in good faith, the date specified in the Fast Track TS Rectification Plan by which the Contractor must rectify the material Transition Services Default;
 - (v) following the successful completion of a TS Rectification Plan, the same Transition Services Default recurring for the same (or substantially the same) root cause as that of the original Transition Services Default and having material effect for that Statement of Work only; and/or

- (c) for convenience at any time by serving no less than ninety (90) days' written notice upon the Contractor to such effect ("SoW Termination Notice").
- 7.4.2 Where a Statement of Work is terminated for convenience in accordance with Paragraph 7.4.1(c) the Synergy Cluster Lead on behalf of the Customer shall pay to the Contractor:
 - (a) any unpaid Charges for Transition Services which have been properly performed prior to the date of termination of the Statement of Work; and
 - (b) the SoW Breakage Costs as at the date of termination of the relevant Statement of Work provided always that no SoW Breakage Costs shall be payable by the Synergy Cluster Lead to the Contractor unless and until the aggregate SOW Breakage Costs that the Contractor has incurred in connection with the relevant Statement of Work(s) being terminated and all and any Statements of Work that have previously been terminated pursuant to Paragraph 7.4.1(c), exceeded REDACTED. For clarity, Breakage Costs shall not be recoverable in respect of a Loss for which SOW Breakage Costs have already been recovered.
- For the avoidance of doubt, termination of a Statement of Work in part and/or any suspension of Transition Services provided under a Statement of Work shall be dealt with in accordance with Paragraph 5.1.6 of Part 5 of this Schedule 4.2 (Exit and Transition Management).
- 7.4.3 The Contractor shall use reasonable endeavours to procure that each Key Sub-contract includes the right for the Contractor to terminate services related to the Transition Services voluntarily on terms that are consistent with the Synergy Cluster Lead's right to terminate pursuant to Paragraph 7.4.1(c).
- 7.4.4 Any SoW Breakage Costs paid in accordance with this Paragraph 7.4.4 shall be in full and final settlement of any claim, demand and/or proceedings of the Contractor in relation to any termination pursuant to Paragraph 7.4.1(c) and the Contractor shall be excluded from all other rights and remedies it would otherwise have been entitled to in respect of any termination pursuant to Paragraph 7.4.1(c) but, for the avoidance of doubt, this shall not operate to extinguish or otherwise affect any antecedent rights or remedies that either Party have or may have in connection with the SoW which are not related to its termination for convenience.
- 7.4.5 The Contractor agrees to take all reasonable steps to minimise and mitigate the SoW Breakage Costs, for example by:
 - (a) the redeployment of any assets, resources and the Contractor Personnel for other purposes. If such assets, resources and/or the Contractor Personnel can be used for other purposes, then there shall be an equitable reduction in the SoW Breakage Costs payable by the Synergy Cluster Lead or a third party to the Contractor; and
 - (b) in relation to contracts entered into with third parties, termination by the Contractor of those contracts at the earliest possible date without breach or where contractually permitted.
- 7.4.6 All sums due under this Paragraph 7.4 shall be payable by the Synergy Cluster Lead to the Contractor in accordance with the terms set out in Schedule 3.1 (Charges and

Invoicing) and the value of any SoW Breakage Costs payable shall be reduced or extinguished to the extent that the Contractor has already received the benefit thereof through any other payment so that there is no double counting in calculating the relevant payment.

- 7.4.7 For the avoidance of doubt, the Synergy Cluster Lead shall be entitled to set off any outstanding liabilities of the Contractor against any amounts that are payable by it pursuant to this Paragraph 7.4.
- 7.4.8 Any right of the Synergy Cluster Lead (on behalf of itself and/or any Synergy Cluster Members(s)) to terminate pursuant to Paragraph 7.5.1 shall apply only in relation to Statement(s) of Work and any reference to such right, or to Partial Termination when used in relation to the Transition Services, does not give or purport to give the Synergy Cluster Lead a right (on behalf of itself and/or any Synergy Cluster Members(s)) to terminate the Call-Off Agreement and/or BAU Services (whether in whole or in part).

7.5 Customer Data

- 7.5.1 During any Transition Services Period, the Synergy Cluster Lead may request and the Contractor shall, within a reasonable period of time or as otherwise agreed between the Synergy Cluster Lead and the Contractor in writing, provide the Synergy Cluster Lead and/or any Replacement Contractor(s) an uncorrupted version of any of the Synergy Cluster Members' Customer Data in accordance with Clause 23.4 of the Standard Terms to the Customer's Call-Off Agreement (as if the Synergy Cluster Lead and/or Replacement Contractor(s) were the Customer for the purposes of that clause).

7.6 Service Continuity

- 7.6.1 During each Transition Services Period (or such shorter period as the Synergy Cluster Lead may require in each case), the Contractor shall:
 - (a) continue to be under an obligation to provide the Services to the Service Levels subject to each Party complying with all its respective obligations in relation to the Services (including the payment of the applicable Charges by the Customer), save to the extent that the Parties agree otherwise in accordance with Paragraph 7.6.2;
 - (b) provide the Transition Services as set out in the relevant Statement of Work; and
 - (c) provide any reasonable assistance requested by the Synergy Cluster Lead to allow the BAU Services and/or service components that are the subject of a Wave Transition in accordance with an applicable Wave Notice ("**Affected Services**") to continue without interruption following the Wave Transition Period and to facilitate the orderly transfer of responsibility for and conduct of those Affected Services to the Customer, any Service Recipient and/or any Replacement Contractor(s).
- 7.6.2 Where the Contractor demonstrates to the Synergy Cluster Lead's reasonable satisfaction that, notwithstanding the Contractor's compliance with its obligations in connection with Transition Services, circumstances beyond its reasonable control occur in connection with the transition of the Affected Services during the Wave Transition Period which will have a material, unavoidable adverse effect on the Contractor's ability to meet a particular Service Level in respect of any of the Services:

- (a) the Synergy Cluster Lead shall provide its recommendation to the Framework Authority regarding any proposed variation to the relevant Service Level(s) and/or the applicable Service Credits under (b) below for the Framework Authority's consideration; and
- (b) provided the Framework Authority provides its approval in writing, which shall not be unreasonably withheld, conditioned or delayed, the Parties shall vary the relevant Service Level(s) and/or the applicable Service Credits to this Call-Off Agreement to take account of such adverse effect.

7.7 Closedown/Final Wave Transition

- 7.7.1 The provisions of Paragraphs 8.6.1 and 8.6.2 of this Schedule 4.2 (Exit and Transition Management) shall apply in respect of the Final Wave Transition, with references to the Termination Assistance Period being read as references to the Wave Transition Period in respect of the Final Wave Transition, and references to Termination Services being read as references to Transition Services.

7.8 Charges for Transition Services

- 7.8.1 During any Transition Services Period (or for such shorter period as the Synergy Cluster Lead may require the Contractor to provide the Transition Services), the Synergy Cluster Lead shall pay the Charges to the Contractor in respect of the Transition Services as agreed and set out in the relevant Statement of Work (but shall not be required to pay costs in excess of the quoted amount set out in the Statement of Work without prior written consent of the Synergy Cluster Lead). If the scope or timing of the Transition Services is changed (including where there is an extension to the Transition Services in accordance with Paragraph 3.5) and this results in a change to the costs of such Transition Services, the Charges set out in the relevant Statement of Work may be varied in accordance with the Fast Track Change Procedure.
- 7.8.2 For the avoidance of doubt, the Contractor shall not be entitled to charge any other Synergy Cluster Member(s) in respect of any Transition Services and/or any other activities carried out by the Contractor's Core Management Transition Team which have been commissioned by and charged to the Synergy Cluster Lead, and there shall be no double charge for resources provisioned under the Contractor's Core Management Transition Team and/or work commissioned under a separate Statement of Work that does not relate to Transition Services or other activities performed by the Contractor's Core Management Transition Team.
- 7.8.3 For the purpose of calculating the costs of providing the Transition Services for inclusion in a Statement of Work shall be determined in accordance with Paragraph 6B of Schedule 3.1 (Charges and Invoicing) to the Standard Terms, and shall be priced on a fixed price basis unless otherwise expressly agreed between the Contractor and the Synergy Cluster Lead. If it is agreed that a Statement of Work will be priced on a time and materials basis, the Statement of Work shall include an estimate of the total cost of delivering that Statement of Work (which may include a contingency amount for any re-performance that may be required pursuant to Paragraph 4.3.3(c)) and, for the avoidance of doubt, the provisions of Paragraph 7.8.1 shall continue to apply to any such Statement of Work and the estimate provided therein.
- 7.8.4 Save as otherwise stated, the Synergy Cluster Lead shall not pay for costs incurred by the Contractor in relation to its compliance with this Schedule 4.2 (Exit and Transition

Management) except as may be expressly agreed in a Statement of Work or via the Contingency Fund process set out in Paragraph 2.5 of this Schedule.

- 7.8.5 Notwithstanding anything express or implied to the contrary anywhere else in this Call-Off Agreement or the Framework Agreement, in no circumstances shall any Termination Payment or Compensation Payment be payable in respect of any Wave Transition. For the avoidance of doubt, any exit or termination of Services and/or service components carried out in accordance with the provisions of this Schedule 4.2 (Exit and Transition Management) from or after the Baseline Date shall not constitute a termination or Partial Termination of this Call-Off Agreement for convenience under Clause 45.1(a)(iii) or 45.1(b)(ii) in respect of those Services and/or service components that are terminated from or after the Baseline Date.

7.9 Contractor Personnel

- 7.9.1 The provisions of Part E of Schedule 5.1 (Staff Transfer) of the Standard Terms shall apply to Contractor Personnel in the context of Transition Services.

8 Part 8 - Termination Services

8.1 Introduction

- 8.1.1 This Part 8 details the provisions which apply in respect of the provision of Termination Services and Termination Assistance by the Contractor in the event of termination (including a partial termination) or expiry of this Call-Off Agreement outside of the Transition Services and Wave Transition processes detailed in Parts 2 to 7 of this Schedule 4.2 (Exit and Transition Management).

8.2 Overview

- 8.2.1 The Contractor shall support the orderly transition of the Services from the Contractor to the Customer, any of the Service Recipients and/or to any Replacement Contractor in the event of termination (including a partial termination) or expiry of this Call-Off Agreement. This Part 8 sets out the principles of the exit and service transfer arrangements that are intended to achieve such orderly transition. The Contractor shall be responsible for the overall management of the exit and service transfer arrangements.

8.3 Exit Plan

- 8.3.1 The Parties acknowledge that the Customer requirements for Termination Services will be subject to the provisions of Paragraph 8.5.1 and the Customer defining the Termination Services it requires from the Contractor under a Termination Assistance Notice. Notwithstanding the provisions of Paragraph 8.6.1, and without prejudice to any other terms set out in this Part 8 of Schedule 4.2 (Exit and Transition Management), the Contractor shall support the Customer's planning activity for Termination Services through the development of an Outline Exit Plan in accordance with Paragraph 8.3.3.
- 8.3.2 Subject to payment of applicable charges by the Customer in accordance with Paragraph 8.3.9, the Contractor shall develop an Outline Exit Plan for the BPO Services and Tech Services which shall be provided by the Contractor to the Customer on or before 31 October 2023. In advance of the Customer setting out its requirements, for Termination Services in accordance with a Termination Assistance Notice, the Outline Exit Plans shall be prepared as far as reasonably possible on a basis consistent with the principles set out in Paragraph 8.3.7 and shall be subject to ongoing review by the Parties during the Further Extension Period and Second Further Extension Period. Such reviews shall be carried out not less than once in each rolling six (6) month period in the Further Extension Period and Second Further Extension Period, and the Parties shall seek to increase the frequency of such reviews by mutual agreement (whereby such agreement shall not be unreasonably withheld) during the second Contract Year in the Second Further Extension Period. The requirement for review and update of the Outline Exit Plans shall cease on issue of a Termination Assistance Notice by the Customer or six (6) months prior to expiry of the Call Off Agreement (whichever is sooner). The Outline Exit Plan shall serve to set some proposed indicative Termination Services for the Customer to consider in advance of it serving a Termination Assistance Notice. For the avoidance of doubt the development of the Outline Exit Plan shall create no obligations for the Contractor whereby the Customer's requirements for Termination Services shall be confirmed, agreed and commissioned under a valid Termination Assistance Notice.
- 8.3.3 Within twenty (20) Working Days after Service of a Termination Assistance Notice, the Contractor shall submit for the Customer's review and approval Detailed Exit Plans in

a form that could be implemented as soon as reasonably practicable thereafter. The Detailed Exit Plans shall be prepared on a basis consistent with the principles set out in Paragraph 8.3.7 below and shall reflect any changes in the Services that have occurred since the Outline Exit Plans were last reviewed.

- 8.3.4 The Customer may, at its option following the Contractor's written request, share the Replacement Contractor's (or its own) transition plan for transition of the Services to a Replacement Contractor or the Customer (as applicable) with the Contractor, to inform the Contractor's proposed methodology for achieving an orderly exit of the relevant Services.
- 8.3.5 The Customer may, at its option following the Contractor's written request, provide the Contractor with the Replacement Contractor's (or its own) management structure for exit to assist the Contractor's development of the Outline Exit Plans and/or the Detailed Exit Plans.
- 8.3.6 The Detailed Exit Plans shall set out (as a minimum):
- (a) the Contractor's proposed methodology for achieving an orderly exit of the relevant Services by the Contractor on the partial termination, expiry or termination of this Call-Off Agreement;
 - (b) the management structure and proposed resources to be employed to provide the Termination Services during both exit and cessation of the relevant Services during the Termination Assistance Period;
 - (c) a detailed description of both the proposed exit and cessation processes, including a timetable, applicable in the case of the partial termination, expiry or termination of this Call-Off Agreement;
 - (d) how the Contractor proposes that the relevant Services will be exited, including details of the processes, documentation, proposed data transfer, proposed systems migration, security and the segregation of the Customer's technology components from any technology components operated by the Contractor or its Sub-contractors (where applicable);
 - (e) subject to the Customer's notification in accordance with Paragraph 8.5.1, the scope of the Termination Services that may be required for the benefit of the Customer;
 - (f) a timetable and plan for critical issues which the Customer has highlighted in its Termination Assistance Notice and/or of which the Contractor is aware for providing the Termination Services;
 - (g) how the Termination Services would be provided (if required) during the Termination Assistance Period;
 - (h) procedures to deal with requests made by the Customer and/or a Replacement Contractor for Staffing Information pursuant to Schedule 5.1 (Staff Transfer);
 - (i) plans for the development and implementation of an exit communication plan;

- (j) how each of the issues set out in Part 8 of this Schedule will be addressed to facilitate the exit of the relevant Services from the Contractor with the aim of ensuring that there is as far as possible as limited disruption to or degradation of the Services during the Termination Assistance Period; and
- (k) the Customer Responsibilities required in order for the Contractor to meet its obligations during the Termination Assistance Period.

8.3.7 The Parties will meet and use their respective reasonable endeavours to agree the contents of the final form of the Detailed Exit Plans. If the Parties are unable to agree the contents of either of Detailed Exit Plan within twenty (20) Working Days following its delivery to the Customer, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.

8.3.8 Subject to Paragraphs 8.5.1 and 8.7, the Parties shall comply with all of their respective obligations contained in the Detailed Exit Plans in respect of any partial termination or termination.

8.3.9 The obligations of the Contractor under this Paragraph 8.3 shall be subject to the provisions of Paragraph 8.7.1 and funding by the Customer in accordance with the Rate Card.

8.4 Retender Services

8.4.1 Subject to Paragraph 8.4.2, on reasonable notice, the Contractor shall provide to the Customer and/or a potential Replacement Contractor (subject to the potential Replacement Contractor entering into a non-disclosure agreement substantially in the form set out in Schedule 7.7 (Non-Disclosure Agreement) to the Framework Agreement) the following material and information in order to facilitate the preparation by the Customer of an invitation to tender and/or to facilitate any potential Replacement Contractor undertaking due diligence:

- (a) the volumes for each Service(s) over the previous two (2) years;
- (b) an inventory of Customer Data in the Contractor's possession or control;
- (c) all information relating to Transferring Employees required to be provided by the Contractor under this Call-Off Agreement;
- (d) provide to the Customer and/or any Service Recipient any reasonable assistance requested by the Customer and/or any Service Recipient in preparing for and conducting any re-tender of the Services. The Contractor will use all reasonable endeavours to reallocate resources to provide these services without material additional cost and the Contractor shall notify the Customer if this is not possible, in which case such Retender Services under this Part 8 shall be charged on a time and materials basis in accordance with the Rate Card; and
- (e) answering all reasonable questions from the Customer and/or any Service Recipient and/or any potential Replacement Contractor regarding the Services.

- 8.4.2 The Contractor shall not be required to provide any of the Retender Services under this Part 8 before service of a Termination Notice or in the period which is more than twelve (12) months prior to the expiry of the Term.

8.5 Termination Services

- 8.5.1 Save in respect of Services (or part Services) which are already subject to a valid Wave Notice which has not been cancelled or withdrawn pursuant to Paragraph 6.3.1(b), the Customer shall be entitled to require the provision of Termination Services by notifying the Contractor in writing ("**Termination Assistance Notice**") at least four (4) months prior to the date of termination or expiry of this Call-Off Agreement or as soon as reasonably practicable (but in any event, not later than one (1) month) following the service by either Party of any notice to terminate. The Termination Assistance Notice shall specify the:

- (a) date from which Termination Services are required;
- (b) nature of the Termination Services required; and
- (c) period during which it is anticipated that Termination Services will be required which shall continue no longer than twelve (12) months after termination or expiry of this Call-Off Agreement.

- 8.5.2 During the Termination Assistance Period (or such shorter period as the Customer may require), the Contractor shall:

- (a) continue to be under an obligation to provide the Services to the Service Levels (subject to each Party complying with all its respective obligations in relation to the Services (including the payment of the applicable Charges by the Customer) save to the extent that the Parties agree otherwise in accordance with Paragraph 8.5.3;
- (b) provide the Termination Services;
- (c) at the Customer's request and on reasonable notice, deliver up-to-date Registers to the Customer; and
- (d) provide to the Customer and/or any Service Recipient any reasonable assistance requested by the Customer and/or any Service Recipient to allow the Services to continue without interruption following the termination or expiry of this Call-Off Agreement in part or in whole and to facilitate the orderly transfer of responsibility for and conduct of the Services to the Customer and/or any Service Recipient and/or any Replacement Contractor. The Contractor will use all reasonable endeavours to reallocate resources to provide these Services without additional costs.

- 8.5.3 Where the Contractor demonstrates to the Customer's reasonable satisfaction that transition of the Services during the Termination Assistance Period will have a material, unavoidable adverse effect on the Contractor's ability to meet a particular Service Level in respect of any of the Services:

- (a) the Customer shall provide its recommendation to the Framework Authority regarding any proposed variation to the relevant Service Level(s) and/or the

applicable Service Credits under (b) below for the Framework Authority's consideration; and

- (b) provided the Framework Authority provides its approval in writing, which shall not be unreasonably withheld, conditioned or delayed, the Parties shall vary the relevant Service Level(s) and/or the applicable Service Credits to this Call-Off Agreement to take account of such adverse effect.

8.5.4 The Customer may vary or supplement a Termination Assistance Notice in accordance with the Change Control Procedure including the duration of the Termination Assistance Period. The purpose of Changes to a Termination Assistance Notice shall be to provide further information on, or to add to, the scope and/or nature of the Termination Services.

8.5.5 Subject to Paragraph 8.5.1(c), the Customer may extend the period beyond the period specified in a Termination Assistance Notice on no less than three (3) months' written notice. The Customer may also terminate its requirement for Termination Services by serving not less than three (3) months' written notice upon the Contractor to such effect.

8.6 Termination Obligations

8.6.1 At the end of the Termination Assistance Period (or earlier if this does not adversely affect the Contractor's performance of the Services and the Termination Services and its compliance with the other provisions of this Schedule):

- (a) the Contractor shall erase from any computers, storage devices and storage media any Confidential Information and Customer Data of the Customer and any Service Recipient in the manner required by the Security Management Plan and Standards;
- (b) the Contractor shall return to the Customer such of the following as is in the Contractor's possession or control:
 - (i) all copies of the Customer Materials; and
 - (ii) any items that have been on-charged to the Customer and/or any Service Recipient (such as consumables);
- (c) the Customer shall return to the Contractor such of the following as is in the Customer's possession or control:
 - (i) all copies of the Contractor Materials; and
 - (ii) Equipment;
- (d) each Party shall return to the other Party all Confidential Information of the other Party and shall certify that it does not retain the other Party's Confidential Information; and
- (e) the Contractor shall provide access during normal working hours to the Customer and/or any Replacement Contractor(s) for six (6) calendar months after the end of the Termination Assistance Period to:

- (i) such information relating to the Services as remains in the possession or control of the Contractor; and
- (ii) such members of the Contractor Personnel as have been involved in the design, development and provision of the Services and who are still employed by the Contractor, provided that the Customer and/or Replacement Contractor shall pay the reasonable costs of the Contractor actually incurred in responding to requests for access under this Paragraph (ii).

8.6.2 Except where this Call-Off Agreement provides otherwise and notwithstanding Paragraph 1.1(r) of Annex 2 to this Schedule, all licences, leases and authorisations granted by the Customer or any Service Recipient to the Contractor in relation to the Services shall be terminated with effect from the end of the Termination Assistance Period.

8.6.3 During the Termination Assistance Period, the Customer may request and the Contractor shall provide the Customer, any Service Recipient and/or any Replacement Contractor with a complete and uncorrupted version of the Customer Data in electronic form in a format and on media reasonably required by the Customer, any Service Recipient and/or the Replacement Contractor.

8.7 Scope of Termination Services

8.7.1 The Termination Services to be provided by the Contractor shall include such of the services set out in Annex 2 to this Schedule as the Customer may specify. The Customer may opt to extend or continue the provision of Transition Services under Parts 2 to 7 of this Schedule 4.2 (Exit and Transition Management) during the Termination Assistance Period, in which case references in this Part 8 to Termination Services shall be understood to include such Transition Services unless expressly set out otherwise.

8.8 Charges during the Termination Assistance Period and Stranded Costs

8.8.1 During the Termination Assistance Period (or such shorter period as the Customer may require the Contractor to provide the Termination Services), the Customer shall pay the Charges to the Contractor in respect of the Termination Services, such Charges to be calculated in accordance with the Rate Card (unless the Termination Services constitute an extension or continuation of Transition Services delivered in accordance with the process set out in Parts 2 to 7, in which case the Charges shall be determined in accordance with that process)

8.8.2 Subject to Clause 47 (Payments Made on Termination), the provisions of:

- (a) Paragraph 1.14 of Part 1 of Schedule 3.6 (Stranded Costs, Diseconomies of Scale and related Gain Sharing); and
- (b) Paragraph 16 of Part 2 of Schedule 3.6 (Stranded Costs, Diseconomies of Scale and related Gain Sharing)

shall apply in respect of the calculation and payment of any Stranded Costs and/or Diseconomies of Scale at the end of the Termination Assistance Period.

- 8.8.3 Subject to Clause 47 (Payments Made on Termination) of the Standard Terms, the provisions of Paragraph 11 of Part E of Schedule 5.1 (Staff Transfer) shall apply in respect of the calculation and payment of Sub-contractor Redundancy Costs.

8.9 Contractor Personnel

- 8.9.1 The Customer and Contractor agree and acknowledge that in the event of the Contractor ceasing to provide the Services or part of them for any reason, Part D of Schedule 5.1 (Staff Transfer) will apply.
- 8.9.2 The Contractor will not take any step (expressly or implicitly and directly or indirectly by itself or through any other person) to dissuade or discourage any employees engaged in the provision of the Services from transferring their employment to the Customer, any Service Recipient and/or any Replacement Contractor.
- 8.9.3 During the Termination Assistance Period, the Contractor will give the Customer, any Service Recipient and/or any Replacement Contractor reasonable access to the Contractor Personnel to present the case for transferring their employment to the Customer, any Service Recipient and/or any Replacement Contractor.
- 8.9.4 The Contractor will immediately notify the Customer and any Service Recipient or, at the direction of the Customer, the Replacement Contractor of any period of notice given by the Contractor or received from any person referred to in the Staffing Information, regardless of when such notice takes effect.
- 8.9.5 The Contractor will not either directly or indirectly solicit or entice away (or seek to attempt to solicit or entice away otherwise than by general advertising) from the employment of the Customer, any Service Recipient and/or any Replacement Contractor any employees, contractors or sub-contractors whose employment or engagement is transferred to the Customer, any Service Recipient and/or any Replacement Contractor for a period of twelve (12) months from the date of transfer.

Annex 1 Statement of Work template

**Synergy Wave Transition Statement of Work – [SOW X.Y]
Transition Services**

General Principles

Customer: [Insert name of Customer]

Other Service Recipients (if any): [Insert names of any other Service Recipients or state n/a]

Customer/Service Recipient Location(s): [State the location(s) from which the services will be delivered].

Transition Services Management

The Contractor Personnel responsible for the services, will ensure that the Contractor's services team members for the Transition Services are clearly identified and responsible for all communications to the Synergy Cluster Lead and/or Customer.

With the exception of any members of Key Personnel or Transition Key Personnel, the Contractor, at its discretion may substitute Contractor services team members during the term of the contract. The Contractor will ensure that any substitutes are adequately experienced, skilled, and qualified to take responsibility for service delivery.

The Synergy Cluster Lead acknowledges (on behalf of itself and the Customer) that the Contractor shall have full responsibility for the day-to-day control of all Contractor services team members provided by the Contractor under this Statement of Work and that such 'day to day control' responsibilities shall include the Contractor:

- Controlling each team member's specific tasks, deliverables, and any required timescales for completing such tasks/deliverables;
- Determining the location where each delivery team member is required to work day to day.

Furthermore, the Synergy Cluster Lead (on behalf of itself and the Customer) agrees that all engagement in relation to any specific tasks and/or the overall delivery, progress or performance of Transition Services under this Statement of Work shall be between the Synergy Cluster Lead's Commercial team and the Contractor's Transition Manager, and neither the Synergy Cluster Lead or Customer shall engage directly with an individual Contractor services team member to:

- request such person to move to a different task under this Statement of Work; or
- request specific progress reports from such person.

Transition Key Personnel

In addition to any Transition Key Personnel and Transition Key Roles specified in Part 2 of Annex 4 of Schedule 4.2 (Exit and Transition Management), the following shall be classed as Transition Key Personnel and Transition Key Roles for the purposes of this Statement of Work:

Name	Transition Key Role	Responsibilities	Transition Key Role Minimum Period	
			Start Date	End Date
[insert][n/a]				

[Charges

Insert.

Service Description (of the Transition Services)

Synergy Programme – [Service]	Overall [SOW X.Y] Service for Synergy: [Description] [Description]
--------------------------------------	--

Approach to Deliver the [SOW X.Y]

The activities listed below will be performed to achieve [SOW X.Y]:

[The Contractor needs to explain its approach to delivering the Transition Services meeting the SOW X.Y stated in the Integrated Implementation Plan.]

SOW Milestones

[The Contractor needs to describe its Transition Services Milestones for meeting the SOW X.Y stated in the Integrated Implementation Plan.]

SOW Milestone	SOW Milestone Name	SOW Milestone Description	SOW Deliverables/ Product / Artefact	Acceptance Criteria	Transition Test Success Criteria (by ref. to appended SOW Test Plan)	Synergy Dependencies (by ref. to SOW Dependencies Schedule below)	SOW Milestone Date	Transition Key Milestone to which the SOW Milestone relates
	A: [Contractor to State]	[Contractor to State]:	<ul style="list-style-type: none"> [Contractor to State] 	[Contractor to State]:		[Contractor to State]:	[Contractor to State]:	
X.Y.[A]		<ul style="list-style-type: none"> [Contractor to State] 	<ul style="list-style-type: none"> [Contractor to State] 	<ul style="list-style-type: none"> [Contractor to State] 				
		<ul style="list-style-type: none"> [Contractor to State] 		<ul style="list-style-type: none"> [Contractor to State] 				
	B: [Contractor to State]	[Contractor to State]:	[Contractor to State]	[Contractor to State]:		[Contractor to State]:	[Contractor to State]:	
X.Y.[B]		[Contractor to State]	[Contractor to State]	[Contractor to State]				
		[Contractor to State]		[Contractor to State]				
	C: [Contractor to State]	[Contractor to State]:	[Contractor to State]	[Contractor to State]:		[Contractor to State]:	[Contractor to State]:	
X.Y.[C]		[Contractor to State]	[Contractor to State]	[Contractor to State]				
		[Contractor to State]		[Contractor to State]				
	D: [Contractor to State]	[Contractor to State]:	[Contractor to State]	[Contractor to State]:		[Contractor to State]:	[Contractor to State]:	
X.Y.[D]		[Contractor to State]	[Contractor to State]	[Contractor to State]				
		[Contractor to State]		[Contractor to State]				
	X: [Contractor to State]	[Contractor to State]:	[Contractor to State]	[Contractor to State]:		[Contractor to State]:	[Contractor to State]:	
X.Y.[X]		[Contractor to State]	[Contractor to State]	[Contractor to State]				
		[Contractor to State]		[Contractor to State]				

SOW Dependencies Schedule

#	Category	Dependency Description	Dependency Date
[1]	[Contractor to State]	[Contractor to State]	[Contractor to State]
[2]	[Contractor to State]	[Contractor to State]	[Contractor to State]
[3]	[Contractor to State]	[Contractor to State]	[Contractor to State]
[4]	[Contractor to State]	[Contractor to State]	[Contractor to State]
[5]	[Contractor to State]	[Contractor to State]	[Contractor to State]

Annex 2 Scope of the Transition Services and/or Termination Services

1 Scope of the Transition Services and/or Termination Services

- 1.1 The Transition Services or Termination Services (as the case may be) to be provided by the Contractor shall include such of the following services as the Customer may specify in accordance with Paragraph 5.1.4 (in respect of Transition Services) or Paragraph 8.5.1 (in respect of Termination Services):
- (a) performing discovery activities to enable sufficient understanding to be able to effectively build a solution, validate scope and plan the activity needed to deliver the smooth and orderly transition of Services and/or service components to the Replacement Contractor(s), Customer or Service Recipient in accordance with the applicable provisions of this Schedule 4.2 (Exit and Transition Management);
 - (b) provision of up-to-date Registers and/or Synergy Registers (as the case may be) pursuant to Paragraph 3.4 (Registers) or Paragraph 8.5.2(c) (Termination Services);
 - (c) notifying the Sub-contractors of procedures to be followed during the Transition Services Period or Termination Assistance Period (as the case may be) and providing management to ensure these procedures are followed;
 - (d) providing assistance and expertise as necessary to examine all operational and business processes (including all supporting documentation) in place and rewriting and implementing processes and procedures such that they are appropriate for use by the Customer, Service Recipients and/or Replacement Contractor(s) after the end of the Wave Transition Period or Termination Assistance Period (as the case may be);
 - (e) with respect to work in progress as at the end of the Wave Transition Period or Termination Assistance Period (as the case may be), documenting the current status and stabilising for continuity during the transition to a Replacement Contractor, Customer or Service Recipient;
 - (f) providing support to the Customer, any Service Recipient and/or any Replacement Contractor(s) during the transition to the Replacement Contractor(s), Customer or Service Recipient; and
 - (g) the provision of access for the Customer, any Service Recipient and/or any Replacement Contractor(s) during the Transition Services Period or Termination Assistance Period (as the case may be) and (in respect of the Final Wave Transition or the Termination Assistance Period) for a period not exceeding six (6) months afterwards, for the purpose of the smooth transfer of the relevant Services and/or service components to the Customer, any Service Recipient and/or any Replacement Contractor(s):
 - (i) to information and documentation relating to those Services and/or service component that is in the possession or control of the Contractor or its Sub-contractors (and the Contractor shall procure that its Sub-contractors do not destroy or dispose of that information within this period) including the right to take reasonable copies of that material; and
 - (ii) following reasonable notice and during the Contractor's normal business hours, to:
 - (A) members of the Contractor Personnel who have been involved in the provision or management of those Services and/or service components and who are still employed or engaged by the Contractor or its Sub-contractors; and

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- (B) the Sites (to the extent reasonably necessary to enable the Customer or the Replacement Contractor(s) to understand the scope and the nature of the relevant Services and/or service components);
- (h) ceasing all non-critical Software changes (except where agreed in writing with the Customer);
- (i) delivering to the Customer the existing systems support profiles, monitoring or system logs, problem tracking/resolution documentation and status reports all relating to the relevant Services and/or service components in the twelve (12) month period immediately prior to the commencement of the Transition Services or Termination Services (as the case may be);
- (j) providing details of work volumes and staffing requirements relating to the relevant Services and/or service components over the twelve (12) month period immediately prior to the commencement of the Transition Services or Termination Services (as the case may be);
- (k) providing the Customer with any problem logs relating to the relevant Services and/or service components which have not previously been provided to the Customer;
- (l) providing assistance and expertise as necessary to examine all governance and reports in place for the provision of the relevant Services and/or service components and re-writing and implementing these during and for a period of twelve (12) months after the Wave Transition Period or Termination Assistance Period (as the case may be);
- (m) providing assistance and expertise as necessary to examine all relevant roles and responsibilities in place for the provision of the relevant Services and/or service components and re-writing and implementing these such that they are appropriate for the continuation of the relevant Services and/or service components after the Wave Transition Period or Termination Assistance Period (as the case may be);
- (n) agreeing with the Customer an effective communication strategy and joint communications plan which sets out the implications for Contractor Personnel, Customer staff, customers and key stakeholders;
- (o) reviewing all Software libraries used in connection with the relevant Services and/or service components and providing details of these to the Customer and/or any Replacement Contractor(s);
- (p) providing assistance and expertise as necessary to support the Customer and/or any Replacement Contractor(s) develop the migration plan for business operations and Customer Data to the Replacement Contractor(s), which may include migration approach, testing of plans, contingency options, and handling of historic or archived Customer Data;
- (q) provide all necessary support, equipment, tools, and Software such as data migration services and/or automated programming interfaces, in order to enable and support the execution of the migration plan by the Customer and/or Replacement Contractor(s);
- (r) ceasing use of licences provided by the Customer for use only in respect of the relevant. Where there is a period of use remaining with such licences, provision to the Customer and/or any Replacement Contractor(s) of reasonable assistance and all such information which the Customer and/or the Replacement Contractor(s) may require to enable the Customer to continue to benefit from such licences including the return of licence keys;

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- (s) making available to the Customer and/or any Replacement Contractor(s) expertise to analyse training requirements and provide all necessary training for the use of tools by such staff as are nominated by the Customer (acting reasonably) at the time of termination or expiry;
- (t) assisting in establishing naming conventions for any new production site;
- (u) analysing and providing information about capacity and performance requirements, processor requirements and bandwidth requirements, and known planned requirements for capacity growth across these areas;
- (v) generating a computer listing of the Source Code of any relevant Software (as agreed between the Parties, acting reasonably) in a form and on media reasonably requested by the Customer;
- (w) agreeing with the Customer a handover plan for all of the Contractor's responsibilities in relation to the relevant Services and/or service components as set out in the Security Management Plan;
- (x) delivering copies of the production databases (with content listings) to the Customer's and/or any Replacement Contractor(s)' operations staff (on appropriate media) as reasonably requested by the Customer;
- (y) assisting with the loading, testing and implementation of the production databases;
- (z) assisting in the execution of a parallel operation in respect of the relevant Services and/or service components until the end of the relevant Wave Transition Period or the effective date of expiry or termination of this Call-Off Agreement (as the case may be);
- (aa) in respect of the maintenance and support of the Contractor System, providing historical performance data for the previous twelve (12) months;
- (bb) assisting in the execution of a parallel operation of the maintenance and support of the Contractor System until the end of the Final Wave Transition or the Termination Assistance Period (as the case may be) or as otherwise specified by the Customer (provided that these Services shall end on a date no later than the end of the Wave Transition Period for the Final Wave Transition or the end of the Termination Assistance Period (as the case may be));
- (cc) providing an information pack listing and describing the relevant Services and/or service components for use by the Customer in the procurement of the Replacement Services
- (dd) promptly answering all reasonable questions from the Customer and/or any Replacement Contractor(s) regarding the relevant Services and/or service components;
- (ee) agreeing with the Customer and/or any Replacement Contractor(s) a plan for the migration of the Customer Data to the Customer and/or the Replacement Contractor(s);
- (ff) managing Assets associated with fixed infrastructure in accordance with this Call-Off Agreement until decommissioned and disposed;
- (gg) moving (which shall be calculated in accordance with a price card to be agreed between the Parties), decommissioning, disposal (where not security implicated) and destruction (where security implicated) of Assets used only in respect of the relevant Services and/or service components;

- (hh) removing and safely disposing of all relevant Contractor Equipment used only in respect of the relevant Services and/or service components from the Sites and the Customer Premises as required by the Customer, including making good the Sites and/or the Customer Premises following removal, and taking account of any sustainability requirements, including safe removal of data and recycling requirements;
- (ii) disposal of all classified information, and assets used for processing or storing classified information in relation to the relevant Services and/or service components, in accordance with all relevant processes, policies and standards. This covers the return to the Customer or destruction of Assets/Information, including crypto, crypto key, and classified information and documents, except to the extent the Contractor is required to maintain copies under applicable law; and
- (jj) knowledge transfer services, including:
 - (i) transferring all training material and providing appropriate training to those Customer and/or Replacement Contractor staff responsible for internal training in connection with the provision of the relevant Services and/or service components;
 - (ii) providing for transfer to the Customer and/or any Replacement Contractor(s) of all knowledge reasonably required for the provision of the relevant Services and/or service components which may, as appropriate, include information, records and documents;
 - (iii) providing the Contractor and/or any Replacement Contractor(s) with access to such members of the Contractor's or its Sub-contractors' personnel as have been involved in the design, development, provision or management of the relevant Services and/or service components and who are still employed or engaged by the Contractor or its Sub-contractors; and
 - (iv) allowing the Customer and/or any Replacement Contractor(s) to work alongside and observe the performance of the relevant Services and/or service components by the Contractor at its Sites used to fulfil the relevant Services and/or service components (subject to compliance by the Customer and the Replacement Contractor(s) with any applicable security and/or health and safety restrictions),

and any such person who is provided with such knowledge transfer services will sign a confidentiality undertaking in favour of the Contractor (in such form as the Contractor shall reasonably require).

1.2 The Contractor shall:

- (a) provide a documented plan relating to the training matters referred to in Paragraphs 1.1(s) and 1.1(jj)(i) for agreement by the Customer either (i) as part of, or in accordance with any timeline set out in, the relevant Statement of Work, or (ii) at the time of termination or expiry of this Agreement (as the case may be);
- (b) co-operate fully in the execution of the handover plan agreed pursuant to Paragraph 1.1(w), providing skills and expertise of a suitable standard; and
- (c) fully co-operate in the execution of the Customer Data migration plan agreed pursuant to Paragraph 1.1(ee), providing skills and expertise of a reasonably acceptable standard.

1.3 To facilitate the transfer of knowledge from the Contractor to the Customer and/or its Replacement Contractor(s), the Contractor shall provide a detailed explanation of the procedures and operations used to provide the relevant Services and/or service components,

the change management process and other standards and procedures to the operations personnel of the Customer and/or the Replacement Contractor(s).

1.4 The information which the Contractor shall provide to the Customer and/or any Replacement Contractor(s) pursuant to Paragraph 1.1(cc) shall include:

- (a) copies of up-to-date procedures and operations manuals;
- (b) product information;
- (c) agreements with third party contractors of goods and services which are to be transferred to the Customer and/or the Replacement Contractor(s);
- (d) key support contact details for third party contractor personnel under contracts which are to be assigned or novated to the Customer pursuant to this Schedule 4.2 (Exit and Transition Management);
- (e) information regarding any unresolved faults in progress at the commencement of the Transition Services Period or Termination Assistance Period (as the case may be) as well as those expected to be in progress at the end of the Transition Services Period or Termination Assistance Period (as the case may be);
- (f) details of physical and logical security processes and tools which will be available to the Customer; and
- (g) any relevant interface information,

and such information shall be updated by the Contractor at the end of each Wave Transition Period or Termination Assistance Period (as the case may be).

1.5 During each Wave Transition Period and any Termination Assistance Period the Contractor shall grant any agent or personnel (including employees, consultants and Contractors) of any Replacement Contractor(s) and/or the Customer access, during business hours and upon reasonable prior written notice, to any Sites for the purpose of effecting a prompt knowledge transfer in relation to the relevant Services and/or service components provided that:

- (a) any such agent or personnel (including employees, consultants and contractors) having access to any Sites pursuant to this Paragraph 1.5 shall:
- (b) sign a confidentiality undertaking in favour of the Contractor (in such form as the Contractor shall reasonably require); and
- (c) during each period of access comply with the security, systems and facilities operating procedures of the Contractor relevant to such Site and that the Customer deems reasonable.

Annex 3 Detailed Wave Exit Plans Requirements

1 Detailed Wave Exit Plan Requirements

1.1 Detailed Wave Exit Plans shall set out in respect of each proposed Wave Transition:

- (a) the Contractor's proposed methodology for the orderly transition of the relevant Services and/or service components by the Contractor with regards the proposed Wave Transition;
- (b) the management structure and proposed resources to be employed to provide the Transition Services during the relevant Wave Transition Period;
- (c) a detailed description of both the proposed exit and cessation processes, including a timetable, applicable in the case of the proposed Wave Transition;
- (d) how the Contractor proposes that the relevant Services and/or service components will be exited, including details of the processes, documentation, proposed data transfer, proposed systems migration, security and the segregation of the Customer's technology components from any technology components operated by the Contractor or its Sub-contractors (where applicable);
- (e) subject to notification of the Customer Requirements in accordance with Paragraph 6.2.1(a) of this Schedule 4.2 (Exit and Transition Management), the scope of the Transition Services that may be required for the benefit of the Customer;
- (f) a timetable and plan for critical issues which the Customer has highlighted to the Contractor and/or of which the Contractor is aware for providing the Transition Services;
- (g) how the Transition Services would be provided (if required) during the relevant Wave Transition Period;
- (h) procedures to deal with requests made by the Customer and/or a Replacement Contractor for information about In-Scope Employees (under Part E of Schedule 5.1 (Staff Transfer) to the Standard Terms (Change of Identity of the Contractor due to Integrated Implementation Plan));
- (i) plans for the development and implementation of an exit communication plan;
- (j) how each of the issues set out in this Schedule will be addressed to facilitate the transition of the relevant Services or service components from the Contractor with the aim of ensuring that there is as far as possible as limited disruption to or degradation of the Services during the relevant Wave Transition Period; and
- (k) the Customer Responsibilities required in order for the Contractor to meet its obligations during the relevant Wave Transition Period.

1.2 Each Detailed Wave Exit Plan shall also set out the requirements for testing that Detailed Wave Exit Plan prior to its implementation (including applicable test success criteria) in accordance with the requirements of Paragraph 7.2.4.

Annex 4 Core Management Transition Teams and Transition Key Personnel

Part 1: Team Composition

1 Contractor's Core Management Transition Team:

Part 2: Transition Key Personnel

Name	Transition Key Role	Responsibilities	Transition Key Role Minimum Period	
			Start Date	End Date
REDACTED	Programme Director	<ul style="list-style-type: none"> - Accountable and responsible for Transition delivery. - Represent Transition at senior governance forums. - Delegated decision-making authority (within SSCL Executive Management. set limits). - Direct the programme's activities, set, and manage priorities, manage risks, resolve issues, and manage escalations. - Manage programme scope and commercials, including SOWs. 	Second Further Renewal CAN Effective Date	End of the Term
REDACTED	Programme Manager	<ul style="list-style-type: none"> - Deputise for the Programme Director. - Represent Transition at governance forums where deputising for Programme Director and/or at non-senior governance forums. 	Second Further Renewal CAN Effective Date	End of the Term

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Name	Transition Key Role	Responsibilities	Transition Key Role Minimum Period	
			Start Date	End Date
		<ul style="list-style-type: none"> - Day-to-day management of programme team members. - Manage programme deliverables, supported by Quality Assurance Lead. 		

Annex 5 Registers

1 Registers

1.1 As and when required pursuant to Paragraph 3.4 (Registers) or Paragraph 8.5.2(c) (Termination Services), the Contractor shall:

- (a) create and maintain a register broken down by Service Offering of all:
 - (i) Assets (to the extent applicable), detailing their:
 - (A) make, model and asset number;
 - (B) ownership and status as either Exclusive Assets or Non-Exclusive Assets;
 - (C) Net Book Value;
 - (D) condition and physical location; and
 - (E) use (including technical specifications); and
 - (ii) Sub-contractor agreements and other relevant agreements (including relevant software licences, maintenance and support agreements and equipment rental and lease agreements) required for the performance of the Services,

(collectively the "**Registers**");
- (b) create and maintain a configuration database detailing the technical infrastructure and operating procedures through which the Contractor provides the Services, which shall contain sufficient detail to permit the Customer and/or Replacement Contractor(s) to understand how the Contractor provides the Services and to enable the smooth transition of the Services with the minimum of disruption;
- (c) agree the format of the Registers with the Customer as part of the process of agreeing the relevant Statement of Work or Exit Plan (as applicable);
- (d) at all times keep the Registers up to date, in particular in the event that Assets, Sub-contractor agreements or other relevant agreements are added to or removed from the Services; and
- (e) procure that all Exclusive Assets listed in the Registers are clearly marked to identify that they are exclusively used for the provision of the Services under this Call-Off Agreement.

1.2 The Contractor shall procure that all Exclusive Assets listed in the Registers are clearly marked to identify that they are exclusively used for the provision of the Services under this Call-Off Agreement.

Annex 6 Wave Notice Template

The document at Annex 6 is file reference "Wave Notice Template v1.0 31.03.25.docx" as embedded below:



Wave%20Notice%20
Template%20v1.0%

Annex 7 Wave Notice Impact Assessment Template

The document at Annex 7 is file reference " 20250223-Synergy-WNIA-Template-V2.3.xlsx" as embedded below:



20250223-Synergy-
WNIA-Template-V2.3

Annex 8 SOW Commissioning Process

The document at Annex 8 is file reference "4.2 Annex 8 - SoW Request process.pdf" as embedded below:



4.2 Annex 8 - SoW
Request process.pdf

Annex 9 Wave Notice Process

The document at Annex 9 is file reference "Wave Notice Process v1.0 28.03.25.pptx" as embedded below:



Wave%20Notice%20
Process%20v1.0%20(

Annex 10 Integrated Implementation Plan as at Second Further Renewal can Effective Date

The document at Annex 10 is file reference "Synergy Integrated Programme Plan 2025_03_14 0900 Excel Export v1.xlsb" as embedded below:



Synergy%20Integrat
ed%20Programme%.

Annex 11 Testing Procedures

1 Definitions

(1) In this Annex, the following definitions shall apply:

"Attain"	means:
	(a) in respect of a SOW Milestone, to successfully meet all of the requirements of the relevant SOW Milestone which shall be evidenced by the issue of (subject to Paragraph 13(3)) a SOW Milestone Attainment Certificate in respect of that SOW Milestone; and
	(b) in respect of a Transition Test, to successfully meet all of the requirements of the relevant Transition Test Success Criteria,
	and "Attained" and "Attainment" shall be construed accordingly;
"Material Transition Test Issue"	a Transition Test Issue of Severity Level 1 or Severity Level 2;
"SOW Non Key Milestone"	a SOW Milestone other than a SOW Key Milestone;
"Replacement Contractor Test Strategy"	the strategy developed by a Replacement Contractor and agreed by the Synergy Cluster Lead for the conduct of implementation testing under the relevant Replacement Contract, as such strategy may be updated from time to time and made available to the Contractor;
"Severity Level"	the level of severity of a Transition Test Issue, the criteria for which are described in Appendix 1;
"SOW Milestone Attainment Certificate"	the certificate to be granted either by: <ul style="list-style-type: none"> (a) the Synergy Cluster Lead when the Contractor has Attained a SOW Key Milestone; or (b) the Contractor when the Contractor has Attained a SOW Non Key Milestone, which shall be in substantially the same form as that set out in Appendix 3 of this Annex 11 (Testing Procedures);
"SOW Test Certificate"	a certificate materially in the form of the document contained in Appendix 2 issued by the Synergy Cluster Lead or Contractor (as applicable) when a SOW Deliverable has satisfied its relevant Transition Test Success Criteria;
"SOW Test Plan"	a plan:

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- (a) for the Transition Testing of SOW Deliverables; and
- (b) setting out other agreed criteria related to the attainment of SOW Milestones,

as described further in Paragraph 5;

"SOW Test Specification"	the specification that sets out how Transition Tests will demonstrate that the Transition Test Success Criteria have been satisfied, as described in more detail in Paragraph 7;
"Transition Test"	any tests required to be carried out under Schedule 4.2 (Exit and Transition Management) or a Statement of Work or other commissioning document, as further described in this Annex 11 (Testing Procedures) and Transition Testing and Transition Tested shall be construed accordingly;
"Transition Test Issue"	any variance or non-conformity of a Transition Test result from its requirements (such requirements being set out in the relevant Transition Test Success Criteria);
"Transition Test Issue Management Log"	a log for the recording of Transition Test Issues as described further in Paragraph 9(1);
"Transition Test Issue Threshold"	in relation to the Transition Tests applicable to a SOW Milestone, a maximum number of Severity Level 3 and Severity Level 4 Transition Test Issues as set out in the relevant Statement of Work;
"Transition Test Reports"	the reports to be produced by the Contractor setting out the results of Transition Tests;
"Transition Test Strategy"	a strategy for the conduct of Transition Testing as described further in Paragraph 4;
"Transition Test Success Criteria"	in relation to a Transition Test, the test success criteria for that Transition Test as referred to in Paragraph 6;
"Transition Test Witness"	any person appointed by the Synergy Cluster Lead pursuant to Paragraph 10(1); and
"Transition Testing Quality Checks"	has the meaning given in Paragraph 11(1).

2 Risk

- (1) The issue of a SOW Test Certificate, a SOW Milestone Attainment Certificate and/or a conditional SOW Milestone Attainment Certificate shall not:
 - (a) operate to transfer any risk that the relevant SOW Deliverable or SOW Milestone is complete or will meet and/or satisfy the Synergy Cluster Lead's requirements for that SOW Deliverable or SOW Milestone; or
 - (b) affect the Synergy Cluster Lead's right subsequently to reject (acting reasonably and providing reasonable evidence for such rejection):

- (i) all or any element of the SOW Deliverables to which a SOW Test Certificate relates; or
 - (ii) subject to Paragraph 2(2), any SOW Milestone to which the SOW Milestone Attainment Certificate relates.
- (2) Without prejudice to any other rights or remedies the Synergy Cluster Lead may have, any subsequent rejection of a SOW Key Milestone under Paragraph 2(1)(b)(ii) above shall not entitle the Synergy Cluster Lead to receive retrospective Transition Services Delay Payments in respect of the period following the issue of the subsequently overturned SOW Milestone Attainment Certificate for that SOW Key Milestone.
- (3) Notwithstanding the issuing of any SOW Milestone Attainment Certificate, the Contractor shall remain solely responsible for ensuring that the Transition Services are delivered in accordance with its obligations in this Contract.

3 Transition Testing overview

- (1) All Transition Tests conducted by the Contractor shall be conducted in accordance with the Transition Test Strategy, the SOW Test Plans and the SOW Test Specifications.
- (2) The Contractor shall not submit any SOW Deliverable for Transition Testing:
 - (a) unless the Contractor is reasonably confident that it will satisfy the relevant Transition Test Success Criteria;
 - (b) until a SOW Test Certificate has been issued by the Synergy Cluster Lead or the Contractor (as applicable) in respect of any prior, dependant SOW Deliverable(s) upon which the relevant SOW Deliverable is dependent; and
 - (c) until the Contractor and the Synergy Cluster Lead have agreed the SOW Test Specification relating to the relevant SOW Deliverable(s).
- (3) The Contractor shall use reasonable endeavours to submit each SOW Deliverable for Transition Testing or re-Transition Testing by or before the date set out in the relevant Statement of Work for the commencement of Transition Testing in respect of the relevant SOW Deliverable.
- (4) Prior to the issue of a SOW Test Certificate, the Synergy Cluster Lead shall be entitled to review the relevant Transition Test Reports and the Transition Test Issue Management Log.
- (5) Any Disputes between the Synergy Cluster Lead and the Contractor regarding Transition Testing shall be referred to the Dispute Resolution Procedure using the Expedited Dispute Timetable.
- (6) The Contractor shall upload complete and accurate copies of all documentation and information produced in accordance with the requirements of this Annex 11 onto the Virtual Library promptly and in the format agreed with the Synergy Cluster Lead. The Contractor shall ensure that such documentation and information is organised within the Virtual Library in accordance with the relevant SOW Deliverable(s) and/or SOW Milestone(s) to which it relates (as applicable).

4 Transition Test Strategy

- (1) The Contractor shall review any Replacement Contractor Test Strategy(ies) that have been made available to the Contractor and, taking into account such Replacement Contractor Test Strategy(ies), develop the initial Transition Test Strategy as soon as practicable after the Second Further Renewal CAN Effective Date but in any case prior to the later of:

- (a) forty-five (45) Working Days (or such other period as the Contractor and the Synergy Cluster Lead may agree in writing) after the Second Further Renewal CAN Effective Date; and
 - (b) twenty (20) Working Days after the initial Integrated Implementation Plan is first made available to the Contractor in accordance with Paragraph 4.2.1 of Schedule 4.2 (Exit and Transition Management).
- (2) The Transition Test Strategy shall include:
 - (a) an overview of how Transition Testing will be conducted in support of the Integrated Implementation Plan, and to align with and support the Replacement Contractor Test Strategy(ies);
 - (b) the process to be used to capture and record Transition Test results and the categorisation of Transition Test Issues;
 - (c) the method for mapping the expected Transition Test results to the Transition Test Success Criteria;
 - (d) the procedure to be followed if a SOW Deliverable fails to satisfy the Transition Test Success Criteria or produces unexpected results, including a procedure for the resolution of Transition Test Issues;
 - (e) the procedure to be followed to sign off each Transition Test;
 - (f) the process for the production and maintenance of Transition Test Reports and reporting, including templates for the Transition Test Reports and the Transition Test Issue Management Log, and a sample plan for the resolution of Transition Test Issues;
 - (g) the names and contact details of the Synergy Cluster Lead's and the Contractor's Transition Test representatives;
 - (h) a high level identification of the resources required for Transition Testing, including facilities, infrastructure, personnel and Synergy Cluster Lead and/or third party involvement in the conduct of the Transition Tests;
 - (i) the technical environments required to support the Transition Tests; and
 - (j) the procedure for managing the configuration of the Transition Test environments.
- (3) The Contractor shall update the Transition Test Strategy as and when required to take into account the latest versions of the Integrated Implementation Plan and Replacement Contractor Test Strategy(ies) made available to the Contractor.

5 SOW Test Plans

- (1) Subject to Paragraph 5(4), the Contractor shall develop SOW Test Plans and submit these for the approval of the Synergy Cluster Lead as part of each Statement of Work pursuant to Paragraph 5.1.4(c)(ii) of Schedule 4.2 (Exit and Transition Management). For the avoidance of doubt, each Statement of Work shall have its own SOW Test Plan.
- (2) Each SOW Test Plan shall include as a minimum:
 - (a) the relevant Transition Test definition and the purpose of the Transition Test, the SOW Milestone to which it relates, the requirements being tested and, for each Transition Test, the specific Transition Test Success Criteria to be satisfied;

- (b) a detailed procedure for the Transition Tests to be carried out, including:
 - (i) the timetable for the Transition Tests, including start and end dates;
 - (ii) the Transition Testing mechanism;
 - (iii) dates and methods by which the Synergy Cluster Lead can inspect Transition Test results or witness the Transition Tests in order to establish or verify (as the case may be) that the Transition Test Success Criteria have been met;
 - (iv) the mechanism for ensuring the quality, completeness and relevance of the Transition Tests;
 - (v) the format and an example of Transition Test progress reports and the process with which the Synergy Cluster Lead accesses daily Transition Test schedules;
 - (vi) the process which the Synergy Cluster Lead will use to review Transition Test Issues and the Contractor's progress in resolving these in a timely basis;
 - (vii) the Transition Test schedule; and
 - (viii) the re-Transition Test procedure, the timetable and the resources which would be required for re-Transition Testing;
 - (c) the process for addressing Transition Test Issues from a re-test situation to the taking of specific remedial action to resolve the Transition Test Issue; and
 - (d) any applicable target dates for issuing SOW Test Certificate(s) once the Transition Test Success Criteria for the Transition Tests have been satisfied (however, for the avoidance of doubt, any failure to meet such target dates shall not constitute deemed acceptance of the relevant SOW Deliverable(s)).
- (3) The Synergy Cluster Lead shall not unreasonably withhold or delay its approval of the SOW Test Plans provided that the Contractor shall incorporate any reasonable requirements of the Synergy Cluster Lead in the SOW Test Plans prior to signature of the Statement of Work.
 - (4) In respect of each Statement of Work which is priced on a time and materials basis, the Contractor and the Synergy Cluster Lead shall agree, as part of the Statement of Work Commissioning Process, whether such Statement of Work requires a SOW Test Plan (in which case the provisions of Paragraphs 5(1) to 5(3) above shall apply) or whether a SOW Test Plan is not required for that Statement of Work (in which case the Contractor and the Synergy Cluster Lead shall agree and document in the Statement of Work the relevant acceptance criteria that the Contractor must meet in order to Attain each SOW Milestone and meet each SOW Deliverable set out in that Statement of Work).

6 Transition Test Success Criteria

- (1) The Transition Test Success Criteria for each Transition Test shall be agreed between the Contractor and the Synergy Cluster Lead as part of the relevant SOW Test Plan pursuant to Paragraph 5 (SOW Test Plans) and set out in the relevant Statement of Work.

7 SOW Test Specification

- (1) Following agreement of a Statement of Work in accordance with Paragraph 5.1.4(e) of Schedule 4.2 (Exit and Transition Management), the Contractor shall develop the SOW Test Specification for the relevant SOW Deliverables as soon as reasonably practicable and in any event at least ten (10) Working Days (or such other period as the Contractor and the Synergy

Cluster Lead may agree in the relevant Statement of Work or otherwise agree in writing) prior to the start of the relevant Transition Testing (as specified in the relevant Statement of Work).

- (2) Each SOW Test Specification shall include as a minimum:
- (a) the specification of the Transition Test data, including its source, scope, volume and management, a request (if applicable) for relevant Transition Test data to be provided by the Synergy Cluster Lead and the extent to which it is equivalent to live operational data;
 - (b) a plan to make the resources available for Transition Testing;
 - (c) Transition Test scripts;
 - (d) Transition Test pre-requisites and the mechanism for measuring them; and
 - (e) expected Transition Test results, including:
 - (i) a mechanism to be used to capture and record Transition Test results; and
 - (ii) a method to process the Transition Test results to establish their content.

8 Transition Testing

- (1) Before submitting any SOW Deliverables for Transition Testing the Contractor shall subject the relevant SOW Deliverables to its own internal quality control measures.
- (2) The Contractor shall manage the progress of Transition Testing in accordance with the relevant SOW Test Plan and shall carry out the Transition Tests in accordance with the relevant SOW Test Specification. Transition Tests may be witnessed by the Transition Test Witnesses in accordance with Paragraph 10 (Transition Test Witnessing).
- (3) The Contractor shall notify the Synergy Cluster Lead at least ten (10) Working Days (or such other period as the Contractor and the Synergy Cluster Lead may agree in writing) in advance of the date, time and location of the relevant Transition Tests and the Synergy Cluster Lead shall confirm if any Transition Test Witnesses will attend the Transition Tests.
- (4) The Synergy Cluster Lead may raise and close Transition Test Issues during the Transition Test witnessing process by updating the Transition Test Issues Management Log in the Virtual Library.
- (5) The Contractor shall provide to the Synergy Cluster Lead (by uploading a copy to the Virtual Library) in relation to each Transition Test:
 - (a) a draft Transition Test Report not less than two (2) Working Days (or such other period as the Contractor and the Synergy Cluster Lead may agree in writing) prior to the date on which the Transition Test is planned to end; and
 - (b) the final Transition Test Report within five (5) Working Days (or such other period as the Contractor and the Synergy Cluster Lead may agree in writing) of completion of Transition Testing.
- (6) Each Transition Test Report shall provide a full report on the Transition Testing conducted in respect of the relevant SOW Deliverables, including:
 - (a) an overview of the Transition Testing conducted;
 - (b) identification of the relevant Transition Test Success Criteria that have been satisfied;

- (c) identification of the relevant Transition Test Success Criteria that have not been satisfied together with the Contractor's explanation of why those criteria have not been met;
- (d) the Transition Tests that were not completed together with the Contractor's explanation of why those Transition Tests were not completed;
- (e) the Transition Test Success Criteria that were satisfied, not satisfied or which were not tested, and any other relevant categories, in each case grouped by Severity Level in accordance with Paragraph 9(1); and
- (f) the specification for any hardware and software used throughout Transition Testing and any changes that were applied to that hardware and/or software during Transition Testing.

9 Transition Test Issues

- (1) Where a Transition Test Report identifies a Transition Test Issue, the Contractor and the Synergy Cluster Lead shall agree the classification of the Transition Test Issue using the criteria specified in Appendix 1 and the Transition Test Issue Management Log maintained by the Contractor shall log Transition Test Issues reflecting the Severity Level allocated to each Transition Test Issue.
- (2) The Contractor shall be responsible for maintaining the Transition Test Issue Management Log and for ensuring that its contents accurately represent the current status of each Transition Test Issue at all relevant times. The Contractor shall make the up-to-date Transition Test Issue Management Log available to the Synergy Cluster Lead, Synergy Cluster Members, Framework Authority and any Replacement Contractor(s) at all times via the Virtual Library.
- (3) The Synergy Cluster Lead shall confirm the classification of any Transition Test Issue unresolved at the end of a Transition Test in consultation with the Contractor. If the Contractor and the Synergy Cluster Lead are unable to agree the classification of any unresolved Transition Test Issue, the Dispute shall be dealt with in accordance with the Dispute Resolution Procedure using the Expedited Dispute Timetable.
- (4) In respect of each and every Severity Level 1-3 Transition Test Issue, the Contractor is obligated to correct these Transition Test Issues before the applicable SOW Milestone Payment is released.
- (5) In respect of each and every Severity Level 4 Transition Test Issue, the Contractor is obligated to correct these Transition Test Issues but the applicable SOW Milestone Payment is not delayed or withheld as a result, and, if the Severity Level 4 Test Issue relates to a SOW Key Milestone, Transition Services Delay Payments will not apply (to the extent the Transition Services Delay was solely attributable to the Severity Level 4 Test Issue(s)).

10 Transition Test Witnessing

- (1) The Synergy Cluster Lead may, in its sole discretion, require the attendance at any Transition Test of one or more Transition Test Witnesses selected by the Synergy Cluster Lead, each of whom shall have appropriate skills to fulfil the role of a Transition Test Witness.
- (2) The Contractor shall give the Transition Test Witnesses access to any documentation and Transition Testing environments reasonably necessary and requested by the Transition Test Witnesses to perform their role as a Transition Test Witness in respect of the relevant Transition Tests.

- (3) The Transition Test Witnesses:
- (a) shall actively review the Transition Test documentation;
 - (b) will attend and engage in the performance of the Transition Tests on behalf of the Synergy Cluster Lead so as to enable the Synergy Cluster Lead to gain an informed view of whether a Transition Test Issue may be closed or whether the relevant element of the Transition Test should be re-Transition Tested;
 - (c) shall not be involved in the execution of any Transition Test;
 - (d) shall be required to verify that the Contractor conducted the Transition Tests in accordance with the Transition Test Success Criteria and the relevant SOW Test Plan and SOW Test Specification;
 - (e) may produce and deliver their own, independent reports on Transition Testing, which may be used by the Synergy Cluster Lead to assess whether the Transition Tests have been Attained;
 - (f) may raise Transition Test Issues on the Transition Test Issue Management Log in respect of any Transition Testing; and
 - (g) may require the Contractor to demonstrate the modifications made to any defective SOW Deliverable before a Transition Test Issue is closed.

11 Transition Test quality checks

- (1) Without prejudice to its rights pursuant to Clause 15 (Audit, Records and Reports), the Synergy Cluster Lead may perform on-going quality checks in respect of any part of the Transition Testing (each a Transition Testing Quality Check).
- (2) The focus of the Transition Testing Quality Checks shall be on:
 - (a) adherence to an agreed methodology;
 - (b) adherence to the agreed Transition Testing process;
 - (c) review of status and key development issues; and
 - (d) identification of key risk areas.
- (3) The Contractor shall allow sufficient time in the SOW Test Plan to ensure that adequate responses to a Transition Testing Quality Check can be provided.
- (4) The Synergy Cluster Lead will give the Contractor at least five (5) Working Days' notice of the Synergy Cluster Lead's intention to carry out a Transition Testing Quality Check and the Contractor may request, following receipt of that notice, that any Transition Testing Quality Check be delayed by a reasonable time period if in the Contractor's reasonable opinion, the carrying out of a Transition Testing Quality Check at the time specified by the Synergy Cluster Lead will materially and adversely impact the Integrated Implementation Plan or relevant Statement of Work.
- (5) A Transition Testing Quality Check may involve document reviews, interviews with the relevant Contractor Personnel involved in or monitoring the activities being undertaken pursuant to this Annex, the Synergy Cluster Lead witnessing Transition Tests and demonstrations of the SOW Deliverables to the Synergy Cluster Lead. Any Transition Testing Quality Check shall be limited in duration to a maximum time to be agreed between the Contractor and the Synergy Cluster Lead on a case-by-case basis (such agreement not to be

unreasonably withheld or delayed). The Contractor shall provide all reasonably necessary assistance and access to all relevant documentation required by the Synergy Cluster Lead to enable it to carry out the Transition Testing Quality Check.

- (6) If the Transition Testing Quality Check gives the Synergy Cluster Lead concern in respect of the Transition Testing Procedures or any Transition Test, the Synergy Cluster Lead shall:
 - (a) discuss the outcome of the Transition Testing Quality Check with the Contractor, giving the Contractor the opportunity to provide feedback in relation to specific activities; and
 - (b) subsequently prepare a written report for the Contractor detailing its concerns, and the Contractor shall, within a reasonable timeframe, respond in writing to the Synergy Cluster Lead's report.
- (7) In the event of an inadequate response to the Synergy Cluster Lead's report from the Contractor, the Synergy Cluster Lead (acting reasonably) may:
 - (a) withhold a SOW Test Certificate in relation to SOW Deliverables falling under Paragraph 12(1) below; and/or
 - (b) reject a SOW Test Certificate in relation to SOW Deliverables falling under Paragraph 12(2) below,

(and consequently delay the grant of a SOW Milestone Attainment Certificate) until the issues in the report have been addressed to the reasonable satisfaction of the Synergy Cluster Lead.

12 Outcome of testing

- (1) In respect of SOW Deliverables which relate to a SOW Key Milestone, the Synergy Cluster Lead shall issue a SOW Test Certificate as soon as reasonably practicable when such SOW Deliverables satisfy the Transition Test Success Criteria in respect of that Transition Test without any Transition Test Issues.
- (2) Subject to Paragraph 12(5), in respect of SOW Deliverables which relate to a SOW Non Key Milestone, the Contractor shall issue a SOW Test Certificate to the Synergy Cluster Lead as soon as reasonably practicable when such SOW Deliverables satisfy the Transition Test Success Criteria in respect of that Transition Test without any Transition Test Issues.
- (3) The Contractor and the Synergy Cluster Lead agree that the Synergy Cluster Lead and the Contractor would benefit from an 'early warning' of potential failure (in whole or in part) by the Contractor to meet a SOW Milestone by its SOW Milestone Date. Accordingly, and in addition to the obligation on the Contractor to give formal notice under Paragraph 12(4), as an early warning once the Contractor becomes aware that a Transition Test Issue may cause a failure (in whole or in part) by the Contractor to meet a SOW Milestone by its SOW Milestone Date:
 - (a) it shall raise this as an issue as soon as reasonably possible in writing (email) to the Synergy Cluster Lead ("SOW Milestone Warning Notice") and also at the Synergy Transition Meeting at one of the next two (2) scheduled meetings of that forum; and
 - (b) the attendees of that forum shall:
 - (i) have a good faith discussion of the SOW Milestone Warning Notice and of the likelihood and impact of such failure occurring, and agree any steps to be taken at this stage to (A) eliminate or mitigate the anticipated failure as far as possible and (B) minimise any impact on the Critical Path; and
 - (ii) agree the timeframe for such steps to be taken,

and the Contractor and the Synergy Cluster Lead shall take such steps (and shall do so within such timeframes) as are agreed at that forum.

- (4) If the SOW Deliverables (or any relevant part) do not satisfy the Transition Test Success Criteria then the Synergy Cluster Lead shall notify the Contractor (in respect of SOW Deliverables falling under Paragraph 12(1) above), or the Contractor shall notify the Synergy Cluster Lead (in respect of SOW Deliverables falling under Paragraph 12(2) above), and:
- (a) the Synergy Cluster Lead may issue a SOW Test Certificate conditional upon the remediation of the Transition Test Issues;
 - (b) where the Contractor and the Synergy Cluster Lead agree that there is sufficient time prior to the relevant SOW Milestone Date, the Synergy Cluster Lead may extend the SOW Test Plan by such reasonable period or periods as the Contractor and the Synergy Cluster Lead may reasonably agree and require the Contractor to rectify the cause of the Transition Test Issue and re-submit the SOW Deliverables (or the relevant part) to Transition Testing; or
 - (c) where the failure to satisfy the Transition Test Success Criteria results, or is likely to result, in the failure (in whole or in part) by the Contractor to meet a SOW Milestone by its SOW Milestone Date, then without prejudice to the Synergy Cluster Lead's other rights and remedies, such failure shall constitute a Transition Services Default for the purposes of Paragraph 2.8 of Schedule 4.2 (Exit and Transition Management).
- (5) If, in respect of SOW Deliverables falling under Paragraph 12(2) above, the Synergy Cluster Lead disagrees (acting reasonably) with the Contractor's assessment that the relevant SOW Deliverables (or any relevant part) have satisfied the Transition Test Success Criteria, then the Synergy Cluster Lead shall notify the Contractor and the provisions of Paragraph 12(4)(a) to 12(4)(c) shall apply.
- (6) The Synergy Cluster Lead shall be entitled, without prejudice to any other rights and remedies that it has under this Call-Off Agreement, to recover from the Contractor any reasonable additional costs it may incur as a direct result of further review or re-Transition Testing which is required for the Transition Test Success Criteria for an SOW Deliverable to be satisfied.

13 Issue of SOW milestone attainment certificate

- (1) The Synergy Cluster Lead shall issue a SOW Milestone Attainment Certificate in respect of a given SOW Key Milestone as soon as is reasonably practicable following:
- (a) the issuing by the Synergy Cluster Lead pursuant to Paragraph 12(1) of SOW Test Certificates and/or conditional SOW Test Certificates in respect of all SOW Deliverables related to that SOW Key Milestone which are due to be Transition Tested; and
 - (b) performance by the Contractor to the reasonable satisfaction of the Synergy Cluster Lead of any other tasks identified in the relevant Statement of Work as associated with that SOW Key Milestone (which may include the submission of a SOW Deliverable that is not due to be Transition Tested, such as the production of Documentation).
- (2) Subject to Paragraph 13(3), the Contractor may issue a SOW Milestone Attainment Certificate in respect of a SOW Non Key Milestone following:
- (a) subject to Paragraph 12(5), the issuing by the Contractor pursuant to Paragraph 12(2) of SOW Test Certificates and/or conditional SOW Test Certificates in respect of all SOW Deliverables related to that SOW Non Key Milestone which are due to be Transition Tested; and

- (b) performance by the Contractor of any other tasks identified in the relevant Statement of Work as associated with that SOW Non Key Milestone (which may include the submission of a SOW Deliverable that is not due to be Transition Tested, such as the production of Documentation).
- (3) Where the Contractor has awarded a SOW Milestone Attainment Certificate in respect of a SOW Non Key Milestone, the Synergy Cluster Lead shall have the right at any time to audit the Contractor's self-certification and subsequent issue of the SOW Milestone Attainment Certificate. Where pursuant to any audit carried out by the Synergy Cluster Lead, the Synergy Cluster Lead, acting reasonably, determines that:
 - (a) a SOW Milestone Attainment Certificate has been awarded by the Contractors incorrectly or in circumstances not permitted by or which are not in accordance with this Annex;
 - (b) the information recorded in the Virtual Library is inadequate to assess whether the issue of the SOW Milestone Attainment Certificate would have been permitted by this Annex,

it shall provide a written report to the Contractor outlining in reasonable detail, the basis for it reaching its determination, a Transition Services Default shall be deemed to have occurred and, without prejudice to the other rights and remedies of the Synergy Cluster Lead, the Contractor shall, reimburse any payments made by the Synergy Cluster Lead to the Contractor in respect of the relevant SOW Non Key Milestone.
- (4) The grant of a SOW Milestone Attainment Certificate shall entitle the Contractor to the receipt of a payment in respect of that SOW Milestone in accordance with the provisions of Schedule 3.1 (Charges and Invoicing) of the Standard Terms.
- (5) If a SOW Milestone is not Attained, the Synergy Cluster Lead shall promptly issue a report to the Contractor setting out:
 - (a) the applicable Transition Test Issues; and
 - (b) any other reasons for the relevant SOW Milestone not being Attained.
- (6) If there are Transition Test Issues but these do not exceed the Transition Test Issues Threshold, then provided there are no Material Transition Test Issues, the Synergy Cluster Lead (in the case of a SOW Key Milestone) or the Contractor (in the case of a SOW Non Key Milestone) shall issue a SOW Milestone Attainment Certificate.
- (7) Without prejudice to the Synergy Cluster Lead's other remedies the following shall constitute a Transition Services Default for the purposes of Paragraph 2.8 of Schedule 4.2 (Exit and Transition Management) and:
 - (a) in the case of a SOW Key Milestone, the Synergy Cluster Lead shall refuse to issue a SOW Milestone Attainment Certificate; or
 - (b) in the case of a SOW Non Key Milestone, the Contractor shall not be permitted to issue a SOW Milestone Attainment Certificate;

where:

- (c) there is one or more Material Transition Test Issue(s);
- (d) the information and/or documentation required under:
 - (i) Paragraphs 3(6), 8(5) and/or 9(2) of this Annex; and/or

- (ii) Paragraph 4.3.3(a) of Schedule 4.2 (Exit and Transition Management),
has not been uploaded to the Virtual Library accordingly; or
 - (e) the circumstances in Paragraph 13(3)(a) or 13(3)(b) arise.
- (8) In respect of a SOW Milestone, if there are Transition Test Issues which exceed the Transition Test Issues Threshold but there are no Material Transition Test Issues, the Synergy Cluster Lead may at its discretion (without waiving any rights in relation to the other options) choose (in the case of a SOW Key Milestone) or give its prior written consent to the Contractor (in the case of a SOW Non Key Milestone) to issue a SOW Milestone Attainment Certificate conditional on the remediation of the Transition Test Issues in accordance with an agreed Rectification Plan provided that:
 - (a) any Rectification Plan shall be agreed before the issue of a conditional SOW Milestone Attainment Certificate unless the Synergy Cluster Lead agrees otherwise (in which case the Contractor shall submit a Rectification Plan for approval by the Synergy Cluster Lead within ten (10) Working Days of receipt of the Synergy Cluster Lead's report pursuant to Paragraph 13(5)); and
 - (b) where the Synergy Cluster Lead issues (or permits the issue of) a conditional SOW Milestone Attainment Certificate, it may (but shall not be obliged to) revise the failed SOW Milestone Date and any subsequent SOW Milestone Date.

Appendix 1 Transition Test Issues – Severity Levels

- 1 **Severity Level 1 Test Issue:** Critical: a Transition Test Issue that prevents a deliverable from being used as intended;
- 2 **Severity Level 2 Test Issue:** Major: a Transition Test Issue that significantly impacts the functionality, useability or performance of a deliverable but does not completely prevent its use;
- 3 **Severity Level 3 Test Issue:** Minor: a Transition Test Issue that has a minor impact on a deliverable's functionality, useability or performance; and
- 4 **Severity Level 4 Test Issue:** Cosmetic: a Transition Test Issue that does not affect the functionality, useability or performance of a deliverable but may affect the appearance or user experience.

Appendix 2 SOW Test Certificate

To: [•NAME OF CONTRACTOR/SYNERGY CLUSTER LEAD]

FROM: [•NAME OF SYNERGY CLUSTER LEAD/CONTRACTOR]

[•Date]

Dear Sirs,

SOW Test Certificate

SOW Deliverables: [•insert description of SOW Deliverables]

We refer to the agreement (the **Contract**) relating to the provision of the Services between the [•name of Synergy Cluster Lead] (the **Synergy Cluster Lead**) and [•name of Contractor] (the **Contractor**) dated [•date].

Capitalised terms used in this certificate have the meanings given to them in Schedule 1 (Definitions) or Annex 11 (Testing Procedures) to Schedule 4.2 (Exit and Transition Management) of the Contract.

[We confirm that the SOW Deliverables listed above have been tested successfully in accordance with the SOW Test Plan relevant to those SOW Deliverables.]

OR

[**SYNERGY CLUSTER LEAD ONLY:** This SOW Test Certificate is issued pursuant to Paragraph 12(1) of Annex 11 (Testing Procedures) of Schedule 4.2 (Exit and Transition Management) of the Contract on the condition that any Transition Test Issues are remedied in accordance with the Rectification Plan attached to this certificate.]*

*delete as appropriate

Yours faithfully

[•Name]

[•Position]

acting on behalf of [name of Synergy Cluster Lead/Contractor]

Appendix 3 SOW Milestone Attainment Certificate

To: **[•NAME OF CONTRACTOR]**

FROM: **[•NAME OF SYNERGY CLUSTER LEAD]**

[•Date]

Dear Sirs,

SOW MILESTONE ATTAINMENT CERTIFICATE

SOW Milestone: **[insert description of SOW Milestone]**

We refer to the agreement (the **Contract**) relating to the provision of the Services between the **[•name of Synergy Cluster Lead]** (the **Synergy Cluster Lead**) and **[•name of Contractor]** (the **Contractor**) dated **[•date]**.

Capitalised terms used in this certificate have the meanings given to them in Schedule 1 (Definitions) or Annex 11 (Testing Procedures) of Schedule 4.2 (Exit and Transition Management) of the Contract.

[We confirm that all the SOW Deliverables relating to SOW Milestone **[•number]** have been tested successfully in accordance with the SOW Test Plan relevant to this SOW Milestone [or that a conditional SOW Test Certificate has been issued in respect of those SOW Deliverables that have not satisfied the relevant Transition Test Success Criteria.]]*

OR

[This SOW Milestone Attainment Certificate is granted pursuant to Paragraph 13(1) of Annex 11 (Testing Procedures) of Schedule 4.2 (Exit and Transition Management) of the Contract on the condition that any Transition Test Issues are remedied in accordance with the Rectification Plan attached to this certificate.]*

[You may now issue an invoice in respect of the SOW Milestone Charges associated with this SOW Milestone in accordance with the provisions of Schedule 3.1 (Charges and Invoicing) to the Standard Terms]*

delete as appropriate

Yours faithfully

[Name]

[Position]

acting on behalf of **[Synergy Cluster Lead]**

Annex 12 Transition Services Document Matrix

1. Introduction

- 1.1 This Annex 12 (Transition Services Document Matrix) sets out an operational matrix of the various documentation which is referred to in respect of the delivery of Transition Services under Parts 2 to 7 of Schedule 4.2 (Exit and Transition Management). For the avoidance of doubt, this matrix is intended as a non-binding summary or guide to such documentation, and is not to be read or relied on in place of the operative binding provisions applicable to such documentation in the remainder of Schedule 4.2 (excluding Annex 10 (Outline Solution), which is also non-binding) or elsewhere in the Call-Off Agreement. In the event of any inconsistency between this Annex 12 and the remainder of Schedule 4.2 (or any other part of the Call-Off Agreement, but excluding Annex 10 to Schedule 4.2), such provisions of Schedule 4.2 (or such other part of the Call-Off Agreement) will apply.

2 Transition Services Document Matrix

Document Name (listed in alphabetical order)	Scope / Purpose	Synergy Requirements doc (Y/N)	SSCL Solution doc (Y/N)	Binding (B) or Non Binding (NB)	Contractual (C) or Operational (O)	Synergy programme - wide (IIP) or specific to SSCL	Originator	Static or maintained	Maintained by	Update Frequency	Subject to Change Control (Y/N)
Annex 2 to Sch 4.2 - Transition Services	High level description of services that could be included in SOW(s)	Menu of services subject to being commissioned under SoW(s)	N	Subject to commissioning through SoW(s)	Obligation to perform services becomes contractual once commissioned via SoW(s)	SSCL	N/A	Static	N/A	N/A	Y

Change Authorisation Note No. 11

Document Name (listed in alphabetical order)	Scope / Purpose	Synergy Requirements doc (Y/N)	SSCL Solution doc (Y/N)	Binding (B) or Non Binding (NB)	Contractual (C) or Operational (O)	Synergy programme - wide (IIP) or specific to SSCL	Originator	Static or maintained	Maintained by	Update Frequency	Subject to Change Control (Y/N)
Detailed Wave Exit Plan	Wave specific Exit Plan	N	Y	B	C	SSCL	SSCL generated on receipt of Outline Wave Notice	Maintained	SSCL	As required	Subject to operational approval not CC
Integrated Implementation Plan (IIP)	Synergy programme-wide Integrated Implementation Plan	Y	N	N/A	O	IIP	Synergy	Maintained	Synergy	Daily	N
Outline Solution	SSCL high level statements on how Transition Services are proposed to be performed, subject to SoW commissioning.	N	Y	Subject to commissioning through SoW(s)	O	SSCL	SSCL	Static	N/A	N/A	N

Change Authorisation Note No. 11

Document Name (listed in alphabetical order)	Scope / Purpose	Synergy Requirements doc (Y/N)	SSCL Solution doc (Y/N)	Binding (B) or Non Binding (NB)	Contractual (C) or Operational (O)	Synergy programme - wide (IIP) or specific to SSCL	Originator	Static or maintained	Maintained by	Update Frequency	Subject to Change Control (Y/N)
Outline Wave Notice	Request for Wave Notice Impact Assessment Sets Synergy Requirements in respect of Wave Transition and indicative Go Live Date	Y	N	NB	C	SSCL	Synergy	Static	N/A	N/A	N
RACI (Responsibility, Accountability, Consulted, Informed)	High level matrix of obligations across the programme by party which provides an at a glance view of macro level responsibilities	Governance document for information only	N	N/A	O	IIP	Synergy	Maintained	Synergy	As required	N

Change Authorisation Note No. 11

Document Name (listed in alphabetical order)	Scope / Purpose	Synergy Requirements doc (Y/N)	SSCL Solution doc (Y/N)	Binding (B) or Non Binding (NB)	Contractual (C) or Operational (O)	Synergy programme - wide (IIP) or specific to SSCL	Originator	Static or maintained	Maintained by	Update Frequency	Subject to Change Control (Y/N)
Registers/Synergy Registers	Registers of Assets and agreements broken down by Service Offering. Synergy Registers refers to the collective Registers for all Synergy Cluster Members.	N	N	Subject to commissioning through a SoW	C	SSCL	SSCL	Maintained	SSCL	As required	N

Change Authorisation Note No. 11

Document Name (listed in alphabetical order)	Scope / Purpose	Synergy Requirements doc (Y/N)	SSCL Solution doc (Y/N)	Binding (B) or Non Binding (NB)	Contractual (C) or Operational (O)	Synergy programme - wide (IIP) or specific to SSCL	Originator	Static or maintained	Maintained by	Update Frequency	Subject to Change Control (Y/N)
Services Dependencies Matrix	Foundational list of dependencies that could apply - i.e. an 'operational reference library' calling out 'all' potential dependencies operationally as an overall guide – but the specific dependencies for each SOW are in each SOW Dependencies Schedule when the SOW is signed.	N	N	NB Dependencies become binding once they are agreed as being applicable in respect of any particular SOW	O	IIP	SSCL	Maintained	SSCL / CMTT	As required, in line with prevailing IIP	N, however any new dependencies to be included are subject to prior agreement by the Synergy Cluster Lead under para 4.4.2 of Sch 4.2
Statement of Requirements	The initial Statement of Requirements provided to SSCL by Synergy to request Transition Services under a SoW.	Y	N	NB Superseded by a SoW	C	SSCL	Synergy	Static	N/A	N/A	N

Change Authorisation Note No. 11

Document Name (listed in alphabetical order)	Scope / Purpose	Synergy Requirements doc (Y/N)	SSCL Solution doc (Y/N)	Binding (B) or Non Binding (NB)	Contractual (C) or Operational (O)	Synergy programme - wide (IIP) or specific to SSCL	Originator	Static or maintained	Maintained by	Update Frequency	Subject to Change Control (Y/N)
Statement of Work (incl. SOW Dependencies Schedule)	Sets out the Transition Services to be performed by the Contractor in response to a SoR, as well as those further requirements related to such Transition Services as specified in Paragraph 5.1.4(c) per Schedule 4.2.	Y	Y	B	C	SSCL	SSCL	Static	N/A	N/A	Y

Change Authorisation Note No. 11

Document Name (listed in alphabetical order)	Scope / Purpose	Synergy Requirements doc (Y/N)	SSCL Solution doc (Y/N)	Binding (B) or Non Binding (NB)	Contractual (C) or Operational (O)	Synergy programme - wide (IIP) or specific to SSCL	Originator	Static or maintained	Maintained by	Update Frequency	Subject to Change Control (Y/N)
Wave Notice	Synergy confirmation to trigger the Wave Transition, and formalises acceptance of the Wave Notice Impact Assessment which is appended to the Wave Notice. If the Go Live Date or scope differs from the Wave Notice Impact Assessment then a new Wave Notice Impact Assessments needs to be undertaken and agreed.	Y	Y	B	C	SSCL	Synergy	Static	N/A	N/A	Y

Change Authorisation Note No. 11

Document Name (listed in alphabetical order)	Scope / Purpose	Synergy Requirements doc (Y/N)	SSCL Solution doc (Y/N)	Binding (B) or Non Binding (NB)	Contractual (C) or Operational (O)	Synergy programme - wide (IIP) or specific to SSCL	Originator	Static or maintained	Maintained by	Update Frequency	Subject to Change Control (Y/N)
Wave Notice Impact Assessment	Sets out Impact to the BAU Charges, Stranded Costs, Diseconomies of Scale, Staff Transfer Information (Warranted). Assumption based Impact Assessment based on Information / Requirements provided in the Outline Wave Notice.	N	Y	Binding following Synergy Cluster Lead approval	C	SSCL	SSCL	Static	N/A	N/A	Y

Annex 13 Services Dependencies Matrix as at Second Further Renewal Can Effective Date

The document at Annex 13 is file reference "4.2 Services Dependencies Matrix draft v0.2 16.04.25.xlsx" as embedded below:



4.2 Services
Dependencies Matri

Attachment 1: Annex 3

Part E of Schedule 5.1 (Staff Transfer)

Change of identity of the Contractor due to Integrated implementation Plan

1. Definitions and Interpretation

1.1 In this Part E to Schedule 5.1 the following terms shall have the following meanings:

"Alteration": where the relevant BAU Services or part of the BAU Services or the activities that make up the relevant BAU Services or part of the BAU Services will cease or will not be fundamentally and essentially the same within the meaning of Regulation 2A of the Employment Regulations after the Cluster Service Transfer Date such that the Employment Regulations would not apply to employees wholly or mainly assigned to those BAU Services immediately prior to the relevant Cluster Service Transfer Date;

"BAU Services": shall have the meaning given to it in Paragraph 1.1 of Schedule 4.2 (Exit and Transition Management) to the Standard Terms;

"Cluster Service Transfer": a change in the identity of the supplier of all or part of the BAU Services pursuant to the Integrated Implementation Plan;

"Cluster Service Transfer Date": shall have the meaning given to it in Paragraph 5.1 of this Part E to Schedule 5.1 (Staff Transfer);

"Contractor's Group": shall have the meaning given to it in Schedule 1 (Definitions) to the Standard Terms;

"Eligible Redundant Employee": shall have the meaning given to it in Paragraph 2.1 of Schedule 3.6 (Stranded Costs diseconomies of scale and related Gain Sharing) of the Synergy Cluster Lead's Call-Off Agreement;

"Employment Regulations": shall have the meaning given to it in the conformed Schedule 1 (Definitions) to the Standard Terms;

"Initial In-Scope Employee List" means the list of those persons employed by the Contractor or any entity in the Contractor's Group who at the Second Further Renewal CAN Effective Date have met the Transfer Threshold Level and which is set out at Annex A to this Part E to Schedule 5.1 (Staff Transfer);

"In-Scope Employees": those persons employed by the Contractor or any entity in the Contractor's Group, but for the avoidance of doubt not those persons employed by any sub-contractor or supplier to the Contractor or the Contractor's Group, who meet the Transfer Threshold Level and are listed in the Initial In-Scope Employee List or any subsequent relevant Updated In-Scope Employee List from time to time updated in accordance with this Part E to Schedule 5.1 (Staff Transfer) and who have not yet transferred to any Replacement Contractor, a Synergy Cluster Member or a Service Recipient by virtue of the Employment Regulations or the terms of this Part E to Schedule 5.1 (Staff Transfer);

“In-Scope Employee Information”: where requested by the Synergy Cluster Lead or relevant Synergy Cluster Member under Paragraph 3.3 of this Part E to Schedule 5.1 (Staff Transfer), in relation to the In-Scope Employees and/or the employees on the Initial In-Scope Employee List and/or the Updated In-Scope Employee List as applicable any or all of the following information:

- (i) the numbers of In-Scope Employees engaged in providing the BAU Services:
 - (A) in aggregate; and/or
 - (B) by location; and/or
 - (C) by each part of the BAU Services
- (ii) the full time equivalent numbers of In-Scope Employees engaged in providing the BAU Services and by location and employing entity and by each part of the BAU Services;
- (iii) each In-Scope Employee's percentage assignment to the BAU Services in aggregate on a business as usual basis (assessed over the previous 12 months);
- (iv) a breakdown of each In-Scope Employee's percentage assignment on a business as usual basis (assessed over the previous 12 months) between different BAU Services (including any Prior BAU Services and including between different Synergy Cluster Members);
- (v) a description of the nature of the work undertaken by each In-Scope Employee (or the job title of each In-Scope Employee and a description of the nature of the work undertaken by each job title);
- (vi) details of the pension scheme that each In-Scope Employee is a member of and details relating to the relevant pension scheme rules;
- (vii) the applicable redundancy terms relevant to each In-Scope Employee;
- (viii) The payroll cost (including annual salary, on target bonus, car and other allowances); and
- (ix) where known by the Contractor, the person, firm, company or organisation to whom it is anticipated each In-Scope Employee would/may transfer;

“In-Scope Employee Tender Information”: the information contained in Annex B to this Part E to Schedule 5.1 (Staff Transfer);

“Non-Transferring Employee”: any employee that is an In-Scope Employee at the relevant Cluster Service Transfer Date and who would be a Transferring Employee under the terms of this Part E to

Schedule 5.1 (Staff Transfer) on such date were it not that the services and/or activities they are wholly or mainly assigned to are or will be subject to an Alteration applicable at the relevant Cluster Service Transfer Date;

"Objecting Employees": any In-Scope Employee who informs the Contractor, any company in the Contractor's Group, the relevant Replacement Contractor, the relevant Synergy Cluster Member or relevant Service Recipient pursuant to Regulation 4(7) of the Employment Regulations that they object to becoming employed by the relevant Replacement Contractor, the relevant Synergy Cluster Member or relevant Service Recipient;

"Out-of-Scope Employees" means those persons employed or engaged at any time by the Contractor or the Contractor's Group other than the In-Scope Employees;

"Outline Wave Notice" has the meaning set out in Paragraph 1.1 of Schedule 4.2 (Exit and Transition Management) to the Standard Terms;

"Outline Wave Notice Date" the date on which the Synergy Cluster Lead or relevant Synergy Cluster Member serves an Outline Wave Notice on the Contractor;

"Prior Cluster Services": any BAU Services that have already transferred by way of a Cluster Service Transfer to a Replacement Contractor, relevant Synergy Cluster Member or a Service Recipient under the terms of this Part E to Schedule 5.1 (Staff Transfer);

"Replacement Contractor": references in this Part E to Schedule 5.1 (Staff Transfer) to a Replacement Contractor shall include:

- (a) any third party service provider of Replacement Services appointed by the Framework Authority, Synergy Cluster Lead, a Synergy Cluster Member or Service Recipient from time to time (including for the avoidance of doubt a member of the Contractor's Group);
- (b) Synergy Shared Services Hub or any Synergy Cluster Member who is appointed to provide services which are the same, substantially similar to or in replacement of the relevant BAU Services; and
- (c) any sub-contractor of any Replacement Contractor.

For the avoidance of doubt, where there is more than one Replacement Contractor, references to the Replacement Contractor in this Part E to Schedule 5.1 (Staff Transfer) shall refer to the relevant Replacement Contractor as the context requires.

"Staffing Information" in relation to each employee that may be or become a Transferring Employee, such information as the Synergy Cluster Lead may reasonably request (subject to all applicable provisions of Data Protection Legislation), but including (in an anonymised format) the following:

- (i) INFORMATION REDACTED

INFORMATION REDACTED

“Stranded Redundancy Costs Reimbursement Arrangement”: the arrangements for reimbursement by the Synergy Cluster Lead of certain costs related to redundancies set out at Part 1 of Schedule 3.6 (Stranded Costs diseconomies of scale and related Gain Sharing) of the Synergy Cluster Lead's Call-Off Agreement;

“Synergy Shared Services Hub” means the shared services organisation (if any) established by the Synergy programme related to the delivery or management of BAU Services or any of them and/or related transition”:

"Synergy Cluster Lead" has the meaning in Paragraph 1.1 of Schedule 4.2 (Exit and Transition Management) to the Standard Terms;

"Synergy Cluster Member" has the meaning in Paragraph 1.1 of Schedule 4.2 (Exit and Transition Management) to the Standard Terms;

“Transferring Employee”: any employee that is or will be an In-Scope Employee at the relevant Cluster Service Transfer Date, and whose working time (assessed on a business as usual basis) is or will also be 50.1% or more assigned to the aggregate of:

- (i) the part of the BAU Services that will transfer to an individual Synergy Cluster Member or an individual Replacement Contractor on the relevant Cluster Service Transfer Date; and
- (ii) any Prior Cluster Service that has transferred to the same individual Synergy Cluster Member or the same individual Replacement Contractor or Service Recipient

(with such working time assignment assessed as if any Prior BAU Services had not yet transferred) and whose name is listed in the relevant Wave Notice Impact Assessment, but excluding any Non-Transferring Employee or Objecting Employee;

“Transfer Threshold Level” where at the Second Further Renewal CAN Effective Date, or at any point before the expiry of the Wave Transition Final Phase Period in respect of the Final Wave Transition (including, for the avoidance of doubt, the date of the production of any Updated In-Scope Employee List) 50.1% or more of the Employee’s working time (assessed on a business as usual basis) is assigned to the aggregate of all of those BAU Services (including Prior Cluster Services and with such working time assignment assessed as if any Prior Cluster Services had not yet transferred) transferring to the relevant Synergy Cluster Member, a Replacement Contractor or a Service Recipient under this Call Off Agreement over the course of the Integrated Implementation Plan as a whole;

“Updated In-Scope Employee List”: means the list of those persons employed by the Contractor or an entity in the Contractor’s Group who at the date of the compilation of the list meet the Transfer Threshold Level and in respect of such persons, the In-Scope Employee Information;

“Wave Notice” has the meaning set out in Paragraph 1.1 of Schedule 4.2 (Exit and Transition Management) to the Standard Terms; and

“Wave Notice Impact Assessment”; has the meaning set out in Paragraph 1.1 of Schedule 4.2 (Exit and Transition Management) to the Standard Terms.

1.2 In this Part E to Schedule 5.1:

- 1.2.1 The references to a Synergy Cluster Member shall for the avoidance of doubt include the Customer where the Customer is a relevant or the relevant Synergy Cluster Member in the relevant context;
- 1.2.2 The Parties acknowledge that the rights of the Synergy Cluster Lead are for the benefit of the Customer and that the Synergy Cluster Lead (or such Synergy Cluster Member(s) as are appointed Synergy Cluster Lead from time to time) will enforce Part E of Schedule 5.1 on behalf of the Customer;

1.2.3 Where there is a reference in this Part E of Schedule 5.1 to the Synergy Cluster Member itself:

(a) requesting, receiving and/or sharing information regarding or relating to; and/or

(b) having access to

the In-Scope Employees or Transferring Employees the Customer shall comply with the obligations of the Synergy Cluster Member set out or referred to in the relevant paragraph of this Part E of Schedule 5.1 where and to the extent that the Customer has requested, received and/or shared the relevant information and/or exercised the relevant right of access. The rights and obligations of the relevant Synergy Cluster Member shall be directly enforceable as between the Contractor and the Customer in this regard.

1.2.4 The liabilities and obligations of the Synergy Cluster Lead under this Part E of Schedule 5.1 are owed directly by the Synergy Cluster Lead (or such Synergy Cluster Member(s) as are appointed Synergy Cluster Lead from time to time) to the Contractor under the Synergy Cluster Lead's Call-Off Agreement. The Customer shall not be and nothing in this Part E of Schedule 5.1 or otherwise in this Call-Off Agreement shall make the Customer liable or responsible for any failure by the Synergy Cluster Lead to comply with any of its obligations and/or any act or omission of the Synergy Cluster Lead, any Service Recipient or Synergy Cluster Member (other than the Customer), or any Replacement Contractor (unless the Replacement Contractor is the Customer).

2. Staff Transfer

2.1 This Schedule envisages that subsequent to the commencement of the provision of the BAU Services, the identity of the provider of the BAU Services (or any part of the BAU Services) may change resulting in the BAU Services, or part of the BAU Services, being undertaken by a Replacement Contractor, a Synergy Cluster Member or a Service Recipient as part of the Integrated Implementation Plan.

2.2 The Parties intend that the Employment Regulations will apply to the relevant Transferring Employees where a Cluster Service Transfer takes place and that such Transferring Employees shall either transfer pursuant to the Employment Regulations or be treated by the Contractor, Contractor's Group, Synergy Cluster Lead, relevant Synergy Cluster Member, and/or Replacement Contractor as transferring as if the Employment Regulations applied to them.

2.3 Where there is a Cluster Service Transfer of all or part of the BAU Services, the contracts of employment of the Transferring Employees (save insofar as such contracts relate to benefits for old age, invalidity or survivors under any occupational pension scheme) will have effect or will (subject to Paragraph 2.7) be treated as having effect from the relevant Cluster Service Transfer Date as if originally made between the relevant Replacement Contractor,

relevant Synergy Cluster Member or Service Recipient (as the case may be) and each Transferring Employee.

- 2.4 Where there is a Cluster Service Transfer, subject to the terms of this Part E of Schedule 5.1 (Staff Transfer) the contracts of employment of the Non-Transferring Employees and any Objecting Employees will not transfer or be treated by the parties as having transferred to a Replacement Contractor, Synergy Cluster Member or Service Recipient the terms of the Stranded Redundancy Costs Reimbursement Arrangement will apply.
- 2.5 If it is alleged by any Transferring Employee or their representatives that their employment or contract of employment will not transfer or has not transferred to the relevant Replacement Contractor, a Synergy Cluster Member or a Service Recipient on the relevant Cluster Service Transfer Date pursuant to the intention at Paragraph 2.2 then the Synergy Cluster Lead shall procure that the relevant Replacement Contractor, Synergy Cluster Member or Service Recipient shall, offer employment to each such Transferring Employee on terms that are (subject to any measures also implemented in respect of other Transferring Employees) not materially different to such Transferring Employee's contractual terms and conditions of employment in place immediately prior to the relevant Cluster Service Transfer Date. Such offer shall:
- (a) be made at least 10 Working Days prior to the relevant Cluster Service Transfer Date or, if later, within 10 Working Days of the relevant Replacement Contractor, Synergy Cluster Member or Service Recipient becoming aware that such Transferring Employee will not or is alleged not to transfer; and
 - (b) be on the basis of such employment taking effect (if such offer is accepted) with effect from the relevant Cluster Service Transfer Date; and
 - (c) be made on the basis of the service of such Transferring Employee with the Contractor being treated, as far as possible, as continuous service for the purpose of the Transferring Employee's employment with the relevant Replacement Contractor, Synergy Cluster Member or Service Recipient.
- 2.6 where an offer made under Paragraph 2.5 above is accepted:
- (a) the Contractor or relevant Contractor's Group entity shall:
 - (i) consent to such Transferring Employees leaving with effect from the relevant Cluster Service Transfer Date without working their full notice to take up employment with the relevant Replacement Contractor, Synergy Cluster Member or Service Recipient; and
 - (ii) treat such Transferring Employee as transferring pursuant to the Employment Regulations for the purpose of information and consultation in connection with the relevant Cluster Service Transfer.

- (b) where such offer is made prior to the relevant Cluster Service Transfer Date, the Synergy Cluster Lead shall procure that the relevant Replacement Contractor, Synergy Cluster Member or Service Recipient shall, treat such Transferring Employee as transferring pursuant to the Employment Regulations for the purpose of information and consultation in connection with the relevant Cluster Service Transfer.

2.7 Where an offer made under Paragraph 2.5 above is not accepted by such Transferring Employee, then they shall remain with the Contractor and shall be treated as a Non-Transferring Employee.

2.8 Where an In-Scope Employee does not transfer (under the Employment Regulations or otherwise) to a Replacement Contractor, Synergy Cluster Member or Service Recipient, and where that In-Scope Employee is also an Eligible Redundant Employee, the terms of the Stranded Redundancy Costs Reimbursement Arrangement will apply.

2.9 The parties agree that it is intended that neither the employment nor contract of employment of any Out-of-Scope Employee shall transfer to a Synergy Cluster Member, Replacement Contractor or Service Recipient on any relevant Cluster Service Transfer Date and that such persons shall remain the responsibility of the Contractor.

3. Updating the In-Scope Employee List and provision of Employee Tender Information

3.1 The Initial In-Scope Employee List is appended at Annex A to this Part E of Schedule 5.1 (Staff Transfer). The Contractor has, as at the date of the Second Further Renewal CAN Effective Date provided the Synergy Cluster Lead in writing with the In-Scope Employee Information in respect of those persons on the Initial In-Scope Employee List. The Contractor confirms that it has used reasonable endeavours to ensure that the Initial In-Scope Employee List and the related In-Scope Employee Information is accurate in all material respects as at the Second Further Renewal CAN Effective Date.

3.2 The parties acknowledge that the identity of the In-Scope Employees and the In-Scope Employee Information will need to be updated between the Second Further Renewal CAN Effective Date and each relevant Cluster Service Transfer Date.

3.3 The Contractor shall provide the relevant Updated In-Scope Employee List to the Synergy Cluster Lead within 20 Working Days of a request from the Synergy Cluster Lead that the Contractor provide such a list, provided that the Contractor will not be required to provide a new Updated In-Scope Employee List within 30 days of the prior provision of such a list to the Synergy Cluster Lead under this Paragraph 3.3.

3.4 An Updated In-Scope Employee List shall contain the updated In-Scope Employee Information and the Contractor shall use reasonable endeavours to provide an Updated In-Scope Employee List and In-Scope Employee Information that is as accurate as possible at the date it is provided by the Contractor, based on the information which is (or should reasonably be) known to the Contractor at the relevant time.

- 3.5 The Contractor either has as at the Second Further Renewal CAN Effective Date provided or shall within five Working Days of the Second Further Renewal CAN Effective Date provide to the Synergy Cluster Lead an Updated In-Scope Employee List together with the In-Scope Employee Tender Information. The Contractor shall use reasonable endeavours to provide an Updated In-Scope Employee List and In-Scope Employee Tender Information under this Paragraph 3.5 that is as accurate as possible at the date it is provided by the Contractor, based on the information which is (or should reasonably be) known to the Contractor at the relevant time.
- 3.6 The Synergy Cluster Lead, and each relevant Replacement Contractor, Synergy Cluster Member or Service Recipient shall be permitted to use and disclose the relevant parts of the Initial In-Scope Employee List and/or any Updated In-Scope Employee List, the In-Scope Employee Information and the Employee Tender Information for informing any tenderer or other prospective Replacement Contractor for any services which are substantially the same type of services as the BAU Services (or any part thereof), provided that the Synergy Cluster Lead, relevant Synergy Cluster Member or Service Recipient as applicable complies with the Data Protection Legislation and the Synergy Cluster Lead, relevant Synergy Cluster Member or Service Recipient imposes on such third party obligations of confidence that are no less onerous than those that the Synergy Cluster Lead, Synergy Cluster Member or Service Recipient has to the Contractor in relation to that information.

4. Receipt of Outline Wave Notice

- 4.1 The parties acknowledge that under the terms of this Call-Off Agreement, the Synergy Cluster Lead or relevant Synergy Cluster Member may serve an Outline Wave Notice on the Contractor in respect of a Cluster Service Transfer.
- 4.2 The Wave Notice Impact Assessment required under Schedule 4.2 (Exit and Transition Management) in respect of such Cluster Service Transfer shall contain a list of all of the In-Scope Employees that the Contractor considers will be Transferring Employees in respect of such Cluster Service Transfer and in respect of each such proposed Transferring Employee, the Staffing Information. The Contractor warrants that (subject to Paragraph 4.4) the list of Transferring Employees and the Staffing Information provided in the Wave Notice Impact Assessment shall be complete and accurate in all material respects.
- 4.3 Within 20 Working Days of receipt by the Synergy Cluster Lead or relevant Synergy Cluster Member of the Wave Notice Impact Assessment, the Synergy Cluster Lead shall, or shall procure that the relevant Replacement Contractor, Synergy Cluster Member or Service Recipient shall, identify, and notify to the Contractor, those employees on the list provided under Paragraph 4.2 above whose work will become subject to an Alteration and who the Synergy Cluster Lead, or the relevant Replacement Contractor, Synergy Cluster Member or Service Recipient, therefore consider to be Non-Transferring Employees. The Synergy Cluster Lead shall, and shall procure that the relevant Replacement Contractor, Synergy Cluster Member or Service Recipient shall, use reasonable endeavours to ensure that the identification of employees whose work will become subject to an Alteration is as accurate as possible at the date it is provided by the Contractor, based on the information which is (or should reasonably be) known to the Synergy Cluster Lead, Replacement Contractor,

Synergy Cluster Member or Service Recipient at the relevant time. The Contractor shall respond to any such notice within 15 Working Days of receipt of it confirming whether or not the Contractor accepts that such notified employees will be Non-Transferring Employees.

- 4.4 Where it is unclear or disputed as to whether an In-Scope Employee, who would be a Transferring Employee but for a potential Alteration, is or will be a Transferring Employee or a Non-Transferring Employee, the Contractor and the Synergy Cluster Lead shall, and the Synergy Cluster Lead shall procure that the relevant Replacement Contractor, Synergy Cluster Member or Service Recipient shall, co-operate promptly, reasonably and in good faith (including the prompt sharing of relevant information requested) with a view to agreeing whether the relevant In-Scope Employee is a Transferring Employee or a Non-Transferring Employee. In the event that, despite such co-operation, the situation remains unclear or no agreement is reached by the later of 20 Working Days after receipt of the Contractor's relevant confirmation in response to the relevant notification given under Paragraph 4.3 and 180 days before the relevant Cluster Service Transfer Date, the matter shall be promptly escalated to the Synergy Cluster Lead and the Synergy Cluster Lead and relevant Synergy Cluster Member shall be consulted on the issue. Where no agreement has been reached between the Contractor and the Synergy Cluster Lead or any relevant Replacement Contractor, Synergy Cluster Member or Service Recipient by the Cluster Service Transfer Date, such In-Scope Employee shall be treated as a Transferring Employee.

5. Timing of Staff Transfer and Resource Sharing

- 5.1 The Cluster Service Transfer Date in relation to each Transferring Employee shall be:
- (a) such date as is mutually agreed in writing between the Contractor and the Synergy Cluster Lead or relevant Synergy Cluster Member or Replacement Contractor; or
 - (b) in the absence of any agreement under Paragraph 5.1(a) above, the date on which more than 50% (fifty percent) of the BAU Services to which such Transferring Employee is assigned have transferred to the relevant Replacement Contractor, Synergy Cluster Member or Service Recipient as applicable under the Integrated Implementation Plan.
- 5.2 For the purpose of Paragraph 5.1(a), the Contractor and Synergy Cluster Lead shall, and the Synergy Cluster Lead shall procure that any relevant Replacement Contractor, Synergy Cluster Member or Service Recipient shall, work together promptly, reasonably and in good faith (taking into account the needs of the Contractor, the needs of the Synergy Cluster Lead, the Replacement Contractor, Synergy Cluster Member and/or Service Recipient as applicable and the need to maintain the BAU Services together with the Transition Services and/or Termination Services) with a view to reaching agreement under Paragraph 5.1(a).
- 5.3 Where a Cluster Service Transfer Date is agreed under Paragraph 5.1(a) the Contractor will use reasonable endeavours to comply with any reasonable request by the Synergy Cluster Lead or the relevant Synergy Cluster Member to re-assign any employees who are at the relevant time In-Scope Employees but not Transferring Employees to the relevant BAU Services that will transfer on the agreed Cluster Service Transfer Date in order to facilitate

such In-Scope Employees becoming Transferring Employees on the agreed Cluster Service Transfer Date. The parties acknowledge that the Contractor shall not be required to re-assign In-Scope Employees in a way which would or would be likely to compromise the Contractor's performance of BAU Services, Transition Services and/or Termination Services which it remains obligated to provide.

5.4 Where the performance of the BAU Services by the Contractor or the Contractor's Group or any Replacement Contractor, Synergy Cluster Member or Service Recipient after the relevant Cluster Service Transfer Date results in either:

- (a) the Contractor having a need for any Transferring Employee to continue to work on BAU Services that remain with the Contractor after the Cluster Service Transfer Date, and/or
- (b) a relevant Replacement Contractor, Synergy Cluster Member or Service Recipient having a need for an In-Scope Employee that has not transferred under the terms of this Part E of Schedule 5.1 (Staff Transfer) to work on services which are the same as or in replacement for BAU Services which have transferred to the Replacement Contractor, Synergy Cluster Member or Service Recipient on the relevant Cluster Service Transfer Date

the Contractor will offer to enter into a two-way buy back agreement with the relevant Replacement Contractor (or if applicable the relevant Synergy Cluster Member or Service Recipient taking over the relevant BAU Services) and shall use reasonable endeavours to ensure that the terms on which the Contractor makes such arrangement available to the Replacement Contractor (and/or relevant Synergy Cluster Member or Service Recipient) are not materially different to the provisions contained in the Two-way Buy Back Mechanism (as defined in Paragraph 2.1 of Schedule 3.6 (Stranded Costs Diseconomies of Scale and related Gain Sharing)). The parties acknowledge that any two-way buy back agreement shall be between the Contractor and the relevant Replacement Contractor (or relevant Synergy Cluster Member or Service Recipient where applicable) and the Contractor shall procure that any In-Scope Employees from any member of the Contractor's Group shall be included in the two-way buy back agreement as required. The Synergy Cluster Lead will ensure that any Replacement Contractor, Synergy Cluster Member or Service Recipient to whom those who will be Transferring Employees are expected to transfer is made aware of the opportunity to enter into a two-way buy back agreement with the Contractor and of the Two-way Buy Back Mechanism.

6. Pre-service Transfer Obligations

6.1 Following provision of the list and Staffing Information pursuant to Paragraph 4.2, the Contractor will provide an updated list of those who will or are expected to be Transferring Employees together with updated Staffing Information at such intervals as are reasonably requested by the Synergy Cluster Lead or relevant Synergy Cluster Member or Replacement Contractor until the relevant Cluster Service Transfer Date. The Contractor shall use all reasonable endeavours to provide that the list and Staffing Information provided pursuant to this Paragraph 6.1 is as accurate as possible at the date it is provided by the Contractor, based

on the information which is (or should reasonably be) known to the Contractor at the relevant time.

- 6.2 At least twenty eight (28) days prior to the relevant Cluster Service Transfer Date, the Contractor shall prepare and provide to the Synergy Cluster Lead and relevant Replacement Contractor, Synergy Cluster Member or Service Recipient the Contractor's final list of Transferring Employees together with the Staffing Information. The Contractor warrants that the final list of Transferring Employees and the Staffing Information provided under this Paragraph 6.2 shall (subject to Paragraph 4.4) be complete and accurate in all material respects.
- 6.3 The Synergy Cluster Lead and each relevant Replacement Contractor, Synergy Cluster Member or Service Recipient shall be permitted to use and disclose the relevant parts of the list provided pursuant to Paragraph 6.1 and the final list of Transferring Employees and the Staffing Information for informing any relevant Replacement Contractor for any services which are substantially the same type of services as the BAU Services (or any part thereof), provided that the Synergy Cluster Lead, relevant Synergy Cluster Member or Service Recipient as applicable complies with the Data Protection Legislation and the Synergy Cluster Lead, relevant Synergy Cluster Member or Service Recipient imposes on such Replacement Contractor third party obligations of confidence that are no less onerous than those that the Synergy Cluster Lead Synergy Cluster Member or Service Recipient has to the Contractor in relation to that information.
- 6.4 From the earlier of (i) an Outline Wave Notice Date; and (ii) the date which is 12 months from the end of the Term, the Contractor agrees that it will not, and will procure that any relevant member of the Contractor's Group will not, other than in the ordinary course of business, assign any person to the provision of the relevant BAU Services which are the subject of a Cluster Service Transfer or a served Outline Wave Notice who (in the case of an Outline Wave Notice) are not listed in the relevant Wave Notice Impact Assessment as a proposed Transferring Employee and will not, other than in the ordinary course of business, without the prior written consent of the Synergy Cluster Lead and relevant Synergy Cluster Member (such consent not to be unreasonably withheld or delayed):
- (a) increase the total number of employees listed in the relevant Wave Notice Impact Assessment as proposed Transferring Employees save for fulfilling assignments and projects previously scheduled and agreed;
 - (b) make, propose, permit or implement any material changes to the terms and conditions of employment of any relevant actual or proposed Transferring Employee;
 - (c) increase the proportion of working time spent on the relevant transferring BAU Services by any of the In-Scope Employees or the Out-of-Scope Employees, save for fulfilling assignments and projects previously scheduled and agreed;
 - (d) introduce any new contractual or customary practice concerning the making of any lump sum payment on the termination of employment of any of the relevant actual or proposed Transferring Employees;

- (e) replace any relevant actual or proposed Transferring Employee or deploy any other person to perform the transferring BAU Services or terminate or give notice to terminate the employment or contracts of any actual or proposed Transferring Employee, save that the Contractor will be permitted to terminate the employment of any actual or proposed Transferring Employee by reason of due disciplinary process and will be entitled to replace such terminated employee, and any who have voluntarily resigned, in order to satisfy the fulfilment of previously agreed work streams provided that any such replacement is employed on the same terms and conditions of employment as the person they replace; and
- (f) the Contractor will promptly notify the Synergy Cluster Lead and relevant Synergy Cluster Member or, at the direction of the Synergy Cluster Lead, the Replacement Contractor or Service Recipient of any notice to terminate employment given by the Contractor or received from any actual or proposed Transferring Employee regardless of when such notice takes effect.

- 6.5 The Contractor will (and will procure that any relevant member of the Contractor's Group will) provide all reasonable cooperation and assistance to the Synergy Cluster Lead, relevant Synergy Cluster Member and any Replacement Contractor to ensure the smooth transfer of the Transferring Employees on the relevant Cluster Service Transfer Date including providing sufficient information in advance of the Cluster Service Transfer Date to ensure that all necessary payroll arrangements can be made to enable the Transferring Employees to be paid as appropriate. Without prejudice to the generality of the foregoing, within five (5) Working Days following the relevant Cluster Service Transfer Date, the Contractor will provide to the Synergy Cluster Lead, relevant Synergy Cluster Member and/or any Replacement Contractor, in respect of each person who is a Transferring Employee:

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7. Additional Co-operation and Support

- 7.1 From the date which is 180 days prior to each Cluster Service Transfer Date the Contractor agrees that, following a written request from the Synergy Cluster Lead, relevant Synergy

Cluster Member, Replacement Contractor or Service Recipient as applicable, the Contractor shall (and shall procure that any relevant member of the Contractor's Group shall) co-operate with the Synergy Cluster Lead, relevant Synergy Cluster Member and/or relevant Replacement Contractor or Service Recipient reasonably and in good faith to facilitate consultation regarding any post Cluster Service Transfer Date voluntary severance, relocation, redundancy or restructuring proposals of the relevant Synergy Cluster Member and/or Replacement Contractor or Service Recipient in respect of those who will or are expected to be or become Transferring Employees. This shall include the Contractor:

- (a) allowing and facilitating the Synergy Cluster Lead, relevant Synergy Cluster Member and/or Replacement Contractor or Service Recipient as applicable to have direct access to relevant employees and their appropriate representatives for the purpose of consulting on any measures proposed in connection with the relevant Cluster Service Transfer; and
- (b) permitting (for the purpose of S198A(3)(a) of the Trade Union & Labour Relations (Consolidation) Act 1992 and otherwise) the Synergy Cluster Lead, relevant Synergy Cluster Member and/or Replacement Contractor or Service Recipient as applicable to carry out collective and/or individual consultation with those persons who will be or are expected to become Transferring Employees and their appropriate representatives regarding any voluntary severance, redundancy, relocation and/or re-organisation proposals that will be implemented after the Cluster Service Transfer Date and providing and facilitating direct access for such purpose; and
- (c) using reasonable endeavours to take any other steps reasonably requested by the Synergy Cluster Lead, relevant Synergy Cluster Member and/or Replacement Contractor as applicable to facilitate the Synergy Cluster Lead, relevant Synergy Cluster Member and/or Replacement Contractor to be in a position to implement its proposals as soon as is reasonably practicable after the Cluster Service Transfer Date including, without limitation and by way of example only, enabling the Synergy Cluster Lead, relevant Synergy Cluster Member and/or Replacement Contractor to offer voluntary severance windows and/or carry out selection exercises in relation to redundancy proposals where relevant

provided that, for the avoidance of doubt, neither the Contractor nor any member of the Contractor's Group shall give, or shall be required or expected to give, notice of termination of employment to any person who will be a Transferring Employee and it is acknowledged that if any redundancies or other dismissals of Transferring Employees are required by the Synergy Cluster Lead, relevant Synergy Cluster Member and/or Replacement Contractor or Service Recipient such redundancies or other dismissals will be made by the relevant Synergy Cluster Member and/or Replacement Contractor or Service Recipient post-Cluster Service Transfer Date and any notices of termination in connection with any such redundancies or dismissals shall be issued by the Synergy Cluster Lead, relevant Synergy Cluster Member and/or Replacement Contractor or Service Recipient on or following the Cluster Service Transfer Date.

- 7.2 Where the Synergy Cluster Lead, relevant Synergy Cluster Member or the Replacement Contractor or Service Recipient notifies the Contractor in writing that it is not envisaged that it will require certain persons or categories of persons for economic, technical or organisational reasons notwithstanding that they will or are expected to become Transferring Employees, and that it is unlikely such Synergy Cluster Member or Replacement Contractor or Service Recipient will have any suitable alternative employment available to offer to such persons, the Contractor shall, if requested by the Synergy Cluster Lead, relevant Synergy Cluster Member, Replacement Contractor or Service Recipient use reasonable endeavours to redeploy such persons (whether within the Contractor or another member of the Contractor's Group) on or prior to the relevant Cluster Service Transfer Date such that such persons are no longer Transferring Employees under the terms of this Part E of Schedule 5.1 (Staff Transfer) immediately prior to the relevant Cluster Service Transfer Date save that where the Contractor or member of the Contractor's Group is also considering redeployment for employees who are not Transferring Employees as a result of the transfer of the relevant BAU Services or has employees who are not Transferring Employees who are at risk of redundancy, the redeployment of such employees shall take precedence over any redeployment of Transferring Employees pursuant to this Paragraph 7.2.
- 7.3 Where the Synergy Cluster Lead or any Synergy Cluster Member, Replacement Contractor or Service Recipient finds that they are able to themselves offer alternative employment to any Objecting Employee or Non-Transferring Employee and where an offer or offers of employment are made and accepted by such person or persons prior to the Cluster Service Transfer Date, the Contractor shall (and shall procure that any relevant member of the Contractor's Group shall) use reasonable endeavours to co-operate with the Synergy Cluster Lead, relevant Synergy Cluster Member and/or relevant Replacement Contractor or Service Recipient to facilitate the transfer of the employment of such person or persons to the Synergy Cluster Lead, relevant Synergy Cluster Member, Replacement Contractor or Service Recipient on the Cluster Service Transfer Date.
- 7.4 From the date which is 60 days prior to each Cluster Service Transfer Date (or such earlier time, if any, as may be expressly agreed in writing between the parties, with any such agreement by the Contractor or member of the Contractor's Group being at the absolute discretion of the Contractor or member of the Contractor's Group) the Contractor agrees that, following a written request from the Synergy Cluster Lead, relevant Synergy Cluster Member and/or relevant Replacement Contractor, the Contractor shall (and shall procure that any relevant member of the Contractor's Group shall) allow the relevant Synergy Cluster Member and/or Replacement Contractor as applicable reasonable direct access to those who will be Transferring Employees for the purpose of carrying out training of such Transferring Employees and shall further facilitate the relevant Synergy Cluster Member and/or, Replacement Contractor as applicable to arrange and hold such training in good time prior to the relevant Cluster Service Transfer Date, provided that the Contractor shall not be expected to facilitate requests from the Synergy Cluster Lead, relevant Synergy Cluster Member er and/or Replacement Contractor that will materially disrupt the business of the Contractor or any relevant member of the Contractor's Group. In the event that a request is made which will materially disrupt the business of the Contractor or relevant member of the Contractor Group the Contractor shall confirm this to the Synergy Cluster

Lead, relevant Synergy Cluster Member and/or Replacement Contractor (as applicable) and thereafter shall, if requested by the Synergy Cluster Lead, relevant Synergy Cluster Member or Replacement Contractor, co-operate with the Synergy Cluster Lead, and/or relevant Replacement Contractor, Synergy Cluster Member or Service Recipient reasonably and in good faith to provide sufficient information as the Synergy Cluster Lead, Synergy Cluster Member or Replacement Contractor may reasonably need to enable the Synergy Cluster Lead, Synergy Cluster Member or Replacement Contractor to make an alternative request for access that does not cause such material disruption.

8. Information and Consultation

- 8.1 The Contractor confirms that it and any relevant member of the Contractor's Group will comply with regulation 13 of the Employment Regulations in respect of all Transferring Employees and their appropriate representatives (regardless of whether the Employment Regulations actually applies to such Transferring Employees), save where the Contractor or relevant member of the Contractor's Group is unable to do so as a result of the failure of the relevant Synergy Cluster Member, Service Recipient or a Replacement Contractor to comply with its duties under regulation 13(4) of the Employment Regulations. The Contractor shall promptly provide or procure the provision to the Synergy Cluster Lead, relevant Synergy Cluster Member and any Replacement Contractor in writing such information in writing as is necessary to enable the relevant Synergy Cluster Member and any Replacement Contractor to comply with Regulation 13(4) of the Employment Regulations in respect of all Transferring Employees (regardless of whether the Employment Regulations actually apply to such Transferring Employees).
- 8.2 The Synergy Cluster Lead and relevant Synergy Cluster Member confirm that they and the Service Recipients, and the Replacement Contractor will comply, with their obligations under regulation 13(4) of the Employment Regulations in respect of the Transferring Employees and their appropriate representatives (regardless of whether the Employment Regulations actually applies to such Transferring Employees), during the period prior to the relevant Cluster Service Transfer Date (as applicable), save where the Synergy Cluster Lead, Synergy Cluster Member, Service Recipient or Replacement Contractor was unable to do so as a result of the failure of the Contractor or any member of the Contractor Group to comply with its duties under regulation 13 of the Employment Regulations.
- 8.3 The Contractor confirms that it will comply with its obligations under regulations 11 and 12 of the Employment Regulations in respect of the Transferring Employees during the period prior to the Cluster Service Transfer Date.

9. Apportionments and Payments

- 9.1 The Contractor shall be responsible for all emoluments and outgoings in respect of the Transferring Employees (including without limitation all wages, contractual bonuses, commission, premiums, subscriptions, PAYE, national insurance contributions and pension contributions) which are attributable in whole or in part to the period up to the relevant Cluster Service Transfer Date (including the proportion of any contractual bonuses or commission which are attributable to the period before the Cluster Service Transfer Date but payable on

or after the Cluster Service Transfer Date), and the Contractor will indemnify the Synergy Cluster Lead and each relevant Synergy Cluster Member against all Employment Losses (including those suffered by a Service Recipient or Replacement Contractor) in respect of the same.

- 9.2 The Synergy Cluster Lead, relevant Synergy Cluster Member, Service Recipient or the Replacement Contractor (as the case may be) shall be responsible for all emoluments and outgoings in respect of the Transferring Employees (including without limitation all wages, contractual bonuses, commission, premiums, subscriptions, PAYE, national insurance contributions and pension contributions) which are attributable in whole or in part to the period on and after the Cluster Service Transfer Date (including the proportion of any contractual bonuses or commission which are attributable to the period after the Cluster Service Transfer Date but payable before the Cluster Service Transfer Date), and the Synergy Cluster Lead will or will procure that the relevant Synergy Cluster Member, Service Recipient or Replacement Contractor will indemnify the Contractor and each member of the Contractor's Group against all Employment Losses in respect of the same.

10. Indemnities

- 10.1 The Contractor will indemnify the Synergy Cluster Lead, each Synergy Cluster Member, each Service Recipient and each Replacement Contractor, against all Employment Losses (including those suffered by a Service Recipient or Replacement Contractor) incurred in connection with or as a result of:
- (a) any claim or demand by any Transferring Employee, (whether in contract, tort, under statute, pursuant to European law or otherwise) including, without limitation, any claim for unfair dismissal, wrongful dismissal, a redundancy payment, breach of contract, unlawful deduction from wages, discrimination in respect of sex, sexual orientation, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, disability, age, religion or belief, personal injury, a protective award or a claim or demand of any other nature in each case arising directly from that Transferring Employee's employment with the Contractor or any member of the Contractor's Group prior to the relevant Cluster Service Transfer Date and/or any act or omission by the Contractor or any member of the Contractor's Group in respect of any Transferring Employee or any appropriate representative of any Transferring Employee arising before the relevant Cluster Service Transfer Date;
 - (b) any failure by the Contractor or any member of the Contractor's Group to comply with its obligations under regulations 13 and 14 of the Employment Regulations arising from the termination of the provision of the relevant BAU Services, save where such failure arises from the failure of the relevant Synergy Cluster Member, Synergy Cluster Lead, Service Recipient or a Replacement Contractor to comply with its duties under regulation 13 of the Employment Regulations;
 - (c) the breach or non-observance by the Contractor or any member of the Contractor's Group prior to the relevant Cluster Service Transfer Date of:

- (i) any collective agreement applicable to the Transferring Employees; and/or
- (ii) any custom or practice in respect of any Transferring Employees, which the Contractor or a Contractor Party is contractually bound to honour;
- (d) any claim by any trade union or other body or person representing the Contractor's or member of the Contractor's Group's employees arising from or connected with any failure by the Contractor or a member of the Contractor's Group to comply with any legal obligation to such trade union, body or person prior to the relevant Cluster Service Transfer Date (as applicable); and
- (e) subject to Paragraph 10.2 below, any claim or demand by any employee other than a Transferring Employee arising directly or indirectly from their employment with the Contractor or a member of the Contractor's Group or its termination for which it is found or alleged that the relevant Synergy Cluster Member, a Service Recipient or a Replacement Contractor is liable by virtue of the operation of the Employment Regulations

save that the Contractor shall not be liable to indemnify the Synergy Cluster Lead, any Synergy Cluster Member, any Service Recipient or any Replacement Contractor under this Paragraph 10.1 for any Employment Losses that arise as a result of the Contractor's compliance with Paragraphs 2 (Staff Transfer), 4.4 (Receipt of Outline Wave Notice), 5 (Timing of Staff Transfer and Resource Sharing), 6.3 (Pre-Transfer Obligations) and 7 (Additional Co-operation and Support) of this Part E of Schedule 5.1 (Staff Transfer).

10.2 If any person who is not identified in the Initial In-Scope Employee List or any relevant Updated In-Scope Employee List (as applicable) or is not identified on the lists provided pursuant to Paragraphs 4.2, 6.1 and 6.2 (as applicable) claims that, or it is determined that, their contract of employment has been transferred from the Contractor to the Synergy Cluster Lead, a Synergy Cluster Member, a Service Recipient or a Replacement Contractor or claims that their employment would have so transferred had they not resigned:

- (a) the Synergy Cluster Lead will or will procure that the relevant Synergy Cluster Member, Replacement Contractor or Service Recipient will, within five (5) Working Days of it becoming aware of that fact, give notice in writing to the Contractor;
- (b) the Contractor may offer (or may procure that a third party may offer) employment to such person, or take such other steps as it considers appropriate to resolve the matter, within fifteen (15) Working Days of the notification under Paragraph 10.2(a) above;
- (c) if such offer is accepted, the Synergy Cluster Lead shall procure that the relevant Synergy Cluster Member, Service Recipient or Replacement Contractor (as the case may be) shall immediately release the person from their employment;
- (d) if after that period has elapsed, no such offer of employment has been made or such offer has been made but not accepted, or the situation has not otherwise been

resolved the Synergy Cluster Lead, Synergy Cluster Member, Service Recipient or Replacement Contractor (as the case may be) may within five (5) Working Days give notice to terminate the employment of such person;

- (e) then subject to the Synergy Cluster Lead, relevant Synergy Cluster Member, Service Recipient and Replacement Contractor complying with the provisions of this sub-Paragraph 10.2, or in such other way as may be agreed between the Contractor and the Synergy Cluster Lead, relevant Synergy Cluster Member, Service Recipient or Replacement Contractor (as the case may be), and subject to sub-Paragraph (f), the Contractor will indemnify the Synergy Cluster Lead, each Synergy Cluster Member, each Service Recipient and each Replacement Contractor against all Employment Losses (including those suffered by a Service Recipient or Replacement Contractor) arising out of such termination pursuant to Paragraph 10.2(d) or in respect of any period of employment of such person by the Synergy Cluster Lead, Synergy Cluster Member, Service Recipient or Replacement Contractor (as the case may be), provided that the Synergy Cluster Lead, Synergy Cluster Member, Service Recipient or Replacement Contractor (as the case may be) takes all reasonable steps to minimise any such Employment Losses. If such person's employment with the Synergy Cluster Lead, Synergy Cluster Member, Service Recipient or Replacement Contractor (as the case may be) is not terminated within the time scales set out in this sub-Paragraph, such person will be treated as a Transferring Employee;
- (f) The indemnity in sub-Paragraph (e) shall be limited in that it:
 - (i) shall only apply to notifications received by the Contractor under sub-Paragraph (a) within six (6) months of the relevant Cluster Service Transfer Date; and
 - (ii) shall not apply to any claim for discrimination, including but not limited to sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief or claims for equal pay, or compensation for less favourable treatment of part time workers or fixed term employees in relation to any alleged act or omission of the Synergy Cluster Lead, relevant Synergy Cluster Member, Service Recipient or Replacement Contractor or to any claim in which it is found by a competent tribunal or court that the termination of employment was unfair because the Synergy Cluster Lead, Synergy Cluster Member, Service Recipient or Replacement Contractor (as applicable) neglected to follow a fair dismissal procedure; and
 - (iii) where the relevant person has been included on the Total Assigned Staff Complement (as defined in the Stranded Redundancy Costs Reimbursement Arrangement):
 - (A) shall not affect any right of the Contractor to be reimbursed for Redundancy Costs (as defined in the Stranded Redundancy Costs Reimbursement Arrangement) incurred by the Contractor in

accordance with the Stranded Redundancy Costs Reimbursement Arrangement; and

- (B) shall not apply to the extent that the Employment Losses sought under the indemnity are Redundancy Costs (as defined in the Stranded Redundancy Costs Reimbursement Arrangement) for which the Contractor was entitled to be reimbursed under and in accordance with the Stranded Redundancy Costs Reimbursement Arrangement.

10.3 The Synergy Cluster Lead will or will procure that the relevant Synergy Cluster Member, Service Recipient or Replacement Contractor will indemnify the Contractor and each relevant member of the Contractor's Group against all Employment Losses incurred in connection with or as a result of:

- (a) any claim or demand by any Transferring Employee (whether in contract, tort, under statute, pursuant to European law or otherwise) including, without limitation, any claim for unfair dismissal, wrongful dismissal, a redundancy payment, breach of contract, unlawful deduction from wages, discrimination in respect of sex, sexual orientation, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, disability, age, religion or belief, personal injury, a protective award or a claim or demand of any other nature in each case arising directly from that Transferring Employee's employment with the Synergy Cluster Lead or relevant Synergy Cluster Member, Service Recipient or Replacement Contractor on and after the relevant Cluster Service Transfer Date;
- (b) any failure by the Synergy Cluster Lead, the relevant Synergy Cluster Member, Service Recipient or the Replacement Contractor to comply with its obligations under regulation 13 of the Employment Regulations, save where such failure arises from the failure by the Contractor to comply with its duties under Regulation 13 of the Employment Regulations;
- (c) the breach or non-observance by the Synergy Cluster Lead, the relevant Synergy Cluster Member, Service Recipient or Replacement Contractor on or after the Cluster Service Transfer Date of any collective agreement and/or other custom or practice in respect of any Transferring Employees which the Synergy Cluster Lead, the relevant Synergy Cluster Member, Service Recipient or Replacement Contractor (as the case may be) is contractually bound to honour;
- (d) any claim by any trade union or other body or person representing the Transferring Employees arising from or connected with any failure by the Synergy Cluster Lead, the relevant Synergy Cluster Member, Service Recipient or Replacement Contractor to comply with any legal obligation to such trade union, body or person on or after the relevant Cluster Service Transfer Date;
- (e) any proposal by the Synergy Cluster Lead, the relevant Synergy Cluster Member, Service Recipient or Replacement Contractor prior to the Cluster Service Transfer

Date to change the terms and conditions of employment or working conditions of the Transferring Employees on or after their transfer to the Synergy Cluster Lead, the relevant Synergy Cluster Member, Service Recipient or Replacement Contractor (as the case may be) on the relevant Cluster Service Transfer Date, or to change the terms and conditions of employment or working conditions of any person who would have been a Transferring Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the relevant Cluster Service Transfer Date as a result of or for a reason connected to such proposed changes; and

- (f) any statement communicated to or action undertaken by the Synergy Cluster Lead, relevant Synergy Cluster Member, Service Recipient or Replacement Contractor to, or in respect of, any Transferring Employee before the relevant Cluster Service Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Contractor in writing.

- 10.4 The Synergy Cluster Lead shall procure that the Replacement Contractor shall, indemnify the Contractor against any Employment Losses incurred by the Contractor (or the relevant member of the Contractor's Group) arising from or a result of any act or omission by the Replacement Contractor in respect of any In-Scope Employee or Transferring Employee or appropriate representative (as such term is defined in the Employment Regulations) of such Transferring Employee whether occurring before, on or after the Cluster Service Transfer Date.
- 10.5 In the event that the Synergy Cluster Lead or relevant Synergy Cluster Member or Replacement Contractor exercises access under Paragraph 7 (Additional Co-operation and Support) to any In-Scope Employee or Transferring Employee or any appropriate representative (as such term is defined in the Employment Regulations) of such Transferring Employee pursuant to Paragraph 7.1 or 7.4 of this Part E of Schedule 5.1 (Staff Transfer) the Synergy Cluster Lead shall or shall procure that the relevant Synergy Cluster Member or Replacement Contractor shall indemnify the Contractor against any Employment Losses incurred by the Contractor or the relevant member of the Contractor's Group arising from or a result of any act or omission by the Synergy Cluster Lead, Synergy Cluster member or Replacement Contractor (as applicable) in respect of such In-Scope Employee or Transferring Employee or appropriate representative in the course of or in connection with such access.
- 10.6 In the event that any Transferring Employee, Non-Transferring Employee or Objecting Employee or an appropriate representative of such Transferring Employee, Non-Transferring Employee or Objecting Employee brings a claim against the Contractor as a direct result of the Contractor's compliance with Paragraphs 2 (Staff Transfer), 4.4 (Receipt of Outline Wave Notice), 5 (Timing of Staff Transfer and Resource Sharing), 6.5 (Pre-Transfer Obligations) and/or 7 (Additional Co-operation and Support) of this Part E of Schedule 5.1 (Staff Transfer), the Synergy Cluster Lead shall, or shall procure that the relevant Synergy Cluster Member shall, indemnify the Contractor against any Employment Losses incurred by the Contractor or the relevant member of the Contractor's Group arising from or in connection with such claim provided that this indemnity shall not apply if or to the

extent that the claim arises out of an act or omission of the Contractor or any member of the Contractor's Group save where such act or omission is reasonably necessary in order for the Contractor to comply with the terms of this Part E of Schedule 5.1 (Staff Transfer). The parties agree that there shall be no double recovery between this Paragraph 10.6 and any costs recoverable under the Stranded Redundancy Costs Reimbursement Arrangement in relation to any such claim.

11. Arrangements regarding Subcontractors of the Contractor

- 11.1 For the avoidance of doubt, in the event of the termination or expiry of this Call-Off Agreement, Part D of Schedule 5.1 shall apply in respect of Sub-contractors who are not part of the Contractor's Group and, save for this Paragraph 11, which will apply, none of Part E of Schedule 5.1 will apply to the Sub-contractors or the Sub-contractors' personnel.
- 11.2 For the proper performance of the Services for the Synergy Cluster Members, the Contractor has entered into various agreements with subcontractors who are not part of the Contractor's Group ("the **Services Subcontractors**").
- 11.3 In order to enter into the Change Authorisation Note for the Second Further Extension Period and continue to provide the Services to the Synergy Cluster Members, the Contractor may negotiate and enter into further extension agreements with the Services Subcontractors (a "**Subcontractor Extension Agreement**").
- 11.4 The parties recognise that some of the services and/or activities that will be provided to the Contractor by the Services Subcontractors as part of the Subcontractor Extension Agreements are or may be part of the BAU Services or the Services that will transfer to a Synergy Cluster Member, a Replacement Contractor or Service Recipient. The parties further recognise that there may be employees of the Services Subcontractors that will be part of an organised grouping of employees (meeting the criteria in regulation 3(3)(a)(i) of the Employment Regulations) and be assigned (within the meaning of regulation 4(1) of the Employment Regulations) to the services and/or activities that are part of the BAU Services or the Services as a whole (the "**In-Scope Subcontractor Employees**").
- 11.5 The parties recognise that the employment of some of the In-Scope Subcontractor Employees may transfer to a Replacement Contractor or a Synergy Cluster Member or Service Recipient by virtue of the Employment Regulations on a Cluster Service Transfer Date or a Service Transfer Date (which shall have the meaning given to it in Schedule 1 (Definitions) of the Standard Terms). It is agreed that the transfer of any relevant Services Subcontractor's employees under this Paragraph 11.5 falls outside the scope of, and is not covered by the terms of, this Paragraph 11 of this Part E of Schedule 5.1 (Staff Transfer).
- 11.6 The parties also recognise that the employment of some In-Scope Subcontractor Employees will not transfer to the relevant Synergy Cluster Member, a Replacement Contractor or Service Recipient on any relevant Cluster Service Transfer Date or Service Transfer Date either because the services and/or activities they are wholly or mainly assigned to are or will be subject to an Alteration, or for another reason, and those employees will become "**Non-Transferring Subcontractor Employees**".

- 11.7 In order to be able to bring about a Subcontractor Extension Agreement under Paragraph 11.3, the Contractor or a member of the Contractor's Group may agree to indemnify and keep indemnified or otherwise make payment to a Services Subcontractor for the Redundancy Costs (which for this purpose shall have the same definition as is set out in Paragraph 2.1 of Schedule 3.6 (Stranded Costs, Diseconomies of Scale and related Gain Share) of the Synergy Cluster Lead's Call-Off Agreement of any redundant Non-Transferring Subcontractor Employees (the "**Subcontractor Redundancy Costs**").
- 11.8 The Synergy Cluster Lead shall indemnify and keep indemnified the Contractor and each relevant member of the Contractor's Group for any Subcontractor Redundancy Costs incurred by the Contractor or member of the Contractor's Group provided and to the extent that it is reasonably necessary for the Contractor or a member of the Contractor's Group to agree to indemnify or make payment to the Services Subcontractor in respect of the relevant Subcontractor Redundancy Costs to obtain the Subcontractor Extension Agreement on commercially reasonable terms overall and subject to Paragraph 11.9.
- 11.9 The Contractor shall use reasonable endeavours to procure that the relevant Services Subcontractor accepts, in the terms of any payment or indemnity referred to in Paragraphs 11.7 and 11.8, an obligation on such Services Subcontractor to use reasonable endeavours to mitigate the Subcontractor Redundancy Costs (including through redeployment).
- 11.10 Where the indemnity in Paragraph 11.8 applies the Synergy Cluster Lead shall make payment of any Subcontractor Redundancy Costs payable by the Synergy Cluster Lead under Paragraph 11.8 to the Contractor in advance of any such amount being due and payable by the Contractor to the relevant Services Subcontractor under Paragraph 11.7 such that the Contractor is never left in deficit by the amount of the relevant Subcontractor Redundancy Costs provided that the Synergy Cluster Lead shall not be required to make payment of any Subcontractor Redundancy Costs within any period of less than 20 Working Days from the date when the Contractor provides the Synergy Cluster Lead with a written notification of and invoice for such Subcontractor Redundancy Costs.

ANNEX A

Initial In-Scope Employee List

The document referenced here at Annex A is file reference "Staff Complement List v8.1" which has been emailed to the Customer on or around the Second Further Renewal CAN Effective Date, the contents of which have been reviewed and accepted by the Customer. This file is password protected. The password can be found in the following location within the Synergy Cluster Lead's data room:

Folder name: REDACTED

File location: REDACTED

The Contractor shall provide to the Synergy Cluster Lead a further copy of the password for the document mentioned above if requested by the Synergy Cluster Lead.

ANNEX B

In- Scope Employee Tender Information

SECTION INFORMATION REDACTED	
EMPLOYEE DETAILS AND KEY TERMS	
ASSIGNMENT	
Information to be provided on an employee wide level	
CONTRACTUAL PAY AND BENEFITS	

OTHER INFORMATION	
Payroll information	

Attachment 1: Annex 4 - JIWG Outline Solution

For the avoidance of doubt, this JIWG Outline Solution is intended to be a non-binding summary of the services provided by the Contractor to the Customer, known as the JIWG.

1. Joint Insight Working Group

- 1.1 The Contractor will establish a collaborative group (complimentary to the existing governance structures) composed of members of the Contractor and the Synergy Cluster Members, working together to share information, develop common insights and make informed decisions, such group will be known as the "Joint Insight Working Group". The JIWG will meet regularly.
- 1.2 The aims of the JIWG will be to:
 - 1.2.1 identify opportunities and changes that are low cost and high in value-add and provide benefits and further improvement of the BAU Services that the Synergy Cluster Members receive;
 - 1.2.2 bring together all of the innovation and insight ideas from whatever source and to triage those that should be prioritised based upon optimal return on investment within the time constraints; and
 - 1.2.3 receive, generate and discuss insights and initiatives openly together as set out at Figure 5 below.

Figure 5: Source of Ideas and Insights that may all flow through the new JIWG

1.3 Figure 2 below shows the approach to the JIWG:

Figure 2: Work Breakdown Structure of the JIWG

1.4 With the JIWG in place, the Contractor will:

- 1.4.1 by utilising experts from the Contractor's Group (known as "Sopra Steria Next"), highlight service improvement insights, innovations and process efficiencies in support of the work that the Contractor does for the Synergy Cluster Members;

- 1.4.2 by using a team of continuous improvement experts made up of qualified "Lean Six Sigma Black Belts" and "Master Black Belts" from the Contractor that are experienced in departmental business processes, work closely and collaboratively to identify and execute opportunities for rapid service improvement;
- 1.4.3 demonstrate the ability to quickly act on service improvement opportunities;
- 1.4.4 streamline the approvals of "Just Do It" innovations and enable a more rapid approval and execution of insight led change;
- 1.4.5 re-establish 1-2-1 relationships ensuring Departmental Directors are able to liaise directly with their counterparts within the Contractor, to understand needs, surface priority items and quick wins and ensuring sponsorship for identifying and implementing rapid change;
- 1.4.6 by gathering upfront feedback from Synergy Cluster Members paired with meaningful insights through a dedicated team, rapidly act on such feedback to make rapid service improvements;
- 1.4.7 use a data-driven approach to develop lite-business cases which can be taken forward and deliver benefits such as optimising costs, streamlining processes and reducing manual efforts; and
- 1.4.8 triage the insights into a fast response and positive action that delivers a quick delivery result through the new structure shown in Figures 2 and 3.

Figure 3: Collaborative 6 Step Approach

- 1.5 The JIWG will be empowered to design, develop and implement the prioritised insights provided the following parameters are satisfied:
 - 1.5.1 no significant investment required;

- 1.5.2 return on investment is positive within the period following the Second Further Renewal CAN Effective Date taking into account the Transition Key Milestone Dates in the Integrated Implementation Plan;
 - 1.5.3 the service requirements/customer requirements need amending (as these are controlled via the Contract Change Procedure);
 - 1.5.4 the business processes cannot be amended without changes to the SOP /METIS/EPayfact and other core technology platforms;
 - 1.5.5 each participating Customer and the Contractor agrees that they have the resources and skills to implement the change; and
 - 1.5.6 each participating Customer and the Contractor agree that the change should go ahead.
- 1.6 Where the JIWG initiatives fall outside any one of the above parameters, either or both of the relevant participating Customer and the Contractor can instigate the Change Control Procedure if they wish to proceed with an initiative and this would “escalate” the approvals to the existing formal change board(s), and where appropriate, the existing Customer Board.
- 1.7 Where the participating Customer and the Contractor have agreed that none of these above parameters apply then the JIWG will be authorised to instruct operational teams to implement the proposed change.
- 1.8 “Product squad” subject matter experts and the data insights solution will also form part of the JIWG. The Contractor will refocus on the insights that come from the reporting while simultaneously conducting analysis to seek greater and deeper opportunities for improvement e.g. developing a deeper understanding and levels of reporting for payroll accuracy in the end-to-end service.
- 1.9 In addition to Paragraphs 1.1– 1.8 (inclusive), the JIWG will work with the Customer to identify initiatives to reduce the cost of the New Ways of Working team (**NWoW**). Any savings identified will be redeployed/reallocated for other purposes, or to improve existing services. Such re-deployment/reallocation of savings will be effective from the Second Further Renewal CAN Effective Date.

Attachment 1: Annex 5 - Liability worked example

A SOW has been commissioned by HO that includes a SOW Key Milestone for data cleansing. In this scenario: the Contractor fails to achieve the SOW Key Milestone Date; the data cleansing has not been delivered in accordance with the SOW; and data has been lost or corrupted, meaning the Contractor fails to process the payroll for a Synergy Customer. As such, (i) Delay Payments would apply, (ii) the Contractor would be obligated to meet the rectification costs, and (iii) Synergy would be entitled to make a claim for losses subject to Clause 38. For the purposes of illustrating the contractual mechanisms, the BAU Service Charges for HO for the Contract Year are £50 million, the Transition Service Charges (for the Synergy Cluster) are £12 million, the delay has been 50 days, the cost of rectifying the data loss is £10,000,000 and the loss to HO to make alternative payroll arrangements is £10,000,000.

Therefore, the Contractor's liability is assessed, for this scenario, in three steps applying each of the tiered caps as per Paragraph 16.2 of Part 3 of Schedule 3.1 (Charges and Invoicing) as follows:

Step 1: Delay Payments:

50 days delay is calculated, subject to Clause 38.2 (e), as the following: **TABLE REDACTED**

Scenario	No. of days	Daily LD Rate (£)	LD Amount (£)
0 -14 days	14		
15 – 28 days	14		
>28 days	22		
Total delay	50		

Transition Services Delay Payments Cap	Assumption	Contractor's liability
In this scenario, the Transition Services Charges are Redacted therefore, the Transition Services Delay Payments Cap is £1.8M.	Assume Transition Services Charges are £REDACTED .	The lower of the total Transition Services Delay Payments shown in the table above (£REDACTED), or the headroom remaining under the Transition Service Delay Payments Cap is Redacted available), therefore

(£Redacted)

		Going forwards the overall headroom available to the Synergy Custer Members under the Transition Services Delay Payments Cap is now reduced to £REDACTED. This is assuming no other Transition Services Charges become payable because further Transition Services are provided.
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In this scenario, this is the only delay caused by the Contractor on the programme. Therefore, the assessed LDs fall within the Transition Services Delay Payments Cap as included in the table above and the full amount of LDs of £REDACTED are owed by the Contractor to the Synergy Cluster Lead.

Step 2: Transition Services Default

Transition Services Default Cap	Assumption	Contractor's liability
The higher of £REDACTED or REDACTED% of the Transition Services Charges (which are £12 million) minus the step 1 assessed amount.	The Transition Service Charges are £REDACTED and so the Transition Services Default Cap is therefore £REDACTED, (being REDACTED% of £REDACTED) less Transition Services Delay Payments made.	The loss suffered is £REDACTED. The headroom available under the Transition Services Defaults Cap is £REDACTED – £REDACTED = Contractor's liability of £REDACTED This means that not all losses can be recovered (£REDACTED - £REDACTED = £REDACTED cannot be recovered) Moving forwards, the overall headroom available to the Synergy Custer Members under the Transition Services Default Cap and the Transition Services Delay Payment Cap is £0 unless and until any further Transition Services work is undertaken, that is in excess of Redacted

example, if a further £RedactedM of Transition

		<p>Services work was undertaken there is still headroom under the Transition Services Delay Payments Cap and the £REDACTEDm will increase the remaining overall headroom available under the Transition Services Default Cap by £REDACTED (being Redacted % of the additional Transition Charges).</p>
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Step 3: General Damages Claim

General Damages Cap	Assumption	Amount
<p>The higher of £Redacted and Redacted% of the aggregate annual service charges minus the step 1 and step 2 assessed amounts, which, in this example is £RedactedM.</p>	<p>We assume for this example, a sum of £Redacted (calculated as HO's annual Service Charge of £Redacted x Redacted%).</p>	<p>The Contractor's Contract Year Cap in the HO Call-Off Agreement is therefore, £RedactedM, as shown in the Assumption column - £RedactedM paid to HO under Step 1 and 2 (as only HO suffered those losses) = £RedactedM headroom remaining for HO for that Contract Year.</p> <p>Therefore the whole amount of £Redacted is payable by the Contractor to HO and:</p> <p>The headroom, in the annual liability cap of that Customer is now reduced to £Redacted million; and the annual liability cap under all other Synergy Cluster Members Call-Off Agreements is not affected.</p>

This worked example illustrates, at step 3, that each Call-Off Agreement general damages cap is reduced by any sums that have materialised in steps 1 and 2 above. If in that Contract Year the annual cap in step 3 had already been exhausted for HO before (for example) the claim for the Transition Services Delay Payment was brought then the Contractor would not be liable for the Transition Services Delay Payment in that Contract Year to HO as the annual cap agreed with HO had been exhausted already.