

## FRAMEWORK SCHEDULE 3 – FORM OF CONTRACT AND CALL-OFF TERMS

### FORM OF CONTRACT

This contract is made on the .....14.....day of.....March.....2018

BETWEEN

- (1) Transport for London of 55 Broadway, London, SW1H 0BD (the "**Customer**"); and
- (2) G4S Cash Solutions (UK) Limited, whose registered office is Sutton Park House, 15 Carshalton Road, Sutton. SM1 4LD whose company number is 00354883 (the "**Service Provider**")

WHEREAS the Customer wishes to have provided the following services namely Cash Collection and Cash and Valuables in Transit (CVIT) Services pursuant to the ESPO Framework Agreement (reference 324F).

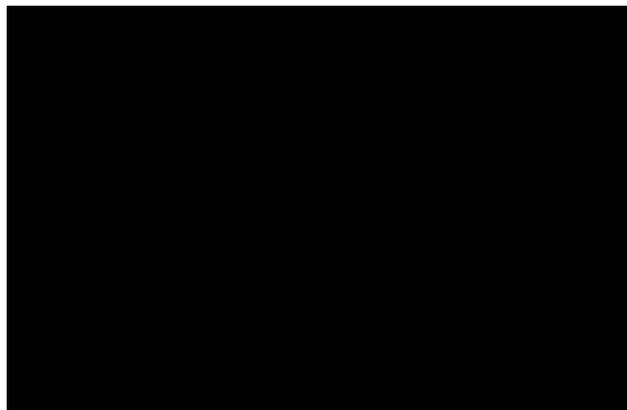
NOW IT IS AGREED THAT

1. The Service Provider will provide the goods and/or services in accordance with the terms of the call-off contract (reference number 324F and Contract Documents.
  2. The Customer will pay the Service Provider the amount due in accordance with the terms of the call off agreement and the Contract Documents.
  3. The following documents comprise the Contract Documents and shall be deemed to form and be read and construed as part of this agreement:
    - This Form of Contract
    - The Master Contract Schedule
    - The documents as listed below in the Call off Terms and associated schedules.
-

- **IN WITNESS OF** the hands of the Parties or their duly authorised representatives:

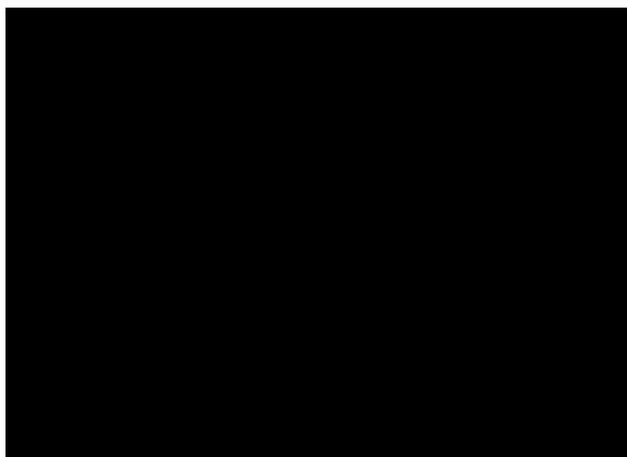
**Signed for and on behalf of**

**TRANSPORT FOR LONDON**



**Signed by**

**G4S CASH SOLUTIONS (UK) Limited**



**This document relates to and forms part of the Call-Off Terms**

**MASTER CONTRACT SCHEDULE**

**(ESPO Framework Reference 324F)**

<b>1. TERM</b>
<b>Commencement Date</b> 26 <sup>th</sup> February 2018 <b>Expiry Date</b> 28 <sup>th</sup> February 2020 <b>Extension Period</b> 12 months and 12 months (or 24 months in total)
<b>2. GOODS AND/OR SERVICES REQUIREMENTS</b>
<b>Services and Deliverables required</b> <b>AS IN SPECIFICATION AND ASSOCIATED APPENDICES (Schedule 3 Call Off Terms)</b>

**Performance/Delivery Location/Premises**

**AS IN SPECIFICATION AND ASSOCIATED APPENDICES (Schedule 3 Call Off Terms)**

**Standards**

**Quality Standards**

**AS IN SPECIFICATION AND ASSOCIATED APPENDICES (Schedule 3 Call Off Terms)**

**Technical Standards**

**AS IN SPECIFICATION AND ASSOCIATED APPENDICES (Schedule 3 Call Off Terms)**

**Disaster Recovery and Business Continuity**

Risk log



Consequence
[Redacted]

[Redacted]

A - Almost certain to occur in					
[Redacted]					
[Redacted]					
[Redacted]					

Guidance contained in this document is intended for use by ESPO employees however it is made available to ESPO customers. ESPO customers must seek their own legal advice as to the content and drafting of this document.

[Redacted]

Time	Work sent to recovery
[Redacted]	
[Redacted]	

[Redacted]

[Redacted]

resilience with the capability for an effective response. This safeguards the interests of its key

[Redacted]

[Redacted]

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- [Redacted]

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- [Redacted]

- [Redacted]

- [Redacted]

[Redacted]

[Redacted] business operations

[Redacted]



**Key Personnel of the Service Provider to be involved in the provision of the Goods, Services and Deliverables**

**Key personnel and their responsibilities**

**Account Manager**

In order to deliver excellent service performance to you, we need to be fully familiar with your business and its objectives, as well as challenges you may face. Your Account Manager, will work closely with you to continue to understand your needs now and in the future.

Your Account Manager will be responsible for the relationship with TfL, ensuring that the operational service delivery meets your needs on a day-to-day basis, and that our service develops in line with your requirements over time. Your Account Manager will act as a point of escalation for serious service incidents and any contractual discussions.

Your Account Manager will be supported by a management team offering strategic and operational support.

The following table outlines the Account Manager’s responsibilities:

<b>Account Manager’s responsibilities to support your business objectives</b>		<b>Customer Services Coordinator –</b>   Service Coordinator for TfL and she has detailed knowledge of your account and she will continue to handle day to day operational queries and service requests such as ad hoc services, bank holiday planning and missed services.
<b>Understanding your objectives</b>	Mutual understanding of your business objectives Agree a plan to meet these objectives, covering both the delivery of existing services, and discussing new initiatives or approach Discuss and agree service requirements, action plans and initiatives to deliver improvements to all aspects of the service or contract	
<b>Successful delivery</b>	Ensure our personnel understand your requirements Performance delivery against SLAs and KPIs Incident handling	
<b>Pro-active Relationship Management</b>	Regular, open and honest communication Address all queries and requests, facilitating a quick and efficient resolution	
<b>Effective reporting and review</b>	Regular review meetings Ensure information security Monitor MI to identify potential service improvements	
<b>Driving innovation and improvement</b>	Working in partnership to identify new solutions which help achieve your objectives Implement ongoing service improvements to increase performance and save cost	

to ensure that they are aware of any issues and queries regarding your service. This communication ensures that your

Account Manager has an up to date and detailed understanding of your account and can liaise with other G4S departments on your behalf to make improvements to your service and resolve any issues.

**Operational hours**

Your Account Manager works a minimum of 40 hours per week.

Danielle Roberts works 08:30am to 17:00pm, Monday to Friday.

**Resilience cover**

**Account Manager** - Should your Account Manager be unavailable due to annual leave, appropriate cover will be organised within the wider Account Management team.



**Branch Support**

Our Branch Managers support the operational performance through effective scheduling of services. They are critical to business continuity planning in the event of unexpected interruptions caused by weather, traffic or vehicle breakdown.



**Service Provider's inspection of the Premises and Infrastructure (where relevant)  
AS IN SPECIFICATION AND ASSOCIATED APPENDICES (Schedule 3 Call Off Terms)**

**4. PERFORMANCE OF THE GOODS AND/OR SERVICES AND DELIVERABLES**

**Critical Service Failure**

(i) In relation to the required Cash in Transit Services a Critical Service Failure shall include a delay in servicing the demand for services ordered by the Customer in excess of 24 hours more than once in any three (3) Month period or more than three times in any rolling twelve (12) month period.

(ii) In relation to the [insert description of the Service] a Critical Service Failure shall mean a loss of two (2) or more during core hours (08:00 – 18:00 Mon – Fri excluding bank holidays) for more than 24 hours accumulated in three (3) Month period, or 48 hours in any rolling twelve (12) month period.

**Monitoring**

**AS IN SPECIFICATION AND ASSOCIATED APPENDICES (Schedule 3 Call Off Terms)**

**Management Information**

**AS IN SPECIFICATION AND ASSOCIATED APPENDICES (Schedule 3 Call Off Terms).**

**5. CUSTOMER RESPONSIBILITIES**

**Customer's Responsibilities (where appropriate)**

**AS IN SPECIFICATION AND ASSOCIATED APPENDICES (Schedule 3 Call Off Terms)**

**6. CHARGES AND PAYMENT**

**Contract Charges payable by the Customer (including any applicable discount but excluding VAT), payment profile and method of payment (e.g. BACS))**

The payment period shall be 4-weekly

Payment must be made within 30 days of receipt of invoices.

**Address where invoices shall be sent:**      **Transport for London**  
Accounts Payable,  
P.O. Box 45276,  
14 Pier Walk,  
SE10 1AJ

**TABLE 1 : Collection, Delivery and Deposit**

Any missed collection (missed by Service Provider i.e. not turned up at the agreed time) will not be paid for.

Any missed collection time (due to TfL ) may be charged at 80% of the agreed collection delivery and deposit cost.

Any collection in the recovery window will be charged at 80% of the agreed collection, delivery and deposit cost.

Price covers collection and transport to cash processing centre and delivery to bank/specified organisation

Included cash delivery service at the same collection.

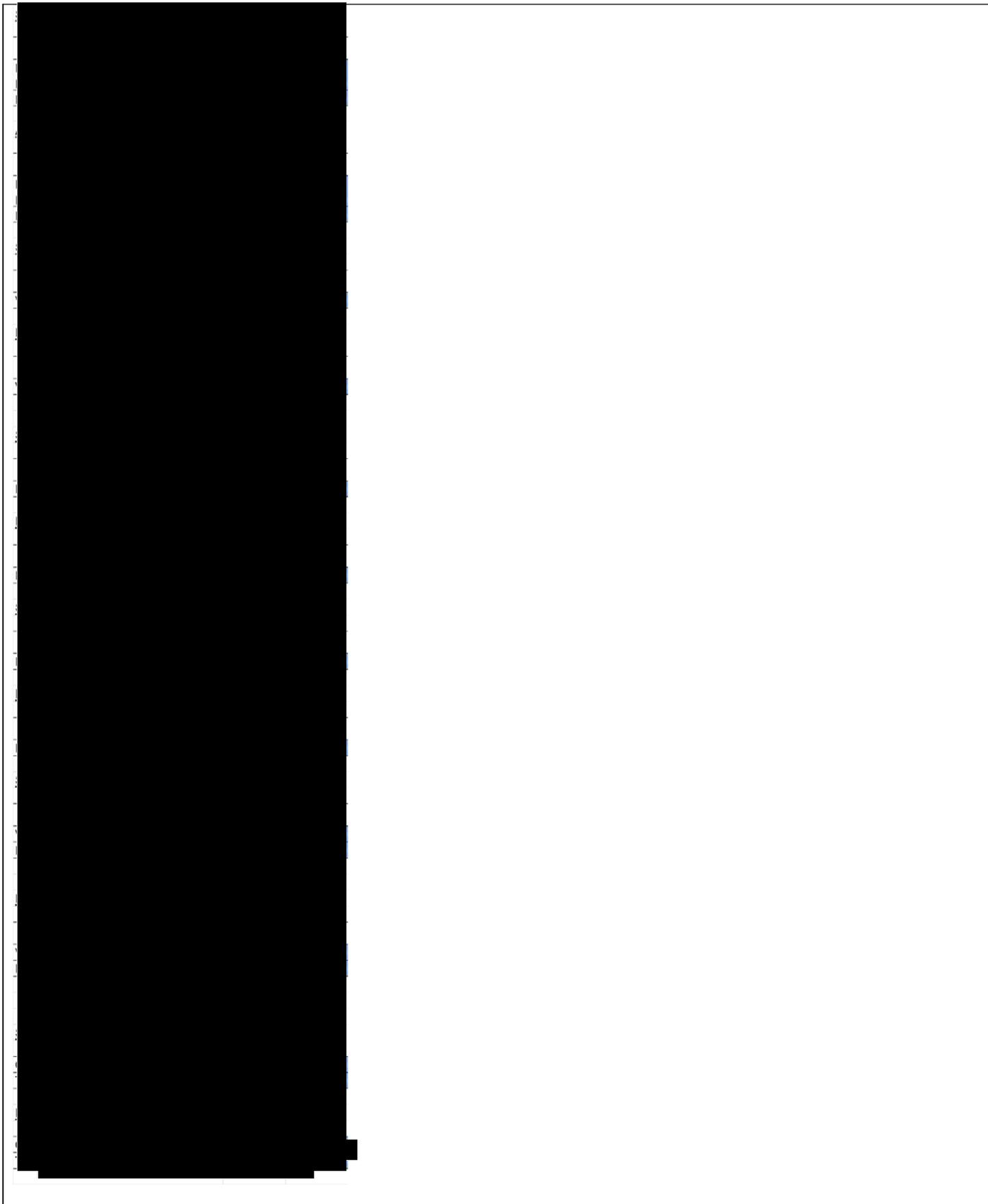
Non- consumables collection (but not delivery) is included in this price. Note for non - consumables, delivery price is included onward delivery of non cash items.

Price includes all the required reporting, training and account management.

Standard = is per Schedule, Ad Hoc is agreed and added to the schedule.

Volumes are based on current schedule. TfL do not guarantee /commit to any volumes

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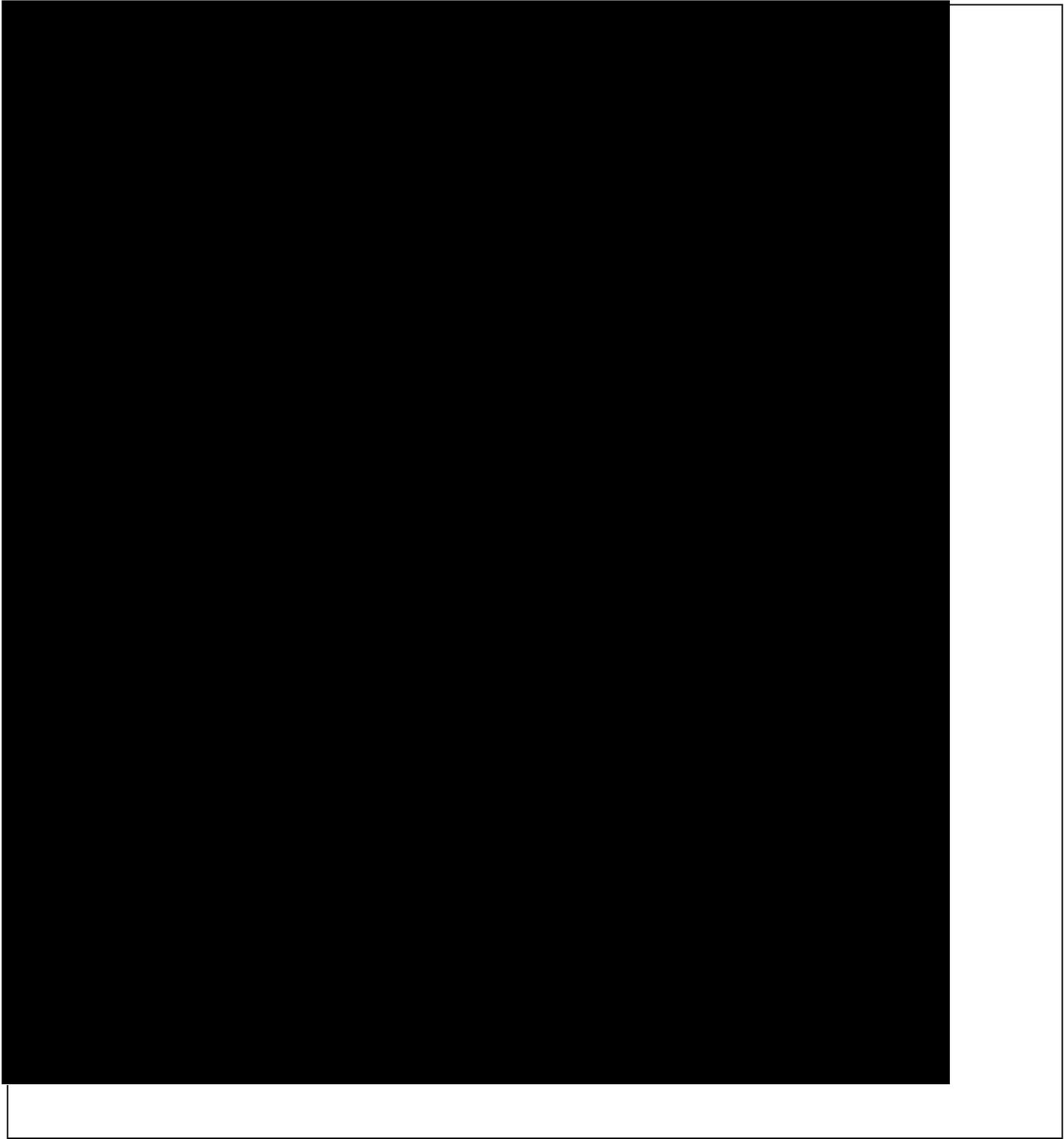
**TABLE 2 : Processing**

Counting = counting the money per £100 counted (coins and notes)

Validation =Checking the collected bags have the value stated per £100 counted

Deposit at High Street Bank or an approved cash receiving facility per bag

Administration = completing paying in slips





The following information shall be deemed Commercially Sensitive Information:

Pricing and associated information.

## 8. AGREED AMENDMENTS TO THE CALL-OFF TERMS

The following amendments shall be deemed to be made to the Call-Off Terms:

Extra Clauses :

Additional Clause 1: Work Related Road Risk

1.1 For the purposes of this Contract, the following expressions shall have the following meanings:

“Bronze Accreditation”

the minimum level of accreditation within the FORS Standard, the requirements of which are more particularly described at: [www.fors-online.org.uk](http://www.fors-online.org.uk);

“Car-derived Van”

a vehicle based on a car, but with an interior that has been altered for the purpose of carrying larger amounts of goods and/or equipment;

“Category N2 Lorry” means a vehicle designed and constructed for the carriage of goods having a MAM exceeding 3,500 kilograms but not exceeding 12,000 kilograms;

“Category N3 Lorry” means a vehicle designed and constructed for the carriage of goods and having a MAM exceeding 12,000 kilograms;

“Collision Report”

a report detailing all collisions during the previous 12 months involving injuries to persons or fatalities;

“Delivery and Servicing Vehicle” a Lorry, a Van or a Car-derived Van;

“Driver”

any employee of the Service Provider (including an agency or contracted driver), who operates Delivery and Servicing Vehicles on behalf of the Service Provider while delivering the Services;

“DVLA” Driver and Vehicle Licensing Agency;

“Direct Vision Standard” or “DVS” Direct Vision Standard, a performance based assessment and rating tool, as updated from time to time that measures how much direct vision a Driver has from a Category N3 Lorry cab in relation to other road users. Further information can be found at: [www.tfl.gov.uk](http://www.tfl.gov.uk);

“FORS” the Fleet Operator Recognition Scheme, which is an accreditation scheme for businesses operating van and lorry fleets. It offers impartial, independent advice and guidance to motivate companies to improve their compliance with relevant laws and their environmental, social and economic performance;

**"FORS Standard"**

the standard setting out the accreditation requirements for the Fleet Operator Recognition Scheme, a copy of which can be found at: [www.fors-online.org.uk](http://www.fors-online.org.uk);

**"Front Underrun Protection"** devices that are fitted at the front of Lorries and which comply with EC Directive 2000/40/EEC and the Road Vehicles (Construction and Use) Regulations 1986;

**"Gold Accreditation"**

the highest level of accreditation within the FORS Standard, the requirements of which are more particularly described at: [www.fors-online.org.uk](http://www.fors-online.org.uk);

**"Lorry"** a vehicle with a MAM exceeding 3,500 kilograms;

**"MAM"**

the maximum authorised mass of a vehicle or trailer including the maximum load that can be carried safely while used on the road;

**"Side Underrun Protection"**

devices that are fitted between the front and rear axles of Lorries and which comply with EC Directive 89/297/EEC and the Road Vehicles (Construction and Use) Regulations 1986;

**"Silver Accreditation"**

the intermediate level of accreditation within the FORS Standard, the requirements of which are more particularly described at: [www.fors-online.org.uk](http://www.fors-online.org.uk); and

**"Van"** a vehicle with a MAM not exceeding 3,500 kilograms.

**Fleet Operator Recognition Scheme Accreditation**

1.2 Where the Service Provider operates Delivery and Servicing Vehicles to provide the Services, it shall within 90 days of the Contract Commencement Date:

1.2.1 (unless already registered) register for FORS or a scheme, which in the reasonable opinion of the Authority, is an acceptable substitute to FORS (the "Alternative Scheme"); and

(unless already accredited) have attained the standard of Bronze Accreditation (or higher) or the equivalent within the Alternative Scheme and shall maintain the standard of Bronze Accreditation (or equivalent standard within the Alternative Scheme) by way of an annual independent assessment in accordance with the FORS Standard or take such steps as may be required to maintain the equivalent standard within the Alternative Scheme. Alternatively, where the Service Provider has attained Silver or Gold Accreditation, the maintenance requirements shall be undertaken in accordance with the periods set out in the FORS Standard

**Safety Features on Lorries**

1.3 The Service Provider shall ensure that every Lorry, which it uses to provide the Services, shall have:

1.3.1 Side Underrun Protection fitted at a height not exceeding 550mm from the

ground, unless the Service Provider can demonstrate to the reasonable satisfaction of the Authority that the Lorry will not perform the function for which it was built if the Side Underrun Protection is fitted;

1.3.2 Front Underrun Protection fitted at a height not exceeding 400mm from the ground, unless the Service Provider can demonstrate to the reasonable satisfaction of the Authority that the Lorry will not perform the function for which it was built if the Front Underrun Protection is fitted;

1.3.3 prominent signage on the Lorry to warn cyclists and other road users of the dangers of the Lorry's near side blind spot and of getting too close to the Lorry; and

1.4 front, side and rear blind spots completely eliminated or minimised as far as practical and possible, through the use of direct vision, fully operational indirect vision aids and driver audible alerts. Where applicable:

1.4.1.1 so far as reasonably practicable, the conditions at all sites and locations within the control of the Service Provider where:

(a) the Services are being delivered, or

(b) in connection with the performance of the Services, any waste is being disposed of or supplies are being delivered to or from,

are appropriate for each Category N2 Lorry and Category N3 Lorry being used in the provisions of the Services. The Service Provider shall not incur any costs or make any changes to the site(s) without the prior written consent of the Authority.

#### Driver Licence Checks

1.5 Where the Service Provider operates Delivery and Servicing Vehicles to provide the Services the Service Provider shall ensure that:

1.5.1 it has a system in place to ensure all its Drivers hold a valid driving licence for the category of vehicle that they are tasked to drive, along with recording any endorsements, or restrictions on the Driver's licence; and

1.5.2 each of its Drivers engaged in the provision of the Services has a driving licence check with the DVLA or such equivalent before that Driver commences delivery of the Services and that the driving licence check with the DVLA or equivalent authority is repeated in accordance with either the following risk scale (in the case of the DVLA issued licences only), or the Service Provider's risk scale, provided that the Service Provider's risk scale has been approved in writing by the Authority within the last twelve (12) months:

1.5.2.1 0 – 5 points on the driving licence – six monthly checks;

1.5.2.2 6 – 8 points on the driving licence – quarterly checks; or

1.5.2.3 9 or more points on the driving licence – monthly checks.

#### Driver Training (G4S provide CPC Driver Training as standard)

1.6 Where the Service Provider operates Delivery and Servicing Vehicles to provide the Services the Service Provider shall ensure that each of its Drivers attend the on-going training which forms part of the Driver Certificate of Professional Competence throughout the Term of the Contract .

#### Collision Reporting

1.7 Where the Service Provider operates Delivery and Servicing Vehicles to provide

the Services, the Service Provider shall:

1.7.1 ensure that it has a system in place to capture, investigate and analyse road traffic collisions that result in fatalities, injury or damage to vehicles, persons or property and for generating Collision Reports; and

1.7.2 within 15 days of the Contract Commencement Date, provide to the Authority a Collision Report. The Service Provider shall provide to the Authority an updated Collision Report within five working days of a written request from the Authority at anytime.

Self-Certification of Compliance

1.8 Where the Service Provider operates Delivery and Servicing Vehicles to provide the Services, within 90 days of the Contract Commencement Date, the Service Provider shall make a written report to the Authority detailing its compliance with this Contract (the "WRRR Self-Certification Report"). The Service Provider shall provide updates of the WRRR Self-Certification Report to the Authority on each anniversary of its submission of the initial WRRR Self-Certification Report .

Additional Clause 2: Crime and Disorder Act 1998

2.1 The Service Provider acknowledges that the Authority is under a duty in accordance with Section 17 of the Crime and Disorder Act 1998:

2.1.1 to have due regard to the impact of crime, disorder and community safety in the exercise of the Authority's duties;

2.1.2 where appropriate, to identify actions to reduce levels of crime and disorder; and

2.1.3 without prejudice to any other obligation imposed on the Authority, to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area,

and in the performance of the Contract, the Service Provider will assist and co-operate with the Authority, and will use reasonable endeavours to procure that its sub-contractors observe these duties and assists and co-operates with the Authority where possible to enable the Authority to satisfy its duty.

Additional Clause 3: Confidentiality and Announcements

3.0 Subject to Clause 23 (Framework Terms and Conditions), the Service Provider will keep confidential:

3.0.1 the terms of this Contract; and

3.0.2 any and all Confidential Information that it may acquire in relation to the Authority.

3.1 The Service Provider will not use the Authority's Confidential Information for any purpose other than to perform its obligations under this Contract. The Service Provider will ensure that its officers and employees comply with the provisions of Clause 23.1.

3.2 The obligations on the Service Provider will not apply to any Confidential Information:

3.2.1 which either of the Parties can demonstrate is in the public domain (other than as a result of a breach);

3.2.2 which a Party is required to disclose by order of a court of competent jurisdiction

but then only to the extent of such required disclosure; or

3.3.3 to the extent that such disclosure is to the Secretary for Transport (or the government department responsible for public transport in London for the time being) the Office of Rail Regulation, or any person or body who has statutory responsibilities in relation to transport in London and their employees, agents and sub-contractors.

3.4 The Service Provider shall keep secure all materials containing any information in relation to the Contract and its performance.

3.5 The Service Provider shall not communicate with representatives of the general or technical press, radio, television or other communications media in relation to the existence of the Contract or that it is providing the Services to the Authority or in relation to any matter under or arising from the Contract unless specifically granted permission to do so in writing by the Authority. The Authority shall have the right to approve any announcement before it is made.

3.6 The provisions of this Clause will survive any termination of this Contract for a period of 6 years from termination.

#### Additional Clause 4.0 Further Confidentiality Requirements

The Service Provider shall:

4.1.1 at the Authority's request and in any event upon the termination or expiry of the Contract, promptly deliver to the Authority or destroy as the Authority may direct, all documents and other materials in the possession, custody or control of the Service Provider (or the relevant parts of such materials) that bear or incorporate the whole or any part of the Confidential Information and if instructed by the Authority in writing, remove all electronically held Confidential Information, including the purging of all disk-based Confidential Information and the reformatting of all disks; and

4.1.2 not, except where provided in Clause 19 of the Framework Contract or with the prior written consent of the Authority, disclose to any person the nature or content of any discussions or negotiations between the Parties relating to the Confidential Information.

4.2 The Service Provider acknowledges that damages would not be an adequate remedy for any breach of Clauses 19 of the Framework Contract and this Clause and that (without prejudice to all other rights, powers and remedies which the Authority may be entitled to as a matter of law) the Authority shall be entitled to the remedies of injunction, specific performance and other equitable relief to enforce the provisions of Clauses 19 of the Framework Contract and this Clause and no proof of special damages shall be necessary for the enforcement of the provisions of Clauses 19 of the Framework Contract and this Clause..

#### Additional Clause 5 Air Quality and Dust

##### Control of Vehicle Emissions

5.1 The Service Provider shall ensure that in the procurement or leasing of vehicles for use in the delivery of the Services within the Greater London Area:

- CO<sub>2</sub>, air quality and noise impacts are minimised; and
- a technology neutral approach is adopted .

5.2 All vehicles used in the delivery of the Services shall meet or exceed the all

current legislative emissions requirements at the Commencement Date :

5.3 If any vehicles used in the provision of the Services are due for replacement before the Expiry Date, the Service Provider shall ensure that the replacement vehicle/engine meets the most stringent European or British regulated emissions standards (currently Euro 6/VI). Replacement vehicles must also meet the CO2 limits set out above; in addition,

5.4 The Service Provider will be monitored, through self-certification and inspections at TfL sites and supplier premises, to ensure compliance with these terms. TfL reserves the right to refuse access to its estate to a vehicle which does not meet these criteria.

5.5 In line with Mayoral transport and environmental strategies and the Authority's commitments to reduce pollutant and carbon dioxide emissions, the Service Provider is required to use zero or ultra low tailpipe emission vehicles such as electric, plug-in hybrid or biomethane vehicles in their fleet where feasible. Zero and ultra low tailpipe emission cars and light duty commercial vehicles are widely available; if the Service Provider is not able to deploy such vehicles they will be required to justify their decision to the Authority.

5.6 Any necessary recharging/refuelling infrastructure required for low emission vehicles to be supplied by the Service Provider on the Authority's premises will only be permitted subject to the Authority's written acceptance and by separate agreement on maintenance, installation and running costs. Where the Service Provider operates such vehicles, operating experience and data will be shared with the Authority on request.

5.7 The Service Provider shall;

- Ensure vehicles used in connection with the Services are regularly serviced in line with the Manufacturers recommendations
- Ensure all faults or problems on such vehicles are repaired/addressed as soon as practicable; and
- Monitor and record all vehicle fuel and mileage in connection with the performance of the Services

Dust

5.8 The Service Provider shall use the best practicable means to reduce dust and other emissions at all times and not to create a dust nuisance.

5.9 If the Authority's Representative decides that the Service Provider is not dealing adequately with the control of dust or other emissions, the Authority's Representative may instruct the Service Provider to carry out such additional measures as the Company's Representative considers are necessary.

Amendments should only be included where a further competition has been conducted under the framework agreement and amendments have been communicated and agreed by the Service Provider. List details any amendments to the Call-Off Terms that have been agreed between you and the Service Provider.

[REDACTED]

[REDACTED]

# **THE CUSTOMER**

**- and –**

# **THE SERVICE PROVIDER**

## **CALL-OFF TERMS**

**relating to**

## **CASH COLLECTION AND CASH AND VALUABLES IN TRANSIT (CVIT) SERVICES**

**CONTRACT REF**

**324F\_16**



## CALL-OFF TERMS

### BETWEEN

- (1) The customer identified in the Form of Contract (the "Customer"); and
- (2) The company identified in the Form of Contract (the "Service Provider").

### WHEREAS

- (A) The Eastern Shires Purchasing Organisation ("ESPO") selected framework providers, including the Service Provider, to provide Goods and/or Services;
- (B) the Service Provider undertook to provide the Goods and/or Services on the terms set out in a Framework Agreement number 324F\_16 dated 09/02/2016 (the "Framework Agreement");
- (C) ESPO and the Service Provider have agreed that public sector bodies within the UK may enter into Contracts under the Framework Agreement with the Service Provider for the Service Provider to supply Goods and/or Services;
- (D) The Customer enters into this Contract on the terms hereinafter appearing.

## 1. GENERAL PROVISIONS

### 1.1 Definitions

In the Contract unless the context otherwise requires the following provisions shall have the meanings given to them below:

<b>"Affiliates"</b>	means in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control of that body corporate from time to time;
<b>"Affected Party"</b>	means the party seeking to claim relief in respect of a Force Majeure;
<b>"Approval"</b>	means the prior written consent of the Customer and "Approve" and "Approved" shall be construed accordingly;
<b>"Auditor"</b>	means the National Audit Office or an auditor appointed by the Audit Commission as the context requires;
<b>"BCDR Plan"</b>	means any plan relating to business continuity and disaster recovery as referred to in the Master Contract Schedule and/or any other Contract Document;
<b>"Call-off Terms"</b>	means these terms and conditions in respect of the provision of the Goods and/or Services, together with the schedules hereto;

<b>"Change in Law"</b>	means any change in Law or policy which impacts on the supply of the Goods and/or Services and performance of the Call-off Terms which comes into force after the Commencement Date;
<b>"Collection Point"</b>	means the address or addresses from which any Valuables which are to be taken into custody of the Service Provider;
<b>"Commencement Date"</b>	means the date set out in the Master Contract Schedule and/or the Form of Contract Document;
<b>"Commercially Sensitive Information"</b>	means the confidential information listed in set out at Schedule 9 of the Framework Agreement (if any) the Master Contract Schedule and/or a Contract Document comprising of commercially sensitive information relating to the Service Provider, its IPR or its business or which the Service Provider has indicated to the Customer that, if disclosed by the Customer, would cause the Service Provider significant commercial disadvantage or material financial loss;
<b>"Confidential Information"</b>	means the Customer's Confidential Information and/or the Service Provider's Confidential Information;
<b>"Container"</b>	means a bag or container provided by the Service Provider to the Customer into which Valuables are deposited by the Customer or such other tamper-evident bag or container used by the Customer for the deposit of Valuables which has been approved by the Service Provider in writing;
<b>"Continuous Improvement Plan"</b>	means a plan for improving the provision of the Services and/or reducing the charges produced by the Service Provider pursuant to schedule 6 of the Framework Agreement;
<b>"Contract"</b>	means the contract entered into by the Customer and the Service Provider pursuant to Framework Schedule 4 (Ordering Procedure) of the Framework Agreement comprising of the Form of Contract Document, these Call-Off Terms, the schedules hereto, the Master Contract Schedule and any other Contract Document;
<b>"Contract Document"</b>	means all documents listed in the Form of Contract Document and/or within a schedule referred to in the Form of Contract Document;
<b>"Contract Period"</b>	means the period from the Commencement Date to:  a) the Expiry Date; or  b) such earlier date of termination or partial termination of the Contract in accordance with Law or the provisions of the Contract;

<b>"Contract Charges"</b>	means the prices (exclusive of any applicable VAT), payable to the Service Provider by the Customer under the Contract, as set out in the Master Contract Schedule and/or any other Contract Document, for the full and proper performance by the Service Provider of its obligations under the Contract less any Service Credits;
<b>"Contracting Authority"</b>	means any contracting authority as defined in Regulation 2 of the Public Contracts Regulations 2015 other than the Customer;
<b>"Control"</b>	means control as defined in section 1124 Corporation Tax Act 2010 and " <b>Controls</b> " and " <b>Controlled</b> " shall be interpreted accordingly;
<b>"Conviction"</b>	means other than for minor road traffic offences, any previous or pending prosecutions, convictions, cautions and binding over orders (including any spent convictions as contemplated by section 1(1) of the Rehabilitation of Offenders Act 1974 by virtue of the exemptions specified in Part II of schedule 1 of the Rehabilitation of Offenders Act 1974 (Exemptions) Order 1975 (SI 1975/1023) or any replacement or amendment to that Order, or being placed on a list kept pursuant to section 1 of the Protection of Children Act 1999 or being placed on a list kept pursuant to the Safeguarding Vulnerable Groups Act 2006.);
<b>"Critical Service Failure"</b>	shall have the meaning given in the Master Contract Schedule and/or any other Contract Document;
<b>"Customer Data"</b>	means:  (a) the data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, and which:  (i) are supplied to the Service Provider by or on behalf of the Customer; or  (ii) the Service Provider is required to generate, process, store or transmit pursuant to the Contract; or  (b) any Personal Data for which the Customer is the Data Controller;
<b>"Customer Pre-Existing IPR"</b>	shall mean any Intellectual Property Rights vested in or licensed to the Customer prior to or independently of the performance by the Service Provider of its obligations under the Contract and including, for the avoidance of doubt, guidance, specifications, instructions, toolkits, plans, data, drawings, databases, patents, patterns, models and designs;

<b>"Customer's Premises"</b>	the premises identified in the Master Contract Schedule and/or any other Contract Document and which are to be made available for use by the Service Provider for the provision of the Goods and/or Services on the terms set out in the Contract;
<b>"Customer Responsibilities"</b>	means the responsibilities of the Customer set out in the Master Contract Schedule and/or any other Contract Document;
<b>"Customer Representative"</b>	means the representative appointed by the Customer from time to time in relation to the Contract;
<b>"Customer's Confidential Information"</b>	means all Personal Data and any information, however it is conveyed, that relates to the business, affairs, developments, trade secrets, know-how, personnel, and Service Providers of the Customer, including all IPRs, together with all information derived from any of the above, and any other information clearly designated as being confidential (whether or not it is marked "confidential") or which ought reasonably be considered to be confidential;
<b>"Data Controller"</b>	shall have the same meaning as set out in the Data Protection Act 1998;
<b>"Data Processor"</b>	shall have the same meaning as set out in the Data Protection Act 1998;
<b>"Data Protection Legislation"</b>	means the Data Protection Act 1998 and all applicable laws and regulations relating to processing of personal data and privacy, including where applicable the guidance and codes of practice issued by the Information Commissioner or relevant Government department in relation to such legislation;
<b>"Data Subject"</b>	shall have the same meaning as set out in the Data Protection Act 1998;
<b>"Default"</b>	means any breach of the obligations of the Service Provider (including but not limited to fundamental breach or breach of a fundamental term) or any other default, act, omission, negligence or negligent statement of the Service Provider or Service Provider's Staff in connection with or in relation to the subject-matter of the Contract and in respect of which the Service Provider is liable to the Customer;
<b>"Delay Payments"</b>	means the amounts set out or amounts calculated in accordance with the formula set out in the Master Contract Schedule and/or any other Contract Document;
<b>"Deliverables"</b>	means those deliverables listed in the Master Contract Schedule and/or any other Contract Document (if any);

<b>"Delivery"</b>	means the time at which the Goods and/or Services have been installed by the Service Provider and the Customer has issued the Service Provider with confirmation in respect thereof and <b>"Deliver"</b> and <b>"Delivered"</b> shall be construed accordingly;
<b>"Delivery Point"</b>	means the address or addresses to which a Container is to be delivered by the Service Provider;
<b>"Dispute Resolution Procedure"</b>	means the dispute resolution procedure set out in clause 42.2;
<b>"Employment Checks"</b>	means the pre-appointment checks that are required by law and applicable guidance, including without limitation, verification of identity checks, right to work checks, registration and qualification checks, employment history and reference checks, criminal record checks and occupational health checks;
<b>"Environmental Information Regulations"</b>	means the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such regulations;
<b>"Equality Legislation"</b>	means the Equality Act 2010, the Human Rights Act 1998 and such other acts and legislation to ensure, among others; equality of access to goods and services; promotion of good relations between groups in society; the provision of reasonable adjustments for people with disabilities; and equality in employment; equality legislation shall help organisations and providers to meet their obligations under anti-discrimination laws;
<b>"Equipment"</b>	means the Service Provider's hardware, computer and telecoms devices, equipment, plant, materials and such other items supplied and used by the Service Provider (but not hired, leased or loaned from the Customer) in the performance of its obligations under the Contract which, for the avoidance of doubt does not include the Goods;
<b>"ESPO"</b>	means the Eastern Shires Purchasing Organisation of Barnsdale Way, Grove Park, Enderby, Leicester, LE19 1ES;
<b>"Expiry Date"</b>	means the date set out in the Master Contract Schedule and/or any other Contract Document;
<b>"Form of Contract"</b>	means the document in the form set out at Schedule 3 of the Framework Agreement signed by the Customer and the Service Provider and which lists all of the Contract Documents;

- "FOIA"** means the Freedom of Information Act 2000 and any subordinate legislation made under that Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such legislation;
- "Force Majeure"** means any event, occurrence or cause affecting the performance by either the Customer or the Service Provider of its obligations arising from:
- a) acts, events, omissions, happenings or non-happenings beyond the reasonable control of the Affected Party;
  - b) riots, war or armed conflict, acts of terrorism, nuclear, biological or chemical warfare;
  - c) acts of government, local government or Regulatory Bodies;
  - d) fire, flood or any disaster acts, events, omissions, happenings or non-happenings beyond the reasonable control of the Affected Party;
  - e) an industrial dispute affecting a third party for which a substitute third party is not reasonably available but excluding:
    - i) any failure in the Service Provider or the Sub-Contractor's supply chain to the extent that such Service Provider's or Sub-Contractor's supply chain was not itself subject to a Force Majeure Event; and
    - ii) any event or occurrence which is attributable to the wilful act, neglect or failure to take reasonable precautions against the event or occurrence by the Party concerned;
- "Good Industry Practice"** means standards, practices, methods and procedures conforming to the Law and the exercise of the degree of skill and care, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person or body engaged within the relevant industry or business sector;
- "Goods and/or Services"** means the goods and/or services to be supplied as specified in the Form of Contract, Master Contract Schedule and/or any other Contract Document;
- "Holding Company"** shall have the meaning given to it in section 1159 and Schedule 6 of the Companies Act 2006;

<b>"Implementation Plan"</b>	means the plan referred to in the Master Contract Schedule and/or any other Contract Document produced and updated in accordance with Schedule 2;
<b>"Information"</b>	has the meaning given under section 84 of the FOIA;
<b>"Initial Term"</b>	the period commencing on the Commencement Date and ending on the Expiry Date;
<b>"Intellectual Property Rights" or "IPRs"</b>	means: <ul style="list-style-type: none"><li>a) copyright, rights related to or affording protection similar to copyright, rights in databases, patents and rights in inventions, semi-conductor topography rights, service marks, logos, database rights, trade marks, rights in internet domain names and website addresses and other rights in trade or business names, design rights (whether registrable or otherwise), Know-How, trade secrets and, moral rights and other similar rights or obligations;</li><li>b) applications for registration, and the right to apply for registration, for any of the rights listed at (a) that are capable of being registered in any country or jurisdiction; and</li><li>c) all other rights whether registrable or not having equivalent or similar effect in any country or jurisdiction (including but not limited to the United Kingdom) and the right to sue for passing off;</li></ul>
<b>ITT Response</b>	means the response submitted and clarifications by the Service Provider to the Invitation to Tender issued by the Customer on 20 October 2017
<b>"Key Personnel"</b>	means the individuals (if any) identified in the Master Contract Schedule and/or any other Contract Document;
<b>"Know-How"</b>	means all ideas, concepts, schemes, information, knowledge, techniques, methodology, and anything else in the nature of know-how relating to the Goods and/or Services but excluding know-how already in the Service Provider's or the Customer's possession before the Commencement Date;

<b>"Law"</b>	means any applicable Act of Parliament, subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, exercise of the royal prerogative, enforceable community right within the meaning of Section 2 of the European Communities Act 1972, regulatory policy, guidance or industry code, judgment of a relevant court of law, or directives or statute, bye-law, regulation, order, regulatory policy, guidance or industry code, rule of Court or directives or requirements of any Regulatory Body, delegated or subordinate legislation;
<b>"Management Information"</b>	means the management information specified in Framework Schedule 7 (Management Information Requirements);
<b>"Master Contract Schedule"</b>	means the schedule attached to the Form of Contract at Schedule 3 of the Framework Agreement;
<b>"Milestone"</b>	means an event or task described in the Implementation Plan which must be completed by the corresponding date set out in such plan;
<b>"Milestone Date"</b>	means the date set against the relevant Milestone in the Implementation Plan;
<b>"Month"</b>	means calendar month and "monthly" shall be interpreted accordingly;
<b>"Parent Company"</b>	means any company which is the ultimate Holding Company of the Service Provider and which is either responsible directly or indirectly for the business activities of the Service Provider or which is engaged by the same or similar business to the Service Provider;
<b>"Party"</b>	means the Service Provider or the Customer and <b>"Parties"</b> shall mean both of them;
<b>"Personal Data"</b>	shall have the same meaning as set out in the Data Protection Act 1998;
<b>"Premises"</b>	means the location where the Services are to be provided and/or the Goods are to be supplied, as set out in the Master Contract Schedule and/or any other Contract Document;
<b>"Process"</b>	has the meaning given to "processing" under the Data Protection Act 1998 (but shall include both manual and automatic processing) , and <b>"Process"</b> and <b>"Processed"</b> shall be interpreted accordingly;

**"Prohibited Act"**

Means:

a) to directly or indirectly offer, promise or give any person working for or engaged by the Customer and/or ESPO a financial or other advantage to:

i) induce that person to perform improperly a relevant function or activity; or

ii) reward that person for improper performance of a relevant function or activity; or

b) committing any offence:

i) under the Bribery Act 2010; or

ii) under legislation creating offences concerning fraudulent acts; or

iii) at common law concerning fraudulent acts relating to the Contract or any other contract with ESPO and/or Customer and/or any other Contracting Body; or

c) defrauding, attempting to defraud or conspiring to defraud ESPO and/or the Customer or any other Contracting Body

**"Project Specific IPRs"**

means:

(a) IPRs in the Services, Deliverables and/or Goods provided by the Service Provider (or by a third party on behalf of the Service Provider) specifically for the purposes of the Contract and all updates and amendments of these items created during the Contract Period; and/or

(b) IPRs arising as a result of the provision of the Services, Deliverables and/or Goods by the Service Provider (or by a third party on behalf of the Service Provider) under the Contract,

**"Property"**

means the property, other than real property and IPR, issued or made available to the Service Provider by the Customer in connection with the Contract, for the avoidance of doubt 'Property' does not include 'Valuable's;

**"Public Contracts Directive"**

means Directive 2014/24/EU of the European Parliament and of the Council;

- "Quality Standards"** means the quality standards published by BSI British Standards, the National Standards Body of the United Kingdom, the International Organisation for Standardisation or other reputable or equivalent body (and their successor bodies), that a skilled and experienced operator in the same type of industry or business sector as the Service Provider would reasonably and ordinarily be expected to comply with (as may be further detailed in the Master Contract Schedule and/or any other Contract Document) and any other applicable quality standards, Government codes of practice and guidance;
- "Regulated Activity"** means any work which is currently defined as a regulated activity relating to children within the meaning of Schedule 4 Part 1 of the Safeguarding Vulnerable Groups Act 2006;
- "Regulatory Bodies"** means those government departments and regulatory, statutory and other entities, committees, ombudsmen and bodies which, whether under statute, rules, regulations, codes of practice or otherwise, are entitled to regulate, investigate, or influence the matters dealt with in the Contract or any other affairs of the Customer;
- "Related Service Provider"** means any person who provides services to the Customer which are related to the Services from time to time;
- "Replacement Service Provider"** any third party Service Provider of Replacement Services appointed by the Customer from time to time;
- "Replacement Service"** any services which are substantially similar to any of the Services and which the Customer receives in substitution for any of the Services following the expiry or termination of the Contract, whether those services are provided by the Customer internally and/or by any third party;
- "Request for Information"** means a request for information or an apparent request relating to the Contract or the provision of the Services or an apparent request for such information under the Code of Practice on Access to Government Information, FOIA or the Environmental Information Regulations;
- "Service Credits"** means the sums referred to or sums calculated in accordance with Schedule 2 being payable by the Service Provider in respect of any failure by the Service Provider to meet one or more Service Levels;
- "Service Levels"** means any service levels applicable to the provision of the Services as referred to Schedule 2;
- "Service Provider"** means the person, firm or company with whom the Customer enters into the Contract as identified in the Form of Contract;

<b>"Service Provider Pre-Existing IPR"</b>	shall mean any Intellectual Property Rights vested in or licensed to the Service Provider prior to or independently of the performance by the Customer of its obligations under the Contract and including, for the avoidance of doubt, guidance, specifications, instructions, toolkits, plans, data, drawings, databases, patents, patterns, models and designs;
<b>"Service Provider's Representative"</b>	means the representative appointed by the Service Provider from time to time in relation to the Contract;
<b>"Service Provider Solution"</b>	means the Service Provider's solution for the provision of the Goods and/or Services as referred to in the Master Contract Schedule and/or another Contract Document referred to in the Form of Contract;
<b>"Service Provider's Confidential Information"</b>	means any information, however it is conveyed, that relates to the business, affairs, developments, trade secrets, know-how, personnel and Service Providers of the Service Provider, including IPRs, together with information derived from the above, and any other information clearly designated as being confidential (whether or not it is marked as "confidential") or which ought reasonably to be considered to be confidential;
<b>"Service Provider's Period of Responsibility"</b>	means the period during which the Service Provider is liable for the Valuables. This period shall commence, in respect of each Container in which Valuables are placed, from the moment when the Service Provider's staff member takes physical possession of each Container at the Collection Point (which shall be the machine itself in the case of collections from a machine) and begins to transport such Valuables to the Service Provider's staff member's vehicle until the moment when they are physically handed over or tendered to the Customer Representative at the Delivery Point;
<b>"Services"</b>	means the services to be supplied as referred to in the Form of Contract, the Master Contract Schedule and the Contract Documents;
<b>"Sites"</b>	means any premises from which the Services are provided or from which the Service Provider manages, organises or otherwise directs the provision or the use of the Services;
<b>"Staff"</b>	means all persons employed by the Service Provider and/or any Sub-Contractor to perform its obligations under the Contract together with the Service Provider's and/or any Sub-Contractor's servants, consultants, agents, Service Providers and Sub-Contractors used in the performance of its obligations under the Contract;

<b>"Sub-Contract"</b>	means any contract or agreement or proposed contract or agreement between the Service Provider and any third party whereby that third party agrees to provide to the Service Provider the Goods and/or Services or any part thereof or facilities, goods or services necessary for the provision of the Goods and/or Services or any part thereof or necessary for the management, direction or control of the Goods and/or Services or any part thereof;
<b>"Sub-Contractor"</b>	means the third party with whom the Service Provider enters into a Sub-Contract or its servants or agents and any third party with whom that third party enters into a Sub-Contract or its servants or agents;
<b>"Technical Standards"</b>	means the technical standards set out in the Framework Agreement and if applicable the Master Contract Schedule and/or another Contract Document referred to in the Form of Contract;
<b>"Tender"</b>	means the tender submitted by the Service Provider to the Customer in response to the Customer's invitation to Service Providers for formal offers to supply it with the Goods and/or Services pursuant to the Framework Agreement;
<b>"Term"</b>	the period of the Initial Term as may be varied by: (a) any extensions to this Contract which are agreed pursuant to clause 3; or (b) the earlier termination of this Contract in accordance with its terms;
<b>"TFEU"</b>	means the Treaty on the Functioning of the European Union (OJ No. C 115);
<b>"Transferring Goods"</b>	means Goods, title to which transfers between the Parties in accordance with clause 4.6.1;
<b>"Treaties"</b>	means the Treaty of the European Union (OJ No. C 115) and TFEU;
<b>"Trip"</b>	means a single journey taken by the Service Provider's staff member from the Collection Point to the Service's Provider's staff member's vehicle;
<b>"Undelivered Goods"</b>	shall have the meaning given in clause 4.5.6;

- "Uninsured Risks"** means:
- (a) War, invasion, act of foreign enemy, hostilities (whether war be decided or not), civil war, rebellion, revolution, insurrection, military or usurped power, confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority;
  - (b) Ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
  - (c) Radioactive, toxic or explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
  - (d) Any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
  - (e) Radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive manner unless it is a radioactive isotope, other than nuclear fuel, being prepared, carried, stored or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
  - (f) Chemical, biological, bio-chemical or electromagnetic weapons used in connection with an act of terrorism;
  - (g) Breakage of statuary, marbles, glassware, bric-a-brac, porcelains and similar fragile articles, unless caused by fire, lightning, theft and/or attempted theft;
- "Valuables"** means any property of any value in respect of which the Customer may ask the Service Provider to perform the Services (including but not limited to cash transportation and/or cash processing services);
- "Variation"** has the meaning given to it in clause 33;
- "Variation Procedure"** means the procedure set out in clause 33;
- "VAT"** means value added tax in accordance with the provisions of the Value Added Tax Act 1994;
- "Working Day"** means any day other than a Saturday or Sunday or public holiday in England and Wales.

## 1.2 Interpretation

The interpretation and construction of the Contract shall be subject to the following provisions:

- 1.2.1 words importing the singular meaning include where the context so admits the plural meaning and vice versa;
- 1.2.2 words importing the masculine include the feminine and the neuter;
- 1.2.3 the words "include", "includes" and "including" "for example" and "in particular" and words of similar effect are to be construed as if they were immediately followed by the words "without limitation" and shall not limit the general effect of the words which precede them;
- 1.2.4 references to any person shall include natural persons and partnerships, firms and other incorporated bodies and all other legal persons of whatever kind and however constituted and their successors and permitted assigns or transferees;
- 1.2.5 the schedules form part of the Contract and shall have effect as if set out in full in the body of the Contract. Any reference to the Contract includes the schedules;
- 1.2.6 references to any statute, enactment, order, regulation or other similar instrument shall be construed as a reference to the statute, enactment, order, regulation or instrument as amended by any subsequent enactment, modification, order, regulation or instrument as subsequently amended or re-enacted;
- 1.2.7 headings are included in the Contract for ease of reference only and shall not affect the interpretation or construction of the Contract;
- 1.2.8 references to "clauses" and "schedules" are, unless otherwise provided, references to the clauses of and schedules to this Contract. References to "paragraphs" are, unless otherwise provided, references to paragraphs of the schedule in which the references are made;
- 1.2.9 terms or expressions contained in this Contract which are capitalised but which do not have an interpretation in clause 1 shall be interpreted in accordance with the Framework Agreement save for such words as do not have an interpretation in the Framework Agreement in which case they shall be interpreted in accordance with the common interpretation within the relevant market sector/industry where appropriate. Otherwise they shall be interpreted in accordance with the dictionary meaning;
- 1.2.10 reference to a clause is a reference to the whole of that clause unless stated otherwise; and

- 1.2.11 in the event of and only to the extent of any conflict between the Master Contract Schedule, these Call-Off Terms, any other Contract Document any document referred to in the clauses of the Contract and the Framework Agreement, the conflict shall be resolved in accordance with the following order of precedence:
- 1.2.11.1 the Framework Agreement;
  - 1.2.11.2 these Call-Off Terms;
  - 1.2.11.3 the Master Contract Schedule; and
  - 1.2.11.4 any other Contract Document or document referred to in these Call-Off Terms.

## **2. DUE DILIGENCE**

- 2.1 The Service Provider acknowledges that it:
- 2.1.1 has made and shall make its own enquiries to satisfy itself as to the accuracy and adequacy of any information supplied to it by or on behalf of the Customer;
  - 2.1.2 has raised all relevant due diligence questions with the Customer before the Commencement Date; and
  - 2.1.3 has entered into this Contract in reliance on its own due diligence alone.
- 2.2 The Customer hereby confirms that it has all requisite authority to enter into the Contract.

## **3. CONTRACT PERIOD**

- 3.1 This Contract shall take effect on the Commencement Date and shall continue for the Term.
- 3.2 The Customer may extend this Contract beyond the Initial Term by a further period or periods as stated in the Master Contract Schedule (Extension Period). If the Customer wishes to extend this Contract, it shall give the Supplier three (3) months' written notice of such intention before the expiry of the Initial Term or Extension Period.
- 3.3 If the Customer gives such notice then the Term shall be extended by the period set out in the notice.
- 3.4 If the Customer does not wish to extend this Contract beyond the Initial Term this Contract shall expire on the expiry of the Initial Term and the provisions of clause 20 shall apply.

## **4. SUPPLY OF GOODS AND/OR SERVICES**

### **4.1 Supply of the Goods and/or Services**

- 4.1.1 The Service Provider shall supply the Goods and/or Services in accordance with the Implementation Plan.
- 4.1.2 The Service Provider shall supply the Goods and/or Services during the Contract Period in accordance with the Customer's requirements as set out in this Contract in consideration for the payment of the Contact Charges. The Customer may inspect and examine the manner in which the Service Provider supplies the Goods and/or Services at the Premises during normal business hours on reasonable notice.
- 4.1.3 If the Customer informs the Service Provider in writing that the Customer reasonably believes that any part of the Goods and/or Services does not meet the requirements of the Contract or differs in any way from those requirements, the Service Provider shall at its own expense re-schedule and carry out the Goods and/or Services in accordance with the requirements of the Contract within such reasonable time as may be specified by the Customer.
- 4.1.4 The Service Provider accepts responsibility for all damage to, shortage or loss of the Ordered Goods if:
  - 4.1.4.1 the same is notified in writing to the Service Provider within three (3) Working Days of receipt of the Ordered Goods by the Customer; and
  - 4.1.4.2 the Ordered Goods have been handled by the Customer in accordance with the Service Provider's instructions.
- 4.1.5 Where the Service Provider accepts responsibility under clause 4.1.4 it shall, at its sole option, replace or repair the Ordered Goods (or part thereof) which have been proven, to the Service Provider's reasonable satisfaction, to have been lost or damaged in transit.
- 4.1.6 The Service Provider agrees that the Customer relies on the skill and judgment of the Service Provider in the supply of the Goods and/or Services and the performance of its obligations under the Contract.

### **4.2 Provision and Removal of Equipment**

- 4.2.1 Unless otherwise stated in the Master Contract Document and/or any other Contract Document, the Service Provider shall provide all the Equipment necessary for the supply of the Goods and/or the Services.
- 4.2.2 The Service Provider shall not deliver any Equipment nor begin any work on the Premises without obtaining Approval.

- 4.2.3 All Equipment brought onto the Premises shall be at the Service Provider's own risk and the Customer shall have no liability for any loss of or damage to any Equipment unless and to the extent that the Service Provider is able to demonstrate that such loss or damage was caused by or contributed to by the Customer's Default. The Service Provider shall be wholly responsible for the haulage or carriage of the Equipment to the Premises and the removal thereof when it is no longer required by the Customer and in each case at the Service Provider's sole cost. Unless otherwise stated in the Contract, Equipment brought onto the Premises will remain the property of the Service Provider.
- 4.2.4 The Service Provider shall maintain all items of Equipment within the Premises in a safe, serviceable and clean condition.
- 4.2.5 The Service Provider shall, at the Customer's written request, at its own expense and as soon as reasonably practicable:
- 4.2.5.1 remove from the Premises any Equipment which in the reasonable opinion of the Customer is either hazardous, noxious or not in accordance with the Contract; and
  - 4.2.5.2 replace such item with a suitable substitute item of Equipment.
- 4.2.6 Upon termination or expiry of the Contract, the Service Provider shall remove the Equipment together with any other materials used by the Service Provider to supply the Goods and/or Services and shall leave the Premises in a clean, safe and tidy condition. The Service Provider is solely responsible for making good any damage to the Premises or any objects contained thereon, other than fair wear and tear, which is caused by the Service Provider or Service Provider's Staff.

### 4.3 **Quality**

- 4.3.1 The Service Provider shall at all times comply with the Technical Standards and the Quality Standards, and where applicable shall maintain accreditation with the relevant Quality Standards' authorisation body. To the extent that the standard to which the Goods and/or Services must be provided has not been specified in the Contract, the Service Provider shall agree the relevant standard for the provision of the Goods and/or Services with the Customer prior to the supply of the Goods and/or Services commencing and in any event, the Service Provider shall perform its obligations under the Contract in accordance with the Law and Good Industry Practice.

- 4.3.2 The Service Provider shall ensure that the Staff shall at all times during the Contract Period:
  - 4.3.2.1 faithfully and diligently perform those duties and exercise such powers as necessary in connection with the provision of the Goods and/or Services;
  - 4.3.2.2 obey all lawful instructions and reasonable directions of the Customer and provide the Goods and/or Services to the reasonable satisfaction of the Customer; and
  - 4.3.2.3 apply all due skill, care, diligence and are appropriately experienced, qualified and trained.
- 4.3.3 The Service Provider shall without prejudice to clause 4.1.4 above perform its obligations under the Contract in a timely manner.
- 4.3.4 The Service Provider shall supply the Goods and/or Services and, where relevant, install the Goods in accordance with the specification in the Framework Agreement (if any) (as a minimum), the Master Contract Schedule and/or any other Contract Document and in accordance with all applicable Laws, including but not limited to, any obligation implied by sections 12, 13 and 14 of the Sale of Goods Act 1979 and section 2 of the Supply of Goods and Services Act 1982.
- 4.3.5 The Service Provider shall at all times during the Contract Period ensure that:
  - 4.3.5.1 the Goods and/or Services conform in all respects with the specifications set out in the Master Contract Schedule and/or any other Contract Document and/or where applicable the Framework Agreement;
  - 4.3.5.2 the Goods and/or Services operate in accordance with the relevant technical specifications and correspond with all requirements set out in the Master Contract Schedule and/or any other Contract Document;
  - 4.3.5.3 the Goods and/or Services conform in all respects with all applicable Laws, Quality Standards and Technical Standards;
  - 4.3.5.4 the Goods are free from defects in design and workmanship and are fit for the purpose that such Goods are ordinarily used for and for any particular purpose made known to the Service Provider by the Customer; and
  - 4.3.5.5 the Goods and/or Services are supplied in accordance with the Service Provider Solution.

#### 4.4 Delivery (Goods only)

- 4.4.1 Without prejudice to the content of clause 4.5 (Delivery) the Service Provider shall make delivery of the Goods specified in the Master Contract Schedule and/or any other Contract Document at the times and in the manner stated therein and as a minimum meet the requirements stated in the Response to the ITT. Delivery shall be at no cost to the Customer and shall be at the sole risk of the Service Provider.
- 4.4.2 Ownership and passing of title in the Goods shall, without prejudice to any other rights or remedies of the Customer pass to the Customer on the earlier of payment by the Customer of the Contract Charges or allocation of the relevant Goods by the Customer to the order.
- 4.4.3 Risk in the Goods shall, without prejudice to any other rights or remedies of the Customer pass to the Customer at the point when the Goods have been delivered satisfactorily.

#### 4.5 Delivery

- 4.5.1 The Service Provider shall Deliver the Goods and provide the Services in accordance with the Implementation Plan and Milestones.
- 4.5.2 The issue by the Customer of a receipt note for delivered Equipment shall not constitute any acknowledgement of the condition, quantity or nature of that Equipment.
- 4.5.3 Except where otherwise provided in the Contract, the Goods shall be installed and the Services provided by the Staff or the Sub-Contractors at such place or places as set out in the Master Contract Schedule and/or any other Contract Document.
- 4.5.4 Where the Goods are delivered by the Service Provider, the point of delivery shall be when the Goods are removed from the transporting vehicle at the Premises. Where the Goods are collected by the Customer, the point of delivery shall be when the Goods are loaded on the Customer's vehicle.
- 4.5.5 Except where otherwise provided in the Contract, delivery shall include the unloading, stacking or installation of the Goods by the Staff or the Service Provider's Service Providers or carriers at such place as the Customer or duly authorised person shall reasonably direct.
- 4.5.6 In the event that not all of the Goods and/or Services are Delivered by the relevant Milestone Dates specified in the Implementation Plan ("**Undelivered Goods and/or Services**") then the Customer shall be entitled to withhold payment of the Contract Charges for any Goods and/or Services that were not Delivered in accordance with the corresponding Milestone Date until such time as the Undelivered Goods and/or Services are Delivered.

4.5.7 The Customer shall be under no obligation to accept or pay for any Goods Delivered in excess of the quantity specified in the Master Contract Schedule and/or any other Contract Document. If the Customer elects not to accept such over-Delivered Goods it shall give notice in writing to the Service Provider to remove them within five (5) Working Days and to refund to the Customer any expenses incurred by the Customer as a result of such over-Delivery (including but not limited to the costs of moving and storing the Goods), failing which the Customer may dispose of such Goods and charge the Service Provider for the costs of such disposal. The risk in any over-Delivered Goods shall remain with the Service Provider.

#### 4.6 **Ownership and Risk**

4.6.1 Ownership and passing of title in the Goods shall, without prejudice to any other rights or remedies of the Customer pass to the Customer on the earlier of payment by the Customer of the Contract Charges or allocation of the relevant Goods by the Customer to the order.

4.6.2 Risk in the Goods shall, without prejudice to any other rights or remedies of the Customer pass to the Customer at the point when the Goods have been delivered satisfactorily.

### 5. **ASSISTANCE ON EXPIRY OR TERMINATION**

5.1 In the event that the Contract expires or is terminated the Service Provider shall, where so requested by the Customer, provide assistance to the Customer to migrate the provision of the Services to a Replacement Service Provider.

### 6. **DISASTER RECOVERY AND BUSINESS CONTINUITY**

6.1 The Service Provider will maintain in place throughout the Contract Period business continuity arrangements and will review those arrangements at appropriate intervals and if necessary update them, so as to ensure as far as reasonably practical that in the event of unexpected circumstances, either within or external to the Service Provider's organisation, delivery of the Goods and/or Services to the Customer is subject to a minimum of disruption.

### 7. **MONITORING OF CONTRACT PERFORMANCE**

7.1 The Service Provider shall comply with the monitoring arrangements referred to in the Master Contract Schedule and/or any other Contract Document including, but not limited to, providing such data and information as the Service Provider may be required to produce under the Contract.

7.2 Where requested by the Customer, the Service Provider shall supply the Management Information to the Customer in the form and periodically as specified in the Master Contract Schedule.

## **8. DISRUPTION**

- 8.1 The Service Provider shall take reasonable care to ensure that in the performance of its obligations under the Contract it does not disrupt the operations of the Customer, its employees or any other contractor employed by the Customer.
- 8.2 The Service Provider shall immediately inform the Customer of any actual or potential industrial action, whether such action be by the Service Provider's own employees or others, which affects or might affect the Service Provider's ability at any time to perform its obligations under the Contract.
- 8.3 In the event of industrial action by the Staff, the Service Provider shall seek Approval to its proposals for the continuance of the supply of the Goods and/or Services in accordance with its obligations under the Contract.
- 8.4 If the Service Provider's proposals referred to in clause 8.3 are considered insufficient or unacceptable by the Customer acting reasonably then the Contract may be terminated with immediate effect by the Customer by notice in writing.
- 8.5 If the Service Provider is temporarily unable to fulfil the requirements of the Contract owing to disruption of normal business caused by the Customer, an appropriate allowance by way of extension of time will be approved by the Customer. In addition, the Customer will reimburse any additional expense reasonably incurred by the Service Provider as a direct result of such disruption.

## **9. SERVICE LEVELS AND REMEDIES IN THE EVENT OF INADEQUATE PERFORMANCE OF THE SERVICES OR PROVISION OF THE GOODS**

Critical Service Failure as defined in the Master Contract Schedule is a breach of contract giving the Customer the option to terminate.

NB. Contractual service levels need to be captured in Schedule 1. The difference between a failure to meet service levels which given rise to service credits is that the service provider's failure in that case is not a fundamental failure giving rise to possible termination.

The service credits are intended to be the sole 'operational' remedy for a minor failure in performance.

- 9.1 The Service Provider shall provide the Services to meet or exceed the Service Levels and any failure to meet the Service Levels shall entitle the Customer to Service Credits calculated in accordance with the provisions of schedule 1 or in the event of a Critical Service Failure shall give rise to a right for the Customer to terminate the Contract with immediate effect upon giving written notice to the Service Provider.
- 9.2 The Service Provider shall implement all measurement and monitoring tools and procedures necessary to measure and report on the Service Provider's performance of the Services against the applicable Service Levels at a level of detail sufficient to verify compliance with the Service Levels.

- 9.3 Without prejudice to any other right or remedy which the Customer may have, if any Goods and/or Services are not supplied in accordance with, or the Service Provider fails to comply with any of the terms of the Contract then the Customer may (whether or not any part of the Goods and/or Services have been Delivered) do any of the following:
- 9.3.1 at the Customer's option, give the Service Provider the opportunity at the Service Provider's expense to either remedy any defect in the Goods and/or failure in the performance of the Services together with any damage resulting from such defect or failure (and where such defect or failure is capable of remedy) or to supply replacement Goods and/or Services and carry out any other necessary work to ensure that the terms of the Contract are fulfilled, in accordance with the Customer's instructions;
  - 9.3.2 reject the Goods (in whole or in part) and require the Service Provider to remove the Goods (in whole or in part) at the risk and cost of the Service Provider on the basis that a full refund for the Goods so rejected shall be paid to the Customer forthwith by the Service Provider;
  - 9.3.3 refuse to accept any further Goods and/or Services to be Delivered but without any liability to the Customer;
  - 9.3.4 if the Master Contract Schedule and/or any other Contract Documents provide for the payment of Delay Payments, then the Service Provider shall pay such amounts (calculated in accordance with the Master Contract Schedule and/or any other Contract Document) on demand. The Delay Payments will accrue on a daily basis from the relevant Milestone Date and will continue to accrue until the date when the Milestone is met;
  - 9.3.5 carry out at the Service Provider's expense any work necessary to make the Goods and/or Services comply with the Contract;
  - 9.3.6 without terminating the Contract, itself supply or procure the supply of all or part of the Goods and/or Services until such time as the Service Provider shall have demonstrated to the reasonable satisfaction of the Customer that the Service Provider will once more be able to supply all or such part of the Goods and/or Services in accordance with the Contract;
  - 9.3.7 without terminating the whole of the Contract, terminate the Contract in respect of part of the Goods and/or Services only (whereupon a corresponding reduction in the Contract Charges shall be made) and thereafter itself supply or procure a third party to supply such part of the Goods and/or Services; and/or
  - 9.3.8 charge the Service Provider for and the Service Provider shall on demand pay any costs reasonably incurred by the Customer (including any reasonable administration costs) in respect of the supply of any

part of the Goods and/or Services by the Customer or a third party to the extent that such costs exceed the payment which would otherwise have been payable to the Service Provider for such part of the Goods and/or Services and provided that the Customer uses its reasonable endeavours to mitigate any additional expenditure in obtaining replacement Goods and/or Services.

9.4 In the event that the Service Provider:

9.4.1 fails to comply with clause 9.3 above and the failure is materially adverse to the interests of the Customer or prevents the Customer from discharging a statutory duty; or

9.4.2 persistently fails to comply with clause 9.3 above,

the Customer may terminate the Contract with immediate effect by giving the Service Provider notice in writing.

## **10. PREMISES**

### **10.1 Inspection of Premises**

10.1.1 The Service Provider acknowledges that it has inspected the Customer's Premises and has advised the Customer of any aspect of the Customer's Premises that is not suitable for the provision of the Goods and/or Services and that the specified actions to remedy the unsuitable aspects of the Customer's Premises, together with a timetable for and the costs of those actions, have been specified in the Master Contract Schedule and/or any other Contract Document.

10.1.2 If the Service Provider has either failed to inspect the Customer's Premises or failed to notify the Customer of any required remedial actions in accordance with clause 10.1.1 then the Service Provider shall not be entitled to recover any additional costs or charges from the Customer relating to any unsuitable aspects of the Customer's Premises except in respect of any latent structural defect in the Customer's Premises. The onus shall be on the Service Provider to prove to the Customer that any work to the Customer's Premises is required in respect of a latent structural defect and that the additional costs or charges are reasonable and necessary. The Service Provider shall not incur such additional costs or charges without obtaining Approval.

10.1.3 Any disputes relating to due diligence as set out in clause 2 or this clause 10 shall be resolved in accordance with the Dispute Resolution Procedure.

### **10.2 Licence to Occupy Premises**

10.2.1 Any Customer's Premises made available from time to time to the Service Provider by the Customer in connection with the Contract shall

be made available to the Service Provider on a non-exclusive licence basis free of charge and shall be used by the Service Provider solely for the purpose of performing its obligations under the Contract. The Service Provider shall have the use of such Customer's Premises as licensee and shall vacate the same immediately upon completion, termination, expiry or abandonment of the Contract.

- 10.2.2 The Service Provider shall limit access to the Customer's Premises to such Staff as is necessary to enable it to perform its obligations under the Contract and the Service Provider shall co-operate (and ensure that its Staff co-operate) with such other persons working concurrently on such Customer's Premises as the Customer may reasonably request.
- 10.2.3 Save in relation to such actions identified by the Service Provider in accordance with clause 10.2.1 and the Master Contract Schedule and/or any other Contract Document (if any), should the Service Provider require modifications to the Customer's Premises, such modifications shall be subject to Approval and shall be carried out by the Customer at the Service Provider's expense. The Customer shall undertake any modification work which it approves pursuant to this clause 10.2.3 without undue delay. Ownership of such modifications shall rest with the Customer.
- 10.2.4 The Service Provider shall (and shall ensure that its Staff shall) observe and comply with such rules and regulations as may be in force at any time for the use of such Customer's Premises and conduct of personnel at the Customer's Premises as determined by the Customer, and the Service Provider shall pay for the cost of making good any damage caused by the Service Provider or its Staff other than fair wear and tear. For the avoidance of doubt, damage includes without limitation damage to the fabric of the buildings, plant, fixed equipment or fittings therein.
- 10.2.5 The Parties agree that there is no intention on the part of the Customer to create a tenancy of any nature whatsoever in favour of the Service Provider or its Staff and that no such tenancy has or shall come into being and, notwithstanding any rights granted pursuant to the Contract, the Customer retains the right at any time to use any premises owned or occupied by it in any manner it sees fit.

### 10.3 Property

- 10.3.1 Where the Customer issues Property free of charge to the Service Provider such Property shall be and remain the property of the Customer and the Service Provider irrevocably licences the Customer and its agents to enter upon any premises of the Service Provider during normal business hours on reasonable notice to recover any such Property. The Service Provider shall not in any circumstances have a lien or any other interest on the Property and at all times the

Service Provider shall possess the Property as fiduciary agent and bailee of the Customer. The Service Provider shall take all reasonable steps to ensure that the title of the Customer to the Property and the exclusion of any such lien or other interest are brought to the notice of all Sub-Contractors and other appropriate persons and shall, at the Customer's request, store the Property separately and ensure that it is clearly identifiable as belonging to the Customer.

- 10.3.2 The Property shall be deemed to be in good condition when received by or on behalf of the Service Provider unless the Service Provider notifies the Customer otherwise within five (5) Working Days of receipt.
- 10.3.3 The Service Provider shall maintain the Property in good order and condition (excluding fair wear and tear) and shall use the Property solely in connection with the Contract and for no other purpose without Approval.
- 10.3.4 The Service Provider shall ensure the security of all the Property whilst in its possession, either on the Premises or elsewhere during the supply of the Services, in accordance with the Customer's reasonable security requirements as required from time to time.
- 10.3.5 The Service Provider shall be liable for all loss of, or damage to, the Property, (excluding fair wear and tear), unless such loss or damage was caused by the Customer's Default. The Service Provider shall inform the Customer within two (2) Working Days of becoming aware of any defects appearing in or losses or damage occurring to the Property.

## **11. PAYMENT AND CONTRACT CHARGES**

### **11.1 Contract Charges**

- 11.1.1 In consideration of the Service Provider's performance of its obligations under the Contract, the Customer shall pay the Contract Charges in accordance with clause 11.2 (Payment and VAT).
- 11.1.2 The Customer shall, in addition to the Contract Charges and following delivery by the Service Provider of a valid VAT invoice, pay the Service Provider a sum equal to the VAT chargeable on the value of the Goods and/or Services supplied in accordance with the Contract.
- 11.1.3 If at any time during the Contract Period the Service Provider reduces its rates of Charges for any Goods and/or Services which is provided under the Framework Agreement (whether or not such Goods and/or Services are offered in a catalogue which is provided under the Framework Agreement) in accordance with the terms of the Framework Agreement, the Service Provider shall immediately reduce the Contract Price for such Goods and/or Services under the Contract by the same amount.

- 11.1.4 The benefit of any work being done pursuant to the provisions of Schedule 6 (Value for Money) of the Framework Agreement which is specifically commissioned from the Service Provider by another Contracting Body at any time prior to or during the Contract Period to reduce costs or to improve the quality or efficiency of the Goods and/or Services or to facilitate their delivery shall be offered by the Service Provider to the Customer at no charge.
- 11.1.5 The Parties acknowledge that the Service Provider is required to pay to ESPO a retrospective rebate based on the value of each call-off contract at a percentage agreed in the Framework Agreement.

## 11.2 Payment and VAT

- 11.2.1 Where the Service Provider submits an invoice to the Customer, the Customer will consider and verify that invoice in a timely fashion.
- 11.2.2 The Service Provider shall ensure that each invoice contains all appropriate references and a detailed breakdown of the Goods supplied and/or the Services provided and that it is supported by any other documentation reasonably required by the Customer to substantiate the invoice.
- 11.2.3 The Customer shall pay the Service Provider any sums due under such an invoice no later than a period of 30 days from the date of receipt of a valid and undisputed invoice.
- 11.2.4 Where the Customer fails to comply with clause 11.2.1 and there is an undue delay in considering and verifying the invoice, the invoice shall be regarded as valid and undisputed for the purposes of clause 11.2.2 after a reasonable time has passed.
- 11.2.5 Where the Service Provider enters into a Sub-Contract, the Service Provider shall include in that Sub-Contract:
- (a) provisions having the same effect as clauses 11.2.1 – 11.2.3 of this Framework Agreement; and
  - (b) a provision requiring the counterparty to that Sub-Contract to include any Sub-Contract which it awards provisions have the same effect as clauses 11.1.1 – 11.1.4 of this Framework Agreement.

For the purposes of this sub clause 11.2.4 "Sub-Contract" means a contract between two or more suppliers, at any stage of remoteness from the Customer in a subcontracting chain, made wholly or substantially for the purpose of performing (or contributing to the performance of) the whole or part of this Framework Agreement.

- 11.2.6 The Service Provider shall indemnify the Customer on demand and on a continuing basis against any liability, including without limitation any

interest, penalties or costs, which are suffered or incurred by or levied, demanded or assessed on the Customer at any time in respect of the Service Provider's failure to account for or to pay any VAT relating to payments made to the Service Provider under the Contract. Any amounts due under this clause 11.2 shall be paid by the Service Provider to the Customer not less than five (5) Working Days before the date upon which the tax or other liability is payable by the Customer.

- 11.2.7 The Service Provider shall not suspend the supply of the Services and/or Goods (as applicable) unless the Service Provider is entitled to terminate the Contract under clause 19.3 (Termination on Default) for failure to pay undisputed sums of money. Interest shall be payable by the Customer on the late payment of any undisputed sums of money properly invoiced at 3% above the Bank of England base rate.

### 11.3 Recovery of Sums Due

- 11.3.1 Wherever under the Contract any sum of money is recoverable from or payable by the Service Provider (including any sum which the Service Provider is liable to pay to the Customer in respect of any breach of the Contract), the Customer may unilaterally deduct that sum from any sum then due, or which at any later time may become due to the Service Provider under the Contract or under any other agreement or contract with the Customer.
- 11.3.2 Any overpayment by either Party, whether of the Contract Charges or of VAT or otherwise, shall be a sum of money recoverable by the Party who made the overpayment from the Party in receipt of the overpayment.
- 11.3.3 The Service Provider shall make any payments due to the Customer without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise unless the Service Provider has a valid court order requiring an amount equal to such deduction to be paid by the Customer to the Service Provider.
- 11.3.4 All payments due shall be made within a reasonable time unless otherwise specified in the Contract, in cleared funds, to such bank or building society account as the recipient Party may from time to time direct.

### 11.4 Euro

- 11.4.1 Any requirement of Law to account for the Goods and/or Services in Euro, (or to prepare for such accounting) instead of and/or in addition to Sterling, shall be implemented by the Service Provider free of charge to the Customer.

11.4.2 The Customer shall provide all reasonable assistance to facilitate compliance with clause 11.4.1 by the Service Provider.

## **12. NOT USED**

## **13. SERVICE PROVIDER'S STAFF**

13.1 The Customer may, by written notice to the Service Provider, refuse to admit onto, or withdraw permission to remain on, the Customer's Premises:

13.1.1 any member of the Staff; or

13.1.2 any person employed or engaged by any member of the Staff,

whose admission or continued presence would, in the reasonable opinion of the Customer, be undesirable.

13.2 At the Customer's written request, the Service Provider shall provide evidence of the identity in the format of an authorised collectors card in accordance with the British Security Industry Association (BISA) (or equivalent) code of practice of all persons who may require admission to the Customer's Premises in connection with the Contract

13.3 Staff engaged within the boundaries of the Customer's Premises shall comply with such rules, regulations and requirements (including those relating to security arrangements) as may be in force from time to time for the conduct of personnel when at or within the boundaries of those Customer's Premises.

13.4 If the Service Provider fails to comply with clause 13.2 within three (3) weeks of the date of the request, the Customer may terminate the Contract, provided always that such termination shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to the Customer.

13.5 The decision of the Customer as to whether any person is to be refused access to the Premises and as to whether the Service Provider and Staff have failed to comply with clause 13.2 shall be final and conclusive.

### **Children and Vulnerable Adults**

13.6 Where the provision of the Goods and/or Services requires any of the Service Provider's employees or volunteers to work in a Regulated Activity with children and/or vulnerable adults, the Service Provider will make checks in respect of such employees and volunteers with the Disclosure & Barring Service (DBS) for the purpose of checking at an enhanced level of disclosure for the existence of any criminal convictions subject to the Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975 (as amended) or other relevant information and that the appropriate check of the Children's Barred List relating to the protection of children.

13.7 The Service Provider will comply with the requirements of the Safeguarding of Vulnerable Groups Act 2006 (as amended by the Protection of Freedoms Act

2012 and any other subsequent relevant legislation) in respect of such employees and volunteers that work in a Regulated Activity.

- 13.8 The Service Provider will ensure that all enhanced checks for a Regulated Activity including the appropriate barred list check or checks are renewed every three years.
- 13.9 The Service Provider will not employ any person or continue to employ any person to provide the Regulated Activities who is prevented from carrying out such activities under the Safeguarding of Vulnerable Groups and will notify ESPO immediately of any decision to employ such a person in any role connected with this Contract or any other agreement or arrangement with the Customer.
- 13.10 Where the provision of the Goods and/or Services does not require any of the Service Provider's employees or volunteers to work in a Regulated Activity but where the Service Provider's employees or volunteers may nonetheless have contact with children and/or vulnerable adults the Service Provider will in respect of such employees and volunteers:
- a) carry out Employment Checks; and
  - b) carry out such other checks as may be required by the Disclosure & Barring Service from time to time through the Contract Period.
- 13.11 Where the principle obligation of the Service Provider is to effect delivery of goods to a site and does not require any element of on-site working including installation and commissioning of Goods in a private dwelling, neither the Service Provider nor any sub-contractors are to have direct contact with children and/or vulnerable adults during any delivery or attendance at the premises. The Service Provider shall ensure that those engaged in undertaking the duties under this contract, including employees, servants, agents and others are of suitable standing and good character and provide them with copies of the Specification and secure their written acknowledgement of receipt and understanding.

#### **14. NOT USED**

#### **15. STAFFING SECURITY**

- 15.1 The Service Provider shall comply with the British Security Industry Association's (or a body which the Customer deems to be equivalent to the British Security Industry Association) code of practice and BS 7858:2012 in respect of all Service Provider Staff employed or engaged in the provision of the Goods and/or Services. The Service Provider confirms that all Staff employed or engaged by the Service Provider at the Commencement Date were vetted and recruited on a basis that is equivalent to and no less strict than the Customer's staff vetting procedures.
- 15.2 The Service Provider shall provide training on a continuing basis for all Staff employed or engaged in the provision of the Goods and/or Services to ensure compliance with the Customer's staff vetting procedures.

## 16. INTELLECTUAL PROPERTY RIGHTS

- 16.1 Save as granted under this Contract, neither the Customer nor the Service Provider shall acquire any right, title or interest in the other's Pre-Existing Intellectual Property Rights.
- 16.2 The Service Provider shall ensure and procure that the availability, provision and use of the Goods and/or Services and the performance of the Service Provider's responsibilities and obligations hereunder shall not infringe any Intellectual Property Rights of any third party.
- 16.3 With respect to the Service Providers obligations under the Contract, the Service Provider warrants and represents that:
- 16.3.1 it owns, has obtained or shall obtain valid licences for all Intellectual Property Rights that are necessary to perform its obligations under this Contract;
  - 16.3.2 it has and shall continue to take all steps, in accordance with Good Industry Practice, to prevent the introduction, creation or propagation of any disruptive elements (including any virus, worms and/or Trojans, spyware or other malware) into systems, data, software or the Customer's Confidential Information (held in electronic form) owned by or under the control of, or used by the Customer;
- 16.4 The Service Provider shall during and after the Contract Period of the Contract indemnify and keep indemnified the Customer on demand in full from and against all claims, proceedings, suits, demands, actions, costs, expenses (including legal costs and disbursements on a solicitor and client basis), losses and damages and any other liabilities whatsoever arising from, out of, in respect of or incurred by reason of any infringement or alleged infringement (including the defence of such alleged infringement) of any Intellectual Property Right by the:
- 16.4.1 availability, provision or use of the Goods and/or Services (or any parts thereof); and
  - 16.4.2 performance of the Service Provider's responsibilities and obligations hereunder.
- 16.5 The Service Provider shall promptly notify the Customer if any claim or demand is made or action brought against the Service Provider for infringement or alleged infringement of any Intellectual Property Right that may affect the availability, provision or use of the Goods and/or Services (or any parts thereof) and/or the performance of the Service Provider's responsibilities and obligations hereunder.
- 16.6 If a claim or demand is made or action brought to which clause 16.3 and/or 16.4 may apply, or in the reasonable opinion of the Service Provider is likely to be made or brought, the Service Provider may at its own expense and within a reasonable time either:

- 16.6.1 modify any or all of the affected Goods and/or Services without reducing the performance and functionality of the same, or substitute alternative goods and/or services of equivalent performance and functionality for any or all of the affected Goods and/or Services, so as to avoid the infringement or the alleged infringement, provided that the terms herein shall apply mutatis mutandis to such modified or substituted goods and/or services; or
- 16.6.2 procure a licence to use the Goods and/or Services on terms that are reasonably acceptable to the Customer; and
- 16.6.3 in relation to the performance of the Service Provider's responsibilities and obligations hereunder, promptly re-perform those responsibilities and obligations.

## 16.7 Customer Data

- 16.7.1 The Service Provider shall not delete or remove any proprietary notices contained within or relating to the Customer Data.
- 16.7.2 The Service Provider shall not store, copy, disclose, or use the Customer Data except as necessary for the performance by the Service Provider of its obligations under the Contract or as otherwise expressly Approved by the Customer.
- 16.7.3 To the extent that Customer Data is held and/or processed by the Service Provider, the Service Provider shall supply that Customer Data to the Customer as requested by the Customer and in the format specified in this Contract (if any) and in any event as specified by the Customer from time to time in writing.
- 16.7.4 To the extent that Customer Data is held and/or processed by the Service Provider, the Service Provider shall take responsibility for preserving the integrity of Customer Data and preventing the corruption or loss of Customer Data.
- 16.7.5 The Service Provider shall ensure that any system on which the Service Provider holds any Customer Data, including back-up data, is a secure system that complies with the security policy reasonably requested by the Customer.
- 16.7.6 If the Customer Data is corrupted, lost or sufficiently degraded as a result of the Service Provider's Default so as to be unusable, the Customer may:
  - 16.7.6.1 require the Service Provider (at the Service Provider's expense) to restore or procure the restoration of Customer Data to the extent and in accordance with any BCDR Plan and the Service Provider shall do so as soon as practicable but in accordance with the time period notified by the Customer; and/or

16.7.6.2 itself restore or procure the restoration of Customer Data, and shall be repaid by the Service Provider any reasonable expenses incurred in doing so to the extent and in accordance with the requirements specified in any BCDR Plan.

16.7.7 If at any time the Service Provider suspects or has reason to believe that Customer Data has or may become corrupted, lost or sufficiently degraded in any way for any reason, then the Service Provider shall notify the Customer immediately and inform the Customer of the remedial action the Service Provider proposes to take.

## 16.8 Protection of Personal Data

16.8.1 The Service Provider shall (and shall procure that any of its Staff involved in the provision of the agreement) comply with any notification requirements under the Data Protection Legislation and both parties will duly observe all their obligations under the Data Protection Legislation, which arise in connection with the agreement.

16.8.2 Notwithstanding the general obligation in clause 16.8.1, where the Service Provider is processing Personal Data as a Data Processor for the Authority, the Service Provider shall ensure that it has in place appropriate technical and contractual measures to ensure the security of the Personal Data (and to guard against unauthorised or unlawful processing of the Personal Data and against accidental loss or destruction of, or damage to, the Personal Data), as required under the Seventh Data Protection Principle in Schedule 1 to the Data Protection Act 1998; and

- (a) provide the Customer with such information as the Customer may reasonably require to satisfy itself that the Service Provider is complying with its obligations under the Data Protection Legislation;
- (b) promptly notify the Customer of any breach of the security measures required to be put in place pursuant to clause 16.8.2; and
- (c) ensure it does not knowingly or negligently do or omit to do anything which places the Customer in breach of the Customer's obligations under the Data Protection Legislation.

16.8.3 The provisions of this clause shall apply during the continuance of the agreement and indefinitely after its expiry or termination.

## 16.9 Security of Premises

16.9.1 The Customer shall be responsible for maintaining the security of the Customer's Premises in accordance with its standard security

requirements. The Service Provider shall comply with all reasonable security requirements of the Customer while on the Customer's Premises and shall ensure that all Staff comply with such requirements.

- 16.9.2 The Customer shall provide the Service Provider upon request copies of its written security procedures and shall afford the Service Provider upon request an opportunity to inspect its physical security arrangements.

## 16.10 Confidentiality

- 16.10.1 Except to the extent set out in this clause 16.10 or where disclosure is expressly permitted elsewhere in this Contract, each Party shall:

16.10.1.1 treat the other Party's Confidential Information as confidential and safeguard it accordingly; and

16.10.1.2 not disclose the other Party's Confidential Information to any other person without the owner's prior written consent.

- 16.10.2 Clause 16.10.1 shall not apply to the extent that:

16.10.2.1 such disclosure is a requirement of Law placed upon the Party making the disclosure, including any requirements for disclosure under the FOIA, Code of Practice on Access to Government Information or the Environmental Information Regulations pursuant to clause 16.11 (Freedom of Information);

16.10.2.2 such information was in the possession of the Party making the disclosure without obligation of confidentiality prior to its disclosure by the information owner;

16.10.2.3 such information was obtained from a third party without obligation of confidentiality;

16.10.2.4 such information was already in the public domain at the time of disclosure otherwise than by a breach of the Contract; or

16.10.2.5 it is independently developed without access to the other Party's Confidential Information.

- 16.10.3 The Service Provider may only disclose the Customer's Confidential Information to the Staff who are directly involved in the provision of the Goods and/or Services and who need to know the information, and shall ensure that such Staff are aware of and shall comply with these obligations as to confidentiality.

- 16.10.4 The Service Provider shall not, and shall procure that the Staff do not, use any of the Customer's Confidential Information received otherwise than for the purposes of this Contract.
- 16.10.5 At the written request of the Customer, the Service Provider shall procure that those members of Staff identified in the Customer's notice sign a confidentiality undertaking prior to commencing any work in accordance with this Contract.
- 16.10.6 In the event that any default, act or omission of any Staff causes or contributes (or could cause or contribute) to the Service Provider breaching its obligations as to confidentiality under or in connection with this Contract, the Service Provider shall take such action as may be appropriate in the circumstances, including the use of disciplinary procedures in serious cases. To the fullest extent permitted by its own obligations of confidentiality to any Staff, the Service Provider shall provide such evidence to the Customer as the Customer may reasonably require (though not so as to risk compromising or prejudicing any disciplinary or other proceedings to demonstrate that the Service Provider is taking appropriate steps to comply with this clause, including copies of any written communications to and/or from Staff, and any minutes of meeting and any other records which provide an audit trail of any discussions or exchanges with Staff in connection with obligations as to confidentiality.
- 16.10.7 Nothing in this Contract shall prevent the Customer from disclosing the Service Provider's Confidential Information (including the Management Information obtained under clause 7.2):
- 16.10.7.1 to any Contracting Authority. All Contracting Authorities receiving such Confidential Information shall be entitled to further disclose the Confidential Information to other Contracting Authorities on the basis that the information is confidential and is not to be disclosed to a third party which is not part of any Contracting Authority;
  - 16.10.7.2 to any consultant, contractor or other person engaged by the Customer or any person conducting an Office of Government Commerce gateway review;
  - 16.10.7.3 for the purpose of the examination and certification of the Customer's accounts; or
  - 16.10.7.4 for any examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Customer has used its resources.
- 16.10.8 The Customer shall use all reasonable endeavours to ensure that any government department, Contracting Authority, employee, third party or Sub-Contractor to whom the Service Provider's Confidential

Information is disclosed pursuant to clause 16.10.7 is made aware of the Customer's obligations of confidentiality.

16.10.9 Nothing in this clause 16.10 shall prevent either Party from using any techniques, ideas or Know-How gained during the performance of the Contract in the course of its normal business to the extent that this use does not result in a disclosure of the other Party's Confidential Information or an infringement of IPR.

16.10.10 In the event that the Service Provider fails to comply with clause 16.6.1 to clause 16.6.6, the Customer reserves the right to terminate the Contract with immediate effect by notice in writing.

16.10.11 In order to ensure that no unauthorised person gains access to any Confidential Information or any data obtained in performance of the Contract, the Service Provider undertakes to maintain adequate security arrangements that meet the requirements of Good Industry Practice.

## 16.11 Freedom of Information

16.11.1 The Service Provider acknowledges that the Customer is subject to the requirements of the FOIA and the Environmental Information Regulations and shall assist and cooperate with the Customer to enable the Customer to comply with its Information disclosure obligations.

16.11.2 The Service Provider shall and shall procure that its Sub-Contractors shall:

16.11.2.1 transfer to the Customer all Requests for Information that it receives as soon as practicable and in any event within two (2) Working Days of receiving a Request for Information;

16.11.2.2 provide the Customer with a copy of all Information in its possession, or control in the form that the Customer requires within five (5) Working Days (or such other period as the Customer may specify) of the Customer's request; and

16.11.2.3 provide all necessary assistance as reasonably requested by the Customer to enable the Customer to respond to the Request for Information within the time for compliance set out in section 10 of the FOIA or regulation 5 of the Environmental Information Regulations.

16.11.3 The Customer shall be responsible for determining in its absolute discretion and notwithstanding any other provision in the Contract or any other Contract whether the Commercially Sensitive Information and/or any other Information is exempt from disclosure in accordance with the provisions of the FOIA or the Environmental Information Regulations.

- 16.11.4 In no event shall the Service Provider respond directly to a Request for Information unless authorised in writing to do so by the Customer.
- 16.11.5 The Service Provider acknowledges that (notwithstanding the provisions of clause 16.10) the Customer may, acting in accordance with the Department of Constitutional Affairs' Code of Practice on the Discharge of the Functions of Public Authorities under Part 1 of the Freedom of Information Act 2000 ("**the Code**"), be obliged under the FOIA, or the Environmental Information Regulations to disclose information concerning the Service Provider or the Goods and Services:
- 16.11.5.1 in certain circumstances without consulting the Service Provider; or
- 16.11.5.2 following consultation with the Service Provider and having taken their views into account,
- provided always that where clause 16.11.5 applies the Customer shall, in accordance with any recommendations of the Code, take reasonable steps, where appropriate, to give the Service Provider advanced notice, or failing that, to draw the disclosure to the Service Provider's attention after any such disclosure.
- 16.11.6 The Service Provider shall ensure that all Information is retained for disclosure in accordance with the provisions of the Contract and in any event in accordance with the requirements of Good Industry Practice and shall permit the Customer to inspect such records as requested from time to time.
- 16.11.7 The Service Provider acknowledges that the Commercially Sensitive Information is of indicative value only and that the Customer may be obliged to disclose it in accordance with clause 16.11.5.

## 16.12 Transparency

- 16.12.1 The Parties acknowledge that, except for any information which is exempt from disclosure in accordance with the provisions of the FOIA, the content of the Contract is not Confidential Information. The Customer shall be responsible for determining in its absolute discretion whether any of the content of the Contract is exempt from disclosure in accordance with the provisions of the FOIA.
- 16.12.2 Notwithstanding any other term of the Contract, the Service Provider hereby gives his consent for the Customer to publish the Contract in its entirety (but with any information which is exempt from disclosure in accordance with the provisions of the FOIA redacted), including from time to time agreed changes to the Agreement, to the general public.
- 16.12.3 The Customer may consult with the Service Provider to inform its decision regarding any redactions but the Customer shall have the final decision in its absolute discretion.

16.12.4 The Service Provider shall assist and cooperate with the Customer to enable the Customer to publish this Contract.

### 16.13 Safeguard against fraud

16.13.1 The Service Provider shall take all reasonable steps, in accordance with Good Industry Practice, to prevent any fraudulent activity (including Fraud) by the Service Provider and the Service Provider's Staff (including its shareholders holding in excess of 50% of the entire issued share capital of the Service Provider, members, directors).

16.13.2 The Service Provider shall notify the Customer immediately if it has reason to suspect that any Fraud has occurred, is occurring or is likely to occur save where complying with this provision would cause the Service Provider or its employees to commit an offence under the Proceeds of Crime Act 2002 or the Terrorism Act 2000.

16.13.3 If the Service Provider or the Service Provider's Staff commits Fraud in relation to the Contract and/or any other contract with the Customer, the Customer may:

16.13.3.1 terminate this Contract with immediate effect by giving the Service Provider notice in writing, and recover from the Service Provider the amount of any loss suffered by the Customer resulting from the termination, including the cost reasonably incurred by the Customer of making other arrangements for the supply of the Goods and/or Services and any additional expenditure incurred by the Customer throughout the remainder of the Contract Period; or

16.13.3.2 recover in full from the Service Provider and the Service Provider shall on demand indemnify the Customer in full from and against any other loss sustained by the Customer in consequence of any breach of this clause.

## 17. WARRANTIES AND REPRESENTATIONS

17.1 The Service Provider warrants, represents and undertakes to the Customer that:

17.1.1 it has full capacity and authority and all necessary consents licences, permissions (statutory, regulatory, contractual or otherwise) (including where its procedures so require, the consent of its Parent Company) to enter into and perform its obligations under the Contract;

17.1.2 the Contract is executed by a duly authorised representative of the Service Provider;

17.1.3 in entering the Contract it has not committed any Fraud;

- 17.1.4 it has not committed any offence under the Prevention of Corruption Acts 1889 to 1916, or the Bribery Act 2010;
  - 17.1.5 this Contract shall be performed in compliance with all Laws (as amended from time to time) and all applicable Standards;
  - 17.1.6 as at the Commencement Date, all information, statements and representations contained in the Tender for the Goods and/or Services are true, accurate and not misleading save as may have been specifically disclosed in writing to the Customer prior to execution of the Contract and it will advise the Customer of any fact, matter or circumstance of which it may become aware which would render any such information, statement or representation to be false or misleading and all warranties and representations contained in the Tender shall be deemed repeated in this Contract;
  - 17.1.7 no claim is being asserted and no litigation, arbitration or administrative proceeding is presently in progress or, to the best of its knowledge and belief, pending or threatened against it or its assets which will or might affect its ability to perform its obligations under the Contract;
  - 17.1.8 it is not subject to any contractual obligation, compliance with which is likely to have an adverse effect on its ability to perform its obligations under the Contract;
  - 17.1.9 no proceedings or other steps have been taken and not discharged (nor, to the best of its knowledge, are threatened) for the winding up of the Service Provider or for its dissolution or for the appointment of a receiver, administrative receiver, liquidator, manager, administrator or similar officer in relation to any of the Service Provider's assets or revenue;
  - 17.1.10 it owns, has obtained or is able to obtain valid licences for all Intellectual Property Rights that are necessary for the performance of its obligations under the Contract and shall maintain the same in full force and effect;
- 17.2 The Service Provider warrants represents and undertakes to the Customer that:
- 17.2.1 the Goods and/or Services shall be provided and carried out by appropriately experienced, qualified and trained Staff with all due skill, care and diligence;
  - 17.2.2 it shall discharge its obligations hereunder (including the provision of the Goods and/or Services) with all due skill, care and diligence including in accordance with Good Industry Practice and its own established internal procedures;
  - 17.2.3 the Goods and/or Services are and will continue to be during the Contract Period;

- 17.2.3.1 of satisfactory quality; and
- 17.2.3.2 in conformance with the relevant specifications set out in this Contract, the relevant order and (if applicable) the manufacturer's specifications and documentation;
- 17.2.4 in the three (3) Years prior to the Commencement Date:
  - 17.2.4.1 it has conducted all financial accounting and reporting activities in all material respects in compliance with the generally accepted accounting principles that apply to it in any country where it files accounts; and
  - 17.2.4.2 it has been in full compliance with all applicable securities and tax laws and regulations in the jurisdiction in which it is established;
  - 17.2.4.3 it has not done or omitted to do anything which could have an adverse effect on its assets, financial condition or position as an on-going business concern or its ability to fulfil its obligations under the Contract; and
  - 17.2.4.4 for the Contract Period that all Staff will be vetted in accordance with Good Industry Practice, the Security Policy and the Quality Standards.
- 17.3 For the avoidance of doubt, the fact that any provision within this Contract is expressed as a warranty shall not preclude any right of termination the Customer may have in respect of breach of that provision by the Service Provider.
- 17.4 The Service Provider acknowledges and agrees that:
  - 17.4.1 the warranties, representations and undertakings contained in this Contract are material and are designed to induce the Customer into entering into this contract; and
  - 17.4.2 the Customer has been induced into entering into this Contract and in doing so has relied upon the warranties, representations and undertakings contained herein.

## **18. LIABILITIES**

### **18.1 Liability**

- 18.1.1 Nothing in the Contract shall be construed to limit or exclude either Party's liability for:
  - 18.1.1.1 death or personal injury caused by its negligence or that of its Staff;

- 18.1.1.2 Fraud or fraudulent misrepresentation by it or that of its Staff;
  - 18.1.1.3 any breach of any obligations implied by Section 12 of the Sale of Goods Act 1979 or Section 2 of the Supply of Goods and Services Act 1982;
  - 18.1.1.4 any claim under clause 17.1;
  - 18.1.1.5 any claim under the indemnity in clauses 11.2.5, 16.4, in respect of a breach of clause 16.10; or
  - 18.1.1.6 any other matter which, by Law, may not be excluded or limited.
- 18.1.2 Subject to clause 18.1.4 and clause 18.1.5 the Service Provider shall on demand indemnify and keep indemnified the Customer in full from and against all claims, proceedings, actions, damages, costs, expenses and any other liabilities which may arise out of, or in consequence of, the supply, or late or purported late supply or non-supply, of the Goods and/or Services or the performance or non-performance by the Service Provider of its obligations under the Contract or the presence of the Service Provider or any Staff on the Premises, including in respect of any death or personal injury, loss of or damage to property, financial loss arising from any advice given or omitted to be given by the Service Provider, or any other loss which is caused directly by any act or omission of the Service Provider.
- 18.1.3 The Service Provider shall not be responsible for any injury, loss, damage, cost or expense if and to the extent that it is caused by the negligence or wilful misconduct of the Customer or by breach by the Customer of its obligations under the Contract.
- 18.1.4 Subject always to clause 18.1.1 and clause 18.1.5 (and in the case of the Customer would not include any Charges correctly due and payable to the Service Provider), the aggregate liability of either Party for each Year of this Contract under or in relation to this Contract:
- 18.1.4.1 all defaults resulting in direct loss to the property (other than Valuables) of the other Party shall in no event exceed five million pounds (£5,000,000); and
  - 18.1.4.2 in respect of all other Defaults, claims, losses or damages, whether arising from breach of contract, misrepresentation (whether tortious or statutory), tort (including negligence), breach of statutory duty or otherwise (other than Valuables) shall in no event exceed one million pounds (£1,000,000).
- 18.1.5 Subject to clause 18.1.1, in no event shall either Party be liable to the other for any:

- 18.1.4.3 loss of profits;
  - 18.1.4.4 loss of business;
  - 18.1.4.5 loss of revenue;
  - 18.1.4.6 loss of or damage to goodwill;
  - 18.1.4.7 loss of savings (whether anticipated or otherwise); and/or
  - 18.1.4.8 any indirect, special or consequential loss or damage.
- 18.1.5 The provisions of 18.1.1 shall not be taken as limiting the right of the Customer to recover as a direct loss:
- 18.1.5.1 any additional operational and/or administrative expenses arising from the Service Provider's Default;
  - 18.1.5.2 any wasted expenditure or charges rendered unnecessary and/or incurred by the Customer arising from the Service Provider's Default;
  - 18.1.5.3 the additional cost of procuring replacement services for the remainder of the Contract Period following termination of the Contract as a result of a Default by the Service Provider; and
  - 18.1.5.4 any losses, costs, damages, expenses or other liabilities suffered or incurred by the Customer which arise out of or in connection with the loss of, corruption or damage to or failure to deliver Customer Data by the Service Provider.
- 18.1.6 Nothing in the Contract shall impose any liability on the Customer in respect of any liability incurred by the Service Provider to any other person, but this shall not be taken to exclude or limit any liability of the Customer to the Service Provider that may arise by virtue of either a breach of the Contract or by negligence on the part of the Customer, or the Customer's employees, servants or agents.
- 18.2 **Indemnity for Valuables**
- 18.2.1 The Service Provider shall indemnify the Customer against all losses of or damage to Valuables provided that:
- 18.2.1.1 the loss or damage occurred during the Service Provider's Period of Responsibility;
  - 18.2.1.2 in respect of any one Trip only the level of indemnity is limited to a maximum of £20,000 in respect of all Valuables given to the Service Provider's staff member.

- 18.2.2 The Service Provider shall have no liability for loss of or damage to Valuables and will not indemnify the Customer as set out in clause 18.2.1, if:
- 18.2.2.1 the value of all Valuables given to the Service Provider's staff member by the Customer at any one Trip exceeds £20,000;
  - 18.2.2.2 the Customer suffers any loss of or damage to Valuables as a result of any of the Uninsured Risks or to the extent to which the Uninsured Risks have contributed to such loss or damage;
  - 18.2.2.3 in respect of any claims under the provisions of clauses 18.2.1, the Customer fails to provide the Service Provider with written notice of the loss or damage within 28 days of either the discovery of that loss or damage or of the termination of the Service Provider's Period of Responsibility during which the loss or damage is alleged to have occurred, whichever is the earlier, and in any event within three months of the date when the Service Provider received the Valuables.
- 18.2.3 Except as set out in clause 18.2.1, the Customer will have no claim against the Service Provider of any kind for loss of or damage to Valuables, whether in contract or tort, whether for negligence or otherwise.
- 18.2.4 Subject to the limits in 18.2.1 the Customer may place cheques or other reconstitutable documents in a Container provided that the Customer has kept sufficient details of such cheques or documents to enable the drawers or payers to be identified in the event of a loss. Failure by the Customer to maintain such a record or to make the record available to the Service Provider on request shall absolve the Service Provider from liability for lost cheques. For this purpose the value of a cheque or other documents is its face value, which shall count towards the maximum Container limit referred to in clause 18.2.1.2.
- 18.2.5 If lost or damaged Valuables consist, wholly or partly, of cheques or other reconstitutable documents, and if the Service Provider has paid the Customer their face value, then the Customer will use all reasonable endeavours to obtain replacements and will promptly reimburse the Service Provider upon receipt of any such replacement. The Service Provider will pay the Customer the reasonable and proportionate costs the Customer properly incurs in obtaining such replacements.
- 18.2.6 The Customer is deemed to be the sole and beneficial owner of all Valuables. The Customer will therefore indemnify the Provider against any claim made by any other person in respect of Valuables which is

outside or beyond the liability the Service Provider accepts under this Contract.

## 18.2 Insurance

- 18.2.1 The Service Provider shall effect and maintain with a reputable insurance company a policy or policies of insurance providing which may be incurred by the Service Provider, arising out of the Service Provider's performance of its obligations under the Contract, including death or personal injury, loss of or damage to property or any other loss . Such insurance shall be maintained for the Contract Period.
- 18.2.2 The Service Provider shall hold employers liability insurance in respect of Staff with a minimum limit of ten million pounds sterling (£10,000,000) for each individual claim.
- 18.2.3 The Service Provider shall effect and maintain a public liability insurance policy to cover all risks in the performance of this Contract from time to time with a minimum limit of ten million pounds sterling (£10,000,000) for each individual claim.
- 18.2.4 The Service Provider shall give the Customer, on request, copies of all insurance policies referred to in this clause or a broker's verification of insurance to demonstrate that the appropriate cover is in place, together with receipts or other evidence of payment of the latest premiums due under those policies.
- 18.2.5 If, for whatever reason, the Service Provider fails to give effect to and maintain the insurances required by the provisions of the Contract the Customer may make alternative arrangements to protect its interests and may recover the costs of such arrangements from the Service Provider.
- 18.2.6 The provisions of any insurance or the amount of cover shall not relieve the Service Provider of any liabilities under the Contract. It shall be the responsibility of the Service Provider to determine the amount of insurance cover that will be adequate to enable the Service Provider to satisfy any liability referred to in clause 18.
- 18.2.7 The Service Provider shall ensure that nothing is done which would entitle the relevant insurer to cancel, rescind or suspend any insurance or cover, or to treat any insurance, cover or claim as avoided in whole or part. The Service Provider shall use all reasonable endeavours to notify the Customer (subject to third party confidentiality obligations) as soon as practicable when it becomes aware of any relevant fact, circumstance or matter which has caused, or is reasonably likely to provide grounds to, the relevant insurer to give notice to cancel, rescind, suspend or avoid any insurance, or any cover or claim under any insurance in whole or in part.

## **18.3 Taxation, National Insurance and Employment Liability**

- 18.3.1 The Parties acknowledge and agree that the Contract constitutes a contract for the provision of Services and not a contract of employment. The Service Provider shall at all times indemnify the Customer and keep the Customer indemnified in full from and against all claims, proceedings, actions, damages, costs, expenses, liabilities and demands whatsoever and howsoever arising by reason of any circumstances whereby the Customer is alleged or determined to have been assumed or imposed with the liability or responsibility for the Staff (or any of them) as an employer of the Staff and/or any liability or responsibility to HM Revenue or Customs as an employer of the Staff whether during the Contract Period or arising from termination or expiry of the Contract.

## **19. TERMINATION**

### **19.1 Termination on insolvency**

- 19.1.1 The Customer may terminate the Contract with immediate effect by giving notice in writing to the Service Provider where the Service Provider is a company and in respect of the Service Provider:
- 19.1.1.1 a proposal is made for a voluntary arrangement within Part I of the Insolvency Act 1986 or of any other composition scheme or arrangement with, or assignment for the benefit of, its creditors; or
  - 19.1.1.2 a shareholders' meeting is convened for the purpose of considering a resolution that it be wound up or a resolution for its winding-up is passed (other than as part of, and exclusively for the purpose of, a bona fide reconstruction or amalgamation); or
  - 19.1.1.3 a petition is presented for its winding up (which is not dismissed within 14 days of its service) or an application is made for the appointment of a provisional liquidator or a creditors' meeting is convened pursuant to Section 98 of the Insolvency Act 1986; or
  - 19.1.1.4 a receiver, administrative receiver or similar officer is appointed over the whole or any part of its business or assets; or
  - 19.1.1.5 an application order is made either for the appointment of an administrator or for an administration order, an administrator is appointed, or notice of intention to appoint an administrator is given; or
  - 19.1.1.6 it is or becomes insolvent within the meaning of Section 123 of the Insolvency Act 1986 ; or

- 19.1.1.7 being a "small company" within the meaning of section 82(3) of the Companies Act 2006, a moratorium comes into force pursuant to Schedule A1 of the Insolvency Act 1986; or
  - 19.1.1.8 any event similar to those listed in clause 19.1.1.1 to 19.1.1.7 occurs under the law of any other jurisdiction.
- 19.1.2 The Customer may terminate the Contract with immediate effect by notice in writing where the Service Provider is an individual and:
- 19.1.2.1 an application for an interim order is made pursuant to Sections 252-253 of the Insolvency Act 1986 or a proposal is made for any composition scheme or arrangement with, or assignment for the benefit of, the Service Provider's creditors; or
  - 19.1.2.2 a petition is presented and not dismissed within 14 days or order made for the Service Provider's bankruptcy; or
  - 19.1.2.3 a receiver, or similar officer is appointed over the whole or any part of the Service Provider's assets or a person becomes entitled to appoint a receiver, or similar officer over the whole or any part of his assets; or
  - 19.1.2.4 the Service Provider is unable to pay his debts or has no reasonable prospect of doing so, in either case within the meaning of Section 268 of the Insolvency Act 1986; or
  - 19.1.2.5 a creditor or encumbrancer attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of the Service Provider's assets and such attachment or process is not discharged within 14 days; or
  - 19.1.2.6 he dies or is adjudged incapable of managing his affairs within the meaning of Part VII of the Mental Health Act 1983; or
  - 19.1.2.7 the Service Provider suspends or ceases, or threatens to suspend or cease, to carry on all or a substantial part of his business.

## 19.2 Termination on Change of Control

- 19.2.1 The Service Provider shall notify the Customer immediately if the Service Provider undergoes a change of control within the meaning of Section 450 of the Corporation Tax Act 2010 ("**Change of Control**") and provided this does not contravene any Law shall notify the Customer immediately in writing of any circumstances suggesting that a Change of Control is planned or in contemplation. The Customer may

terminate the Contract by notice in writing with immediate effect within six months of:

19.2.1.1 being notified that a Change of Control has occurred or is planned or in contemplation; or

19.2.1.2 where no notification has been made, the date that the Customer becomes aware of the Change of Control,

if the Customer believes, acting reasonably, that such change is likely to have an adverse effect on the provision of the Goods and/or Services but shall not be permitted to terminate where an Approval was granted prior to the Change of Control.

For the purposes of clause 19.2.1 any transfer of shares or of any interest in shares by a person to its Affiliate where such transfer forms part of a bona fide reorganisation or restructuring shall be disregarded.

### 19.3 Termination on Default

19.3.1 The Customer may terminate the Contract with immediate effect by giving written notice to the Service Provider if the Service Provider commits a Default and if:

19.3.1.1 the Service Provider has not remedied the Default to the satisfaction of the Customer within thirty (30) Working Days or such other longer period as may be specified by the Customer, after issue of a written notice specifying the Default and requesting it to be remedied; or

19.3.1.2 the Default is not, in the opinion of the Customer, capable of remedy; or

19.3.1.3 the Default is a material breach of the Contract.

19.3.2 In the event that through any Default of the Service Provider, data transmitted or processed in connection with the Contract is either lost or sufficiently degraded so as to be unusable, the Service Provider shall be liable for the cost of reconstitution of that data and shall reimburse the Customer in respect of any charge levied for its transmission and any other costs charged in connection with such Default of the Service Provider.

19.3.3 If the Customer fails to pay the Service Provider undisputed sums of money when due, the Service Provider shall notify the Customer in writing of such failure to pay. If the Customer fails to pay such undisputed sums within the period specified in clause 11.3, the Service Provider may terminate the Contract in writing with immediate effect, save that such right of termination shall not apply where the failure to pay is due to the Customer exercising its rights under clause 11.3 (Recovery of Sums Due).

#### **19.4 Termination of Framework Agreement**

The Customer may terminate the Contract by giving written notice to the Service Provider with immediate effect if the Framework Agreement is fully or partly terminated for any reason whatsoever.

#### **19.5 Termination on Financial Standing**

The Customer may terminate this Contract by serving notice on the Service Provider in writing with effect from the date specified in such notice where (in the reasonable opinion of the Customer), there is a material detrimental change in the financial standing and/or the credit rating of the Service Provider (as measured from the Commencement Date) which:

- 19.5.1 adversely impacts on the Service Provider's ability to supply the Goods and/or Services under this Contract; or
- 19.5.2 could reasonably be expected to have an adverse impact on the Service Providers ability to supply the Goods and/or Services under this Contract.

#### **19.6 Termination on Audit**

The Customer may terminate this Contract by serving notice in writing with effect from the date specified in such notice if the Service Provider commits a Default of clauses 26.1 to 26.5 or clause 26.7 (Records and Audit Access).

#### **19.7 Partial Termination**

If the Customer is entitled to terminate this Contract pursuant to this clause 19, it may (at its sole discretion) terminate all or part of this Contract.

#### **19.9 Termination in compliance with Public Contracts Regulations 2015**

The Customer may terminate the Contract where:

- 19.9.1 the Contract has been subject to a substantial modification which would require a new procurement procedure in accordance with regulation 72 (9) of the PCR 2015;
- 19.9.2 the Service Provider has, at the time of the contract award, been in one of the situations referred to in regulation 57 (1) of the PCR 2015, including as a result of the application of regulation 57 (2), and should therefore have been excluded from the procurement procedure; or
- 19.9.3 the Contract should not have been awarded to the Service Provider in view of a serious infringement of the obligations under the Treaties and the Public Contracts Directive that has been declared by the Court of Justice of the European Union in a procedure under Article 258 of the TFEU.

### **19.10 Termination on Breach of Obligations of Confidentiality**

The Customer may terminate the Contract by serving notice on the Service Provider in writing with effect from the date specified in such notice where the Service Provider fails to comply with clauses 16.10 to 19.5 (Confidentiality).

### **19.11 Termination in relation to Conflict of Interest**

The Customer may terminate the Contract by serving notice on the Service Provider in writing with effect from the date specified in the notice pursuant to clause 37 (Conflict of Interest).

### **19.12 Termination in relation to Fraud**

The Customer may terminate the Contract by serving notice on the Service Provider in writing with effect from the date specified in the notice where the conduct prohibited in clause 16.14 (Safeguard against Fraud) has occurred.

## **20. CONSEQUENCES OF EXPIRY OR TERMINATION**

20.1 Where the Customer terminates the Contract under clauses 19.3 (Termination on Default), 19.5 (Financial Standing), 19.6 (Audit), 19.10 (Confidentiality), 19.11 (Conflict of Interest), (19.12 (Fraud) and then makes other arrangements for the supply of Goods and/or the Services, the Customer may recover from the Service Provider the cost reasonably incurred of making those other arrangements and any additional expenditure incurred by the Customer throughout the remainder of the Contract Period. The Customer shall take all reasonable steps to mitigate such additional expenditure. Where the Contract is terminated under clauses 19.3, 19.6, 19.8., no further payments shall be payable by the Customer to the Service Provider until the Customer has established the final cost of making those other arrangements.

20.2 On the termination of the Contract for any reason, the Service Provider shall:

20.2.1 immediately return to the Customer all Confidential Information, Personal Data and Customer's Pre-Existing IPRs and the Project Specific IPRs in its possession or in the possession or under the control of any permitted Service Providers or Sub-Contractors, which was obtained or produced in the course of providing the Goods and/or Services;

20.2.2 cease to use the Customer Data and, at the direction of the Customer provide the Customer and/or the Replacement Service Provider with a complete and uncorrupted version of the Customer Data in electronic form in the formats and on media agreed with the Customer and/or the Replacement Service Provider;

20.2.3 except where the retention of Customer Data is required by Law, on the earlier of the receipt of the Customer's written instructions or 12 months after the date of expiry or termination, destroy all copies of the

Customer Data and promptly provide written confirmation to the Customer that the data has been destroyed.

- 20.2.4 immediately deliver to the Customer all Property (including materials, documents, information and access keys) provided to the Service Provider under clause 4.2. Such property shall be handed back to the Customer in good working order (allowance shall be made for reasonable wear and tear);
  - 20.2.5 transfer to the Customer and/or the Replacement Service Provider (as notified by the Customer) such of the Licensed Goods and/or contracts as are notified to it by the Service Provider and/or the Customer in return for payment of the costs (if any) notified to the Customer by the Service Provider in respect of such Licensed Goods and/or contracts and/or any other items of relevance;
  - 20.2.6 assist and co-operate with the Customer to ensure an orderly transition of the provision of the Services to the Replacement Service Provider and/or provide all such assistance and co-operation as the Customer may reasonably require;
  - 20.2.7 return to the Customer any sums prepaid in respect of the Goods and/or Services not provided by the date of expiry or termination (howsoever arising); and
  - 20.2.8 promptly provide all information concerning the provision of the Goods and/or Services which may reasonably be requested by the Customer for the purposes of adequately understanding the manner in which the Goods and/or Services have been provided or for the purpose of allowing the Customer or the Replacement Service Provider to conduct due diligence.
- 20.3 If the Service Provider fails to comply with clause 20.2.1 and 20.2.8, the Customer may recover possession thereof and the Service Provider grants a licence to the Customer or its appointed agents to enter (for the purposes of such recovery) any premises of the Service Provider or its permitted agents or Sub-Contractors where any such items may be held.
- 20.4 Where the end of the Contract Period arises due to the Service Provider's Default, the Service Provider shall provide all assistance under clause 20.2.5 and 20.2.8 free of charge. Otherwise, the Customer shall pay the Service Provider's reasonable costs of providing the assistance and the Service Provider shall take all reasonable steps to mitigate such costs.
- 20.5 At the end of the Contract Period (howsoever arising) the licence granted pursuant to clause 10.2.1 shall automatically terminate without the need to serve notice.

## 20.6 Save as otherwise expressly provided in the Contract:

- 20.6.1 termination or expiry of the Contract shall be without prejudice to any rights, remedies or obligations accrued under the Contract prior to termination or expiration and nothing in the Contract shall prejudice the right of either Party to recover any amount outstanding at the time of such termination or expiry; and
- 20.6.2 termination of the Contract shall not affect the continuing rights, remedies or obligations of the Customer or the Service Provider under clauses 11.2 (Payment and VAT), 11.3 (Recovery of Sums Due), 16 (Intellectual Property Rights), 16.8 (Protection of Personal Data), 16.10 (Confidentiality), 16.11 (Freedom of Information), 18 (Liabilities), 20 (Consequences of Expiry or Termination), 25 (Prevention of Bribery and Corruption), 26 (Records and Audit Access), 27 (Prevention of Fraud), 31 (Cumulative Remedies), 37 (Conflicts of Interest), 39 (The Contracts (Rights of Third parties) Act 1999) and 42.1 (Governing Law and Jurisdiction).

## 21. PUBLICITY, MEDIA AND OFFICIAL ENQUIRIES

- 21.1 The Service Provider shall not make any press announcements or publicise the Contract in any way without Approval and shall take reasonable steps to ensure that its servants, agents, employees, Sub-Contractors, Service Providers, professional advisors and consultants comply with this clause 21. Any such press announcements or publicity proposed under this clause 21.1 shall remain subject to the rights relating to Confidential Information and Commercially Sensitive Information,
- 21.2 Subject to the rights in relation to Confidential Information and Commercially Sensitive Information, the Customer shall be entitled to publicise the Contract in accordance with any legal obligation upon the Customer, including any examination of the Contract by the Auditor.
- 21.3 The Service Provider shall not do anything or permit to cause anything to be done, which may damage the reputation of the Customer or bring the Customer into disrepute.

## 22. ANTI-DISCRIMINATION

- 22.1 The Service Provider shall not unlawfully discriminate within the meaning and scope of Equality Legislation or any other law, enactment, order, or regulation relating to discrimination (whether in age, race, gender, religion, disability, sexual orientation or otherwise) in employment.
- 22.2 The Service Provider shall take all reasonable steps to secure the observance of clause 22.1 by all Staff employed in performance of this Contract.
- 22.3 The Service Provider shall notify the Customer forthwith in writing as soon as it becomes aware of any investigation of or proceedings brought against the

Service Provider under Equality Legislation or any other law, enactment, order or regulation.

- 22.4 Where any investigation is undertaken by a person or body empowered to conduct such investigation and/or proceedings are instituted in connection with any matter relating to the Service Provider's performance of this Contract being in contravention of Equality Legislation or any other law, enactment, order or regulation relating to discrimination, the Service Provider shall, free of charge provide any information requested in the timescale allotted; attend any meetings as required and permit the Service Provider's Staff to attend; promptly allow access to and investigation of any documents or data deemed to be relevant; allow the Service Provider and any of the Service Provider's Staff to appear as witness in any ensuing proceedings; and cooperate fully and promptly in every way required by the person or body conducting such investigation during the course of that investigation.
- 22.5 Where any investigation is conducted or proceedings are brought under Equality Legislation or any other law, enactment, order or regulation relating to discrimination which arise directly or indirectly out of any act or omission of the Service Provider, its agents or Sub-Contractors, or the Service Provider's Staff, and where there is a finding against the Service Provider in such investigation or proceedings, the Service Provider shall indemnify the Customer with respect to all costs, charges and expenses (including legal and administrative expenses) arising out of or in connection with any such investigation or proceedings and such other financial redress to cover any payment the Customer may have been ordered or required to pay to a third party.
- 22.6 The Service Provider must ensure that all written information produced or used in connection with this Contract is as accessible as possible to people with disabilities and to people whose level of literacy in English is limited.
- 22.7 The Service Provider acknowledges that the Customer may carry out an impact analysis as defined under the Equality Act 2010 in respect of any aspect of the provision of the Services and the Service Provider shall provide all necessary assistance and information to the Customer as may be required in relation to the performance of an impact analysis by the Customer. The Service Provider shall implement any changes or adjustments that are required as a result of, or in connection with the outcome of the impact analysis undertaken by the Customer.

## **23. HEALTH AND SAFETY**

- 23.1 The Service Provider shall promptly notify the Customer of any health and safety hazards which may arise in connection with the performance of its obligations under the Contract. The Customer shall promptly notify the Service Provider of any health and safety hazards which may exist or arise at the Customer's Premises and which may affect the Service Provider in the performance of its obligations under the Contract.
- 23.2 While on the Customer's Premises, the Service Provider shall comply with any health and safety measures implemented by the Customer in respect of Staff and other persons working there.

- 23.3 The Service Provider shall notify the Customer immediately in the event of any incident occurring in the performance of its obligations under the Contract on the Premises where that incident causes any personal injury or damage to property which could give rise to personal injury.
- 23.4 The Service Provider shall comply with the requirements of the Health and Safety at Work etc. Act 1974 and any other acts, orders, regulations and codes of practice relating to health and safety, which may apply to Staff and other persons working on the Premises in the supply of the Goods and/or Services under the Contract.
- 23.5 The Service Provider shall ensure that its health and safety policy statement (as required by the Health and Safety at Work etc. Act 1974) is made available to the Customer on request.

## **24. ENVIRONMENTAL REQUIREMENTS**

- 24.1 The Service Provider shall, when working on the Premises, perform its obligations under the Contract in accordance with the Customer's environmental policy (where provided), which is to conserve energy, water, wood, paper and other resources, reduce waste and phase out the use of ozone depleting substances and minimise the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment.

## **25. PREVENTION OF BRIBERY AND CORRUPTION**

- 25.1 The Service Provider shall not:
- 25.1.1 offer or give, or agree to give, to any employee, agent, servant or representative of the Customer, or any other public body or person employed by or on behalf of the Customer, any gift or other consideration of any kind which could act as an inducement or a reward for any act or failure to act in relation to this Contract;
  - 25.1.2 engage in and shall procure that all Service Provider's Staff, consultants, agents or Sub-Contractors or any person acting on the Service Provider's behalf shall not commit, in connection with this Contract, a Prohibited Act under the Bribery Act 2010, or any other relevant laws, statutes, regulations or codes in relation to bribery and anti-corruption; and
  - 25.1.3 commit any offences under the Prevention of Corruption Acts 1889 to 1916.
- 25.2 The Service Provider warrants, represents and undertakes that it has not:
- 25.2.1 paid commission or agreed to pay commission to the Customer or any other public body or any person employed by or on behalf of the Customer or a public body in connection with the Contract; and

25.2.2 entered into this Contract with knowledge, that, in connection with it, any money has been, or will be, paid to any person working for or engaged by the Customer or any other public body or any person employed by or on behalf of the Customer in connection with the Contract, or that an agreement has been reached to that effect, unless details of any such arrangement have been disclosed in writing to the Customer and ESPO before execution of this Contract;

25.3 The Service Provider shall:

25.3.1 in relation to this Contract, act in accordance with the Ministry of Justice Guidance pursuant to Section 9 of the Bribery Act 2010;

25.3.2 immediately notify the Customer and ESPO if it suspects or becomes aware of any breach of this clause 25;

25.3.3 respond promptly to any of the Customer's enquiries regarding any breach, potential breach or suspected breach of this clause 25 and the Service Provider shall co-operate with any investigation and allow the Customer to audit Service Provider's books, records and any other relevant documentation in connection with the breach;

25.3.4 if so required by the Customer, within twenty (20) Working Days of the Commencement Date, and annually thereafter, certify to the Customer in writing of the Service Provider and all persons associated with it or other persons who are supplying the Goods and Services in connection with this Contract compliance with this clause 25. The Service Provider shall provide such supporting evidence of compliance as the Customer may reasonably request;

25.3.5 have and maintain an anti-bribery policy (which shall be disclosed to the Customer on request) to prevent it any of its Staff, consultants, agents or Sub-Contractors, or any person acting on the Service Provider's behalf from committing a Prohibited Act and shall enforce it where appropriate.

25.4 If the Service Provider, its Staff, consultants, agents or Sub-Contractors or any person acting on the Service Provider's behalf, in all cases whether or not acting with the Service Provider's knowledge breaches:

25.4.1 this clause 25; or

25.4.2 the Bribery Act 2010 in relation to this Contract or any other contract with the Customer or any other public body or any person employed by or on behalf of the Customer or a public body in connection with the Contract,

the Customer shall be entitled to terminate this Contract by written notice with immediate effect.

25.5 Without prejudice to its other rights and remedies under this clause 25, the Customer shall be entitled to recover in full from the Service Provider and the Service Provider shall on demand indemnify the Customer in full from and against:

- 25.5.1 the amount of value of any such gift, consideration or commission; and
- 25.5.2 any other loss sustained by the Customer in consequence of any breach of this clause 25.

## **26. RECORDS AND AUDIT ACCESS**

26.1 The Service Provider shall keep and maintain for six (6) Years after the date of termination or expiry (whichever is the earlier) of the Contract (or as long a period as may be agreed between the Parties), full and accurate records and accounts of the operation of the Contract including the Goods and/or Services provided under it, and the amounts paid by the Customer.

26.2 The Service Provider shall keep the records and accounts referred to in clause 26.1 above in accordance with Good Industry Practice and generally accepted accounting principles.

26.3 The Service Provider shall afford the Customer and the Auditors access to the records and accounts referred to in clause 26.2 at the Service Provider's premises and/or provide copies of such records and accounts, as may be required by the Customer and/or the Auditors from time to time, in order that the Customer and/or the Auditors may carry out an inspection including for the following purposes:

- 26.3.1 to verify the accuracy of the Contract Price (and proposed or actual variations to them in accordance with this Contract), and/or the costs of all Service Provider (including Sub-Contractors) of the Services;
- 26.3.2 to review the integrity, confidentiality and security of the Customer Data held or used by the Service Provider;
- 26.3.3 to review the Service Provider's compliance with the DPA in accordance with this Contract and any other Laws;
- 26.3.4 to review the Service Provider's compliance with its continuous improvement and benchmarking obligations set out in schedule 6 of the Framework Agreement;
- 26.3.5 to review the Service Provider's compliance with its security obligations set out in clause 16;
- 26.3.6 to review any books of account kept by the Service Provider in connection with the provision of the Service;

- 26.3.7 to carry out an examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Customer has used its resources;
  - 26.3.8 to inspect the Customer's assets, including the Intellectual Property Rights, equipment, facilities and maintenance, for the purposes of ensuring that the Customer's assets are secure and that any register of assets is up to date; and/or
  - 26.3.9 to ensure that the Service Provider is complying with its obligations under this Contract.
- 26.4 The Service Provider shall on request afford the Customer, the Customer's representatives and/or the Auditor access to such records and accounts as may be required by the Customer from time to time.
- 26.5 The Service Provider shall provide such records and accounts (together with copies of the Service Provider's published accounts) on request during the Contract Period and for a period of six (6) Years after termination or expiry of the Contract Period or the last Contract (whichever is the later) to the Customer and/or its Auditors.
- 26.6 The Customer shall use reasonable endeavours to ensure that the conduct of each audit does not unreasonably disrupt the Service Provider or delay the provision of the Services or supply of Goods save insofar as the Service Provider accepts and acknowledges that control over the conduct of audits carried out by the Auditor is outside of the control of the Customer.
- 26.7 Subject to the Service Provider's rights in respect of Confidential Information, the Service Provider shall on demand provide the Auditors with all reasonable co-operation and assistance in relation to each audit, including:
- 26.7.1 all reasonable information requested by the Customer within the scope of the audit;
  - 26.7.2 reasonable access to sites controlled by the Service Provider and to Equipment used in the provision of the Goods and/or Services; and
  - 26.7.3 access to the Staff.
- 26.8 The Parties agree that they shall bear their own respective costs and expenses incurred in respect of compliance with their obligations under this clause 26, unless the audit reveals a material Default by the Service Provider in which case the Service Provider shall reimburse the Customer for the Customer's reasonable costs incurred in relation to the audit.

## **27. PREVENTION OF FRAUD**

- 27.1 The Service Provider shall take all reasonable steps, in accordance with Good Industry Practice, to prevent any Fraud by Staff and the Service Provider

(including its shareholders, members and directors) in connection with the receipt of monies from the Customer.

- 27.2 The Service Provider shall notify the Customer immediately if it has reason to suspect that any Fraud has occurred or is occurring or is likely to occur save where complying with this provision would cause the Service Provider or its Staff to commit an offence under the Proceeds of Crime Act 2002 or the Terrorism Act 2000.
- 27.3 If the Service Provider or its Staff commits any Fraud in relation to this or any other contract with a Contracting Authority or the Customer, the Customer may:
- 27.3.1 terminate the Contract with immediate effect by giving the Service Provider notice in writing; and/or
- 27.3.2 recover in full from the Service Provider and the Service Provider shall on demand indemnify the Customer in full from any loss sustained by the Customer in consequence of any breach of this clause 27 including the cost reasonably incurred by the Customer of making other arrangements for the supply of the Goods and/or Services and any additional expenditure incurred by the Customer throughout the remainder of the Contract Period.

## **28. TRANSFER AND SUB-CONTRACTING**

- 28.1 The Service Provider shall not assign, novate, Sub-Contract or in any other way dispose of the Contract or any part of it without Approval.
- 28.2 The Service Provider shall not substitute or remove a Sub-Contractor or appoint an additional Sub-Contractor without the prior written consent of ESPO and the Customer. Notwithstanding any permitted Sub-Contract in accordance with this clause 28, the Service Provider shall remain responsible for all acts and omissions of its Sub-Contractors and the acts and omissions of those employed or engaged by the Sub-Contractors as if they were its own.

## **29. FORCE MAJEURE**

- 29.1 Neither Party shall be liable to the other Party for any delay in performing, or failure to perform, its obligations under the Contract (other than a payment of money) to the extent that such delay or failure is a result of Force Majeure. Notwithstanding the foregoing, each Party shall use all reasonable endeavours to continue to perform its obligations under the Contract for the duration of such Force Majeure. However, if such Force Majeure prevents either Party from performing its material obligations under the Contract for a period in excess of 6 Months, either Party may terminate the Contract with immediate effect by notice in writing to the other Party.
- 29.2 Any failure or delay by the Service Provider in performing its obligations under the Contract which results from any failure or delay by an agent, Sub-Contractor or Service Provider shall be regarded as due to Force Majeure only if that agent,

Sub-Contractor or Service Provider is itself impeded by Force Majeure from complying with an obligation to the Service Provider.

- 29.3 If either Party becomes aware of a Force Majeure event or occurrence which gives rise to or is likely to give rise to any such failure or delay on its part as described in clause 29.1 it shall immediately notify the other by the most expeditious method then available and shall inform the other of the period during which it is estimated that such failure or delay shall continue.
- 29.4 If an event of Force Majeure event affects the Services, the Customer may direct the Service Provider to procure those Goods and/or Services from a third party Service Provider in which case the Service Provider will be liable for payment for the provision of those Goods and/or Services for as long as the delay in performance continues.
- 29.5 The Service Provider will not have the right to any payment from the Customer under this Contract where the Service Provider is unable to provide the Goods and/or Services because of an event of Force Majeure. However if the Customer directs the Service Provider to use a replacement Service Provider pursuant to sub-clause 29.4, then the Customer will pay the Service Provider (a) the Contract Price; and (b) the difference between the Contract Price and the new Service Provider's costs if, in respect of the Goods and/or Services that are subject to Force Majeure, the new Service Provider's costs are greater than the Contract Price.

### **30. WAIVER**

- 30.1 The failure of either Party to insist upon strict performance of any provision of the Contract, or the failure of either Party to exercise, or any delay in exercising, any right or remedy shall not constitute a waiver of that right or remedy and shall not cause a diminution of the obligations established by the Contract.
- 30.2 No waiver shall be effective unless it is expressly stated to be a waiver and communicated to the other Party in writing in accordance with clause 40 (Notices).
- 30.3 A waiver by either Party of any right or remedy arising from a breach of the Contract shall not constitute a waiver of any right or remedy arising from any other or subsequent breach of the Contract.

### **31. CUMULATIVE REMEDIES**

- 31.1 Except as otherwise expressly provided by the Contract, all remedies available to either Party for breach of the Contract are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.

## **32. FURTHER ASSURANCES**

32.1 Each Party undertakes at the request of the other, and at the cost of the requesting party to do all acts and execute all documents which may be necessary to give effect to the meaning of this Contract.

## **33. VARIATION**

33.1 No variation of this agreement shall be effective unless it is in writing and signed by the Parties (or their authorised representatives).

## **34. SEVERABILITY**

34.1 If any provision of the Contract is held invalid, illegal or unenforceable for any reason, such provision shall be severed and the remainder of the provisions hereof shall continue in full force and effect as if the Contract had been executed with the invalid, illegal or unenforceable provision eliminated.

34.2 In the event of a holding of invalidity so fundamental as to prevent the accomplishment of the purpose of the Contract, the Customer and the Service Provider shall immediately commence good faith negotiations to remedy such invalidity.

## **35. MISTAKES IN INFORMATION**

35.1 The Service Provider shall be responsible for the accuracy of all drawings, documentation and information supplied to the Customer by the Service Provider in connection with the supply of the Goods and/or Services and shall pay the Customer any extra costs occasioned by any discrepancies, errors or omissions therein, except where such mistakes are the fault of the Customer.

## **36. SERVICE PROVIDER'S STATUS**

36.1 At all times during the Contract Period the Service Provider shall be an independent contractor and nothing in the Contract shall create a contract of employment, a relationship of agency or partnership or a joint venture between the Parties and, accordingly, neither Party shall be authorised to act in the name of, or on behalf of, or otherwise bind the other Party save as expressly permitted by the terms of the Contract.

## **37. CONFLICTS OF INTEREST**

37.1 The Service Provider shall take appropriate steps to ensure that neither the Service Provider nor any Staff are placed in a position where (in the reasonable opinion of the Customer), there is or may be an actual conflict, or a potential conflict, between the pecuniary or personal interests of the Service Provider or Staff and the duties owed to the Customer under the provisions of the Contract.

37.2 The Service Provider shall promptly notify the Customer (and provide full particulars to the Customer) if any conflict referred to in clause 37.1 above arises or is reasonably foreseeable.

37.3 The Customer reserves the right to terminate the Contract immediately by giving notice in writing to the Service Provider and/or to take such other steps it deems necessary where, in the reasonable opinion of the Customer, there is or may be an actual conflict, or a potential conflict, between the pecuniary or personal interests of the Service Provider and the duties owed to the Customer under the provisions of the Contract. The actions of the Customer pursuant to this clause shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to the either party.

37.4 This clause shall apply during the Contract Period and for a period of two (2) Years after expiry of the Contract Period.

### **38. ENTIRE AGREEMENT**

38.1 This Contract constitutes the entire agreement and understanding between the Parties in respect of the matters dealt with in it and supersedes, cancels or nullifies any previous agreement between the Parties in relation to such matters.

38.2 Each of the Parties acknowledges and agrees that in entering into the Contract it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or undertaking (whether negligently or innocently made) other than as expressly set out in the Contract.

38.3 The Service Provider acknowledges that it has:

38.3.1 entered into the Contract in reliance on its own due diligence alone; and

38.3.2 received sufficient information required by it in order to determine whether it is able to provide the Goods and/or Services in accordance with the terms of the Contract.

38.4 Nothing in clauses 38.1 and 38.2 shall operate to exclude Fraud or fraudulent misrepresentation.

38.5 The Contract may be executed in counterparts each of which when executed and delivered shall constitute an original but all counterparts together shall constitute one and the same instrument.

### **39. THE CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

39.1 A person who is not a Party to the Contract except ESPO in relation to its right to claim retrospective rebate from the Service Provider under the payment clause has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its provisions which, expressly or by implication, confer a benefit on him, without the prior written agreement of the Parties, but this does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

- 39.2 No consent of any third party is necessary for any rescission, variation (including any release or compromise in whole or in part of liability) or termination of this Contract or any one or more clauses of it.

## **40. NOTICES**

- 40.1 Except as otherwise expressly provided within the Contract, no notice or other communication from one Party to the other shall have any validity under the Contract unless made in writing by or on behalf of the Party sending the communication.
- 40.2 Any notice or other communication which is to be given by either Party to the other shall be given by letter (sent by hand, post, registered post or by the recorded delivery service), or by electronic mail (confirmed by letter). Such letters shall be addressed to the other Party in the manner referred to in clause 40.3. Provided the relevant communication is not returned as undelivered, the notice or communication shall be deemed to have been given two (2) Working Days after the day on which the letter was posted, or four (4) hours, in the case of electronic mail or sooner where the other Party acknowledges receipt of such letters, facsimile transmission or item of electronic mail.
- 40.3 For the purposes of clause 40.2, the address, email address of each Party shall be the address and email address set out in the Master Contract Schedule and/or any other Contract Document.
- 40.4 Either Party may change its address for service by serving a notice in accordance with this clause.

## **41. LEGISLATIVE CHANGE & LOCAL GOVERNMENT REORGANISATION**

- 41.1 The Service Provider shall neither be relieved of its obligations under this Contract nor be entitled to an increase in the Contract Price as the result of a general change in law.
- 41.2 The Parties acknowledge that during the Term of this Contract the local government structure in the Customer's administrative areas may be subject to change. These administrative changes may give rise to the need for the Customer to terminate this Contract and/or seek its potential variation with any successor or assignee of the Customer. The Customer shall not be liable for any loss of any kind including, but not limited to, lost opportunity that may arise as a consequence of local government reorganisation.

## **42. DISPUTES AND LAW**

### **42.1 Governing Law and Jurisdiction**

The Contract shall be governed by and interpreted in accordance with the laws of England and Wales and the Parties agree to submit to the exclusive jurisdiction of the English courts any dispute that arises in connection with the Contract.

## 42.2 Dispute Resolution

- 42.2.1 The Parties shall attempt in good faith to negotiate a settlement to any dispute between them arising out of or in connection with the Contract within twenty (20) Working Days of either Party notifying the other of the dispute and such efforts shall involve the escalation of the dispute to the level of the Customer's Representative and the Service Provider's Representative.
- 42.2.2 Nothing in this dispute resolution procedure shall prevent the Parties from seeking from any court of competent jurisdiction an interim order restraining the other Party from doing any act or compelling the other Party to do any act.
- 42.2.3 If the dispute cannot be resolved by the Parties pursuant to clause 42.2.1 the Parties shall refer it to mediation pursuant to the procedure set out in clause 42.2.5 unless:
- 42.2.3.1 the Customer considers that the dispute is not suitable for resolution by mediation; or
- 42.2.3.2 the Service Provider does not agree to mediation.
- 42.2.4 The obligations of the Parties under the Contract shall not be suspended, cease or be delayed by the reference of a dispute to mediation and the Service Provider and the Staff shall comply fully with the requirements of the Contract at all times.
- 42.2.5 The procedure for mediation is as follows:
- 42.2.5.1 a neutral adviser or mediator ("**the Mediator**") shall be chosen by agreement between the Parties or, if they are unable to agree upon a Mediator within ten (10) Working Days after a request by one Party to the other or if the Mediator agreed upon is unable or unwilling to act, either Party shall within ten (10) Working Days from the date of the proposal to appoint a Mediator or within ten (10) Working Days of notice to either Party that he is unable or unwilling to act, apply to the Centre for Effective Dispute Resolution ("**CEDR**") to appoint a Mediator;
- 42.2.5.2 the Parties shall within 10 Working Days of the appointment of the Mediator meet with him in order to agree a programme for the exchange of all relevant information and the structure to be adopted for negotiations to be held. If considered appropriate, the Parties may at any stage seek assistance from the mediation provider appointed by CEDR to provide guidance on a suitable procedure;
- 42.2.5.3 unless otherwise agreed, all negotiations connected with the dispute and any settlement agreement relating to it shall be

conducted in confidence and without prejudice to the rights of the Parties in any future proceedings;

- 42.2.5.4 if the Parties reach agreement on the resolution of the dispute, the agreement shall be reduced to writing and shall be binding on the Parties once it is signed by their duly authorised representatives;
- 42.2.5.5 failing agreement, either of the Parties may invite the Mediator to provide a non-binding but informative opinion in writing. Such an opinion shall be provided on a without prejudice basis and shall not be used in evidence in any proceedings relating to the Contract without the prior written consent of both Parties; and
- 42.2.5.6 if the Parties fail to reach agreement in the structured negotiations within sixty (60) Working Days of the Mediator being appointed, or such longer period as may be agreed by the Parties, then any dispute or difference between them may be referred to the courts.

## **SCHEDULE 1**

### **SERVICE LEVELS AND SERVICE CREDITS (where appropriate)**

#### **1. SCOPE**

This schedule 1 sets out the Service Levels which the Service Provider is required to achieve when delivering the Services, the mechanism by which Service Failures will be managed and the method by which the Service Provider's performance of the Services by the Service Provider will be monitored. This schedule comprises:

Part A: Service Levels;

Appendix to Part A - Service Levels and Service Credits; and

Part B: Performance Monitoring.

#### **PART A**

### **SERVICE LEVELS**

#### **2. PRINCIPAL POINTS**

2.1 The objectives of the Service Levels and Service Credits are to:

- 2.1.1 ensure that the Services are of a consistently high quality and meet the requirements of the Customer;
- 2.1.2 provide a mechanism whereby the Customer can attain meaningful recognition of inconvenience and/or loss resulting from the Service Provider's failure to deliver the level of Service for which it has contracted to deliver; and
- 2.1.3 incentivise the Service Provider to meet the Service Levels and to remedy any failure to meet the Service Levels expeditiously.

#### **3. SERVICE LEVELS**

- 3.1 The Appendix to this Part A of this schedule sets out Service Levels the performance of which the Parties have agreed to measure.
- 3.2 The Service Provider shall monitor its performance of each of the Services referred to in Appendix A by reference to the Service Level(s) for that part of the Service and shall send the Customer a report detailing the level of service which was achieved in accordance with the provisions of part B of this schedule 1.
- 3.3 If the level of performance of the Service Provider of any element of the Services during Contract Period:
  - 3.3.1 fails to achieve a Service Level in respect of each element of the Service, then the Customer shall make a deduction from the Contract Charges in accordance with Appendix A to this schedule 1; or

**3.3.2** constitutes a Critical Service Failure, the Customer shall be entitled to terminate this Contract pursuant to clause 19.3

## APPENDIX TO PART A

### SERVICE LEVELS AND SEVERITY LEVELS

Service Level - Collection		Less than 96.99%	Between 97.00% and 98.99%	
1	LUL Stations	1 Service Credit per Service Failure Incident PLUS Corrective Action Plan	1 Service Credit per Service Failure Incident	0
2	RSLU Station	1 Service Credit per Service Failure Incident PLUS Corrective Action Plan	1 Service Credit per Service Failure Incident	0
3	Visitor Information Centre	1 Service Credit per Service Failure Incident PLUS Corrective Action Plan	1 Service Credit per Service Failure Incident	0
4	Lost Property Office	1 Service Credit per Service Failure Incident PLUS Corrective Action Plan	1 Service Credit per Service Failure Incident	0
	LT Museum	1 Service Credit per Service Failure Incident PLUS Corrective Action Plan	1 Service Credit per Service Failure Incident	0
	LBSL TVM Machines	1 Service Credit per Service Failure Incident PLUS Corrective Action Plan	1 Service Credit per Service Failure Incident	0

1 Service Credit = £5 (from Cash Collection, Delivery and Deposit Price)

Guidance contained in this document is intended for use by ESPO employees however it is made available to ESPO customers. ESPO customers must seek their own legal advice as to the content and drafting of this document.

Service Level - Delivery of Change		Less than 96.99%	Between 97.00% and 98.99%	Over 99%
1	LUL Stations	1 Service Credit per Service Failure Incident PLUS Corrective Action Plan	1 Service Credit per Service Failure Incident	0
2	RSLU Station	1 Service Credit per Service Failure Incident PLUS Corrective Action Plan	1 Service Credit per Service Failure Incident	0
3	Visitor Information Centre	1 Service Credit per Service Failure Incident PLUS Corrective Action Plan	1 Service Credit per Service Failure Incident	0
4	Lost Property Office	1 Service Credit per Service Failure Incident PLUS Corrective Action Plan	1 Service Credit per Service Failure Incident	0
	LT Museum	1 Service Credit per Service Failure Incident PLUS Corrective Action Plan	1 Service Credit per Service Failure Incident	0
	LBSL TVM Machines	1 Service Credit per Service Failure Incident PLUS Corrective Action Plan	1 Service Credit per Service Failure Incident	0

1 Service Credit = £5 (from Cash Collection, Delivery and Depo

Service Level - Bank Deposit Deadlin	By 8 am within 48 hours (2 working days)	By 8am between 48 and 72 hours	By 8 am between 72 and 96 hours	By 8am between 96 and 120 hours	By 8am between 120 and 144 hours
	0	10% of the processing cost (table 2)per £100 not deposited	20% of the processing cost (table 2)per £100 not deposited	30% of the processing cost (table 2)per £100 not deposited	40% of the processing cost (table 2)per £100 not deposited
Please note the % are cumulative totals - e.g at 97 hours -the 75% consists of 3 24 hour periods of missed deposit deadlines.					

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## **PART B**

### **PERFORMANCE MONITORING**

Service Provider contractual obligations in relation to MI for ESPO's purposes are contained at Schedule 7 of the Framework Agreement however include at this point any reasonable Customer MI that may have been agreed.

#### **1. PRINCIPAL POINTS**

- 1.1 This Part B provides the methodology for monitoring the Services:
  - 1.1.1 to ensure that the Service Provider is complying with the Service Levels; and
  - 1.1.2 for identifying any failures to achieve Service Levels in the performance of the Service Provider and/or delivery of the Services ("**Performance Monitoring System**").
- 1.2 Within 20 Working Days of the Commencement Date the Service Provider shall provide the Customer with details of how the process in respect of the monitoring and reporting of Service Levels will operate between the Parties and the Parties will endeavour to agree such process as soon as reasonably possible.

#### **2. REPORTING OF SERVICE FAILURES**

- 2.1 The Customer shall report all failures to achieve Service Levels and any Critical Service Failure to the Customer in accordance with the processes agreed in paragraph 1.2 above.

#### **3. PERFORMANCE MONITORING AND PERFORMANCE REVIEW**

- 3.1 The Service Provider shall provide the Customer with reports in accordance with the process and timescales agreed pursuant to paragraph 1.2 above which shall contain, as a minimum, the following information in respect of the relevant period just ended:
  - 3.1.1 for each Service Level, the actual performance achieved over the Service Level for the relevant period;
  - 3.1.2 a summary of all failures to achieve Service Levels that occurred during that period;
  - 3.1.3 any Critical Service Failures and details in relation thereto;
  - 3.1.4 for any repeat failures, actions taken to resolve the underlying cause and prevent recurrence;
  - 3.1.5 the Service Credits to be applied in respect of the relevant period indicating the failures and Service Levels to which the Service Credits relate; and

- 3.1.6 such other details as the Customer may reasonably require from time to time.
- 3.2 The Parties shall attend meetings to discuss Service Level reports ("Performance Review Meetings") on a monthly basis (unless otherwise agreed). The Performance Review Meetings will be the forum for the review by the Service Provider and the Customer of the Performance Monitoring Reports. The Performance Review Meetings shall (unless otherwise agreed):
  - 3.2.1 take place within one (1) week of the reports being issued by the Service Provider;
  - 3.2.2 take place at such location and time (within normal business hours) as the Customer shall reasonably require unless otherwise agreed in advance;
  - 3.2.3 be attended by the Service Provider's Representative and the Customer's Representative; and
  - 3.2.4 be fully minuted by the Service Provider. The prepared minutes will be circulated by the Service Provider to all attendees at the relevant meeting and also to the Customer's Representative and any other recipients agreed at the relevant meeting. The minutes of the preceding month's Performance Review Meeting will be agreed and signed by both the Service Provider's Representative and the Customer's Representative at each meeting.
- 3.3 The Customer shall be entitled to raise any additional questions and/or request any further information regarding any failure to achieve Service Levels.
- 3.4 The Service Provider shall provide to the Customer such supporting documentation as the Customer may reasonably require in order to verify the level of the performance by the Service Provider and the calculations of the amount of Service Credits for any specified period.

#### **4. SATISFACTION SURVEYS**

- 4.1 In order to assess the level of performance of the Service Provider, the Customer may undertake satisfaction surveys in respect of the Service Provider's provision of the Services.
- 4.2 The Customer shall be entitled to notify the Service Provider of any aspects of their performance of the Services which the responses to the Satisfaction Surveys reasonably suggest are not in accordance with the Contract.
- 4.3 All other suggestions for improvements to the Services shall be dealt with as part of the continuous improvement programme pursuant to clause 8.

## **SCHEDULE 2**

### **IMPLEMENTATION PLAN AND MILESTONES**

#### **1. IMPLEMENTATION PLAN**

- 1.1 The Service Provider shall supply the Goods and/or Services in accordance with the Implementation Plan that it submitted to the Customer prior to the Commencement Date which shall be incorporated into the Master Contract Schedule and/or any other Contract Document.
- 1.2 If so required by the Customer, the Service Provider shall produce a further version of the Implementation Plan (based on the plan specified in the Master Contract Schedule or any other Contract Document) in such further detail as the Customer may reasonably require. The Service Provider shall ensure that each version of the Implementation Plan is subject to Approval. The Service Provider shall ensure that the Implementation Plan is maintained and updated on a regular basis as may be necessary to reflect the then current state of the implementation of the Services and/or provision of the Goods.
- 1.3 The Customer shall have the right to require the Service Provider to include any reasonable changes or provisions in each version of the Implementation Plan.

#### **2. MILESTONES**

- 2.1 The Service Provider shall perform its obligations so as to meet each Milestone by the Milestone Date.
- 2.2 Changes to the Milestones shall only be made in accordance with the Variation Procedure and provided that the Service Provider shall not attempt to postpone any of the Milestones using the Variation Procedure or otherwise (except in the event of a Customer Default which affects the Service Provider's ability to achieve a Milestone by the relevant Milestone Date).
- 2.3 If a Milestone has not been achieved by the relevant Milestone Date, the Service Provider shall pay to the Customer Delay Payments in accordance with the table above for each day of delay from and including the relevant Milestone Date until and including the date on which the relevant Milestone criteria are actually achieved and the Customer provides the Service Provider with confirmation in writing of its satisfaction that the Milestone has been met.
- 2.4 No payment or concession to the Service Provider by the Customer or other act or omission of the Customer shall in any way affect the rights of the Customer to recover the Delay Payments pursuant to the provisions of this Schedule or be deemed to be a waiver of the right of the Customer to recover any such damages unless such waiver has been signed by the Customer, expressly made in writing by the Customer and refers specifically to a waiver of the Customer's rights to claim Delay Payments.
- 2.5 The Customer's rights to claim Delay Payments pursuant to this Contract shall be without prejudice to any right of the Customer to claim damages for breach.

## **SCHEDULE THREE - SPECIFICATION**

**Appendix 01 CIT Service Schedules and Addresses v1** REDACTED

**Appendix 02 Collection Process v 0.1**

**Appendix 04 Ad-Hoc and Emergency Services Process v 1.2**

**Appendix 07 Service User Bank Account Details v 2.0**

**Appendix 08 Consumables Stock Management v 1.2**

**Appendix 09 Consumables and Non-Cash Processing v 1.1**

**Appendix 10 Payment Process v1.0**

**Appendix 11 Service Performance Management (SLA) 2**

**Appendix 12 TfL Automated Period End Calendar**

**Appendix 13 Claims Management** REDACTED

**Appendix 14 Change Delivery Request via Vaultex v0.4**

**CIT 2018 Contract Specification 29012018**

## FRAMEWORK SCHEDULE 4 - ORDERING PROCEDURE

### 1. INTRODUCTION

If any Customer (including ESPO) decides to source the Goods and/or Services through the Framework then it will award its Goods and/or Services Requirements in accordance with the procedure in this Framework Schedule and the requirements of the Regulations and the Guidance.

#### AWARD PROCEDURE (DIRECT CALL OFF)

1.1 If a Customer can determine that:

1.1.1 the Service Provider provides the most economically advantageous solution in respect of the Customer's Goods and/or Services Requirements; and

1.1.2 all of the terms of the proposed contract are laid down in this Framework Agreement and do not require amendment or any supplementary terms and conditions;

then the Customer may submit a Form of Contract together with a Master Contract Schedule to the relevant Framework Service Provider which shall be signed by both parties.

For the avoidance of doubt the Framework Charges shall apply to all Contracts entered into or orders placed by a Customer in accordance with this paragraph.

1.2 If all of the terms of the proposed contract are **not** laid down in this Framework Agreement and a Customer:

1.2.1 requires the Service Provider to develop proposals or a solution in respect of such Customer's Goods and/or Services Requirements; and/or

1.2.2 needs to amend or refine the terms of the Contract to reflect its Goods and/or Services Requirements to the extent permitted by and in accordance with the Regulations and Guidance;

then the Customer shall follow the procedures set out in the Award Procedure (Further Competition).

## **AWARD PROCEDURE (FURTHER COMPETITION)**

### **2.1 CUSTOMER'S OBLIGATIONS**

Any Customer ordering Goods and/or Services under the Framework through a further competition should:

- 2.1.1 develop a Statement of Requirements setting out its requirements for the Available Goods and/or Services and identify the Framework Service Providers capable of supplying the Goods and/or Services;
- 2.1.2 refine the terms of the Contract to reflect its Goods and/or Services Requirements only to the extent permitted by and in accordance with the requirements of the Regulations and Guidance;
- 2.1.3 invite tenders by conducting a further-competition for its Goods and/or Services Requirements in accordance with the Regulations and Guidance and in particular:
  - (a) invite the Framework Service Providers to develop a proposed statement of work (covering Goods and/or Services as applicable) setting out their respective proposals in respect of such Customer's Statement of Requirements ("Statement of Work") and invite the Framework Service Providers to submit a tender in writing for each specific contract to be awarded by giving written notice by email to the relevant Service Provider Representative of each Framework Service Provider;
  - (b) set a time limit for the receipt by it of the tenders which takes into account factors such as the complexity of the subject matter of the contract and the time needed to submit tenders; and
  - (c) keep each tender confidential until the time limit set out in paragraph 2.1.3 (b) above has expired.
- 2.1.4 apply the Further Competition Award Criteria to the Framework Service Provider's compliant tenders submitted through the further competition as the basis of its decision to award a Contract for its Goods and/or Services Requirements;
- 2.1.5 on the basis set out above, award its Goods and/or Services Requirements by awarding a contract to the successful Framework Service Provider which:
  - (a) states the Goods and/or Services Requirements;
  - (b) states the Statement of Work submitted by the successful Framework Service Provider;

- (c) states the charges payable for the Goods and/or Services Requirements in accordance with the tender submitted by the successful Framework Service Provider; and
  - (d) incorporates the terms of the Contract applicable to the Goods and/or Services,
- 2.1.6 Notify unsuccessful Framework Service Providers of the outcome of the further competition process.
- 2.1.5 The Customer will send to the awarded Framework Service Provider a Form of Contract and Master Contract Schedule for signature by the Framework Service Provider which shall be returned to the Customer to sign. The Customer shall return one copy of the Form of Contract and Master Contract Schedule and supply the other to the Framework Service Provider.

## 2.2 THE CONTRACTOR'S OBLIGATIONS

The Service Provider will in writing, by the time and date specified by the Customer in accordance with paragraph 2.2.2 (b) provide the Customer with either:

- 2.2.1 a statement to the effect that it does not wish to tender in relation to the relevant Goods and/or Services Requirements; or
- 2.2.2 the Statement of Work and full details of its tender made in respect of the relevant Statement of Requirements. In the event that the Service Provider submits a Statement of Work, it should include, as a minimum:
  - (a) an email response subject line to comprise unique reference number and Service Provider's name, so as to clearly identify the Service Provider;
  - (b) a brief summary, in the email, stating whether or not the Service Provider is bidding for the Statement of Requirements;
  - (c) a proposal covering the Goods and/or Services Requirements .
- 2.2.3 The Service Provider shall ensure that any prices submitted in relation to a further competition held pursuant to this paragraph shall be based on the Charging Structure and take into account any discount to which the Customer may be entitled as set out in Framework Schedule 2 (Charging Structure).

#### 2.2.4 The Service Provider agrees that:

- (a) all tenders submitted by the Service Provider in relation to a further competition held pursuant to this paragraph shall remain open for acceptance by the Customer for ninety (90) Working Days (or such other period specified in the invitation to tender issued by the relevant Customer in accordance with the Ordering Procedure); and
- (b) all tenders submitted by the Service Provider are made in good faith and that the Service Provider has not fixed or adjusted the amount of the offer by or in accordance with any agreement or arrangement with any other person. The Service Provider certifies that it has not and undertakes that it will not:
  - (i) communicate to any person other than the person inviting these offers the amount or approximate amount of the offer, except where the disclosure, in confidence, of the approximate amount of the offer was necessary to obtain quotations required for the preparation of the offer; and
  - (ii) enter into any arrangement or agreement with any other person that he or the other person(s) shall refrain from making an offer or as to the amount of any offer to be submitted.

### 3. E-AUCTIONS

- 3.1 One or more Customers may use an electronic reverse auction to evaluate tenders and award a Contract as part of a further competition process. The Service Provider shall comply with documentation issued by the relevant Customer in connection with the e-auction.

### 4. NO AWARD

- 4.1 Notwithstanding the fact that the Customer has followed a procedure as set out above, the Customer shall be entitled at all times to decline to make an award for its Goods and/or Services Requirements. Nothing in this Framework Agreement shall oblige any Customer to enter into a Contract for the Goods and/or Services or to accept any tenders that may be received.

### 5. RESPONSIBILITY OF AWARDS

- 5.1 The Service Provider acknowledges that each Customer is independently responsible for the conduct of its award of a Contract under the Framework and that ESPO is not responsible or accountable for and shall have no liability whatsoever in relation to:-

- (a) the conduct of Customers in relation to the Framework; or
- (b) the performance or non-performance of any Contracts between the Service Provider and Customers entered into pursuant to the Framework.

## **FRAMEWORK SCHEDULE 5 - FURTHER COMPETITION AWARD CRITERIA**

The award criteria used to set up the framework were divided into two areas; price and non-price and the specific weightings used were as follows:

- Price 50%
- Non - Price 50%

The non-price factors consisted of a series of method statements relating to Operational Procedures, General Service Provision, Customer Service, Staff and Contract Management.

When evaluating a further competition, Customers will have the option of adopting a scheme similar to that used by ESPO in establishing the framework, or may advise tenderers that a revised scheme will be used, in order to suit their specific requirements. This may involve, for example, using the same criteria, but varying the weightings assigned to them. Customers may also vary the award criteria to suit their requirement, new criteria may be added as long as they relate to the original award criteria set out in the framework agreement. It is anticipated that as 'non-price' factors will have been assessed when the framework was established, increased weight may be given to 'price' at further competition stage. Customers may therefore award a further competition on the basis of the lowest priced tender or the most economically advantageous tender.

## **FRAMEWORK SCHEDULE 6 - VALUE FOR MONEY**

### **1. BACKGROUND**

- 1.1 The Service Provider acknowledges that ESPO wishes to ensure that the Goods and/or Services represent value for money for its Customers throughout the Term of this Framework Agreement.
- 1.2 This Framework Schedule sets out the following processes to ensure this Framework Agreement represents value for money throughout the Term:
  - 1.2.1 Benchmarking;
  - 1.2.2 Continuous Improvement;

### **2. BENCHMARKING**

- 2.1 Frequency, Purpose and Scope of Benchmark Review
  - 2.1.1 ESPO shall not be entitled to request a Benchmark Review during the six (6) Month period from the Commencement Date nor at intervals of less than twelve (12) Months after any previous Benchmark Review.
  - 2.1.2 The purpose of a Benchmark Review will be to establish whether the Benchmarked Rates are, individually and/or as a whole, good value.
  - 2.1.3 The rates that are to be the benchmarked rates will be identified by ESPO in writing.
- 2.2 Benchmarking Process
  - 2.2.1 The Service Provider shall produce and send to ESPO a benchmark report which shall include:
    - 2.2.1.1 the product and/or rates identified by ESPO in accordance with clause 2.1.3.
    - 2.2.1.2 a description of the benchmarking methodology used by the Service Provider.
    - 2.2.1.3 the items utilised in the comparison of the Service Provider's rates.
    - 2.2.1.4 the market intelligence utilised in the process including any relevant published information.
    - 2.2.1.5 a clear statement of the Service Provider's own benchmarked rates.

- 2.2.1.6 demonstrate the extent to which the Service Provider's rates remain competitive against the average of the comparison rates.
- 2.2.2 The Service Provider shall provide evidence of the extent to which exchange rates, import tax or other such levies may influence the Service Provider's rates, and/or major events affecting its supply chain.
- 2.2.3 The Service Provider shall also provide information on any other reasonable factors which if not taken into account could unfairly cause the Service Provider's rates to appear non-competitive.

### **3. CONTINUOUS IMPROVEMENT**

- 3.1 The Service Provider shall adopt a policy of continuous improvement in relation to the Goods and/or Services pursuant to which it will regularly review with ESPO the Services and the manner in which it is providing the Goods and/or Services with a view to reducing ESPO's costs (including the Framework Prices), the costs of Customers and/or improving the quality and efficiency of the Goods and/or Services. The Service Provider and ESPO will provide to each other any information which may be relevant to assisting the objectives of continuous improvement and in particular reducing costs.

## FRAMEWORK SCHEDULE 7 - MANAGEMENT INFORMATION REQUIREMENTS

### MANAGEMENT INFORMATION

#### 1. GENERAL REQUIREMENTS

- 1.1 The Service Provider shall operate and maintain appropriate systems, processes and records to ensure that it can, at all times, deliver timely and accurate Management Information to ESPO in accordance with the provisions of this framework Schedule.
- 1.2 The Service Provider shall also supply such management information as may be required by a Customer in accordance with the terms of a Contract.
- 1.3 The Service Provider will be provided with one month's written notice of any significant changes to management information reporting requirements (including changes to MI Templates and reporting frequencies).

#### 2. MANAGEMENT INFORMATION REPORTS

- 2.1 The Service Provider agrees to provide full, accurate and complete MI Reports to ESPO which incorporates the data, in the correct format, required by the MI Reporting Template. The initial MI Reporting Template is set out in the Annex to this Framework Schedule.

#### 3. FREQUENCY AND COVERAGE

- 3.1 All MI Reports must be completed by the Service Provider using the MI Reporting Template and returned to ESPO on or prior to the Reporting Date every quarter during the Term and thereafter, until all transactions relating to Contracts have permanently ceased.
- 3.2 The MI Report should be used (among other things) to report Contracts entered into, orders received and transactions with values occurring during the quarter to which the MI Report relates, regardless of when the work was actually completed. Each Contract entered into by the Service Provider must be reported only once when the Contract is entered into.
- 3.3 The Service Provider must return the MI Report for each quarter even where there are no transactions to report in the relevant quarter; referred to as a "**Nil Return**".

#### 4. DEFAULT RETROSPECTIVE REBATE

- 4.1 If the Service Provider (for any reason) fails to submit a valid MI Report then ESPO shall be entitled to charge a "Default Retrospective Rebate" which shall be calculated as the higher of:
  - 4.1.1 the average Retrospective Rebate paid or payable by the Service Provider to ESPO based on any Management Information submitted in the preceding period; or

- 4.1.2 a sum based on Management Information collated by ESPO from customer information and records which in ESPO's reasonable opinion properly reflects the level of business conducted by the Service Provider under this Framework Agreement throughout the period covered by the MI Default.

## **5. SUSPENSION AND TERMINATION RIGHTS**

- 5.1 Notwithstanding any other rights available to ESPO in this Framework Schedule, ESPO may terminate or suspend this Framework Agreement pursuant to clause 26 (Termination) in the event of a Consistent Failure or a material default occurs.

**REPORTING ANNEX – MI REPORTING TEMPLATE**

See A

## **FRAMEWORK SCHEDULE 8 - MARKETING**

This Framework Schedule describes the activities that the Service Provider will carry out as part of its on-going commitment to the marketing of this Framework Agreement to Customers and should be read in conjunction with Schedules 1 and 2.

**Upon completion of the tender evaluation exercise and prior to the commencement of the Framework Agreement, ESPO will incorporate what has been agreed in relation to on-going commitment to marketing.**

## **FRAMEWORK SCHEDULE 9 - COMMERCIALY SENSITIVE INFORMATION (IF ANY)**

**Please note: where any information listed in this Commercially Sensitive Information Schedule is considered to be Management Information for the purposes of clause 15 of the Framework Agreement and is provided by the Service Provider to ESPO, ESPO may disclose the Management Information to Customers in accordance with clause 15 of this Framework Agreement.**

**The Service Provider's completed Commercially Sensitive Information form supplied with its tender shall be incorporated into this schedule.**

## **FRAMEWORK SCHEDULE 10 - FRAMEWORK MANAGEMENT INCLUDING SERVICE LEVELS AND KEY PERFORMANCE INDICATORS**

### **1. INTRODUCTION**

- 1.1 The successful delivery of this Framework Agreement will rely on the ability of the Service Provider and ESPO in developing a strategic relationship immediately following award and maintaining this throughout this Framework Agreement.
- 1.2 To achieve this strategic relationship, there will be a requirement to adopt proactive framework management activities which will be informed by quality management information, and the sharing of information between the Service Provider and ESPO.
- 1.3 This Schedule outlines the general structures and management activities that the Parties shall follow during the Term of this Framework Agreement.

### **2. FRAMEWORK MANAGEMENT**

#### **2.1 Framework Management Structure**

- 2.1.1 The Service Provider shall provide a suitably qualified nominated contact (the "**Framework Manager**") who will take overall responsibility for delivering the services required within this Framework Agreement, as well as a suitably qualified deputy to act in their absence.
- 2.1.2 The Service Provider shall put in place a structure to manage the Framework in accordance with Schedule 1 (Goods and/or Services) and to the Service Levels and KPIs as set out in the Annex to this Schedule.
- 2.1.3 A full governance structure for the Framework will be agreed between the Parties during Framework Agreement implementation stage.

#### **2.2 Framework Review Meetings**

- 2.2.1 Regular performance reviews will take place throughout the Framework Agreement ("**Framework Review Meetings**"). The Service Provider's Representative and the ESPO Representative shall hold a Framework Review Meeting every 12 months.
- 2.2.2 The exact timings and frequencies of such Framework Review Meetings will be determined by ESPO following award of the Framework Agreement. It is anticipated that during the first 12 months of the Framework Agreement the structure and frequency of the meetings will be as set out in clause 2.2.1. Flexibility from both Parties will be expected over the frequency, timings and content of these reviews.
- 2.2.3 ESPO sees these meetings as a vital element in developing a strategic relationship with the Service Provider and to promote the building of a positive working relationship. The content of these meetings will be

agreed between both Parties at least 14 days before the date of the Framework Review Meeting.

2.2.4 The Framework Review Meetings shall consider both strategic and operational aspects of the framework. The Framework Review Meetings shall as a minimum focus on:

Strategic aspects:

- (a) Overall framework performance including Service Provider's supply chain performance, including an assessment of SME's being used to supply and/or deliver goods and/or services;
- (b) Efficiency opportunities, e.g. cost drivers (Service Provider and ESPO);
- (c) Benchmarking including progress against Government efficiency targets;
- (d) Market conditions (UK/Global market share, financials);
- (e) Policy updates including emerging government initiatives;
- (f) Security and risk management.

Operational aspects:

- (a) Transition and on-boarding of key new customers (milestones and progress against targets) including contract compliance and Service Provider sector strategies (*key customers can be defined as those of whom are of a strategic importance to the success of the framework*);
- (b) Compliance against key performance indicators (KPI's) (e.g. response times, up time, first time fix rates, no. of units sold, volume of prints, exceptions reports);
- (c) Framework revenue and savings performance, submission of management information, sector revenue performance;
- (d) Incident and problem management including Service Provider helpdesk performance;
- (e) Forward planning, opportunities and future efficiencies including standardisation and rationalisation;
- (f) Customer satisfaction (quality of Goods, delivery of service etc);
- (g) New product roadmaps;
- (h) Support to category team relating to cashable benefits;

- (i) Environmental savings and initiatives and impact on environment;

### **3. SERVICE LEVELS**

- 3.1 The Service Provider shall be required to deliver Goods and/or Services through this Framework Agreement in accordance with the service levels set out in Schedule 1 (The Goods and/or Services).
- 3.2 ESPO reserves the right to adjust and revise these service levels during the Framework Agreement, however any significant changes will be agreed between ESPO and the Service Provider.

### **4. SERVICE LEVELS FOR CUSTOMERS**

- 4.1 The service levels set out in Schedule 1 (Goods and/or Services) shall be the minimum services levels applicable to all Customers accessing this Framework Agreement together with the service levels set out in the Call-Off Terms.

### **5. KEY PERFORMANCE INDICATORS *NB to be completed as appropriate***

- 5.1 The Key Performance Indicators (KPIs) applicable to this Framework Agreement are set out in the table below.
- 5.2 The Service Provider shall establish processes to monitor its performance against the agreed KPIs in order to report progress to the Customer. The Service Provider shall at all times ensure compliance with the standards set by the KPIs.
- 5.3 ESPO shall review progress against these KPIs to evaluate the effectiveness and efficiency of which the Service Provider performs its obligation to fulfil the Framework Agreement.
- 5.4 The Service Provider's achievement of KPIs shall be reviewed during Framework Review Meetings, in accordance with paragraph 2.2 above, and the review and ongoing monitoring of KPIs will form a key part of the framework management process as outlined in this Schedule.
- 5.5 The Service Provider shall provide a quarterly report on its performance against each of the KPIs listed in Annex A (and / or any KPIs introduced as per paragraph 5.6 below).
- 5.6 ESPO reserves the right (acting reasonably) to adjust, introduce new, or remove KPIs throughout the Contract Period; however any significant changes to KPIs shall be agreed between ESPO and the Service Provider.

Guidance contained in this document is intended for use by ESPO employees however it is made available to ESPO customers. ESPO customers must seek their own legal advice as to the content and drafting of this document.

## ANNEX A

### KEY PERFORMANCE INDICATORS

The following default KPIs will be initially applied by ESPO from the Commencement Date of this Framework Agreement.

<b>Performance Criteria</b>	<b>Key Indicator</b>	<b>Performance Measure</b>
<b>Complaints Resolution</b>	Resolution of Customer complaints	100% of complaints to be responded to within 2 working days of receipt of the complaint.  98% of complaints to be resolved or have an agreed action plan in place within 10 working days.
<b>Return of MI</b>	Accuracy/ Timeliness	The Service Provider shall ensure that no less than 11 separate monthly returns are made correct and on time (by 7 <sup>th</sup> of each month) in each calendar year
<b>Update of information to ESPO</b>  (e.g. contact details etc)	Number of occurrences of inaccurate information annually.	No more than one discrepancy identified in any 1 calendar year
<b>Invoicing</b>	Accurate	98% accuracy rate every month