

Date: 16th October 2023

A Contract for Goods

Between

The Secretary of State for Justice

And

AluK (GB) Ltd

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This contract is dated: 16th October 2023

PARTIES:

- (1) THE SECRETARY OF STATE FOR JUSTICE of 102 Petty France, London, SW1H 9AJ acting as part of the Crown (the “**Authority**”);

AND

- (2) AluK (GB) Ltd with registered company number 02881320 whose registered office is Newhouse Farm Industrial estate, Chepstow, United Kingdom, NP16 6UD (the “**Supplier**”)

(each a “**Party**” and together the “**Parties**”).

WHEREAS

A. Following a competitive tender process, the Authority wishes to appoint the Supplier to provide Aluminium Window and Door Profiles and the Supplier agrees to provide those goods in accordance with these terms and conditions.

NOW IT IS HEREBY AGREED:

A GENERAL

A1 Definitions and Interpretation

Unless the context otherwise requires the following terms shall have the meanings given to them below:

“**Affected Party**” means the Party seeking to claim relief in respect of a Force Majeure Event.

“**Affiliate**” 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 with, that body corporate from time to time.

“**Approval**” and “**Approved**” means the prior written consent of the Authority.

“**Associated Person**” means as it is defined in section 44(4) of the Criminal Finances Act 2017.

“**Authorised Representative**” means the Authority representative named in a CCN who is authorised to approve Changes.

“**Authority Data**” 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 are: (i) supplied to the Supplier by or on behalf of the Authority; or (ii) which the Supplier is required to generate, process, store or transmit pursuant to the Contract; or
- (b) any Personal Data for which the Authority is the Data Controller.

“**Authority Premises**” means any premises owned, occupied or controlled by the Authority or any other Crown Body which are made available for use by the Supplier or its Sub-Contractors for delivery of the Goods.

“Authority Software” means software which is owned by or licensed to the Authority (other than under or pursuant to the Contract) and which is or will be used by the Supplier for the purposes of providing the Goods.

“Authority System” means the Authority’s computing environment (consisting of hardware, software and/or telecommunications networks or equipment) used by the Authority or the Supplier in connection with the Contract which is owned by or licensed to the Authority by a third party and which interfaces with the Supplier System or which is necessary for the Authority to receive the Goods.

“Basware” means Basware eMarketplace, the procurement software used by the Authority for its financial transactions.

“Baseline Security Requirements” means the security requirements in Annexe 1 of Schedule 6.

“BPSS” means the Government’s Baseline Personnel Security Standard for Government employees.

“Breach of Security” means an occurrence of:

- (a) any unauthorised access to or use of the ICT Environment and/or any Information Assets and/or Authority Data (including Confidential Information) in connection with the Contract;
- (b) the loss (physical or otherwise) and/or unauthorised disclosure of any Information Assets and/or Authority Data (including Confidential Information) in connection with the Contract, including copies; and/or
- (c) any part of the Supplier System ceasing to be compliant with the Certification Requirements

“BS 8555” means the standard published to help organisations improve their environmental performance by the British Standards Institution.

“CCN” means a contract change notice in the form set out in Schedule 3.

“Certification Requirements” means the requirements described in paragraph 5.1 of Schedule 6.

“CESG” means the Government’s Communications Electronics Security Group.

“Change” means a change in the Specification, the Price or any of the terms or conditions of the Contract.

“Change in Law” means any change in Law which affects the Goods or the delivery of the Goods which comes into force after the Commencement Date.

“Commencement Date” means the date specified in clause A5.1.

“Commercially Sensitive Information” means the information listed in Schedule 4 comprising the information of a commercially sensitive nature relating to:

- (a) the Price; and/or
- (b) the Supplier’s business and investment plans

which the Supplier has informed the Authority would cause the Supplier significant commercial disadvantage or material financial loss if it was disclosed.

“Comparable Supply” means the supply of goods to another customer of the Supplier which are the same or similar to any of the Goods.

“Confidential Information” means any information which has been designated as confidential by either Party in writing or that ought to be considered as confidential (however it is conveyed or on whatever media it is stored) including information the disclosure of which would, or would be likely to, prejudice the commercial interests of any person or trade secrets or Intellectual Property Rights of either Party and all Personal Data. Confidential Information shall not include information which:

- (a) was public knowledge at the time of disclosure otherwise than by breach of clause E3;
- (b) was in the possession of the receiving Party, without restriction as to its disclosure, before receiving it from the disclosing Party;
- (c) is received from a third party (who lawfully acquired it) without restriction as to its disclosure; or
- (d) is independently developed without access to the Confidential Information.

“Contract” means these terms and conditions, the attached Schedules, terms implied by law that are not excluded by this contract and any other provisions the Parties expressly agree are included.

“Contracting Authority” means any contracting authority (other than the Authority) as defined in regulation 3 of the Regulations.

“Contracts Finder” means the Government’s portal for public sector procurement opportunities.

“Control” means that a person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the other person (whether through the ownership of voting shares, by contract or otherwise) and **“Controls”** and **“Controlled”** are interpreted accordingly.

“Copyright” means as it is defined in s.1 of Part 1 Chapter 1 of the Copyright, Designs and Patents Act 1988.

“Crown” means the government of the United Kingdom (including the Northern Ireland Executive Committee and Northern Ireland Departments, the Scottish Executive and the National Assembly for Wales), including, but not limited to, government ministers, government departments, government offices and government agencies and **“Crown Body”** is an emanation of the foregoing.

“Database Rights” means as rights in databases are defined in s.3A of Part 1 Chapter 1 of the Copyright, Designs and Patents Act 1988.

“Default” means any breach of the obligations or warranties of the relevant Party (including abandonment of the Contract in breach of its terms, repudiatory breach or breach of a fundamental term) or any other default, act, omission, negligence or statement of the relevant Party or the Staff in connection with the subject-matter of the Contract and in respect of which such Party is liable to the other.

“DOTAS” means the Disclosure of Tax Avoidance Schemes rules which require a promotor of tax schemes to tell HMRC of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in Part 7 of the Finance Act and as extended to NICs by the National Insurance (Application of Part 7 of the Finance Act 2004) regulations 2012, SI 2012/1868 made under section 132A of the Social Security Administration Act 1992.

“EIR” means the Environmental Information Regulations 2004 (SI 2004/3391) and any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such regulations.

“End Date” means the date specified in clause A5.1.

“Equipment” means the Supplier’s equipment, consumables, plant, materials and such other items supplied and used by the Supplier in the delivery of the Goods.

“Exit Day” means as it is defined in the European Union (Withdrawal) Act 2018.

“Extension” means as defined in clause A5.2.

“Financial Year” means the period from 1st April each year to the 31st March the following year.

“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 Event” means any event outside the reasonable control of either Party affecting its performance of its obligations under the Contract arising from acts, events, omissions, happenings or non-happenings beyond its reasonable control and which are not attributable to any wilful act, neglect or failure to take reasonable preventative action by that Party, including acts of God, riots, war or armed conflict, acts of terrorism, acts of government, local government or regulatory bodies, for flood, storm or earthquake, or disaster but excluding any industrial dispute relating to the Supplier or the Staff or any other failure in the Supplier’s supply chain caused by the Covid 19 pandemic or the United Kingdom’s exit from the EU.

“GDPR” means the General Data Protection Regulation (Regulation (EU) 2016/679).

“General Anti-Abuse Rule” means:

- (a) the legislation in Part 5 of the Finance Act 2013; and
- (b) any future legislation introduced into parliament to counteract tax advantages arising from abusive arrangements to avoid NICs.

“General Change in Law” means a Change in Law where the change is of a general legislative nature (including taxation or duties of any sort affecting the Supplier) or which affects or relates to a Comparable Supply.

“Good Industry Practice” means standards, practices, methods and procedures conforming to the Law and 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 in a similar type of undertaking under the same or similar circumstances.

“Goods” means any goods supplied by the Supplier (or by a Sub-Contractor) under the Contract as specified in Schedule 1 including any modified or alternative goods.

“Government” means Her Majesty’s government of the United Kingdom.

“Government Buying Standards” means the standards published here:

<https://www.gov.uk/government/collections/sustainable-procurement-the-government-buying-standards-gbs>

“Greening Government Commitments” means the Government’s policy to reduce its effects on the environment, the details of which are published here:

<https://www.gov.uk/government/collections/greening-government-commitments>

“Halifax Abuse Principle” means the principle explained in the CJEU Case C-255/02 Halifax and others.

“HMRC” means HM Revenue & Customs.

“ICT Environment” means the Authority System and the Supplier System.

“Information” has the meaning given under section 84 of the FOIA.

“Information Assets” means definable pieces of information stored in any manner which are determined by the Authority to be valuable and relevant to the Goods.

“Initial Term” means the period from the Commencement Date to the End Date.

“Intellectual Property Rights” means patents, utility models, inventions, trademarks, service marks, logos, design rights (whether registrable or otherwise), applications for any of the foregoing, copyright, database rights, domain names, plant variety rights, Know-How, trade or business names, moral rights and other similar rights or obligations whether registrable or not in any country (including but not limited to the United Kingdom) and the right to sue for passing off.

“ISMS” means the Supplier’s information and management system and processes to manage information security as set out in paragraph 2.3 of Schedule 6.

“ISO 14001” means the family of standards related to environmental management published by the International Organisation for Standardisation.

“IT Health Check” means penetration testing of systems under the Supplier’s control on which Information Assets and/or Authority Data are held which are carried out by third parties in accordance with the CHECK scheme operated by CESG or to an equivalent standard.

“ITEPA” means the Income Tax (Earnings and Pensions) Act 2003.

“Know-How” means all information not in the public domain held in any form (including without limitation that comprised in or derived from drawings, data formulae, patterns, specifications, notes, samples, chemical compounds, biological materials, computer software, component lists, instructions, manuals, brochures, catalogues and process descriptions and scientific approaches and methods).

“Law” means any law, statute, subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, bye-law, right within the meaning of Section 4(1) EU Withdrawal Act 2018 as amended by EU (Withdrawal Agreement) Act 2020, regulation, order, regulatory policy, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any regulatory body with which the Supplier is bound to comply

“Losses” means losses, liabilities, damages, costs, fines and expenses (including legal fees on a solicitor/client basis) and disbursements and costs of investigation, litigation, settlement, judgment interest and penalties whether arising in contract, tort (including negligence), breach of statutory duty or otherwise.

“Malicious Software” means any software program or code intended to destroy, interfere with, corrupt, or cause undesired effects on program files, data or other information, executable code or application software macros, whether or not its operation is immediate or delayed, and whether the malicious software is introduced wilfully, negligently or without knowledge of its existence.

“Material Breach” means a breach (including an anticipatory breach):

- i) which has a material effect on the benefit which the Authority would otherwise derive from a substantial or material portion of the Contract; or
- ii) of any of the obligations set out in clauses D1, D2, D3, G3, I4 or paragraph 9 of Schedule 8.

“Modern Slavery Helpline” means the point of contact for reporting suspicion, seeking help or advice and information on the subject of modern slavery, available by telephone on 08000 121 700 or online at:

<https://www.modernslaveryhelpline.org/report>

“Month” means calendar month.

“MSA” means the Modern Slavery Act 2015.

“NICs” means National Insurance Contributions.

“Occasion of Tax Non-Compliance” means:

- (a) any tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 which is found on or after 1 April 2013 to be incorrect as a result of:
 - i) a Relevant Tax Authority successfully challenging the Supplier under the General Anti-Abuse Rule or the Halifax Abuse principle or under any tax rules or legislation that have an effect equivalent or similar to the General Anti-Abuse Rule or the Halifax Abuse Principle; or
 - ii) the failure of an avoidance scheme which the Supplier was involved in, and which was, or should have been, notified to the Relevant Tax Authority under the DOTAS or any equivalent or similar regime; and/or
- (b) any tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 which gives rise on or after 1 April 2013 to a criminal conviction in any jurisdiction for tax related offences which is not spent at the Commencement Date or to a civil penalty for fraud or evasion.

“Personal Data” means as it is defined in the GDPR.

“Premises” means the location where the Goods are to be supplied as set out in the Specification.

“Price” means the price (excluding any applicable VAT) payable to the Supplier by the Authority under the Contract, as set out in Schedule 2 for the full and proper performance by the Supplier of its obligations under the Contract.

“Prohibited Act” means:

- (a) to directly or indirectly offer, promise or give any person working for or engaged by the Authority 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;

- (b) to directly or indirectly request, agree to receive or accept any financial or other advantage as an inducement or a reward for improper performance of a relevant function or activity in connection with the Contract;
- (c) an offence:
 - i) under the Bribery Act 2010 (or any legislation repealed or revoked by such Act;
 - ii) under legislation or common law concerning fraudulent acts (including offences by the Supplier under Part 3 of the Criminal Finances Act 2017); or
 - iii) the defrauding, attempting to defraud or conspiring to defraud the Authority;
- (d) any activity, practice or conduct which would constitute one of the offences listed under (c) above if such activity, practice or conduct has been carried out in the UK.

“Property” means the property, other than real property, issued or made available to the Supplier by the Authority in connection with the Contract.

“Purchase Order” the Authority’s order for the supply of the Goods.

“Quality Standards” means the quality standards published by BSI British Standards, the National Standards Body of the United Kingdom, the International Organisation for Standardization 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 Supplier would reasonably and ordinarily be expected to comply with, and as may be further detailed in Schedule 1.

“Regulations” means the Public Contract Regulations 2015 (SI 2015/102).

“Regulatory Body” means a government department 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 Authority.

“Relevant Conviction” means a conviction that is relevant to the nature of the Goods or as listed by the Authority and/or relevant to the work of the Authority.

“Relevant Requirements” means all applicable Law relating to bribery, corruption and fraud, including the Bribery Act 2010 and any guidance issued by the Secretary of State for Justice pursuant to section 9 of the Bribery Act 2010.

“Relevant Tax Authority” means HMRC or, if applicable, a tax authority in the jurisdiction in which the Supplier is established.

“Replacement Supplier” means any third-party supplier appointed by the Authority to supply any goods which are substantially similar to any of the Goods in substitution for any of the Goods following the expiry, termination or partial termination of the Contract.

“Request for Information” means a request for information under the FOIA or the EIR.

“Results” means any guidance, specifications, reports, studies, instructions, toolkits, plans, data, drawings, databases, patents, patterns, models, designs or other material which is:

- (a) prepared by or for the Supplier for use in relation to the performance of its obligations under the Contract; or

- (b) the result of any work done by the Supplier or any Staff in relation to the provision of the Goods.

“Security Plan” means the plan prepared by the Supplier which includes the matters set out in paragraph 3.2 of Schedule 6.

“Security Policy Framework” means the Government’s Security Policy Framework (available from the Cabinet Office’s Government Security Secretariat) as updated from time to time.

“Security Test” means a test carried out by the Supplier, the Authority or a third party to validate the ISMS and the security of all relevant processes and systems on which Information Assets and/or Authority Data are held.

“SME” means an enterprise falling within the category of micro, small and medium-sized enterprises defined by the European Commission’s Recommendation of 6 May 2003 available at:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2003:124:0036:0041:en:PDF>

“Specific Change in Law” means a Change in Law that relates specifically to the business of the Authority and which would not affect a Comparable Supply.

“Specification” means the description of the Goods to be supplied under the Contract as set out in Schedule 1 including, where appropriate, the Premises and the Quality Standards.

“SSCBA” means the Social Security Contributions and Benefits Act 1992.

“Staff” means all directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any of its Sub-Contractors engaged in the performance of the Supplier’s obligations under the Contract.

“Sub-Contract” means a contract between two or more suppliers, at any stage of remoteness from the Authority in a sub-contracting chain, made wholly or substantially for the purpose of performing (or contributing to the performance of) the whole or any part of the Contract and **“Sub-Contractor”** shall be construed accordingly.

“Supplier Software” means software which is proprietary to the Supplier, including software which is or will be used by the Supplier to provide the Goods and which is set out in Schedule 5.

“Supplier System” means the information and communications technology system used by the Supplier in providing the Goods including the Software, the Equipment and related cabling (but excluding the Authority System).

“Tender” means the Supplier’s tender submitted in response to the Authority’s invitation to suppliers for offers to supply the Goods.

“Term” means the period from the Commencement Date to:

- (a) the End Date; or
- (b) following an Extension, the end date of the Extension

or such earlier date of termination or partial termination of the Contract in accordance with the Law or the Contract.

“Third Party IP Claim” has the meaning given to it in clause E1.5 (Intellectual Property Rights).

“Third Party Software” means software which is proprietary to any third party which is or will be used by the Supplier to provide the Goods including the software and which is specified as such in Schedule 5.

“Valid Invoice” means an invoice containing the information set out in clauses C1.3 or C1.4.

“VAT” means value added tax charged or regulated in accordance with the Value-Added Tax Act 1994.

“VCSE” means a non-governmental organisation that is value-driven and which principally reinvests its surpluses to further social, environmental or cultural objectives.

“Vulnerability Correction Plan” means a remedial plan prepared by the Supplier to address vulnerabilities identified in an IT Health Check report.

“Welsh Language Scheme” means the Authority’s Welsh language scheme as amended from time to time and available at:

<http://www.justice.gov.uk/publications/corporate-reports/moj/2010/welsh-language-scheme>

“Working Day” means a day (other than a Saturday or Sunday) on which banks are open for general business in the City of London.

In the Contract, unless the context implies otherwise:

- (a) the singular includes the plural and vice versa unless the context requires otherwise;
- (b) words importing the masculine include the feminine and the neuter;
- (c) reference to a clause is a reference to the whole of that clause unless stated otherwise;
- (d) references to a person include natural persons, a company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or central Government body;
- (e) the words “other”, “in particular”, “for example”, “including” and similar words shall not limit the generality of the preceding words and shall be construed as if they were immediately followed by the words “without limitation”;
- (f) headings are included for ease of reference only and shall not affect the interpretation or construction of the Contract;
- (g) the Schedules form an integral part of the Contract and have effect as if set out in full in the body of the Contract. A reference to the Contract includes the Schedules;
- (h) a reference to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time;
- (i) references to the Contract are references to the Contract as amended from time to time; and
- (j) any reference in the Contract which immediately before Exit Day was a reference to (as it has effect from time to time):
 - (i) any EU regulation, EU decision, EU tertiary legislation or provision of the European Economic Area (“EEA”) agreement (“**EU References**”) which is to form part of domestic law by application of section 3 of the European

Union (Withdrawal) Act 2018 shall be read as a reference to the EU References as they form part of domestic law by virtue of section 3 of the European Union (Withdrawal) Act 2018 as modified by domestic law from time to time; and

- (ii) any EU institution or EU authority or other such EU body shall be read as a reference to the UK institution, authority or body to which its functions were transferred.

A2 Authority Obligations

Save as expressly provided, the Authority's obligations under the Contract are the Authority's obligations in its capacity as a contracting counterparty and nothing in the Contract operates as an obligation on, or in any other way fetters or constrains, the Authority in any other capacity.

A3 Supplier's Status

- A3.1 The Supplier is an independent contractor and nothing in the Contract creates a contract of employment, a relationship of agency or partnership or a joint venture between the Parties and accordingly neither Party is authorised to act in the name of, or on behalf of, or otherwise bind the other Party save as expressly permitted by the Contract.
- A3.2 The Supplier shall not (and shall ensure that any other person engaged in relation to the Contract shall not) say or do anything that might lead another person to believe that the Supplier is acting as the agent or employee of the Authority.

A4 Mistakes in Information

The Supplier is responsible for the accuracy of all drawings, documentation and information supplied to the Authority by the Supplier in connection with the Goods and shall pay the Authority any extra costs occasioned by any discrepancies, errors or omissions therein.

A5 Term

- A5.1 The Contract starts on 16/10/2023 (the "**Commencement Date**") and ends on 15/10/2028 (the "**End Date**") unless it is terminated early or extended in accordance with the Contract.
- A5.2 The Authority may extend the term of the Contract until 15/10/2029 ("**Extension**"). The terms of the Contract will apply throughout the period of any Extension.

B. THE GOODS

B1 Basis of the Contract

- B1.1 In consideration of the Supplier's performance of its obligations under the Contract the Authority shall pay the Supplier the Price in accordance with clause C1.
- B1.2 The terms and conditions contained in the Contract apply to the exclusion of any other terms and conditions the Supplier seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing.

B2 Samples

- B2.1 If requested by the Authority the Supplier shall provide the Authority with samples of Goods for evaluation and Approval.

- B2.2 The Supplier shall ensure that the Goods are fully compatible with any equipment to the extent specified in the Specification.
- B2.3 The Supplier acknowledges that the Authority relies on the skill and judgment of the Supplier in the supply of the Goods and the performance of the Supplier's obligations under the Contract.

B3 Delivery

- B3.1 Unless otherwise stated in the Specification, if the Goods are delivered by the Supplier, delivery is completed when the Goods are signed for by the Authority. If the Goods are collected by the Authority, the point of delivery is when the Goods are loaded on the Authority's vehicle.
- B3.2 Except where otherwise provided in the Contract, delivery includes the unloading, stacking or installation of the Goods by the Staff or the Supplier's suppliers or carriers at such place as the Authority or duly authorised person reasonably directs.
- B3.3 The Authority is deemed to have accepted the Goods if it expressly states the same in writing or fails to reject the Goods in accordance with clause B4.7.
- B3.4 The issue by the Authority of a receipt note for delivery of the Goods does not constitute any acknowledgement of the condition, quantity or nature of those Goods or the Authority's acceptance of them.
- B3.5 Any access to the Premises and any labour and equipment provided by the Authority in connection with delivery is provided without acceptance by the Authority of any liability whatsoever to the extent permitted by law.
- B3.6 Where access to the Premises is necessary in connection with delivery or installation of the Goods, the Supplier and its Sub-Contractors shall at all times comply with the security requirements of the Authority.
- B3.7 The Authority is under no obligation to accept or pay for any Goods supplied earlier than the date for delivery stated in the Specification.
- B3.8 The Authority is under no obligation to accept or pay for any Goods delivered in excess of the quantity ordered. If the Authority elects not to accept such over-delivered Goods it shall give notice to the Supplier to remove them within 5 Working Days and to refund to the Authority any expenses incurred by it as a result of such over-delivery (including but not limited to the costs of moving and storing the Goods), failing which the Authority may dispose of such Goods and charge the Supplier for the costs of such disposal. The risk in any over-delivered Goods remains with the Supplier unless they are accepted by the Authority.
- B3.9 Unless expressly agreed to the contrary, the Authority shall not accept delivery by instalments. If the Authority specifies or agrees to delivery by instalments, delivery of any instalment later than the date specified or agreed for its delivery shall, without prejudice to any other rights or remedies of the Authority, entitle the Authority to terminate the whole of any unfulfilled part of the Contract without further liability to the Authority.
- B3.10 Timely supply of the Goods is of the essence of the Contract, including in relation to commencing the supply of the Goods within the time agreed or on a specified date. If the Supplier fails to deliver the Goods within the time promised or specified in the Specification, the Authority is released from any obligation to accept and pay for the Goods and may terminate the Contract, in either case without prejudice to any other rights and remedies of the Authority.

- B3.11 If, in delivering the Goods, the Supplier is required to visit Authority Premises which are prisons, the Supplier shall comply with Schedule 7.

B4 Quality

- B4.1 The Supplier shall perform its obligations under the Contract:
- (a) with appropriately experienced, qualified and trained personnel with all due skill, care and diligence;
 - (b) in accordance with Good Industry Practice and all applicable Laws; and
 - (c) shall comply with the standards and requirements set out in Schedule 8.
- B4.2 The Supplier shall ensure the Goods:
- (a) correspond with their description;
 - (b) conform with the Specification;
 - (c) conform, if applicable, with any sample which has been Approved;
 - (d) operate in accordance with the relevant technical specifications;
 - (e) be of satisfactory quality within the meaning of the Sale of Goods Act 1979;
 - (f) conform in all respects with all applicable Laws; and
 - (g) are free from defects in design, materials and workmanship and are fit and sufficient for all the purposes for which such goods are ordinarily used and for any particular purpose made known to the Supplier by the Authority.
- B4.3 The Authority may inspect and test the Goods at any time on reasonable notice. The Supplier shall provide at its own cost all such facilities as the Authority may reasonably require for such inspection and testing.
- B4.4 If, following such inspection or testing, the Authority considers that the Goods do not conform or are unlikely to conform with the Supplier's undertakings in clauses B4.1 and B4.2, the Authority may enforce one or more of its rights set out in clause B4.7.
- B4.5 Notwithstanding any inspection or testing, the Supplier remains fully responsible for the Goods and any inspection or testing shall not reduce or otherwise affect the Supplier's obligations under the Contract, and the Authority may conduct further inspections and tests after the Supplier has carried out its remedial actions.
- B4.6 If reasonably requested to do so by the Authority, the Supplier shall co-ordinate its activities in supplying the Goods with those of the Authority and other contractors engaged by the Authority.
- B4.7 Pursuant to clause B4.4, the Authority may by notice to the Supplier:
- (a) reject any of the Goods;
 - (b) have the Goods promptly, free of charge and in any event within 5 Working Days, either repaired by the Supplier or replaced by the Supplier with Goods which conform in all respects with the approved sample or with the Specification and due delivery shall not be deemed to have taken place until such repair or replacement has occurred; and/or

- (c) treat the Contract as discharged by the Supplier's breach and obtain a refund (if payment for the Goods has already been made) from the Supplier in respect of the Goods concerned together with payment of any additional expenditure reasonably incurred by the Authority in obtaining other goods in replacement.

B4.8 Any Goods rejected or returned by the Authority as set out in clause B4.7 shall be returned to the Supplier at the Supplier's risk and expense.

B4.9 The Supplier hereby guarantees the Goods against faulty materials or workmanship for such period as may be specified in the Specification or, if no period is specified, for a period of 18 months from the date of delivery. If the Authority within such period or within 25 Working Days thereafter gives notice to the Supplier of any defect in any of the Goods as may have arisen during such period under proper and normal use, the Supplier shall (without prejudice to any other rights and remedies which the Authority may have) promptly remedy such defects (whether by repair or replacement as the Authority shall elect) free of charge.

B4.10 The Supplier shall ensure that at all times it has and maintains all the licences, permissions, authorisations, consents and permits that it needs to carry out its obligations under the Contract in respect of the Goods.

B5 Risk and Ownership

B5.1 Subject to clauses B4.4 and B4.5, risk in the Goods shall, without prejudice to any other rights or remedies of the Authority (including the Authority's rights and remedies under clause F2 (Contract Performance)), pass to the Authority on completion of delivery.

B5.2 Title in the Goods shall, without prejudice to any other rights or remedies of the Authority (including the Authority's rights and remedies under clause F2), pass to the Authority on completion of delivery (or payment, if earlier).

B6 Non-Delivery

B6.1 On dispatch of any consignment of the Goods the Supplier shall send the Authority a note specifying the means of transport, the place and date of dispatch, the number of packages and their weight and volume.

B6.2 If the Goods are not delivered to the Authority on the agreed date for delivery, the Authority shall, within 10 Working Days of that date give notice to the Supplier that the Goods have not been delivered and may:

- (a) request the Supplier to deliver substitute Goods free of charge by a date specified by the Authority;
- (b) refuse to take any subsequent attempted delivery;
- (c) subject to clause G1.3 claim damages for any other costs, expenses or losses resulting from the Supplier's failure to deliver; or
- (d) terminate the Contract with immediate effect.

B7 Labelling and Packaging

B7.1 The Supplier shall ensure that the Goods are labelled and packaged in accordance with the Contract.

- B7.2 The Supplier shall comply with the Packaging (Essential Requirements) Regulations 2015 (SI 2015/1640). The container in which the Goods are held shall be labelled with the Supplier's name, the net, gross and tare weights, and contain a description of its contents. All containers of hazardous Goods (and all documents relating thereto) shall bear prominent and adequate warnings.
- B7.3 The Supplier shall remove and dispose of all packaging materials from the Premises within the period specified by the Authority and at no cost to the Authority.
- B7.4 If no period for collection and disposal is specified by the Authority, the Supplier shall collect the packaging from the Premises no later than 10 Working Days from the date of delivery of the Goods. The Authority may dispose of any packaging materials which have not been collected by the Supplier within those 10 Working Days or such other period specified by the Authority for collection. The Supplier is responsible for the payment of any costs incurred by the Authority in connection with its collection and disposal of that packaging material.
- B7.5 The Supplier shall:
- (a) use packaging capable of easy recovery for further use or recycling. Packaging materials shall be easily separable by hand into recyclable parts consisting of one material (e.g. cardboard, paper, plastic, textile);
 - (b) reuse the packaging and, where reuse is not practicable, recycle the materials in the manufacture of crates, pallets, boxes, cartons, cushioning and other forms of packaging, where these fulfil other packaging specifications;
 - (c) make maximum use of materials taken from renewable sources, if recycled materials are not suitable or not readily available;
 - (d) review packaging specifications periodically to ensure that no unnecessary limitations on the use of recycled materials exist; and
 - (e) if requested, provide the Authority with a description of the product packaging and evidence to satisfy the Authority that it is reusing, recycling and reviewing its use of packaging. The evidence should provide proof of compliance with BS EN 13430 on recyclability or BS EN 13429 on reusability, or equivalent.

B8 Training

If included in the Specification, the Price includes the cost of instruction of the Authority's personnel in the use and maintenance of the Goods and such instruction shall be in accordance with the requirements detailed in the Specification.

B9 Equipment

- B9.1 The Supplier shall provide all the Equipment and resource necessary for the supply of the Goods.
- B9.2 The Supplier shall not deliver any Equipment to, or begin any work on, the Premises without Approval.
- B9.3 All Equipment brought onto the Premises is at the Supplier's own risk and the Authority has no liability for any loss of or damage to any Equipment unless the Supplier demonstrates that such loss or damage was caused or contributed to by the Authority's Default. The Supplier shall provide for the haulage or carriage thereof to the Premises and the removal of Equipment when no longer required at its sole cost.
- B9.4 Equipment brought onto the Premises remains the property of the Supplier.

- B9.5 If the cost of any Equipment is reimbursed to the Supplier such Equipment shall be the property of the Authority and shall on request be delivered to the Authority as directed by the Authority. The Supplier will keep a full and accurate inventory of such Equipment and will deliver that inventory to the Authority on request and on completion of delivery of the Goods.
- B9.6 The Supplier shall maintain all Equipment in a safe, serviceable and clean condition.
- B9.7 The Supplier shall, at the Authority's written request, at its own cost and as soon as reasonably practicable:
- (a) remove immediately from the Premises Equipment which is, in the Authority's opinion, hazardous, noxious or not supplied in accordance with the Contract; and
 - (b) replace such item with a suitable substitute item of Equipment.
- B9.8 Within 20 Working Days of the end of the Term, the Supplier shall remove the Equipment together with any other materials used by the Supplier to supply the Goods and shall leave the Premises in a clean, safe and tidy condition. The Supplier shall make good any damage to those Premises and any fixtures and fittings in the Premises which is caused by the Supplier or Staff.

B10 Staff

- B10.1 The Authority may, by notice to the Supplier, refuse to admit onto, or withdraw permission to remain on, the Authority's Premises:
- (a) any member of the Staff; or
 - (b) any person employed or engaged by any member of the Staff
- whose admission or continued presence would, in the Authority's reasonable opinion, be undesirable.
- B10.2 The Authority shall maintain the security of the Authority's Premises in accordance with its standard security requirements, including Prison Rules 1999 Part III, the Prison (Amendment) Rules 2005, the Young Offender Institute Rules 2000 Part III and the Young Offender Institute (Amendment) Rules 2008, available to the Supplier on request. The Supplier shall comply with all security requirements of the Authority while on the Authority's Premises and ensure that all Staff comply with such requirements.
- B10.3 The Authority may search any persons or vehicles engaged or used by the Supplier at the Authority's Premises.
- B10.4 At the Authority's written request, the Supplier shall, at its own cost, provide a list of the names, addresses, national insurance numbers and immigration status of all people who may require admission to the Authority's Premises, specifying the capacities in which they are concerned with the Contract and giving such other particulars as the Authority may reasonably request.
- B10.5 The Supplier shall ensure that all Staff who have access to the Authority's Premises, the Authority System or the Authority Data have been cleared in accordance with the BPSS.
- B10.6 The Supplier shall co-operate with any investigation relating to security carried out by the Authority or on behalf of the Authority and, at the Authority's request:

- (a) use reasonable endeavours to make available any Staff requested by the Authority to attend an interview for the purpose of an investigation; and
- (b) provide documents, records or other material in whatever form which the Authority may reasonably request, or which may be requested on the Authority's behalf, for the purposes of an investigation.

B10.7 The Supplier shall comply with PSI 10/2012 as amended from time to time and available from the Authority on request.

B11 Due Diligence

Save as the Authority may otherwise direct, the Supplier is deemed to have inspected the Premises before submitting its Tender and to have completed due diligence in relation to all matters connected with the performance of its obligations under the Contract.

B12 Licence to Occupy

B12.1 Any land or Premises made available from time to time to the Supplier by the Authority in connection with the Contract are on a non-exclusive licence basis free of charge and are used by the Supplier solely for the purpose of performing its obligations under the Contract. The Supplier has the use of such land or Premises as licensee and shall vacate the same on termination of the Contract.

B12.2 The Supplier shall limit access to the land or Premises to such Staff as is necessary for it to perform its obligations under the Contract and the Supplier shall co-operate (and ensure that its Staff co-operate) with other persons working concurrently on such land or Premises as the Authority may reasonably request.

B12.3 If the Supplier requires modifications to the Authority's Premises such modifications are subject to Approval and shall be carried out by the Authority at the Supplier's cost. The Authority shall undertake Approved modification work without undue delay.

B12.4 The Supplier shall (and shall ensure that any Staff on the Authority's Premises shall) observe and 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 on the Authority's Premises as determined by the Authority.

B12.5 The Contract does not create a tenancy of any nature in favour of the Supplier or its Staff and no such tenancy has or shall come into being and, notwithstanding any rights granted pursuant to the Contract, the Authority may use the Premises owned or occupied by it in any manner it sees fit.

B13 Property

B13.1 All Property is and remains the property of the Authority and the Supplier irrevocably licenses the Authority and its agents to enter any Premises of the Supplier during normal business hours on reasonable notice to recover any such Property.

B13.2 The Supplier does not have a lien or any other interest on the Property and the Supplier at all times possesses the Property as fiduciary agent and bailee of the Authority. The Supplier shall take all reasonable steps to ensure that the title of the Authority 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 Authority's request, store the Property separately and ensure that it is clearly identifiable as belonging to the Authority.

- B13.3 The Property is deemed to be in good condition when received by or on behalf of the Supplier unless the Supplier notifies the Authority otherwise within 5 Working Days of receipt.
- B13.4 The Supplier 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.
- B13.5 The Supplier shall ensure the security of all the Property whilst in its possession, either on the Premises or elsewhere during the supply of the Goods, in accordance with the Authority's reasonable security requirements as required from time to time.
- B13.6 The Supplier is liable for all loss of or damage to the Property, unless such loss or damage was caused by the Authority's negligence. The Supplier shall inform the Authority immediately of becoming aware of any defects appearing in, or losses or damage occurring to, the Property.

B14 Offers of Employment

- B14.1 Neither Party shall, directly or indirectly, solicit or procure (otherwise than by general advertising or under TUPE, any employees or contractors (including the Staff) of the other Party who are directly employed or engaged in connection with the provision of the Goods while such persons are employed or engaged and for a period of 6 Months thereafter.
- B14.2 If either Party breaches the clause B14.1, it shall pay the other Party a sum equivalent to 20% of the annual base salary payable by the Party in breach in respect of the first year of person's employment.
- B14.3 The Parties agree that the sum specified in clause B14.2 is a reasonable pre-estimate of the loss and damage which the party not in breach would suffer if there was a breach of clause B14.1.

C. PAYMENT

C1 Payment and VAT

- C1.1 The Supplier shall submit invoices to the Authority in accordance with this clause C1 and Schedule 2.
- C1.2 The Authority issues Purchase Orders using Basware and, unless Approved otherwise, the Supplier shall, when invited, register on Basware.
- C1.3 If the Supplier registers on Basware, a Valid Invoice is an invoice issued through Basware, unless the invoice contains:
- (a) additional lines not included in the relevant Purchase Order;
 - (b) line descriptions which have been materially altered so that they no longer match the equivalent description in the relevant Purchase Order; or
 - (c) Prices and/or volumes which have been increased without Approval.
- C1.4 If, with Approval, the Supplier does not register on Basware, a Valid Invoice is an invoice which includes the information set out in Part 2 of Schedule 2 and, if requested by the Authority:

- (a) timesheets for Staff engaged in providing the Goods signed and dated by the Authority's representative on the Premises on the day;
- (b) the name of the individuals to whom the timesheet relates and hourly rates for each;
- (c) identification of which individuals are Supplier's staff and which are Sub-Contractors' staff;
- (d) the address of the Premises and the date on which work was undertaken;
- (e) the time spent working on the Premises by the individuals concerned;
- (f) details of the type of work undertaken by the individuals concerned;
- (g) details of plant or materials operated and on standby;
- (h) separate identification of time spent travelling and/or meal or rest breaks; and
- (i) if appropriate, details of journeys made and distances travelled.

C1.5 *The Authority shall not pay an invoice which is not a Valid Invoice.*

- C1.6 The Authority shall not pay the Supplier's overhead costs unless Approved and overhead costs include, without limitation: facilities, utilities, insurance, tax, head office overheads, indirect staff costs and other costs not specifically and directly ascribable solely to the provision of the Goods.
- C1.7 If Schedule 2 expressly provides that the Authority may be charged for plant which is on standby and if plant was waiting to be transferred between Premises or if the Authority has instructed that the plant is retained on the Premises, then a standby charge of 60% of agreed rates may be made in respect of such relevant periods if supported by timesheets.
- C1.8 The Authority shall not pay a stand-by rate if plant is on standby because no work was being carried out on the Premises at that time or no operator or other relevant staff were available (unless the standby is because the Supplier is awaiting licensing of the Premises on the Authority's instructions).
- C1.9 The Authority shall not pay for plant or equipment which is stood down during any notice period pursuant to clauses H1, H2 and/or H3 and the Supplier shall mitigate such costs as far as is reasonably possible, for example, by reutilising Staff, plant, materials and services on other contracts.
- C1.10 The Supplier may claim expenses only if they are clearly identified, supported by original receipts and Approved.
- C1.11 If the Authority pays the Supplier prior to the submission of a Valid Invoice this payment is on account of and deductible from the next payment to be made.
- C1.12 If any overpayment has been made or the payment or any part is not supported by a Valid Invoice the Authority may recover this payment against future invoices raised or directly from the Supplier. All payments made by the Authority to the Supplier are on an interim basis pending final resolution of an account with the Supplier in accordance with the terms of this clause C1.
- C1.13 The Supplier shall:
- (a) add VAT to the Price at the prevailing rate as applicable and show the amount of VAT payable separately on all invoices as an extra charge. If the Supplier fails to show

VAT on an invoice, the Authority is not, at any later date, liable to pay the Supplier any additional VAT;

- (b) ensure that a provision is included in all Sub-Contracts which requires payment to be made of all sums due to Sub-Contractors within 30 days from the receipt of a valid invoice; and
- (c) not suspend delivery of the Goods unless the Supplier is entitled to terminate the Contract under clause H2.3 for failure to pay undisputed sums of money.

C1.14 The Supplier indemnifies the Authority on a continuing basis against any liability, including any interest, penalties or costs incurred, which is levied, demanded or assessed on the Authority at any time in respect of the Supplier's failure to account for or to pay any VAT relating to payments made to the Supplier under the Contract. Any amounts due under this clause shall be paid by the Supplier to the Authority not less than 5 Working Days before the date upon which the tax or other liability is payable by the Authority.

C1.15 The Authority shall:

- (a) in addition to the Price and following receipt of a Valid Invoice, pay the Supplier a sum equal to the VAT chargeable on the value of the Goods supplied in accordance with the Contract; and
- (b) pay all sums due to the Supplier within 30 days of receipt of a Valid Invoice unless an alternative arrangement has been Approved.

C1.16 Any late payment of undisputed invoices by the Authority will be subject to interest at the rate of a maximum of 3% above the base rate from time to time of Barclays Bank.

C2 Recovery of Sums Due

C2.1 If under the Contract any sum of money is recoverable from or payable by the Supplier to the Authority (including any sum which the Supplier is liable to pay to the Authority in respect of any breach of the Contract), the Authority may unilaterally deduct that sum from any sum then due, or which at any later time may become due to the Supplier from the Authority under the Contract or under any other agreement with the Authority or the Crown.

C2.2 Any overpayment by either Party, whether of the Price or of VAT or otherwise, is a sum of money recoverable by the Party who made the overpayment from the Party in receipt of the overpayment.

C2.3 The Supplier shall make all payments due to the Authority without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise unless the Supplier has a valid court order requiring an amount equal to such deduction to be paid by the Authority to the Supplier.

C2.4 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.

C3 Price During Extension

Subject to Schedule 2 and clause F4 (Change), the Price applies for the Initial Term and until the end of any Extension or such earlier date of termination or partial termination of the Contract in accordance with the Law or the Contract.

D. PROTECTION OF INFORMATION

D1 Authority Data

D1.1 The Supplier shall:

- (a) not store, copy, disclose, or use the Authority Data except as necessary for the performance by the Supplier of its obligations under the Contract or as otherwise Approved;
- (b) preserve the integrity of Authority Data and prevent the corruption or loss of Authority Data;
- (c) not delete or remove any proprietary notices contained within or relating to the Authority Data;
- (d) to the extent that Authority Data is held and/or processed by the Supplier, supply Authority Data to the Authority as requested by the Authority in the format specified in the Specification;
- (e) perform secure back-ups of all Authority Data and ensure that up-to-date back-ups are stored securely off-site. The Supplier shall ensure that such back-ups are made available to the Authority immediately upon request;
- (f) ensure that any system on which the Supplier holds any Authority Data, including back-up data, is a secure system that complies with the Security Policy Framework;
- (g) identify, and disclose to the Authority on request those members of Staff with access to or who are involved in handling Authority Data;
- (h) on request, give the Authority details of its policy for reporting, managing and recovering from information risk incidents, including losses of data, and its procedures for reducing risk;
- (i) notify the Authority immediately and inform the Authority of the remedial action the Supplier proposes to take if it has reason to believe that Authority Data has or may become corrupted, lost or sufficiently degraded in any way for any reason; and
- (j) comply with Schedule 6 (Information Assurance & Security).

D1.2 If Authority Data is corrupted, lost or sufficiently degraded as a result of the Supplier's Default so as to be unusable, the Authority may:

- (a) require the Supplier (at the Supplier's cost) to restore or procure the restoration of Authority Data and the Supplier shall do so promptly; and/or
- (b) itself restore or procure the restoration of Authority Data, and be repaid by the Supplier any reasonable costs incurred in doing so.

D2 Official Secrets Acts and Finance Act

D2.1 The Supplier shall comply with:

- (a) the Official Secrets Acts 1911 to 1989; and
- (b) section 182 of the Finance Act 1989.

D3 Confidential Information

- D3.1 Except to the extent set out in this clause D3 or if disclosure or publication is expressly allowed elsewhere in the Contract each Party shall treat all Confidential Information belonging to the other Party as confidential and shall not disclose any Confidential Information belonging to the other Party to any other person without the other Party's consent, except to such persons and to such extent as may be necessary for the performance of the Party's obligations under the Contract.
- D3.2 The Supplier hereby gives its consent for the Authority to publish the whole Contract (but with any information which is Confidential Information belonging to the Authority redacted) including from time to time agreed changes to the Contract, to the general public.
- D3.3 If required by the Authority, the Supplier shall ensure that Staff, professional advisors and consultants sign a non-disclosure agreement prior to commencing any work in connection with the Contract in a form approved by the Authority. The Supplier shall maintain a list of the non-disclosure agreements completed in accordance with this clause D3.3.
- D3.4 If requested by the Authority, the Supplier shall give the Authority a copy of the list and, subsequently upon request by the Authority, copies of such of the listed non-disclosure agreements as required by the Authority. The Supplier shall ensure that Staff, professional advisors and consultants are aware of the Supplier's confidentiality obligations under the Contract.
- D3.5 The Supplier may disclose the Authority's Confidential Information only to Staff who are directly involved in supplying the Goods 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.
- D3.6 The Supplier shall not, and shall procure that the Staff do not, use any of the Authority's Confidential Information received otherwise than for the purposes of the Contract.
- D3.7 Clause D3.1 shall not apply to the extent that:
- (a) such disclosure is a requirement of Law placed upon the Party making the disclosure, including any requirements for disclosure under the FOIA or the EIR;
 - (b) such information was in the possession of the Party making the disclosure without obligation of confidentiality prior to its disclosure by the information owner;
 - (c) such information was obtained from a third party without obligation of confidentiality;
 - (d) such information was already in the public domain at the time of disclosure otherwise than by a breach of the Contract; or
 - (e) it is independently developed without access to the other Party's Confidential Information.
- D3.8 Nothing in clause D3.1 prevents the Authority disclosing any Confidential Information obtained from the Supplier:
- (a) for the purpose of the examination and certification of the Authority's accounts;
 - (b) for the purpose of any examination pursuant to section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority has used its resources;

- (c) to Parliament and Parliamentary committees;
- (d) to any Crown Body or any Contracting Authority and the Supplier hereby acknowledges that all government departments or Contracting Authorities receiving such Confidential Information may further disclose the Confidential Information to other government departments or 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 government department or any Contracting Authority; or
- (e) to any consultant, contractor or other person engaged by the Authority

provided that in disclosing information under clauses E3.8 (d) and (e) the Authority discloses only the information which is necessary for the purpose concerned and requests that the information is treated in confidence and that a confidentiality undertaking is given where appropriate.

- D3.9 Nothing in clauses D3.1 to D3.6 prevents either Party from using any techniques, ideas or Know-How gained during the performance of its obligations under the Contract in the course of its normal business, to the extent that this does not result in a disclosure of the other Party's Confidential Information or an infringement of the other Party's Intellectual Property Rights.
- D3.10 The Authority shall use reasonable endeavours to ensure that any government department, Contracting Authority, employee, third party or Sub-Contractor to whom the Supplier's Confidential Information is disclosed pursuant to clause D3.8 is made aware of the Authority's obligations of confidentiality.
- D3.11 If the Supplier does not comply with clauses D3.1 to D3.8 the Authority may terminate the Contract immediately on notice.
- D3.12 To ensure that no unauthorised person gains access to any Confidential Information or any data obtained in the supply of the Goods, the Supplier shall maintain adequate security arrangements that meet the requirements of professional standards and best practice.
- D3.13 The Supplier shall:
 - (a) immediately notify the Authority of any breach of security in relation to Confidential Information and all data obtained in the supply of the Goods and will keep a record of such breaches;
 - (b) use best endeavours to recover such Confidential Information or data however it may be recorded;
 - (c) co-operate with the Authority in any investigation as a result of any breach of security in relation to Confidential Information or data; and
 - (d) at its own expense, alter any security systems at any time during the Term at the Authority's request if the Authority reasonably believes the Supplier has failed to comply with clause D3.12.

D4 Freedom of Information

- D4.1 The Supplier acknowledges that the Authority is subject to the requirements of the FOIA and the EIR.
- D4.2 The Supplier shall transfer to the Authority all Requests for Information that it receives as soon as practicable and in any event within 2 Working Days of receipt and shall:

- (a) give the Authority a copy of all Information in its possession or control in the form that the Authority requires within 5 Working Days (or such other period as the Authority may specify) of the Authority's request;
- (b) provide all necessary assistance as reasonably requested by the Authority to enable the Authority to comply with its obligations under the FOIA and EIR; and
- (c) not respond to directly to a Request for Information unless authorised to do so in writing by the Authority.

D4.3 The Authority shall determine in its absolute discretion and notwithstanding any other provision in the Contract or any other agreement whether the Commercially Sensitive Information and any other Information is exempt from disclosure in accordance with the FOIA and/or the EIR.

D5 Publicity, Branding and Media

D5.1 The Supplier shall not:

- (a) make any press announcements or publicise the Contract or its contents in any way;
- (b) use the Authority's name, brand or logo in any publicity, promotion, marketing or announcement of order; or
- (c) use the name, brand or logo of any of the Authority's agencies or arms-length bodies in any publicity, promotion, marketing or announcement of orders

without Approval.

D5.2 Each Party acknowledges that nothing in the Contract either expressly or impliedly constitutes an endorsement of any products or services of the other Party (including the Goods and the ICT Environment) and each Party shall not conduct itself in such a way as to imply or express any such approval or endorsement.

D5.3 The Supplier shall use reasonable endeavours to ensure that its Staff and professional advisors comply with clause D5.1.

E. INTELLECTUAL PROPERTY

E1 Intellectual Property Rights

E1.1 All Intellectual Property Rights in:

- (a) the Results; or
- (b) any guidance, specifications, reports, studies, instructions, toolkits, plans, data, drawings, databases, patents, patterns, models, designs or other material which is furnished to or made available to the Supplier by or on behalf of the Authority (together with the Results, the "**IP Materials**")

shall vest in the Authority (save for Copyright and Database Rights which shall vest in His Majesty the King) and the Supplier shall not, and shall ensure that the Staff shall not, use or disclose any IP Materials without Approval save to the extent necessary for performance by the Supplier of its obligations under the Contract.

E1.2 The Supplier hereby assigns:

- (a) to the Authority, with full title guarantee, all Intellectual Property Rights (save for Copyright and Database Rights) which may subsist in the IP Materials. This assignment shall take effect on the date of the Contract or (in the case of rights arising after the date of the Contract) as a present assignment of future rights that will take effect immediately on the coming into existence of the Intellectual Property Rights produced by the Supplier; and
- (b) to His Majesty the King, with full title guarantee, all Copyright and Database Rights which may subsist in the IP Materials

and shall execute all documents and do all acts as are necessary to execute these assignments.

E1.3 The Supplier shall:

- (a) waive or procure a waiver of any moral rights held by it or any third party in copyright material arising as a result of the Contract or the performance of its obligations under the Contract;
- (b) ensure that the third-party owner of any Intellectual Property Rights that are or which may be used to supply the Goods grants to the Authority a non-exclusive licence or, if itself a licensee of those rights, shall grant to the Authority an authorised sub-licence, to use, reproduce, modify, develop and maintain the Intellectual Property Rights in the same. Such licence or sub-licence shall be non-exclusive, perpetual, royalty-free, worldwide and irrevocable and shall include the right for the Authority to sub-license, transfer, novate or assign to other Contracting Authorities, the Crown, the Replacement Supplier or to any other third-party supplying goods and/or services to the Authority ("**Indemnified Persons**");
- (c) not infringe any Intellectual Property Rights of any third party in supplying the Goods; and
- (d) during and after the Term, indemnify and keep indemnified the Authority and Indemnified Persons from and against all actions, suits, claims, demands, losses, charges, damages, costs and expenses and other liabilities which the Authority and Indemnified Persons may suffer or incur as a result of or in connection with any breach of clause E1.3, except to the extent that any such claim results directly from:
 - i) items or materials based upon designs supplied by the Authority; or
 - ii) the use of data supplied by the Authority which is not required to be verified by the Supplier under any provision of the Contract.

E1.4 The Authority shall notify the Supplier in writing of any claim or demand brought against the Authority or Indemnified Person for infringement or alleged infringement of any Intellectual Property Right in materials supplied and/or licensed by the Supplier to the Authority.

E1.5 The Supplier shall at its own expense conduct all negotiations and any litigation arising in connection with any claim, demand or action by any third party for infringement or alleged infringement of any third-party Intellectual Property Rights (whether by the Authority, the Supplier or Indemnified Person) arising from the performance of the Supplier's obligations under the Contract ("**Third Party IP Claim**"), provided that the Supplier shall at all times:

- (a) consult the Authority on all material issues which arise during the conduct of such litigation and negotiations;
- (b) take due and proper account of the interests of the Authority; and

- (c) not settle or compromise any claim without Approval (not to be unreasonably withheld or delayed).

E1.6 The Authority shall, at the request of the Supplier, afford to the Supplier all reasonable assistance for the purpose of contesting any Third-Party IP Claim and the Supplier shall indemnify the Authority for all costs and expenses (including, but not limited to, legal costs and disbursements) incurred in doing so. The Supplier is not required to indemnify the Authority under this clause in relation to any costs and expenses to the extent that such arise directly from the matters referred to in clause E1.3 (d) i) and ii).

E1.7 The Authority shall not, without the Supplier's consent, make any admissions which may be prejudicial to the defence or settlement of any Third-Party IP Claim.

E1.8 If any Third-Party IP Claim is made or in the reasonable opinion of the Supplier is likely to be made, the Supplier shall notify the Authority and any relevant Indemnified Person, at its own expense and subject to Approval (not to be unreasonably withheld or delayed), shall (without prejudice to the rights of the Authority under clause E1.3 (b) and G2.1 (g)) use its best endeavours to:

- (a) modify any or all of the Goods without reducing the performance or functionality of the same, or substitute alternative goods of equivalent performance and functionality, so as to avoid the infringement or the alleged infringement; or
- (b) procure a licence to use the Intellectual Property Rights and supply the Goods which are the subject of the alleged infringement, on terms which are acceptable to the Authority

and if the Supplier is unable to comply with clauses E1.8 (a) or (b) within 20 Working Days of receipt by the Authority of the Supplier's notification the Authority may terminate the Contract immediately by notice to the Supplier.

E1.9 The Supplier grants to the Authority and, if requested by the Authority, to a Replacement Supplier, a royalty-free, irrevocable, worldwide, non-exclusive licence (with a right to sub-license) to use any Intellectual Property Rights that the Supplier owned or developed prior to the Commencement Date and which the Authority (or the Replacement Supplier) reasonably requires in order for the Authority to exercise its rights under, and receive the benefit of, the Contract (including, without limitation, the Goods).

F. CONTROL OF THE CONTRACT

F1 Contract Performance

F1.1 The Supplier shall immediately inform the Authority if any of the Goods are not being or are unable to be supplied, the reasons for non-supply, any corrective action and the date by which that action will be completed.

F1.2 At or around 6 Months from the Commencement Date and each anniversary of the Commencement Date thereafter, the Authority may carry out a review of the performance of the Supplier (a "**Review**"). Without prejudice to the generality of the foregoing, the Authority may in respect of the period under review consider such items as (but not limited to):

- a) the Supplier's delivery of the Goods;
- b) the Supplier's contribution to innovation in the Authority; whether the Goods provide the Authority with best value for money; consideration of any changes which may need to be made to the Goods;
- c) a review of future requirements in relation to the Goods; and

d) progress against key milestones.

- F1.3 The Supplier shall provide at its own cost any assistance reasonably required by the Authority to perform Reviews including the provision of data and information.
- F1.4 The Authority may produce a report (a "**Review Report**") of the results of each Review stating any areas of exceptional performance and areas for improvement in the provision of the Goods and where there is any shortfall in any aspect of performance reviewed as against the Authority's expectations and the Supplier's obligations under the Contract.
- F1.5 The Authority shall give the Supplier a copy of the Review Report (if applicable). The Authority shall consider any Supplier comments and may produce a revised Review Report.
- F1.6 The Supplier shall, within 10 Working Days of receipt of the Review Report (revised as appropriate) provide the Authority with a plan to address resolution of any shortcomings and implementation of improvements identified by the Review Report.
- F1.7 Actions required to resolve shortcomings and implement improvements (either as a consequence of the Supplier's failure to meet its obligations under the Contract identified by the Review Report, or those which result from the Supplier's failure to meet the Authority's expectations notified to the Supplier or of which the Supplier ought reasonably to have been aware) shall be implemented at no extra cost to the Authority.

F2 Remedies

- F2.1 If the Authority reasonably believes the Supplier has committed a Material Breach it may, without prejudice to its rights under clause H2 (Termination on Default), do any of the following:
- (a) without terminating the Contract, procure the supply of all or part of the Goods until such time as the Supplier has demonstrated to the Authority's reasonable satisfaction that the Supplier can supply the Goods in accordance with the Specification;
 - (b) without terminating the whole of the Contract, terminate the Contract in respect of some of the Goods only (whereupon a corresponding reduction in the Price shall be made) and thereafter procure a third party to supply those Goods;
 - (c) withhold or reduce payments to the Supplier in such amount as the Authority reasonably deems appropriate in each particular case; and/or
 - (d) terminate the Contract in accordance with clause H2.
- F2.2 Without prejudice to its right under clause C2 (Recovery of Sums Due), the Authority may charge the Supplier for any costs reasonably incurred and any reasonable administration costs in respect of the supply of any part of the Goods by a third party to the extent that such costs exceed the payment which would otherwise have been payable to the Supplier for those Goods.
- F2.3 If the Authority reasonably believes the Supplier has failed to supply all or some of the Goods in accordance with the Contract, professional or Good Industry Practice which could reasonably be expected of a competent and suitably qualified person, or any legislative or regulatory requirement, the Authority may give the Supplier notice specifying the way in which its performance falls short of the requirements of the Contract or is otherwise unsatisfactory.
- F2.4 If the Supplier has been notified of a failure in accordance with clause F2.3 the Authority may:

- (a) direct the Supplier to identify and remedy the failure within such time as may be specified by the Authority and to apply all such additional resources as are necessary to remedy that failure at no additional charge to the Authority within the specified timescale; and/or
- (b) withhold or reduce payments to the Supplier in such amount as the Authority deems appropriate in each particular case until such failure has been remedied to the satisfaction of the Authority.

F2.5 If the Supplier has been notified of a failure in accordance with clause F2.3, it shall:

- (a) use all reasonable endeavours to immediately minimise the impact of such failure to the Authority and to prevent such failure from recurring; and
- (b) immediately give the Authority such information as the Authority may request regarding what measures are being taken to comply with the obligations in clause F2.5 and the progress of those measures until resolved to the satisfaction of the Authority.

F2.6 If, having been notified of any failure, the Supplier does not remedy it in accordance with clause F2.5 in the time specified by the Authority, the Authority may treat the continuing failure as a Material Breach and may terminate the Contract immediately on notice to the Supplier.

F3 Transfer and Sub-Contracting

F3.1 Except where both clauses F3.9 and F3.10 apply, the Supplier shall not transfer, charge, assign, sub-contract or in any other way dispose of the Contract or any part of it without Approval. All such actions shall be evidenced in writing and shown to the Authority on request. Sub-contracting any part of the Contract does not relieve the Supplier of any of its obligations or duties under the Contract.

F3.2 The Supplier is responsible for the acts and/or omissions of its Sub-Contractors as though they are its own. If it is appropriate, the Supplier shall provide each Sub-Contractor with a copy of the Contract and obtain written confirmation from them that they will provide the Goods fully in accordance with the Contract.

F3.3 The Supplier shall ensure that Sub-Contractors retain all records relating to the Goods for at least 6 years from the date of their creation and make them available to the Authority on request in accordance with clause F5 (Audit). If any Sub-Contractor does not allow the Authority access to the records, then the Authority shall have no obligation to pay any claim or invoice made by the Supplier on the basis of such documents or work carried out by the Sub-Contractor.

F3.4 If the Authority has consented to the award of a Sub-Contract, the Supplier shall ensure that:

- (a) the Sub-Contract contains a right for the Supplier to terminate if the Sub-Contractor does not comply with its legal obligations in environmental, social or labour law;
- (b) the Sub-Contractor includes a provision having the same effect as set out in clause F3.4 (a) in any Sub-Contract which it awards; and
- (c) copies of each Sub-Contract are sent to the Authority immediately after their execution.

F3.5 If the Authority believes there are:

- (a) compulsory grounds for excluding a Sub-Contractor pursuant to regulation 57 of the Regulations, the Supplier shall replace or not appoint the Sub-Contractor; or
- (b) non-compulsory grounds for excluding a Sub-Contractor pursuant to regulation 57 of the Regulations, the Authority may require the Supplier to replace or not appoint the Sub-Contractor and the Supplier shall comply with such requirement.

F3.6 Unless Approved otherwise, if the total value of the Contract over the Term is, or is likely to be, in excess of £5,000,000, the Supplier shall, in respect of Sub-Contract opportunities arising during the Term from or in connection with the provision of the Goods:

- (a) advertise on Contracts Finder those that have a value in excess of £25,000;
- (b) within 90 days of awarding a Sub-Contract, update the notice on Contracts Finder with details of the Sub-Contractor;
- (c) monitor the number, type and value of the Sub-Contract opportunities placed on Contracts Finder and awarded during the Term;
- (d) provide reports on the information in clause F3.6 (c) to the Authority in the format and frequency reasonably specified by the Authority;
- (e) promote Contracts Finder to its suppliers and encourage them to register on Contracts Finder; and
- (f) ensure that each advertisement placed pursuant to F3.6 (a) includes a full and detailed description of the Sub-Contract opportunity with each of the mandatory fields being completed on Contracts Finder.

F3.7 The Supplier shall, at its own cost, supply to the Authority by the end of April each year for the previous Financial Year:

- (a) the total revenue received from the Authority pursuant to the Contract;
- (b) the total value of all its Sub-Contracts;
- (c) the total value of its Sub-Contracts with SMEs; and
- (d) the total value of its Sub-Contracts with VCSEs.

F3.8 The Authority may from time to time change the format and the content of the information required under clause F3.7

F3.9 Notwithstanding clause F3.1, the Supplier may assign to a third party (the “**Assignee**”) the right to receive payment of the Price or any part thereof due to the Supplier (including any interest which the Authority incurs under clause C2 (Payment and VAT)). Any assignment under clause F3.6 is subject to:

- (a) reduction of any sums in respect of which the Authority exercises its right of recovery under clause C3 (Recovery of Sums Due);
- (b) all related rights of the Authority under the Contract in relation to the recovery of sums due but unpaid; and
- (c) the Authority receiving notification under both clauses F3.7 and F3.8.

- F3.10 If the Supplier assigns the right to receive the Price under clause F3.9, the Supplier or the Assignee shall notify the Authority in writing of the assignment and the date upon which the assignment becomes effective.
- F3.11 The Supplier shall ensure that the Assignee notifies the Authority of the Assignee's contact information and bank account details to which the Authority can make payment.
- F3.12 Clause C2 continues to apply in all other respects after the assignment and shall not be amended without Approval.
- F3.13 Subject to clause F3.14, the Authority may assign, novate or otherwise dispose of its rights and obligations under the Contract or any part thereof to:
- (a) any Contracting Authority;
 - (b) any other body established or authorised by the Crown or under statute in order substantially to perform any of the functions that had previously been performed by the Authority; or
 - (c) any private sector body which substantially performs the functions of the Authority
- provided that any such assignment, novation or other disposal shall not increase the burden of the Supplier's obligations under the Contract.
- F3.14 Any change in the legal status of the Authority such that it ceases to be a Contracting Authority shall not, subject to clause F3.15, affect the validity of the Contract and the Contract shall bind and inure to the benefit of any successor body to the Authority.
- F3.15 If the rights and obligations under the Contract are assigned, novated or otherwise disposed of pursuant to clause F3.13 to a body which is not a Contracting Authority or if there is a change in the legal status of the Authority such that it ceases to be a Contracting Authority (in the remainder of this clause both such bodies being referred to as the "**Transferee**"):
- (a) the rights of termination of the Authority in clauses H1 and H2 are available to the Supplier in respect of the Transferee; and
 - (b) the Transferee shall only be able to assign, novate or otherwise dispose of its rights and obligations under the Contract or any part thereof with the prior consent in writing of the Supplier.
- F3.16 The Authority may disclose to any Transferee any Confidential Information of the Supplier which relates to the performance of the Supplier's obligations under the Contract. In such circumstances the Authority shall authorise the Transferee to use such Confidential Information only for purposes relating to the performance of the Supplier's obligations under the Contract and for no other purpose and shall take all reasonable steps to ensure that the Transferee gives a confidentiality undertaking in relation to such Confidential Information.
- F3.17 Each Party shall at its own cost and expense carry out or use all reasonable endeavours to ensure the carrying out of, whatever further actions (including the execution of further documents) the other Party reasonably requires from time to time for the purpose of giving that other Party the full benefit of the Contract.

F4 Change

- F4.1 After the Commencement Date, either Party may request a Change subject to the terms of this clause F4.

- F4.2 Either Party may request a Change by notifying the other Party in writing of the Change by completing the Change Request Form set out in Schedule 3. The Party requesting the Change shall give the other Party sufficient information and time to assess the extent and effect of the requested Change. If the receiving Party accepts the Change it shall confirm it in writing to the other Party.
- F4.3 If the Supplier is unable to accept a Change requested by the Authority or if the Parties are unable to agree a change to the Price, the Authority may:
- (a) allow the Supplier to fulfil its obligations under the Contract without the Change; or
 - (b) terminate the Contract immediately except where the Supplier has already delivered all or part of the Goods or where the Supplier can show evidence of substantial work being carried out to fulfil the requirements of the Specification; and in such case the Parties shall attempt to agree upon a resolution to the matter. If a resolution cannot be reached, the matter shall be dealt with under the Dispute Resolution procedure detailed in clause I2 (Dispute Resolution).
- F4.4 A Change takes effect only when it is recorded in a CCN validly executed by both Parties.
- F4.5 The Supplier is deemed to warrant and represent that the CNN has been executed by a duly authorised representative of the Supplier in addition to the warranties and representations set out in clause G2.
- F4.6 Clauses F4.4 and F4.5 may be varied in an emergency if it is not practicable to obtain the Authorised Representative's approval within the time necessary to make the Change in order to address the emergency. In an emergency, Changes may be approved by a different representative of the Authority. However, the Authorised Representative may review such a Change and require a CCN to be entered into on a retrospective basis which may itself vary the emergency Change.

F5 Audit

- F5.1 The Supplier shall:
- (a) keep and maintain until 6 years after the end of the Term, or as long a period as may be agreed between the Parties, full and accurate records of the Contract including the Goods supplied under it, all expenditure reimbursed by the Authority, and all payments made by the Authority;
 - (b) on request afford the Authority or the Authority's representatives such access to those records and processes as may be requested by the Authority in connection with the Contract;
 - (c) make available to the Authority, free of charge, whenever requested, copies of audit reports obtained by the Supplier in relation to the Goods;
 - (d) allow authorised representatives of the Authority and/or the National Audit Office to examine the Supplier's records and documents relating to the Contract and provide such copies and oral or written explanations as may reasonably be required; and
 - (e) allow the Comptroller and Auditor General (and his appointed representatives) access free of charge during normal business hours on reasonable notice to all such documents (including computerised documents and data) and other information as the Comptroller and Auditor General may reasonably require for the purposes of his financial audit of the Authority and for carrying out examinations into the economy, efficiency and effectiveness with which the Authority has used its resources. The

Supplier shall provide such explanations as are reasonably required for these purposes.

G. LIABILITIES

G1 Liability, Indemnity and Insurance

G1.1 Neither Party limits its liability for:

- (a) death or personal injury caused by its negligence;
- (b) fraud or fraudulent misrepresentation;
- (c) 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;
- (d) any breach of clauses D1 or D3 or Schedules 6 or 8; or
- (e) any liability to the extent it cannot be limited or excluded by Law.

G1.2 Subject to clauses G1.3 and G1.5, the Supplier indemnifies the Authority fully against all claims, proceedings, demands, charges, actions, damages, costs, breach of statutory duty, expenses and any other liabilities which may arise out of the supply, or the late or purported supply, of the Goods or the performance or non-performance by the Supplier of its obligations under the Contract or the presence of the Supplier 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 Supplier, or any other loss which is caused directly by any act or omission of the Supplier.

G1.3 Subject to clause G1.1 the Supplier's aggregate liability in respect of the Contract does not exceed £[redacted].

G1.4 Subject to clause G1.1 the Authority's aggregate liability in respect of the Contract does not exceed the Price payable in the previous calendar year of the Contract.

G1.5 The Supplier is not 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 Authority or by breach by the Authority of its obligations under the Contract.

G1.6 The Authority may recover from the Supplier the following losses incurred by the Authority to the extent they arise as a result of a Default by the Supplier:

- (a) any additional operational and/or administrative costs and expenses incurred by the Authority, including costs relating to time spent by or on behalf of the Authority in dealing with the consequences of the Default;
- (b) any wasted expenditure or charges;
- (c) the additional costs of procuring a Replacement Supplier for the remainder of the Term and or replacement deliverables which shall include any incremental costs associated with the Replacement Supplier and/or replacement deliverables above those which would have been payable under the Contract;
- (d) any compensation or interest paid to a third party by the Authority; and
- (e) any fine or penalty incurred by the Authority pursuant to Law and any costs incurred by the Authority in defending any proceedings which result in such fine or penalty.

- G1.7 Subject to clauses G1.1 and G1.6, neither Party is liable to the other for any:
- (a) loss of profits, turnover, business opportunities or damage to goodwill; or
 - (b) indirect, special or consequential loss.
- G1.8 Unless otherwise specified by the Authority, the Supplier shall, with effect from the Commencement Date for such period as necessary to enable the Supplier to comply with its obligations herein, take out and maintain with a reputable insurance company a policy or policies of insurance providing an adequate level of cover in respect of all risks which may be incurred by the Supplier, arising out of the Supplier's performance of its obligations under the Contract including:
- (a) if required by the Authority, appropriate, professional indemnity insurance in the sum of not less than £[redacted] for any advice given by the Supplier to the Authority;
 - (b) cover for death or personal injury, loss of or damage to property or any other loss; and
 - (c) employer's liability insurance in respect of Staff.
- Such insurance policies shall be maintained for the duration of the Term and for a minimum of 6 years following the end of the Term.
- G1.9 The Supplier shall give the Authority, 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.
- G1.10 If the Supplier does not have and maintain the insurances required by the Contract, the Authority may make alternative arrangements to protect its interests and may recover the costs of such arrangements from the Supplier.
- G1.11 The provisions of any insurance or the amount of cover shall not relieve the Supplier of any liabilities under the Contract.
- G1.12 The Supplier shall not take any action or fail to take any reasonable action, or (to the extent that it is reasonably within its power) permit anything to occur in relation to the Supplier, which would entitle any insurer to refuse to pay any claim under any insurance policy in which the Supplier is an insured, a co-insured or additional insured person.

G2 Warranties and Representations

- G2.1 The Supplier warrants and represents on the Commencement Date and for the Term that:
- (a) it has full capacity and authority and all necessary consents to enter into and perform the Contract and that the Contract is executed by a duly authorised representative of the Supplier;
 - (b) in entering the Contract it has not committed any fraud;
 - (c) as at the Commencement Date, all information contained in the Tender or other offer made by the Supplier to the Authority remains true, accurate and not misleading, save as may have been specifically disclosed in writing to the Authority prior to execution of the Contract and in addition, that it will advise the Authority of any fact, matter or circumstance of which it may become aware which would render such information to be false or misleading;

- (d) no claim is being asserted and no litigation, arbitration or administrative proceeding is in progress or, to the best of its knowledge and belief, pending or threatened against it or any of its assets which will or might have an adverse effect on its ability to perform its obligations under the Contract;
- (e) it is not subject to any contractual obligation, compliance with which is likely to have a material adverse effect on its ability to perform its obligations under the Contract;
- (f) no proceedings or other steps have been taken and not discharged (or, to the best of its knowledge, are threatened) for the winding up of the Supplier or for its dissolution or for the appointment of a receiver, administrative receiver, liquidator, manager, administrator or similar officer in relation to any of the Supplier's assets or revenue;
- (g) it owns, or 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;
- (h) any person engaged by the Supplier shall be engaged on terms which do not entitle them to any Intellectual Property Right in any IP Materials;
- (i) in the 3 years (or period of existence if the Supplier has not been in existence for 3 years) prior to the date of the Contract:
 - i) it has conducted all financial accounting and reporting activities in compliance in all material respects with the generally accepted accounting principles that apply to it in any country where it files accounts;
 - ii) it has been in full compliance with all applicable securities and tax laws and regulations in the jurisdiction in which it is established; and
 - iii) it has not done or omitted to do anything which could have a material adverse effect on its assets, financial condition or position as an ongoing business concern or its ability to fulfil its obligations under the Contract;
- (j) it has and will continue to hold all necessary (if any) regulatory approvals from the Regulatory Bodies necessary to perform its obligations under the Contract; and
- (k) it has notified the Authority in writing of any Occasions of Tax Non-Compliance and any litigation in which it is involved that is in connection with any Occasion of Tax Non-Compliance.

G2.2 The Supplier confirms that in entering into the Contract it is not relying on any statements, warranties or representations given or made (whether negligently or innocently or whether express or implied), or any acts or omissions by or on behalf of the Authority in connection with the subject matter of the Contract except those expressly set out in the Contract and the Supplier hereby waives and releases the Authority in respect thereof absolutely.

G3 Tax Compliance

G3.1 If, during the Term, an Occasion of Tax Non-Compliance occurs, the Supplier shall:

- (a) notify the Authority in writing of such fact within 5 Working Days of its occurrence; and
- (b) promptly give the Authority:
 - i) details of the steps it is taking to address the Occasion of Tax Non-Compliance and to prevent the same from recurring, together with any mitigating factors it considers relevant; and

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

G3.2 If the Supplier or any Staff are liable to be taxed in the UK or to pay NICs in respect of consideration received under the Contract, the Supplier shall:

- (a) at all times comply with ITEPA and all other statutes and regulations relating to income tax, and SSCBA and all other statutes and regulations relating to NICs, in respect of that consideration; and
- (b) indemnify the Authority against any income tax, NICs and social security contributions and any other liability, deduction, contribution, assessment or claim arising from or made in connection with the provision of the Goods by the Supplier or any Staff.

H. DEFAULT, DISRUPTION AND TERMINATION

H1 Insolvency and Change of Control

H1.1 The Authority may terminate the Contract with immediate effect by notice and without compensation to the Supplier if the Supplier is a company and in respect of the Supplier:

- (a) 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;
- (b) 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);
- (c) 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;
- (d) a receiver, administrative receiver or similar officer is appointed over the whole or any part of its business or assets;
- (e) 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;
- (f) it is or becomes insolvent within the meaning of section 123 of the Insolvency Act 1986;
- (g) any event similar to those listed in clause H1.1 (a)-(f) occurs under the law of any other jurisdiction.

H1.2 The Authority may terminate the Contract with immediate effect by notice and without compensation to the Supplier if the Supplier is an individual and:

- (a) 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 Supplier's creditors;
- (b) a petition is presented and not dismissed within 14 days or order made for the Supplier's bankruptcy;

- (c) a receiver, or similar officer is appointed over the whole or any part of the Supplier's assets or a person becomes entitled to appoint a receiver, or similar officer over the whole or any part of his assets;
- (d) he 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;
- (e) 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 Supplier's assets and such attachment or process is not discharged within 14 days;
- (f) he dies or is adjudged incapable of managing his affairs within the meaning of section 2 of the Mental Capacity Act 2005;
- (g) he suspends or ceases, or threatens to suspend or cease, to carry on all or a substantial part of his business; or
- (h) any event similar to those listed in clause H1.2 (a)-(g) occurs under the law of any other jurisdiction.

H1.3 The Supplier shall notify the Authority immediately following a merger, take-over, change of control, change of name or status including where the Supplier undergoes a change of control within the meaning of section 1124 of the Corporation Tax Act 2010 ("**Change of Control**"). The Authority may terminate the Contract with immediate effect by notice and without compensation to the Supplier within 6 Months of:

- (a) being notified that a Change of Control has occurred; or
- (b) where no notification has been made, the date that the Authority becomes aware of the Change of Control

but is not permitted to terminate where Approval was granted prior to the Change of Control.

H1.4 The Authority may terminate the Contract with immediate effect by notice and without compensation to the Supplier if the Supplier is a partnership and:

- (a) a proposal is made for a voluntary arrangement within Article 4 of the Insolvent Partnerships Order 1994 or a proposal is made for any other composition, scheme or arrangement with, or assignment for the benefit of, its creditors; or
- (b) a petition is presented for its winding up or for the making of any administration order, or an application is made for the appointment of a provisional liquidator; or
- (c) a receiver, or similar officer is appointed over the whole or any part of its assets; or
- (d) the partnership is deemed unable to pay its debts within the meaning of section 222 or 223 of the Insolvency Act 1986 as applied and modified by the Insolvent Partnerships Order 1994; or
- (e) any of the following occurs in relation to any of its partners:
 - (i) 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, his creditors;
 - (ii) a petition is presented for his bankruptcy; or

(iii) a receiver, or similar officer is appointed over the whole or any part of his assets;

(f) any event similar to those listed in clause H1.4 (a)-(e) occurs under the law of any other jurisdiction.

H1.5 The Authority may terminate the Contract with immediate effect by notice and without compensation to the Supplier if the Supplier is a limited liability partnership and:

(a) a proposal is made for a voluntary arrangement within Part I of the Insolvency Act 1986 or a proposal is made for any other composition, scheme or arrangement with, or assignment for the benefit of, its creditors;

(b) an application 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 within Part II of the Insolvency Act 1986;

(c) any step is taken with a view to it being determined that it be wound up (other than as part of, and exclusively for the purpose of, a bona fide reconstruction or amalgamation) within Part IV of the Insolvency Act 1986;

(d) 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 within Part IV of the Insolvency Act 1986;

(e) a receiver, or similar officer is appointed over the whole or any part of its assets; or

(f) it is or becomes unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986;

(g) any event similar to those listed in clause H1.5 (a)-(f) occurs under the law of any other jurisdiction.

H1.6 References to the Insolvency Act 1986 in clause H1.5 (a) are references to that Act as applied under the Limited Liability Partnerships Act 2000 subordinate legislation.

H2 Default

H2.1 The Authority may terminate the Contract with immediate effect by notice if the Supplier commits a Default and:

(a) the Supplier has not remedied the Default to the satisfaction of the Authority within 20 Working Days or such other period as may be specified by the Authority, after issue of a notice specifying the Default and requesting it to be remedied;

(b) the Default is not, in the opinion of the Authority, capable of remedy; or

(c) the Default is a Material Breach.

H2.2 If, through any Default of the Supplier, data transmitted or processed in connection with the Contract is either lost or sufficiently degraded as to be unusable, the Supplier is liable for the cost of reconstitution of that data and shall reimburse the Authority in respect of any charge levied for its transmission and any other costs charged in connection with such Default.

- H2.3 If the Authority fails to pay the Supplier undisputed sums of money when due, the Supplier shall give notice to the Authority of its failure to pay. If the Authority fails to pay such undisputed sums within 90 Working Days of the date of such notice, the Supplier may terminate the Contract with immediate effect, save that such right of termination shall not apply where the failure to pay is due to the Authority exercising its rights under clause C3.1 or to a Force Majeure Event.

H3 Termination on Notice

- H3.1 The Authority may terminate the Contract at any time by giving 90 days' notice to the Supplier.

H4 Other Grounds

- H4.1 The Authority may terminate the Contract if:
- (a) the Contract has been subject to a substantial modification which requires a new procurement procedure pursuant to regulation 72(9) of the Regulations;
 - (b) the Supplier was, at the time the Contract was awarded, in one of the situations specified in regulation 57(1) of the Regulations, including as a result of the application of regulation 57(2), and should therefore have been excluded from the procurement procedure which resulted in its award of the Contract; or
 - (c) the Supplier has not, in supplying the Goods, complied with its legal obligations in respect of environmental, social or labour law.

H5 Consequences of Expiry or Termination

- H5.1 If the Authority terminates the Contract under clause H2 and makes other arrangements for the supply of the Goods the Authority may recover from the Supplier the cost reasonably incurred of making those other arrangements and any additional expenditure incurred by the Authority throughout the remainder of the Term.
- H5.2 If the Contract is terminated under clause H2 the Authority shall make no further payments to the Supplier (for Goods supplied by the Supplier prior to termination and in accordance with the Contract but where the payment has yet to be made by the Authority), until the Authority has established the final cost of making the other arrangements envisaged under this clause H5.
- H5.3 If the Authority terminates the Contract under clauses H3 or H4 the Authority shall make no further payments to the Supplier except for Goods supplied by the Supplier prior to termination and in accordance with the Contract but where the payment has yet to be made by the Authority.
- H5.4 Save as otherwise expressly provided in the Contract:
- (a) 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 prejudices the right of either Party to recover any amount outstanding at such termination or expiry; and
 - (b) termination of the Contract does not affect the continuing rights, remedies or obligations of the Authority or the Supplier under clauses C2 (Payment and VAT), C3 (Recovery of Sums Due), D1 (Prevention of Fraud and Bribery), E2 (Official Secrets Acts and Finance Act), E3 (Confidential Information), D4 (Freedom of Information), E7 (Intellectual Property Rights), E8 (Audit), G1 (Liability, Indemnity and Insurance), H5 (Consequences of Expiry or Termination), H7 (Recovery), H8 (Retendering and

Handover), H9 (Exit Management), H10 (Knowledge Retention), I6 (Remedies Cumulative), and I12 (Governing Law and Jurisdiction).

H6 Disruption

- H6.1 The Supplier shall take reasonable care to ensure that in the performance of its obligations under the Contract it does not disrupt the operations of the Authority, its employees or any other contractor employed by the Authority.
- H6.2 The Supplier shall immediately inform the Authority of any actual or potential industrial action, whether such action be by its own employees or others, which affects or might affect its ability at any time to perform its obligations under the Contract.
- H6.3 If there is industrial action by Staff, the Supplier shall seek Approval for its proposals to continue to perform its obligations under the Contract.
- H6.4 If the Supplier's proposals referred to in clause H6.3 are considered insufficient or unacceptable by the Authority acting reasonably, the Contract may be terminated with immediate effect by the Authority.
- H6.5 If the Supplier is unable to supply the Goods owing to disruption of the Authority's normal business, the Supplier may request a reasonable allowance of time, and, in addition, the Authority will reimburse any additional expense reasonably incurred by the Supplier as a direct result of such disruption.

H7 Recovery

- H7.1 On termination of the Contract for any reason, the Supplier shall at its cost:
- (a) immediately return to the Authority all Confidential Information and IP Materials in its possession or in the possession or under the control of any permitted suppliers or Sub-Contractors, which was obtained or produced in the course of providing the Goods;
 - (b) immediately deliver to the Authority all Property (including materials, documents, information and access keys) provided to the Supplier in good working order;
 - (c) immediately vacate any Authority Premises occupied by the Supplier;
 - (d) assist and co-operate with the Authority to ensure an orderly transition of the provision of the Goods to the Replacement Supplier; and
 - (e) promptly provide all information concerning the supply of the Goods reasonably requested by the Authority for the purposes of adequately understanding the manner in which the Goods have been provided and/or for the purpose of allowing the Authority and/or the Replacement Supplier to conduct due diligence.
- H7.2 If the Supplier does not comply with clause H7.1 (a) and (b), the Authority may recover possession thereof and the Supplier grants a licence to the Authority or its appointed agents to enter (for the purposes of such recovery) any premises of the Supplier or its suppliers or Sub-Contractors where any such items may be held.

H8 Retendering and Handover

- H8.1 Within 21 days of being requested by the Authority, the Supplier shall provide, and thereafter keep updated, in a fully indexed and catalogued format, all the information necessary to enable the Authority to issue tender documents for the future supply of the Goods.

- H8.2 The Authority shall take all necessary precautions to ensure that the information referred to in clause H8.1 is given only to potential providers who have qualified to tender for the future supply of the Goods.
- H8.3 The Authority shall require that all potential providers treat the information in confidence; that they do not communicate it except to such persons within their organisation and to such extent as may be necessary for the purpose of preparing a response to an invitation to tender issued by the Authority; and that they shall not use it for any other purpose.
- H8.4 The Supplier indemnifies the Authority against any claim made against the Authority at any time by any person in respect of any liability incurred by the Authority arising from any deficiency or inaccuracy in information which the Supplier is required to provide under clause H8.1.
- H8.5 The Supplier shall allow access to the Premises in the presence of an authorised representative, to any person representing any potential provider whom the Authority has selected to tender for the future supply of the Goods.
- H8.6 If access is required to the Supplier's Premises for the purposes of clause H8.5, the Authority shall give the Supplier 7 days' notice of a proposed visit and a list of all persons who will be visiting. Their attendance is subject to compliance with the Supplier's security procedures, subject to such compliance not being in conflict with the objectives of the visit.
- H8.7 The Supplier shall co-operate fully with the Authority during any handover at the end of the Contract including allowing full access to, and providing copies of, all documents, reports, summaries and any other information necessary in order to achieve an effective transition without disruption to routine operational requirements.
- H8.8 Within 10 Working Days of being requested by the Authority, the Supplier shall transfer to the Authority, or any person designated by the Authority, free of charge, all computerised filing, recording, documentation, planning and drawing held on software and utilised in the supply of the Goods. The transfer shall be made in a fully indexed and catalogued disk format, to operate on a proprietary software package identical to that used by the Authority.

H9 Exit Management

- H9.1 On termination of the Contract the Supplier shall render reasonable assistance to the Authority to the extent necessary to effect an orderly assumption by a Replacement Supplier in accordance with the procedure set out in clauses H9.2 to H9.5.
- H9.2 If the Authority requires a continuation of supply of the Goods on expiry or termination of the Contract, by engaging a third party to supply them, the Supplier shall co-operate fully with the Authority and any such third party and shall take all reasonable steps to ensure the timely and effective transfer of supply without disruption to routine operational requirements.
- H9.3 The following commercial approach shall apply to the transfer of the supply of Goods if the Supplier:
- (a) does not have to use resources in addition to those normally used to deliver the Goods prior to termination or expiry, there shall be no change to the Price; or
 - (b) reasonably incurs additional costs, the Parties shall agree a Change to the Price based on the Supplier's rates either set out in Schedule 2 or forming the basis for the Price.

- H9.4 When requested to do so by the Authority, the Supplier shall deliver to the Authority details of all licences for software used in supplying the Goods including the software licence agreements.
- H9.5 Within one Month of receiving the software licence information described in clause H9.4, the Authority shall notify the Supplier of the licences it wishes to be transferred and the Supplier shall provide for the approval of the Authority a plan for licence transfer.

H10 Knowledge Retention

The Supplier shall co-operate fully with the Authority in order to enable an efficient and detailed knowledge transfer from the Supplier to the Authority on the completion or earlier termination of the Contract and in addition, to minimise any disruption to routine operational requirements. To facilitate this transfer, the Supplier shall provide the Authority free of charge with full access to its Staff, and in addition, copies of all documents, reports, summaries and any other information requested by the Authority. The Supplier shall comply with the Authority's request for information no later than 15 Working Days from the date that that request was made.

I. GENERAL

I1 Dispute Resolution

- I1.1 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 20 Working Days of either Party notifying the other of the dispute and such efforts shall involve the escalation of the dispute to the finance director of the Supplier and the commercial director of the Authority.
- I1.2 Nothing in this dispute resolution procedure prevents the Parties 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.
- I1.3 If the dispute cannot be resolved by the Parties pursuant to clause I1.1 either Party may refer it to mediation pursuant to the procedure set out in clause I1.5.
- I1.4 The obligations of the Parties under the Contract shall not cease or be suspended or delayed by the reference of a dispute to mediation (or arbitration) and the Supplier and Staff shall comply fully with the requirements of the Contract at all times.
- I1.5 The procedure for mediation and consequential provisions relating to mediation are as follows:
- (a) a neutral adviser or mediator (the “**Mediator**”) shall be chosen by agreement of the Parties or, if they are unable to agree upon a Mediator within 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 10 Working Days from the date of the proposal to appoint a Mediator or within 10 Working Days of notice to either Party that he is unable or unwilling to act, apply to the Centre for Effective Dispute Resolution to appoint a Mediator;
 - (b) the Parties shall within 10 Working Days of the appointment of the Mediator meet him in order to agree a programme for the exchange of all relevant information and the structure to be adopted for negotiations. If appropriate, the Parties may at any stage seek assistance from the Centre for Effective Dispute Resolution to provide guidance on a suitable procedure;

- (c) 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;
- (d) if the Parties reach agreement on the resolution of the dispute, the agreement shall be recorded in writing and shall be binding on the Parties once it is signed by their duly authorised representatives;
- (e) failing agreement, either of the Parties may invite the Mediator to provide a non-binding but informative written opinion. 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
- (f) if the Parties fail to reach agreement within 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 unless the dispute is referred to arbitration pursuant to the procedures set out in clause I1.6.

I1.6 Subject to clause I1.2, the Parties shall not start court proceedings until the procedures set out in clauses I1.1 and I1.3 have been completed save that:

- (a) the Authority may at any time before court proceedings are commenced, serve a notice on the Supplier requiring the dispute to be referred to and resolved by arbitration in accordance with clause I1.7;
- (b) if the Supplier intends to commence court proceedings, it shall serve notice on the Authority of its intentions and the Authority has 21 days following receipt of such notice to serve a reply on the Supplier requiring the dispute to be referred to and resolved by arbitration in accordance with clause I1.7; and
- (c) the Supplier may request by notice to the Authority that any dispute be referred and resolved by arbitration in accordance with clause I1.7, to which the Authority may consent as it sees fit.

I1.7 If any arbitration proceedings are commenced pursuant to clause I1.6:

- (a) the arbitration is governed by the Arbitration Act 1996 and the Authority shall give a notice of arbitration to the Supplier (the “**Arbitration Notice**”) stating:
 - (i) that the dispute is referred to arbitration; and
 - (ii) providing details of the issues to be resolved;
- (b) the London Court of International Arbitration (“**LCIA**”) procedural rules in force at the date that the dispute was referred to arbitration shall be applied and are deemed to be incorporated by reference to the Contract and the decision of the arbitrator is binding on the Parties in the absence of any material failure to comply with such rules;
- (c) the tribunal shall consist of a sole arbitrator to be agreed by the Parties;
- (d) if the Parties fail to agree the appointment of the arbitrator within 10 days of the Arbitration Notice being issued by the Authority under clause I1.7 (a) or if the person appointed is unable or unwilling to act, the arbitrator shall be appointed by the LCIA;
- (e) the arbitration proceedings shall take place in London and in the English language; and

- (f) the arbitration proceedings shall be governed by, and interpreted in accordance with, English Law.

I2 Force Majeure

- 12.1 Subject to this clause I2, a Party may claim relief under this clause I2 from liability for failure to meet its obligations under the Contract for as long as and only to the extent that the performance of those obligations is directly affected by a Force Majeure Event. Any failure or delay by the Supplier in performing its obligations under the Contract which results from a failure or delay by an agent, Sub-Contractor or supplier shall be regarded as due to a Force Majeure Event only if that agent, Sub-Contractor or supplier is itself impeded by a Force Majeure Event from complying with an obligation to the Supplier.
- 12.2 The Affected Party shall as soon as reasonably practicable issue a Force Majeure Notice, which shall include details of the Force Majeure Event, its effect on the obligations of the Affected Party and any action the Affected Party proposes to take to mitigate its effect.
- 12.3 If the Supplier is the Affected Party, it is not entitled to claim relief under this clause I2 to the extent that consequences of the relevant Force Majeure Event:
- (a) are capable of being mitigated but the Supplier has failed to do so; and/or
 - (b) should have been foreseen and prevented or avoided by a prudent provider of goods similar to the Goods, operating to the standards required by the Contract.
- 12.4 Subject to clause I2.5, as soon as practicable after the Affected Party issues the Force Majeure Notice and at regular intervals thereafter, the Parties shall consult in good faith and use reasonable endeavours to agree any steps to be taken and an appropriate timetable in which those steps should be taken, to enable continued supply of the Goods affected by the Force Majeure Event.
- 12.5 The Parties shall at all times following the occurrence of a Force Majeure Event and during its subsistence use their respective reasonable endeavours to prevent and mitigate the effects of the Force Majeure Event. Where the Supplier is the Affected Party, it shall take all steps in accordance with Good Industry Practice to overcome or minimise the consequences of the Force Majeure Event.
- 12.6 If, as a result of a Force Majeure Event:
- (a) an Affected Party fails to perform its obligations in accordance with the Contract, then during the continuance of the Force Majeure Event:
 - i) the other Party is not entitled to exercise its rights to terminate the Contract in whole or in part as a result of such failure pursuant to clause H2.1 or H2.3; and
 - ii) neither Party is liable for any Default arising as a result of such failure;
 - (b) the Supplier fails to perform its obligations in accordance with the Contract it shall be entitled to receive payment of the Price (or a proportional payment of it) only to the extent that the Goods (or some of the Goods) continue to be supplied in accordance with the terms of the Contract during the occurrence of the Force Majeure Event.
- 12.7 The Affected Party shall notify the other Party as soon as practicable after the Force Majeure Event ceases or no longer causes the Affected Party to be unable to comply with its obligations under the Contract.
- 12.8 Relief from liability for the Affected Party under this clause I2 ends as soon as the Force Majeure Event no longer causes the Affected Party to be unable to comply with its

obligations under the Contract and is not dependent on the serving of a notice under clause 12.7.

I3 Notices and Communications

13.1 Subject to clause 13.3, where the Contract states that a notice or communication between the Parties must be “written” or “in writing” it is not valid unless it is made by letter (sent by hand, first class post, recorded delivery or special delivery) or by email or by communication via Bravo.

13.2 If it is not returned as undelivered a notice served in:

- (a) a letter is deemed to have been received 2 Working Days after the day it was sent; and
- (b) an email is deemed to have been received 4 hours after the time it was sent provided it was sent on a Working Day

or when the other Party acknowledges receipt, whichever is the earlier.

13.3 Notices pursuant to clauses 12 (Force Majeure), 11 (Dispute Resolution) or 17 (Waiver) or to terminate the Contract or any part of the supply of Goods are valid only if served in a letter by hand, recorded delivery or special delivery.

13.4 Notices shall be sent to the addresses set out below or at such other address as the relevant Party may give notice to the other Party for the purpose of service of notices under the Contract:

(a) For the Authority:

Contact Name: [REDACTED]

Address: 5 Wellington Place, Leeds, LS1 4AP

Email: [REDACTED]

(b) For the Supplier:

Contact Name: [REDACTED]

Address: Newhouse Farm Industrial Estate, Chepstow, NP16 6UD

Email: [REDACTED]

I4 Conflicts of Interest

14.1 The Supplier shall take appropriate steps to ensure that neither the Supplier nor any Staff is placed in a position where, in the reasonable opinion of the Authority, there is or may be an actual conflict, or a potential conflict, between the pecuniary or personal interests of the Supplier and the duties owed to the Authority under the Contract. The Supplier will notify the Authority immediately giving full particulars of any such conflict of interest which may arise.

14.2 The Authority may terminate the Contract immediately by notice and/or take or require the Supplier to take such other steps it deems necessary if, in the Authority’s reasonable opinion, there is or may be an actual conflict, or a potential conflict, between the pecuniary or personal interests of the Supplier and the duties owed to the Authority under the Contract.

The actions of the Authority pursuant to this clause I4 shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to the Authority.

I5 Rights of Third Parties

- I5.1 Clause E7.3 confers benefits on persons named in it ("**Third Party Provisions**" and each person a "**Third Party Beneficiary**") other than the Parties which are intended to be enforceable by Third Party Beneficiaries by virtue of the Contracts (Rights of Third Parties) Act 1999 ("**CRTPA**").
- I5.2 Subject to clause I5.1, a person who is not a Party has no right under the CRTPA to enforce the Contract but this does not affect any right or remedy of any person which exists or is available otherwise than pursuant to the CRTPA and does not apply to the Crown.
- I5.3 No Third-Party Beneficiary may enforce or take steps to enforce any Third Party Provision without Approval.
- I5.4 Any amendments to the Contract may be made by the Parties without the consent of any Third-Party Beneficiary.

I6 Remedies Cumulative

Except as expressly provided in 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 are not an election of such remedy to the exclusion of other remedies.

I7 Waiver

- I7.1 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 do not constitute a waiver of that right or remedy and do not cause a diminution of the obligations established by the Contract.
- I7.2 No waiver is effective unless it is expressly stated to be a waiver and communicated to the other Party in writing in accordance with clause I3 (Notices and Communications).
- I7.3 A waiver of any right or remedy arising from a breach of the Contract does not constitute a waiver of any right or remedy arising from any other or subsequent breach of the Contract.

I8 Severability

If any part of the Contract which is not of a fundamental nature is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such part shall be severed and the remainder of the Contract shall continue in full effect as if the Contract had been executed with the invalid, illegal or unenforceable part eliminated.

I9 Entire Agreement

The Contract constitutes the entire agreement between the Parties in respect of the matters dealt with therein and supersedes all prior negotiations between the Parties and all representations and undertakings made by one Party to the other, whether written or oral, except that this clause shall not exclude liability in respect of any fraudulent misrepresentation.

I10 Change in Law

- I10.1 The Supplier is neither relieved of its obligations to supply the Goods in accordance with the terms and conditions of the Contract nor entitled to an increase in the Price as the result of:
- (a) a General Change in Law; or
 - (b) a Specific Change in Law where the effect of that Specific Change in Law on the Goods is reasonably foreseeable at the Commencement Date.
- I10.2 If a Specific Change in Law occurs or will occur during the Term (other than as referred to in clause I10.1(b)), the Supplier shall:
- (a) notify the Authority as soon as reasonably practicable of the likely effects of that change, including whether any:
 - (i) change is required to the Goods, the Price or the Contract; and
 - (ii) relief from compliance with the Supplier's obligations is required; and
 - (b) provide the Authority with evidence:
 - (i) that the Supplier has minimised any increase in costs or maximised any reduction in costs, including in respect of the costs of its Sub-Contractors; and
 - (ii) as to how the Specific Change in Law has affected the cost of providing the Goods.
- I10.3 Any variation in the Price or relief from the Supplier's obligations resulting from a Specific Change in Law (other than as referred to in clause I10.1(b)) shall be implemented in accordance with clause F4.

I11 Counterparts

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

I12 Governing Law and Jurisdiction

Subject to clause I1 (Dispute Resolution) the Contract, including any matters arising out of or in connection with it, are governed by and interpreted in accordance with English Law and are subject to the jurisdiction of the Courts of England and Wales. The submission to such jurisdiction does not limit the right of the Authority to take proceedings against the Supplier in any other court of competent jurisdiction, and the taking of proceedings in any other court of competent jurisdiction does not preclude the taking of proceedings in any other jurisdiction whether concurrently or not.

SCHEDULE 1 – SPECIFICATION



Ministry of
JUSTICE

MINISTRY OF JUSTICE SPECIFICATION DOCUMENT - ITT_7519

The Supply of Aluminium Profiles, Double Glazed Units and Infill Panels to Prison Industries

SUMMARY

This document describes the requirement for the Supply of Aluminium Window, Door and Roof Profiles, Double Glazed Units and Infill Panels, for use by the Ministry of Justice Public Sector Prison Industries covering all requirements of Prison Workshops in England and Wales.

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V1.3	Updated after AH review	HR	26/06/2023
V1.4	Updates to window drawings	HR	03/07/2023

DEFINITIONS

Branston NDC	Branston National Distribution Centre
CCD	Custodial Contracts Directorate
CCMD	Commercial and Contract Management Directorate
HMPPS	Her Majesty's Prison and Probation Service
MOJ	The Ministry of Justice
NPS	The National Probation Service
PI	Prison Industries
The Authority	MoJ and its Executive Agencies

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SECTION 1 INTRODUCTION

1.1 Introduction

- 1.1.1 The Ministry of Justice (MoJ) and our Executive Agencies, which includes Her Majesty's Prison and Probation Service (HMPPS) organisation and Prison Industries (PI), referred to as The Authority, have the responsibility to provide essential employment places for prisoners and opportunities for them to gain skills, qualifications and work experience to improve their employment prospects upon release with the overall aim of reducing re-offending.
- 1.1.2 PI manage industries in 95 public sector prisons in England and Wales, and in some of the private sector prisons, and currently operate 465 workshops employing around 1060 staff and 15,000 prisoners and detainees. Our main industries include:
- **76 Textile workshops**, employing approximately 2275 prisoners on a daily basis, producing clothing and textile products for the prison population
 - **Land Based Activities**. We currently have 118 establishments where some form of **Horticultural Activity** takes place. 44 establishments have a commercial Horticultural unit, employing over 1050 offenders growing produce for use within prison kitchens
 - **25 Engineering and Windows** workshops employing over 850 prisoners, manufacturing products for the internal market, MOD and commercial companies. Disciplines include welding and fabrication, sheet metal works, CNC machining and powder coating
 - **5 plastics** workshops employing a total of 78 prisoners in 5 workshops. Each of these establishments has injection moulding facilities, operating a total of 27 machines across the workshops ranging from 40 tonnes to 850 tonnes producing a range of CES products for internal use and work for commercial customers
 - **20 print production workshops** employing approximately 362 prisoners, producing printed documents for HMPPS, MOJ, HMCTS and other Government departments
 - **24 woodwork** workshops employing approximately 500 prisoners. We produce goods including cell furniture, packaging crates and numerous bespoke items for the internal market, other government departments and commercial customers
 - **13 Food Packing Services** workshops producing daily breakfast and beverage packs for 55,000 prisoners
 - **33 Industrial laundries** employing approximately 800 prisoners. A number of the larger sites also undertake work for the commercial sector
 - Prison Industries continue to support **other Government Departments** by using offender labour to manufacture over £3million pounds worth of goods annually.
- 1.1.3 PI continue to develop their commercial offering to the market and have seen a continuing upward growth in work carried out for the Ministry of Defence and future opportunities for PI to provide additional work as part of the new build prisons. The success of these raw material contracts is therefore business critical.

1.2 Background and Overview of Requirements

- 1.2.1 The industrial workshops provide products for the internal market and contribute to the prison estate, quality of care to the prison population and to their families. Prison Service workshops in total supply around £32m of products per annum. PI Engineering Sector currently has a turnover of around £6m per annum.

- 1.2.2 This Specification relates to the Supply and Delivery of Aluminium Window, Door and Roof Profiles, Double Glazed Units and Infill Panels being provided via a contract between the Supplier(s) and the Ministry of Justice for a period of 5 years with an optional extension of 1 year. The information contained within this document forms the basis of the criteria against which Supplier performance will be measured.
- 1.2.3 The requirement will be divided into 4 Lots, as detailed below. The Authority intends to award contracts to up to 4 Suppliers (one Supplier per Lot, with the possibility of the same Supplier being awarded a contract for more than one Lot).

Lot 1	Aluminium Window and Door Profiles
Lot 2	Aluminium Roof Profiles and Greenhouses
Lot 3	Double Glazed units
Lot 4	Infill Panels

- 1.2.4 The Authority requires the goods specified in this document to be supplied direct to Engineering workshops at HMP Hewell, HMP Rochester, HMP The Mount and HMP Wymott (see Appendix A for address details). These workshops manufacture aluminium windows, doors and roof systems and lightweight single glazed aluminium framed greenhouses for the prison estate. They also use manufacture other specialist items such as cell windows, observation boxes, telephone boxes, bike shelters, shower screens, internal office partitioning, closed visit rooms and bottom-hung opening-in windows.
- 1.2.5 The Supplier(s) will be required to stock and deliver, as requested across the prison estate, as a minimum the range of products outlined in this document (refer to Section 2 for details). The Authority provides no guarantee of volumes, monetary commitment or future requirements whatsoever. All quantities provided in this document are historical usage figures and are provided for illustration purposes only.
- 1.2.6 To ensure the Authority can meet its obligations, Suppliers will be required to provide a flexible approach to the addition/removal of products stated within this document and any items added shall be priced in accordance with those in the original range. The Authority will where possible use reasonable endeavours to provide sufficient notice to advise supplier(s) of any product changes.
- 1.2.7 The Supplier(s) shall be required at all times to fulfil orders placed by the Authority within the agreed lead times contained within this document and/or quotation request forms. These lead times will lead into the Supplier's KPIs. Orders placed near the end of the contract term should still be delivered in full, even if this exceeds the contract duration.
- 1.2.8 The Supplier(s) shall provide a minimum of 3 months' notice when a product or colour is to be discontinued and any substitute products shall not be provided without prior agreement with the Authority. If approved, they shall be provided at the contract price, or lower if the product is of a lower standard. Upon agreement of replacement of discontinued products, a contract variation would be issued to reflect the amendment.
- 1.2.9 The Supplier(s) are obligated to ensure that contingency arrangements are in place for alternative supply should the Supplier(s) find they are unable to meet the requirements of the Contract within the relevant lead times. Where a sub-contractor is used, the Supplier(s) are obliged to ensure the products meet the Authority's requirements as detailed in this document.
- 1.2.10 The Authority will provide prior notice when a product is required that isn't one of the standard products described within this document, with lead times and pricing being agreed between both parties. In the event that the Supplier is unable to supply, the Authority reserves the right to purchase goods from an alternative Supplier.

- 1.2.11 The Supplier(s) shall utilise their specialist knowledge of developments and innovation in the market to help the Authority to identify areas for cashable cost savings and offer improvements or alternative products, which may enhance performance, improve delivery or offer financial savings.
- 1.2.12 The Supplier(s) shall provide a telephone and email customer contact point during office hours (between 8.30am and 5.00pm, Monday to Friday excluding bank holidays) to allow the Authority to access general enquiries and product information, expedite orders, report discrepancies, arrange collections and raise complaints. This service will form part of the contract and will be provided at no extra cost to the Authority.
- 1.2.13 The MOJ and PI workshops operate in an environment of continuous improvement. To this end, the Supplier(s) should also:
- Work strategically and collaboratively with all stakeholders and their supply chain to assist in achieving an ongoing increase in performance and targets; and
 - Work innovatively in collaboration with all stakeholders and their supply chain in order to identify areas for improvement in the ordering and supply of the goods outlined in this specification.
- 1.2.14 Historical spend on like for like materials is provided below. This is an indication of the potential spend; however, the Authority provides no guarantees of volumes, monetary commitment or future requirements whatsoever and these figures are provided for illustration purposes only. Volume and therefore spend are affected by demand for the goods that Prison Industries manufacture. The Authority will work with the winning Supplier to try to produce forecasts of workshops and estimate future material requirements as and when this information is available.

	2018/19	2019/20	2020/21	2021/22	2022/23	Total
Lot 1: Aluminium Window & Door Profiles	£285,967	£377,615	£40,446	£84,409	£99,670	£888,107
Lot 2: Aluminium Roof & Greenhouse Profiles	£50,766	£152,728	£80,965	£64,410	£74,606	£423,475
Lot 3: Double Glazed Units	£115,600	£166,068	£19,305	£68,051	£102,810	£471,834
Lot 4: Infill Panels	£20,019	£37,962	£10,984	£15,165	£19,415	£103,545
Total Spend	£472,352	£734,372	£151,699	£232,035	£296,501	£1,886,961

- 1.2.15 For each of the Lots detailed in the above table, Prison Industries expect to place on average 1 to 2 orders per workshop per month. The quantities per order and order frequency will vary depending on what the workshops are manufacturing.

SECTION 2A Lot 1 DETAILED PRODUCT REQUIREMENTS

Window and Door Profile Systems

2A.1 General

2A.1.1 Prison Industries provide replacement windows and doors internally throughout the entire prison estate. They require a thermally broken direct fix, externally glazed aluminium window and door system that can be manufactured within their workshops using existing Prison Industries designs.

2A.1.2 Window and door systems must comply with and be tested and certified to the following standards, including all amendments and revisions:

- BS 4873:2016 Aluminium alloy windows and doorsets. This specifies requirements for the design, construction and performance of aluminium alloy windows and external pedestrian doorsets.
- PAS 24:2016 Enhanced security performance requirements for doorsets and windows in the UK. This specifies test methods and acceptance criteria relevant to the enhanced security performance of doorsets and windows intended to resist attacks normally associated with the casual or opportunistic burglar.
- Approved Document L: Conservation of Fuel and Power. U-values must be compliant with Section 4: Limiting heat gains and losses:

ADL 2021 Limiting U-values W/m ² K	ADL1 Dwellings	ADL2 Buildings other than dwellings
New Buildings	1.6*	1.6
Existing Buildings	1.4	1.6

*Area-weighted average value

2A.1.3 All Aluminium alloy extruded sections shall be aluminium alloy grade EN AW 6063 T6 or equivalent, meet the current standard BS EN 12020 and comply with all parts of BS EN755:2016.

2A.1.4 All windows must have a minimum glazing capacity of 24mm for double glazed units with laminated glass.

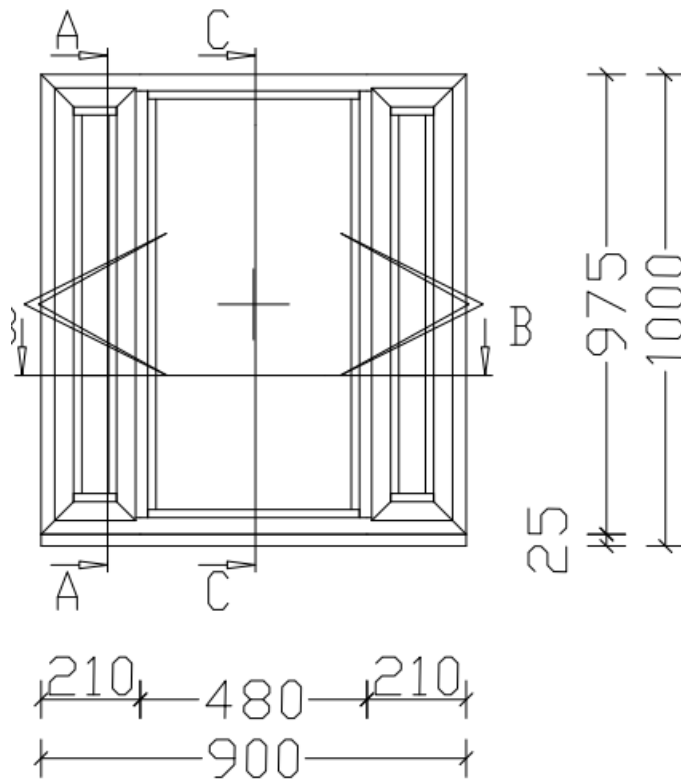
2A.1.5 All Aluminium sections to be polyester powder coated to BS EN 12206-1:2021 to a minimum thickness of 60 microns. The standard colours required are Hipca White (RAL 9910) and Anthracite Grey (RAL 7016), although other colours may be required from time to time.

2A.2 Design

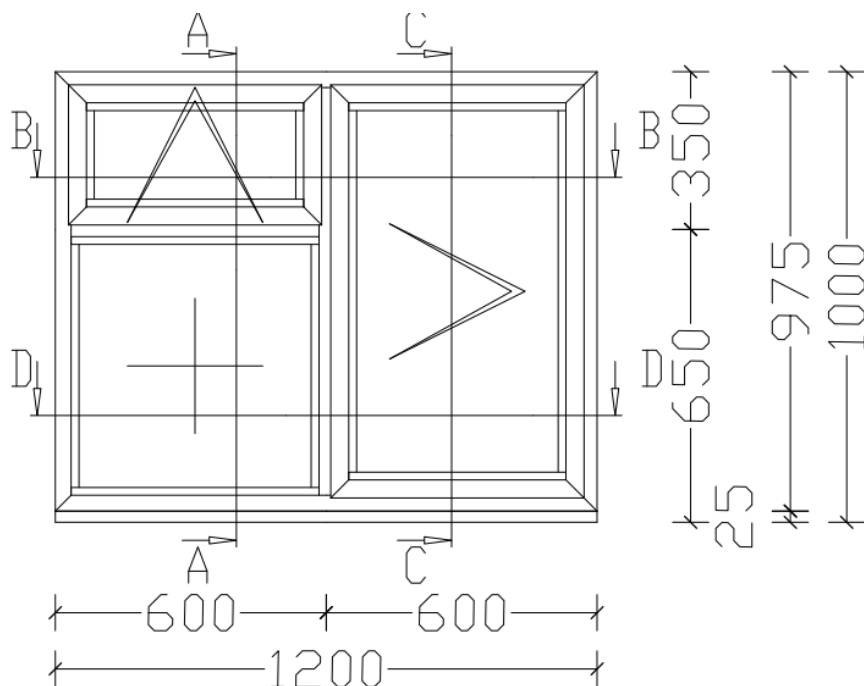
2A.2.1 The window and door system should be compatible with a standard 70 mm roof system.

2A.2.2 Technical drawings for our windows are shown below. Suppliers will be required to provide their own technical drawing using their own extrusions, to the measurements provided. **Please note that the Cell Window (drawing 1) must have butt hinges and NO locking mechanism.**

Drawing 1 – Cell Window (this must have butt hinges and NO locking mechanism)



Drawing 2 – Casement Window (fitted with friction stay hinges and locking mechanism)



2A.2.3 You must ensure that your profile system can be used to manufacture both designs.

2A.2.4 The majority of windows manufactured by PI are cell windows. The Supplier will be required to specify the recommended glazing requirements to ensure that the windows specified in 2A.2.2 are compliant with ADL 1 existing dwellings.

2A.3 Performance

2A.3.1 Aluminium Windows and Doors must be tested to meet Class 4 for air permeability in accordance with BS EN 12207:2016.

2A.3.2 Aluminium Windows and Doors must be tested to meet Class 7a for watertightness in accordance with current versions of BS 6375 series.

2A.3.3 Aluminium Windows and Doors must be tested to meet Class AE 2400 for wind load in accordance with current versions of BS 6375 series.

2A.3.3 Glazing - All aluminium windows and doors will be required to be externally glazed using a secure glazing bead construction, incorporating 'E' gasket to bead and an internal wedge incorporating a secure glazing bead.

2A.4 Warranty

2A.4.1 A minimum 10-year guarantee on all products should be provided. This should include profiles, hardware and accessories.

2A.4.2 The powder-coated profile finish shall have a minimum 15-year warranty.

2A.5 Technical Support

2A.5.1 The Supplier will be required to support the Authority with creating technical drawings from survey notes, creating a bill of materials, cutting list, cutting stickers and price quotation. The Supplier can choose to undertake this work themselves or provide a software package to enable the Authority to do this.

2A.5.2 Where the Supplier opts to do this on behalf of the Authority, the required lead time is 2 working days from the date that survey notes are sent to the Supplier's dedicated point of contact.

2A.5.3 Where the Supplier opts to provide a computer software package to the Authority to enable them to create their own technical drawings, bill of materials, cutting list, cutting stickers and price quotation, this will be provided at no additional cost to the Authority and subject to the following conditions:

- A minimum of 6 licences are required (1 at each workshop and 2 on laptops for HQ staff)
- Be capable of being updated on a regular basis with compliance to our establishment security procedures (currently software cannot be updated remotely)
- Formal training will be required for relevant PI personnel at the beginning of the contract and as reasonably required throughout the contract term
- Software shall be supported throughout the life of the contract, with any upgrades at no additional cost.

2A.6 Tooling

2A.6.1 Any specific tooling required to manufacture your system shall be provided at no charge. 4 sets of tooling will be required, 1 set located at each workshop.

2A.6.3 Tooling that may be required are as follows, but not be limited to:

- Jigs.
- Crimpers.
- Press Tools.
- Pneumatic Press.

2A.6.2 Tooling that has, through normal wear and tear, come to the end of its life will be replaced throughout the term of the contract at no additional charge.

2A.6.3 Any tooling that has been damaged by the Authority and requires repair or replacement will be charged at cost to the Authority.

2A.6.4 Where the Supplier and Authority are in dispute, this shall be escalated to the Authority category manager for discussion with the Supplier contract manager.

2A.6.2 All tooling will remain the property of the supplier and returned to the supplier on termination of the contract.

2A.7 Training and support

2A.7.1 The Supplier will provide initial training after contract award to PI personnel on their recommended manufacture, installation and maintenance procedures for compliance with any warranties.

2A.7.2 The Supplier will provide training to relevant PI personnel on the safe use of all tooling and equipment supplied under the contract in the manufacture of your system at no additional cost.

2A.7.3 Any developments in your system will require additional training throughout the life of the contract at no additional cost.

2A.8 Marking and Packaging

2A.8.1 All outer packaging must include:

- a description of goods
- consignee's name, address and contact reference
- month and year of manufacture with batch and/or heat numbers
- our purchase order number
- full certification and traceability

2A.8.2 The supplier will be responsible for ensuring that the delivered items are securely packaged, covered and suitably protected to prevent damage during loading, transportation and off-loading.

2A.9 Sample Testing

2A.9.1 All bidders must provide a sample cell window (unglazed) made using their own profile system for testing and inspection by the Authority as part of the tender evaluation. The window must be manufactured to the design provided in 2A2.2 Drawing 1.

2A.9.2 The Authority will make arrangements to visit each bidder's site during the evaluation period to assess the sample cell window against pre-defined criteria. The test results will be recorded as pass/fail, along with observation comments from the testing panel. The process will be observed independently by a CCMD representative to ensure all tests are carried out in accordance with the test criteria and the results are recorded appropriately.

2A.9.3 This will form part of the technical evaluation process and should the sample cell window fail any of the tests, this will result in a disqualification and the bidder will not progress further in the competition for this Lot.

2A.9.4 Details of the tests and pass criteria are listed below:

	Test	Test Method	Pass Criteria
1	Compliance with technical drawing	Visual inspection	The butt hinges must fit flush to the outer frame and vent with no additional machining to the vent or outer frame
2	Hinge operation	Visual inspection	The hinges must be unrestricted, allowing the window to open freely
3	Window vent assembly	Visual inspection	The window vent needs to be crimped/joined using the Supplier's standard method of production
4	Window vent attack	Physical attack by the person for a period of 2 minutes	The window vent should not be able to be loosened or removed from the window

SECTION 3 Contract Specific Requirements

3.1 Conformance with Specification

- 3.1.1 All material will be delivered with a guarantee of grade, specification and quality. Material provided that does not meet the required quality will need to be replaced with no additional costs incurred by the Authority. This also includes items that have sustained damage in transit.
- 3.1.2 For any material identified as sub-standard, any value-added process that has been carried out may be included in the warranty claim to cover all additional costs incurred.

3.2 Ordering and Delivery

- 3.2.1 Purchase Orders will be raised by Prison Industries and sent to the Supplier electronically to the email address specified by the Supplier. Suppliers are requested to confirm receipt of the order to the named contact on the PO within 48hrs. Should any changes to the delivery be required, these should be agreed in advance between the Supplier and the Authority within 4 working days of receipt of the Purchase Order.
- 3.2.2 The Authority shall state on any Purchase order when the delivery is required; however, the Supplier guarantees that goods can be delivered within a 10-working day lead-time.
- 3.2.3 All delivery costs are to be met by the Supplier(s) and should be reflected in their pricing proposal. No separate delivery charges will be paid by the Authority.
- 3.2.4 The Authority shall not accept over-deliveries of goods unless the Supplier(s) have obtained the prior approval of the Authority.
- 3.2.5 There shall be no requirement for the Authority to order 'full load' deliveries; however, the Authority shall, wherever possible, consolidate orders.
- 3.2.6 The Supplier(s) shall ensure that goods are securely packaged to prevent damage during transit/delivery.
- 3.2.7 Each delivery consignment shall contain a delivery note and shall be attached to the order. This shall contain relevant information to identify and audit the relevant delivery. As a minimum, the delivery note shall include:
- The purchasing organisation's official purchase order number.
 - Delivery address.
 - Account number.
 - Line product detail including pack size and quantity.
 - The manufacturing unique batch / melt number.
 - Number of cartons in consignment.
- 3.2.8 Due to the nature of the environment in which the Authority operates the Supplier(s) will need to be prepared to arrange delivery around operational constraints. These include but are not limited to:
- Security checks on vehicles and personnel coming in and out of all sites
 - Physical size of gates (Appendix C provides indicative information although this should not be relied upon. Please see paragraph 12.3.)
 - Staff constraints on time slots for delivery and limited access to all sites

- 3.2.9 Delivery arrangements should be agreed with individual establishments prior to delivery of an order. For workshop contact details please see Appendix A.
- 3.2.10 Suppliers should be aware that due to the strict operational restrictions involved in the prison environment, it is imperative that all deliveries are made within the timeslots that have been agreed. Deliveries shall not, except by prior arrangement, be accepted by the Authority outside of these timeslots. If the Authority rejects any deliveries, or where urgent operational circumstances require non-acceptance of deliveries, the Supplier(s) shall be informed by the Authority of a suitable time for the goods to be re-delivered.
- 3.2.11 The Supplier(s) shall contact the delivery site at least 24 hours prior to the day of delivery to confirm the estimated time of arrival of the delivery vehicle within the already agreed timeslot. No additional charges shall be applied for re-delivery where delivery was rejected, except where urgent operational circumstances require non-acceptance of deliveries. Under these circumstances, the cost of re-delivery will be as specified within the contract pricing schedule.
- 3.2.12 The Authority expects the Supplier(s) and any sub-contractors to be aware of and to comply with any reasonable requests made by the Authority and to comply with any aspects of the conditions of Contract that mention security procedures – for further details please refer to the Driver's Handbook in Appendix E.
- 3.2.13 The Supplier(s) will ensure that all personnel entering any of the Authority's sites will carry official photographic forms of identification, as detailed in Appendix E.
- 3.2.14 The Supplier(s) shall comply with the requirements relating to the restriction of items allowed to be brought into a site. Appendix D provides details of the full list of restricted items.
- 3.2.15 The Authority may add delivery locations as required throughout the life of this Contract e.g. other establishments in England and Wales. There may be a requirement to provide goods to such locations and where this is a requirement, these shall be delivered within the terms of this Contract. Notification of any such sites shall be communicated to the Supplier(s) at the earliest convenience of the Authority. There will be no additional delivery costs to these establishments. All agreed extra delivery locations would be added to the contract via a contract variation.

3.3 Sub-contracting

- 3.3.1 The use of any sub-contractor for the provision of materials and services (including transport) must be approved in writing by the Authority before the Supplier(s) make any formal agreement or arrangement to use that sub-contractor or invite any sub-contractor's personnel to the site.
- 3.3.2 The Authority must not be disadvantaged by any changes; however, approval shall not be unreasonably withheld by the Authority. The Supplier should have a clear process for the changes in their supply chain or sub-contractors
- 3.3.3 Where the use of a sub-contractor has been approved by the Authority, the Supplier(s) shall remain wholly responsible for the conduct and performance of that sub-contractor whilst he is involved in the provision of services on the Supplier's behalf. This includes ensuring the sub-contractor complies with the specification and has all appropriate certificates, qualifications, accreditations and expertise to fulfil orders to the Authority.
- 3.3.4 The Supplier(s) shall remain responsible for ensuring that any sub-contractor is aware of, and understands, the security restrictions as detailed in this document.

3.4 Delivery Discrepancies

- 3.4.1 In the event of the Authority experiencing a delivery discrepancy (i.e. full order not fulfilled), this shall be communicated to the Supplier by telephone or email within 2 working days of the date of the delivery, identifying the original purchase order number and business location as a reference. The Supplier shall investigate the matter and re-supply the goods within 5 working days of notification of the delivery discrepancy. The Supplier shall be liable for the cost of collection and re-delivery for discrepancies.
- 3.4.2 Where the Supplier claims that delivery has taken place, the Authority shall require a legible proof of delivery to ascertain a delivery has been made in the event of a dispute.
- 3.4.3 Where the Supplier and Authority are in dispute, this shall be escalated to the CCD contract manager for discussion with the Supplier's contract manager. In the event that a resolution cannot be agreed then the dispute resolution process, Clause 33 in the contract terms and conditions will be invoked.

3.5 Delivery Backorder and Substitute Items

- 3.5.1 When an order is placed and a product is unavailable, the Supplier will inform the Authority within 48 hours of receipt of the order. Any product placed on backorder shall be recorded on the delivery note when the other items are delivered. If the backorder item is then delivered under a new delivery note or new invoice, this order must still refer to the original purchase order number to avoid delays in payment.
- 3.5.2 Substitute items shall not be despatched without the expressed permission of the Authority's technical leads (details given in Appendix A). No agreements shall be made locally to accept substitute items and the Authority must be notified of any stock-outs during the life of the contract.
- 3.5.3 In the event of a concession being authorised and the product code, line description or price is different, the Supplier shall advise the local business unit to cancel the order and re-submit the purchase order under the correct description, code and price to facilitate electronic invoice matching.
- 3.5.4 Any concessional items must without exception comply with the minimum item specification or standards set out in the contract.

3.6 Returns

- 3.6.1 In the event that goods are to be returned to the Supplier, where the goods do not meet the required quality or where the goods do not meet the requirements stated within the Purchase Order, said goods shall be collected by the Supplier and re-delivered at their own expense.
- 3.6.2 The Supplier must accept returns within 28 days of the delivery date where items are returned by the Authority unused, in a saleable condition and with their original packaging.
- 3.6.3 Where the Authority has receipted goods which are no longer required outside of 28 days, the Authority shall contact the Supplier to discuss the return, refund or buy back of such goods. The Authority and Supplier shall agree the appropriate refund that will apply.

3.7 Material Traceability

- 3.7.1 All goods supplied must have full traceability back to the manufacturer and be supplied with batch number identification.

3.8 Quality

- 3.8.1 Where the goods supplied do not meet the quality requirements referred to in this document, the Authority shall notify the Supplier(s) in writing, detailing the Quality concerns (i.e. damaged goods, goods do not meet the quality requirements).
- 3.8.2 Within 48 hours of receipt of the quality discrepancy, the Supplier shall contact the Authority to discuss, and will be expected to resolve the issue within 5 working days of this discussion taking place. Where the Supplier agrees the goods do not meet the required standard of quality, the Supplier shall replace such items and collect the disputed goods at their own expense.
- 3.8.3 Where the Supplier and Authority cannot agree an appropriate solution, the issue shall be escalated to the CCD contract manager and Supplier contract manager for resolution.
- 3.8.4 Where there is a problem with a product identified by the Supplier that necessitates product recall this should be reported to the Authority immediately, together with the details of the products affected and which establishments they have been supplied to. The Supplier shall replace and collect the affected goods at their own expense within 5 working days of initial notification to the Authority.

3.9 Quality Management

- 3.9.1 The Supplier shall maintain a full quality management system which shall conform to BS EN ISO 9000 and its families or equivalent. As and when reasonably required, the Authority shall be entitled to request batch samples for independent testing, and to conduct independent audits of the management system.
- 3.9.2 Quality systems shall be managed by a suitably qualified person who shall ensure the execution of approved procedures including full compliance with relevant industry standards. The Supplier shall exercise due diligence in the appointment, and subsequent management of their Suppliers, ensuring at all times that the quality and integrity of products are consistent with the Authority's requirements and performance standards, as set out in the Contract.
- 3.9.3 As part of the quality control systems, the Supplier shall ensure comprehensive product quality inspection regimes are in place throughout the product supply chain, in line with industry best practice. This includes final inspection within its premises prior to delivery to the Authority.
- 3.9.4 The Supplier shall establish and maintain systems, procedures, and processes within its supply chain to provide full product traceability, and in the event of product failure or defect, the Supplier shall ensure there is a comprehensive product recall procedure. Details of these shall be submitted to the Authority.
- 3.9.5 The Supplier shall continually validate and improve the effectiveness of its quality assurance and management systems in line with the best industry practice and appropriate standards. At its discretion, the Authority can undertake or commission quality assurance of the Supplier and/or products listed in the specification throughout the Term.

3.10 Complaints Procedure

- 3.10.1 Suppliers are required to have a documented complaints procedure in place for the duration of the Contract. This must include escalation points where it is not possible to resolve complaints within an initial period. As a minimum, all complaints should be acknowledged within 24hrs of receipt (excluding bank holidays and weekends).

3.11 Compliant Invoice Submission

- 3.11.1 Suppliers shall submit all invoices to the address stated on the Purchase Order.
- 3.11.2 All invoices are subject to a three-way matching process (Purchase Order, Receipt and Invoice) prior to payment being made to the Supplier. The MoJ operates a 'no PO no pay' policy. The Supplier shall not accept telephone orders from the Authority without a valid PO number. The Supplier shall ensure that there is no discrepancy between the invoice lines, quantity and price from the original purchase order. Failure to submit a compliant invoice will result in the payment going on hold and payment may be delayed.
- 3.11.3 Invoices must be compliant with the following:
- Must be received at the correct billing address
 - Must quote a valid Purchase Order Number (clearly printed on the PO)
 - Must be to a total agreed sum
 - Shall not be sent to the delivery address or with delivery note
 - Must list product lines broken down by product code
 - Must give quantity purchased, and individual prices in addition to a line total
 - Must give backorder notification.

SECTION 4 Key Performance Indicators

- 4.1 The Supplier shall provide guaranteed cover to ensure continuity of the provision of Goods and shall seek to achieve 100% compliance with the Authority's required KPIs.
- 4.2 Performance against the KPI's shall be monitored on a quarterly basis following full implementation of the Contract. This shall form part of the overall monitoring and management of the Contract.
- 4.3 The Supplier shall submit a quarterly report to the Authority. The report shall detail performance against each of the KPIs and include for other management information as identified in paragraph 4.6.
- 4.4 Where a Supplier fails to meet the KPI targets for two consecutive reporting periods, the Authority shall have the right to implement a Performance Improvement Plan. Where the Supplier performance fails to improve, the Authority shall have the right to seek termination of the contract as described in the Termination Clauses in the Terms of Conditions of the Contract.
- 4.5 KPIs – each Lot is measured independently against the following KPIs

	Indicator	Measurement	Reporting Frequency	Target
1	Product Quality	Number of items delivered free of damage/quality issues divided by total number of items delivered	Quarterly	≥98%
2	Product Recalls	Number of items recalled divided by total number of items delivered	Quarterly	≤2%
3	Order Fill Rate	Number of orders delivered in full divided by total number of orders	Quarterly	≥90%
4	On Time Delivery	Number of orders delivered within agreed lead times and/or acknowledged delivery date divided by total number of orders	Quarterly	100%
5	Management of Complaints	Number of complaints acknowledged within 24 hours divided by total number of complaints	Quarterly	100%
6	Invoice Accuracy	Number of invoices submitted correctly divided by total number of invoices submitted	Quarterly	≥90%
7	Social Value – Fighting Climate Change	Change in emissions of greenhouse gases arising from the performance of this contract, measured in metric tonnes carbon dioxide equivalent (MTCDE)	Annually	<0 MTCDE

Management Information

- 4.6 Suppliers are required to provide management information on a quarterly basis to support the reporting of KPIs. Suppliers must be capable of providing a breakdown of all orders including but not limited to:
- cost centre
 - contact name
 - delivery location
 - item description
 - cost
 - order date

- delivery date
- purchase order number
- invoice number
- payment date

The report should also include as a minimum, but not be limited to:

- spend to date together with volume per product line
- details of any returns or product recalls
- details of complaints
- product non-availability and any substitute items
- any outstanding invoices

The Supplier shall on a quarterly basis submit details of the relevant trade index, tracking prices for the preceding quarter along with a tracker for the whole contract period

The format, method of supply and submission deadlines will be agreed between the Authority and Supplier during the mobilisation period.

SECTION 5 Contract Management

- 5.1 The Authority will appoint a CCD contract manager and deputy to be the main contact for the Supplier and responsible for managing the overall contract performance.
- 5.2 The Supplier shall nominate a contract manager and deputy who shall be a single point of contact and take overall responsibility for the contract. Suppliers shall provide a telephone and e-mail address for both contract manager and their deputy as contact point during office hours (8.30am-5.00pm, Monday – Friday excluding bank holidays).
- 5.3 In the event the Supplier's contract manager or deputy needs to be changed, a written explanation providing reasons and the replacement's contact details shall be submitted to the Authority.
- 5.4 The Supplier's contract manager, and, or deputy shall meet with the Authority contract manager over the term of the Contract. Meeting Schedules and locations will be agreed at the mobilisation meeting, however, anticipated to be on a quarterly basis as a minimum and face to face wherever possible. No additional charges or costs for attendance of these meetings will be passed onto the Authority or any Stakeholders.
- 5.5 Meetings may be required more regularly if any issues or failures occur during the contract.
- 5.6 If for whatever reason, the Supplier's contract manager identifies any potential problem in meeting the requirements of the contract, this should be brought to the Authority's attention without delay.
- 5.7 Agendas for meetings will be defined in greater detail throughout the life of the contract but as a minimum will consist of the following:
- Review of previous period's performance
 - Detailed review against KPIs
 - Risks, issues and actions
 - Specific delivery and/or quality issues if relevant
 - Forward plan
 - Continuous Improvement
 - Quality management, internal audit and sub-contractor audits
 - Annual business review (Annually)
- 5.8 A mobilisation meeting with the Supplier's contract manager, Prison Industries, CCD and CCMD will be required prior to the commencement of the contract. This should take place within 2 weeks of contract award, and as a minimum the agenda will consist of the following:
- Introductions
 - Roles & Responsibilities
 - Working with the MoJ
 - Sustained Supply & Contingency Plans
 - Risk and Issues

- Ongoing Contract Management including provision of Management Information

5.9 Payment Model

- 5.9.1 The Supplier will be paid according to the pricing schedule provided. Prices must not exceed those provided as part of their tender but may reflect volume discounts etc.
- 5.9.2 All prices must include any machining, picking and delivery/travel costs. These costs will not be paid separately. Suppliers are asked to provide a breakdown of prices in the pricing schedule provided. This should as a minimum include:
- Manufacturing/Raw Material Costs
 - Distribution/Delivery Cost (to be a flat rate, irrespective of delivery distance)
 - Margin
- 5.9.3 Following the award of contract, prices will be firm for the first six (6) months of the contract after which either the Supplier or Authority may request a price review.
- 5.9.4 Either the Supplier or Authority may request a price review once every six (6) months to take account of any changes in market conditions. Any changes shall be considered through the change control process outlined in the terms and conditions. No changes shall be applied until a contract variation form is signed by both parties and received by the Authority.
- 5.9.5 Any change in the Contract Price will be subject to the Supplier providing documented evidence of unavoidable changes in costs in the supply chain, and in consideration of relevant trade indices. This evidence shall include a detailed breakdown of costings in line with the price breakdown provided in the pricing schedule.

For example:

	Current price breakdown	Current Price		New Price	New price breakdown
Manufacturing/Raw Materials Cost	85%	£85	10% increase in manufacturing costs (£8.50)	£93.50	85.4%
Distribution/Delivery Cost	5%	£5		£5	4.6%
Margin	10%	£10		£10.94	10%
Total Price	100%	£100		£109.44	100%
Overall price change from £100 to £109.44 = 9.44% increase (accepted as it's 5%+)					

	Current price breakdown	Current Price		New Price	New price breakdown
Manufacturing/Raw Materials Cost	85%	£85	5% increase in Delivery Cost (£0.25)	£85	84.77%
Distribution/Delivery Cost	5%	£5		£5.25	5.23%
Margin	10%	£10		£10.03	10%

Total Price	100%	£100		£100.28	100%
Overall price change from £100 to £100.28 = 0.28% increase (rejected as less than 5%)					

- 5.9.6 At each review point, where prices have fluctuated by less than 5% from the current contract prices, they will remain unchanged until the next six-monthly review.
- 5.9.7 Where prices have fluctuated by 5% or more above or below the current contract prices, this must have been sustained for a continuous period of at least 30 days before any change to the contracted prices will be considered by the Authority.

SECTION 6 General Requirements

6.1 Social and Environmental Requirements

- 6.1.1 The government's 25 Year Environment Plan sets out goals for improving the environment within a generation and details how it will work with communities and businesses to do this. The Authority is obliged to deliver social value through commercial activity and endeavours to achieve wider, positive, environmental benefits through the delivery of this contract.
- 6.1.2 The Authority is obliged to ensure that goods and services purchased are manufactured, delivered, used and managed at the end of life in an environmentally and socially responsible manner. Suppliers will be expected to help enable the Authority to meet this obligation by considering how additional environmental benefits can be delivered in the performance of the contract, including the reduction of waste, water and working towards net zero greenhouse gas emissions.
- 6.1.3 The supplier must consider the impact of transport on the environment throughout the delivery of this contract and endeavour to reduce this impact. Examples of this include but are not limited to; UK manufacturing, avoiding unnecessary journeys, adopting zero or ultra-low emission modes of transport and having the capability to monitor and report on fuel/energy used, mileage and resulting emissions.
- 6.1.4 All goods supplied must be packaged securely to prevent damage in transit and must conform to the Packaging Directive (EU) 2015/720, however, packaging should be kept to a minimum and where possible, any cardboard packaging shall consist of ≥80% recycled material.
- 6.1.5 Due to the nature of commodities and raw materials, supply chains are becoming increasingly more global. It is therefore necessary to ensure transparency in supply chains to assess the risks of infringements relating to basic employment and human rights of people employed in them. When procuring raw materials, it is also necessary to ensure there is minimal impact on the environment from the extraction, processing and manufacture of these products, and to assess the security of supply and scarcity of the raw materials.
- 6.1.6 Suppliers must provide an annual report to the Authority detailing the Supplier's reduction in emissions of greenhouse gases arising from the performance of the contract, measured in metric tonnes carbon dioxide equivalents (MTCDE).

- 6.1.7 In order to support the rehabilitation of offenders and reduce the likelihood of reoffending, the government wishes to see more prisoners working, where work can be recognised as productive and is delivered in an 'employment like' atmosphere. This gives prisoners the opportunity to learn new skills and prepare for employment on release. Suppliers are encouraged to consider offering employment and training opportunities to ex-offenders where possible. Further information about how New Futures Network can help with this can be found at Home - New Futures Network.

6.2 Contingency Planning & Disaster Recovery

- 6.2.1 Following the start of the Contract, each party shall comply with its obligations for the timely provision of orders and delivery of raw metal materials. If, for any reason, the Supplier is unable to comply with its obligations, the Supplier shall contact the Authority's Contract Manager to discuss and agree such action as required.
- 6.2.2 The Supplier shall have a fully detailed contingency plan and disaster recovery plan that is capable of full implementation from the Contract start date. The plan must ensure continuity of supply to the Authority. The Supplier's contingency plan for all products and assurance of supply shall cover but not be limited to;
- Supply chain and, or sub-contractor failure or disruption
 - Failure of distribution network
 - Loss of key staff
 - IT failure
 - Fire or Flood; Loss of operational estate
 - Pandemic
- 6.2.3 The Supplier will have documented details of the process and personnel responsible for the monitoring and implementing contingency arrangements and how the implementation of the arrangements will be communicated to the Authority.
- 6.2.4 On an annual basis the Supplier is required to re-submit their Contingency and Disaster Recovery plan. Suppliers are to advise the Authority of any changes made to the Contingency and Disaster Recovery plan.

6.3 Flexibility, Innovation and Continuous Improvement

- 6.3.1 Flexibility is required from the Supplier throughout the Contract, with an ability to respond to changing requirements. The Supplier shall work strategically with the Authority to meet the objectives of the contract and assist in achieving ongoing increased performance against any set targets.
- 6.3.2 The Supplier will be required to develop and continuously improve goods, supply, processes and procedures, working proactively to reduce costs through their supply chain and manufacturing process throughout the duration of the Contract. This may include piloting of

new ideas and initiatives, proposing and implementing advances in technology, and streamlining processes.

- 6.3.3 Proposals are to be presented with clear identified benefits and risks. Those involving a cost element are to be fully costed, with payback timescales identified, and any reductions to the fees detailed. These will be evaluated accordingly and by agreement the contract amended by means of a variation.
- 6.3.4 As part of the Supplier's day-to-day operations, feedback obtained from any customer surveys and quality reviews should be part of the basis for ongoing continuous improvement of the equipment.

Appendix A – Full Details of Workshops AND CONTACTS

[REDACTED]

This is not an exhaustive list; establishments may be removed or added to the PSPI Engineering list and other prisons may wish to order items covered in the Contract.

A full prison map is provided in APPENDIX B.

End of Appendix A

Appendix B – Full prison establishment map

Prisons map



Public Sector Prisons North

Cumbria & Lancashire

NFN Employment Broker:

Prison Group Director:

HMP Haverigg
HMP Kirkham
HMP Lancaster Farms
HMP & YOI Preston
HMP & YOI Wymott

East Midlands

NFN Employment Broker:

Prison Group Director:

HMP Leicester
HMP/YOI Lincoln
HMP North Sea Camp
HMP Onley
HMP Whatton

Yorkshire

NFN Employment Broker:

Prison Group Director:

HMP/YOI Hatfield
HMP/YOI Hull
HMP Humber
HMP Leeds
HMP Lindholme
HMP/YOI Moorland
HMP Wealstun

Greater Manchester, Merseyside & Cheshire

NFN Employment Broker:

Prison Group Director:

HMP Buckley Hall
HMP/YOI Hindley
HMP Liverpool
HMP Risley
HMP/YOI Thorn Cross

West Midlands

NFN Employment Broker:

Prison Group Director:

HMP Birmingham
HMP/YOI Brinsford
HMP Featherstone
HMP Hewell
HMP Stafford
HMP/YOI Stoke Heath
HMP/YOI Swinfen Hall

Tees & Wear

NFN Employment Broker:

Prison Group Director:

HMP/YOI Deebolt
HMP Durham
HMP Holme House
HMP Kirklevington Grange

North Midlands

NFN Employment Broker:

Prison Group Director:

HMP/YOI Nottingham
HMP Ranby
HMP Stocken
HMP & YOI Sudbury

Women

NFN Employment Broker:

Prison Group Director:

HMP/YOI Drake Hall
HMP/YOI Downview &
HMP/YOI East Sutton Park
HMP/YOI Eastwood Park
HMP/YOI Foston Hall
HMP/YOI Low Newton
HMP/YOI Send
HMP/YOI Styal
HMP/YOI New Hall &
HMP/YOI Askham Grange

Wales

NFN Employment Broker:

Executive Director:

South Wales

Prison Group Director:

HMP/YOI Cardiff
HMP/YOI Swansea
HMP Usk &
HMP/YOI Prescoed

North Wales

HMP Berwyn Governor:

Contracted:

HMP/YOI Parc (YP)

London

NFN Employment Broker:

Prison Group Director:

HMP Brixton
HMP & YOI High Down
HMP/YOI Isis
HMP/YOI Pentonville
HMP Wandsworth
HMP/YOI Wormwood Scrubs

Kent, Surrey & Sussex

NFN Employment Broker:

Prison Group Director:

HMP Coldingley
HMP/YOI Elmley
HMP Ford
HMP Lewes
HMP/YOI Rochester
HMP Standford Hill

Contracted

Head of Custodial

Contracts:

HMP/YOI Altcourse
HMP Ashfield
HMP/YOI Bronzefield (F)
HMP/YOI Doncaster
HMP Dovegate
HMP/YOI Forest Bank
HMP Lowdham Grange
HMP Northumberland
HMP Oakwood
HMP/YOI Peterborough (M/F)
HMP Rye Hill
HMP Thameside

Long Term/ High Security

NFN Employment Broker:

Prison Group Director:

HMP/YOI Aylesbury
HMP/YOI Belmarsh
HMP Frankland
HMP Full Sutton
HMP Garth
HMP Gartree
HMP Isle of Wight
HMP Long Lartin
HMP/YOI Manchester
HMP Swaleside
HMP Wakefield
HMP Whitmoor
HMP/YOI Woodhill

Public Sector Prisons South

Avon & South Dorset

NFN Employment Broker:

Prison Group Director:

HMP Bristol
HMP Leyhill
HMP/YOI Portland
HMP The Verne

Bedfordshire, Cambridgeshire & Norfolk

NFN Employment Broker:

Prison Group Director:

HMP & YOI Bedford
HMP Bure
HMP Huntercombe
HMP Littlehey
HMP & YOI Norwich
HMP Wayland

Devon & North Dorset

NFN Employment Broker:

Prison Group Director:

HMP Channings Wood
HMP Dartmoor
HMP/YOI Exeter
HMP Guys Marsh

South Central

NFN Employment Broker:

Prison Group Director:

HMP/YOI Bullingdon
HMP Erlestoke
HMP Grendon/Springhill
HMP Winchester

Hertfordshire, Essex & Suffolk Group

NFN Employment Broker:

Prison Group Director:

HMP Chelmsford
HMP Highpoint
HMP & YOI Hollesley Bay
HMP The Mount
HMP & YOI Warren Hill

End of Appendix B

Appendix C - HMPPS Gate Restrictions

- C1. Suppliers will ensure that their delivery vehicles are appropriate and comply with the dimensions and restrictions detailed below. During the Contract period where sites, dimensions or restrictions change the Authority will provide updates.

The table below provides indicative information although this should not be relied upon. Delivery arrangements should be agreed with individual establishments prior to delivery of an order.

[REDACTED]

End of Appendix C

Appendix D - Possession of Prohibited Items and Other Related Offences

D1. Prohibited items

D1.1 Prohibited items are now graded according to their seriousness and perceived threat to security and safety within a prison, and are classified as List A, List B or List C items, as set out below:

D1.1.1 List A items – drugs, explosives, firearms or ammunition and any other offensive weapon

D1.1.2 List B items - are alcohol, mobile telephones, cameras, sound recording devices (or constituent part of the latter three items)

D1.1.3 List C items - any tobacco, money, clothing, food, drink, letters, paper, books, tools, information technology equipment*.

*Note that IT equipment is also subject to the provisions introduced by the Crime and Security Act and its possession within prison without appropriate authorisation is now a criminal offence.

D2. List A and B Offences and Penalties

D2.1 A person (e.g. prisoners, staff, social and professional visitors) commits an offence if he/she carries out any of the following listed activities without obtaining prior authorisation:

- Brings throws or otherwise conveys list A or B items in or out of a prison by whatever means;
- Causes another person to do so;
- Leaves a list A or B item in any place (in or out of the prison) intending it to come into the possession of a prisoner;
- Knowing a person to be a prisoner, gives a list A or B item to him/her.

D2.2 The maximum penalty on conviction for committing offences in respect of list A items is 10 years imprisonment and/or an unlimited fine.

D2.3 The maximum penalty on conviction for committing offences in respect of list B items is 2 years imprisonment and/or an unlimited fine. All such offences attract a criminal record on conviction.

D2.4. All such offences carry a criminal record on conviction.

D3 List C Offences

D3.1 A person (e.g. prisoners, staff, social and professional visitors) commits an offence if he/she carries out any of the following listed activities without obtaining prior authorisation:

- brings, throws or otherwise conveys a List C item into a prison intending it to come into the possession of a prisoner;
- causes another person to bring, throw or otherwise convey a List C item into a prison intending it to come into the possession of a prisoner;
- brings, throws or otherwise conveys a List C item out of a prison on behalf of a prisoner;

- causes another person to bring, throw or otherwise convey a List C item out of a prison on behalf of a prisoner;
- leaves a List C item in any place (whether inside or outside a prison) intending it to come into the possession of a prisoner, or;
- while inside a prison, gives a List C item to a prisoner.

D3.2 Offences relating to list C items are subject to a maximum penalty of a level 3 fine (currently £1000). All such offences carry a criminal record on conviction.

D3.3. All such offences carry a criminal record on conviction.

D4 Main Offences

D4.1. Section 40D of the Prison Act provides offences of - without authorisation:

- Taking a photograph or making a sound recording within a prison;
- Transmitting any image or sound or information electronically from within a prison for simultaneous reception outside a prison;
- Conveying a “restricted document” (see definition below) out of a prison.

D4.2. Restricted documents are defined in the Prison Act as including:

- Photographs or sound recordings taken/made inside the prison;
- Personal records of prisoner (serving or past);
- Information relating to an identified or identifiable individual (including families of prisoners or staff) if the disclosure of that information might prejudicially affect the interests of that individual;
- Information relating to any matter connected with the prison if the disclosure of that information might prejudicially affect the security or operation of the prison.

D5 Possession of Prohibited Items

D5.1 The Crime and Security Act 2010 amends the Prison Act to make the following an offence to possess within a prison without authorisation:

- A device capable of transmitting or receiving images, sounds or information by electronic communications (including a mobile telephone);
- A component part of such a device;
- An article designed or adapted for use with such a device (including any disk, film, or other separate article on which images, sounds or information may be recorded).

End of Appendix D

Appendix E – Transport Managers and Drivers' Handbook

[REDACTED]

End of Appendix E

SCHEDULE 2 – PRICES and INVOICING

Part 1

1. Charges

- 1.1 The Contract Price shall remain fixed for the first six months from (and including) the Commencement Date, following which it will then be subject to 6-month price reviews.
- 1.2 Any change in the Contract Price will be subject to the Supplier providing documented evidence of unavoidable changes in costs in the supply chain and evidence of any commodity movements in relation to relevant trade indices.
- 1.3 Where a price change has been agreed it will remain fixed for the next 6 months. Any price increase will come into effect 30 days after both party's agreement.
- 1.4 The Authority reserves the right to benchmark against comparable competitors/ markets and request reasonable price adjustments at any time should the Contract be deemed as not offering best value for money.
- 1.5 These arrangements shall apply throughout the term of the contract.

Supplier's Pricing Schedule

[REDACTED]

Part 2

1 Invoice requirements

- 1.1 Other than invoices submitted through Basware, all invoices submitted to the Authority must:
 - 1.1.1 clearly state the word 'invoice' and contain the following information:
 - i) a unique identification number (invoice number);
 - ii) the Supplier's name, address and contact information;
 - iii) the name and address of the department/agency in the Authority with which the Supplier is working;
 - iv) a clear description of the Goods being invoiced for;
 - v) the date the Goods were provided;
 - vi) the date of the invoice;
 - vii) the amount being charged;
 - viii) VAT amount if applicable;

- ix) the total amount owed;
- x) the Purchase Order number; and
- xi) the amount of the invoice in sterling or any other currency which is Approved.

1.1.2 if submitted by email meet the following criteria:

- i) email size must not exceed 4mb;
- ii) one invoice per file attachment (PDF). Multiple invoices can be attached as separate files; and
- iii) any supporting information, backing data etc. must be contained within the invoice PDF file

1.1.3 unless Approved:

- i) not contain any lines for items which are not on the Purchase Order; and
- iii) replicate, as far as possible, the structure of and the information contained in the Purchase Order in respect of the number of lines, line descriptions, price and quantity.

1.2 If required by the Authority, the Supplier shall submit a structured electronic invoice in an Electronic Data Interchange or XML format.

SCHEDULE 3 - CHANGE CONTROL

Change Request Form

(For completion by the Party requesting the Change)

Contract Title:	Party requesting Change:
Name of Supplier:	
Change Request Number:	Proposed Change implementation date:
Full description of requested Change (including proposed changes to wording of the Contract where possible):	
Reasons for requested Change:	
Effect of requested Change	
Assumptions, dependencies, risks and mitigation (if any):	
Change Request Form prepared by (name):	
Signature:	
Date of Change Request:	

Contract Change Notice (“CCN”)

(For completion by the Authority once the Change has been agreed in principle by both Parties. Changes do not become effective until this form has been signed by both Parties.)

Contract Title:		Change requested by:	
Name of Supplier:			
Change Number:			
Date on which Change takes effect:			
Contract between: The [Secretary of State for Justice]/[The Lord Chancellor] [delete as applicable] and [insert name of Supplier]			
It is agreed that the Contract is amended, in accordance with Regulation 72 of the Public Contracts Regulations 2015, as follows: [Insert details of the variation (including any change to the Price and deliverables/obligations) based on the information provided in the Change Request Form and any subsequent discussions/negotiations, cross referencing the wording of the original Contract, as previously changed (if applicable), where possible] Where significant changes have been made to the Contract, information previously published on Contracts Finder will be updated.			
Words and expressions in this CCN shall have the meanings given to them in the Contract. The Contract, including any previous CCNs, shall remain effective and unaltered except as amended by this CCN			
Signed for and on behalf of [the Secretary of State for Justice]/[the Lord Chancellor]		Signed for and on behalf of [insert name of Supplier]	
Signature		Signature	
Name		Name	
Title		Title	
Date		Date	

SCHEDULE 4 - COMMERCIALLY SENSITIVE INFORMATION

- 1 Without prejudice to the Authority's general obligation of confidentiality, the Parties acknowledge that the Authority may have to disclose Information in or relating to the Contract following a Request for Information pursuant to clause D4 (Freedom of Information).
- 2 In this Schedule 4 the Parties have sought to identify the Supplier's Confidential Information that is genuinely commercially sensitive and the disclosure of which would be contrary to the public interest.
- 3 Where possible the Parties have sought to identify when any relevant Information will cease to fall into the category of Information to which this Schedule 4 applies.
- 4 Without prejudice to the Authority's obligation to disclose Information in accordance with the FOIA and the EIR, the Authority will, acting reasonably but in its sole discretion, seek to apply the commercial interests exemption set out in s.43 of the FOIA to the Information listed below.

SUPPLIER'S COMMERCIALLY SENSITIVE INFORMATION	DATE	DURATION OF CONFIDENTIALITY

SCHEDULE 5 - SUPPLIER AND THIRD PARTY SOFTWARE – DO NOT USE

Supplier Software comprises the following:

Software	Supplier (if Affiliate of the Supplier)	Purpose	No. of Licences	Restrictions	No. of copies	Other	To be deposited in escrow?

Third Party Software comprises the following:

Third Party Software	Supplier	Purpose	No. of Licences	Restrictions	No. of copies	Other	To be deposited in escrow?

SCHEDULE 6 – INFORMATION ASSURANCE & SECURITY

1. GENERAL

- 1.1 This Schedule 6 sets out the obligations of the Parties in relation to information assurance and security, including those which the Supplier must comply with in supplying the Goods under the Contract.
- 1.2 The Parties acknowledge that the purpose of the ISMS and Security Plan is to ensure a robust organisational approach to information assurance and security under which the specific requirements of the Contract will be met.
- 1.3 The Parties shall each appoint and/or identify a board level individual or equivalent who has overall responsibility for information assurance and security, including personnel security and information risk.
- 1.4 The Supplier shall act in accordance with Good Industry Practice in the day to day operation of any system which is used for the storage of Information Assets and/or the storage, processing or management of Authority Data and/or that could directly or indirectly affect Information Assets and/or Authority Data.
- 1.5 The Supplier shall ensure that an information security policy is in place in respect of the operation of its organisation and systems, which shall reflect relevant control objectives for the Supplier System, including those specified in the ISO27002 control set or equivalent, unless otherwise agreed by the Authority. The Supplier shall, upon request, provide a copy of this policy to the Authority as soon as reasonably practicable. The Supplier shall maintain and keep such policy updated and provide clear evidence of this as part of its Security Plan.
- 1.6 The Supplier acknowledges that a compromise of Information Assets and/or Authority Data represents an unacceptable risk to the Authority requiring immediate communication and co-operation between the Parties. The Supplier shall provide clear evidence of regular communication with the Authority in relation to information risk as part of its Security Plan.

2. INFORMATION SECURITY MANAGEMENT SYSTEM

- 2.1 The Supplier shall, within 30 Working Days of the Commencement Date, submit to the Authority a proposed ISMS which:
 - 2.1.1 has been tested; and
 - 2.1.2 complies with the requirements of paragraphs 2.2 and 2.3.
- 2.2 The Supplier shall at all times ensure that the level of security, include cyber security, provided by the ISMS is sufficient to protect the confidentiality, integrity and availability of Information Assets and Authority Data used in the supply of the Goods and to provide robust risk management.
- 2.3 The Supplier shall implement, operate and maintain an ISMS which shall:
 - 2.3.1 protect all aspects of and processes of Information Assets and Authority Data, including where these are held on the ICT Environment (to the extent that this is under the control of the Supplier);
 - 2.3.2 be aligned to and compliant with the relevant standards in ISO/IEC 27001: 2013 or equivalent and the Certification Requirements in accordance with paragraph 5 unless otherwise Approved;

2.3.3 provide a level of security which ensures that the ISMS and the Supplier System:

2.3.3.1 meet the requirements in the Contract;

2.3.3.2 are in accordance with applicable Law;

2.3.3.3 demonstrate Good Industry Practice, including the Government's 10 Steps to Cyber Security, currently available at:

<https://www.ncsc.gov.uk/guidance/10-steps-cyber-security>;

2.3.3.4 comply with the Security Policy Framework and any other relevant Government security standards;

2.3.3.5 comply with the Baseline Security Requirements; and

2.3.3.6 comply with the Authority's policies, including, where applicable, the Authority's Information Assurance Policy in the Information Security Policy Framework;

2.3.4 address any issues of incompatibility with the Supplier's organisational security policies;

2.3.5 address any specific security threats of immediate relevance to Information Assets and/or Authority Data;

2.3.6 document:

2.3.6.1 the security incident management processes, including reporting, recording and management of information risk incidents, including those relating to the ICT Environment (to the extent that this is within the control of the Supplier) and the loss of Personal Data, and the procedures for reducing and raising awareness of information risk;

2.3.6.2 incident response plans, including the role of nominated security incident response companies; and

2.3.6.3 the vulnerability management policy, including processes for identification of system vulnerabilities and assessment of the potential effect on the Goods of any new threat, vulnerability or exploitation technique of which the Supplier becomes aware, prioritisation of security patches, testing and application of security patches and the reporting and audit mechanism detailing the efficacy of the patching policy;

2.3.7 include procedures for the secure destruction of Information Assets and Authority Data and any hardware or devices on which such information or data is stored; and

2.3.8 be certified by (or by a person with the direct delegated authority of) the Supplier's representative appointed and/or identified in accordance with paragraph 1.3.

2.4 If the Supplier becomes aware of any inconsistency in the provisions of the standards, guidance and policies notified to the Supplier from time to time, the Supplier shall immediately notify the Authority of such inconsistency and the Authority shall, as soon as practicable, notify the Supplier of the provision that takes precedence.

2.5 The Supplier shall, upon request from the Authority or any accreditor appointed by the Authority, provide sufficient design documentation detailing the security architecture of its ISMS to support the Authority's

and/or accreditor's assurance that it is appropriate, secure and complies with the Authority's requirements.

- 2.6 The Authority shall review the proposed ISMS submitted pursuant to paragraph 2.1 and shall, within 10 Business Days of its receipt notify the Supplier as to whether it has been approved.
- 2.7 If the ISMS is Approved, it shall be adopted by the Supplier immediately and thereafter operated and maintained throughout the Term in accordance with this Schedule 6.
- 2.8 If the ISMS is not Approved, the Supplier shall amend it within 10 Business Days of a notice of non-approval from the Authority and re-submit it to the Authority for approval. The Authority shall, within a further 10 Working Days notify the Supplier whether the amended ISMS has been approved. The Parties shall use reasonable endeavours to ensure that the approval process takes as little time as possible and in any event no longer than 30 Working Days from the date of its first submission to the Authority. If the Authority does not approve the ISMS following its resubmission, the matter shall be resolved in accordance with clause 11 (Dispute Resolution).
- 2.9 Approval of the ISMS or any change to it shall not relieve the Supplier of its obligations under this Schedule 6.
- 2.10 The Supplier shall provide to the Authority, upon request, any or all ISMS documents.

3. SECURITY PLAN

- 3.1 The Supplier shall, within 30 Working Days of the Commencement Date, submit to the Authority for approval a Security Plan which complies with paragraph 3.2.
- 3.2 The Supplier shall effectively implement the Security Plan which shall:
 - 3.2.1 comply with the Baseline Security Requirements;
 - 3.2.2 identify the organisational roles for those responsible for ensuring the Supplier's compliance with this Schedule 6;
 - 3.2.3 detail the process for managing any security risks from those with access to Information Assets and/or Authority Data, including where these are held in the ICT Environment;
 - 3.2.4 set out the security measures and procedures to be implemented by the Supplier, which are which are sufficient to ensure compliance with the provisions of this Schedule 6;
 - 3.2.5 set out plans for transition from the information security arrangements in place at the Commencement Date to those incorporated in the ISMS;
 - 3.2.6 set out the scope of the Authority System that is under the control of the Supplier;
 - 3.2.7 be structured in accordance with ISO/IEC 27001: 2013 or equivalent unless otherwise Approved;
 - 3.2.8 be written in plain language which is readily comprehensible to all Staff and to Authority personnel engaged in supplying the Goods and reference only those documents which are in the possession of the Parties or whose location is otherwise specified in this Schedule 6; and
 - 3.2.9 comply with the Security Policy Framework and any other relevant Government security standards.

- 3.3 The Authority shall review the Security Plan submitted pursuant to paragraph 3.1 and notify the Supplier, within 10 Business Days of receipt, whether it has been approved.
- 3.4 If the Security Plan is Approved, it shall be adopted by the Supplier immediately and thereafter operated and maintained throughout the Term in accordance with this Schedule 6.
- 3.5 If the Security Plan is not Approved, the Supplier shall amend it within 10 Working Days of a notice of non-approval from the Authority and re-submit it to the Authority for approval. The Authority shall notify the Supplier within a further 10 Business Days whether it has been Approved.
- 3.6 The Parties shall use reasonable endeavours to ensure that the approval process takes as little time as possible and in any event no longer than 30 Working Days from the date of its first submission to the Authority. If the Authority does not approve the Security Plan following its resubmission, the matter shall be resolved in accordance with clause I1 (Dispute Resolution).
- 3.7 Approval by the Authority of the Security Plan pursuant to paragraph 3.3 or of any change to the Security Plan shall not relieve the Supplier of its obligations under this Schedule 6.

4. REVISION OF THE ISMS AND SECURITY PLAN

- 4.1 The ISMS and Security Plan shall be reviewed in full and tested by the Supplier at least annually throughout the Term (or more often where there is a significant change to the Supplier System or associated processes or where an actual or potential Breach of Security or weakness is identified) to consider and take account of:
- 4.1.1 any issues in implementing the Security Policy Framework and/or managing information risk;
 - 4.1.2 emerging changes in Good Industry Practice;
 - 4.1.3 any proposed or actual change to the ICT Environment and/or associated processes;
 - 4.1.4 any new perceived, potential or actual security risks or vulnerabilities;
 - 4.1.5 any ISO27001: 2013 audit report or equivalent produced in connection with the Certification Requirements which indicates concerns; and
 - 4.1.6 any reasonable change in security requirements requested by the Authority.
- 4.2 The Supplier shall give the Authority the results of such reviews as soon as reasonably practicable after their completion, which shall include without limitation:
- 4.2.1 suggested improvements to the effectiveness of the ISMS, including controls;
 - 4.2.2 updates to risk assessments; and
 - 4.2.3 proposed modifications to respond to events that may affect the ISMS, including the security incident management processes, incident response plans and general procedures and controls that affect information security.
- 4.3 Following the review in accordance with paragraphs 4.1 and 4.2 or at the Authority's request, the Supplier shall give the Authority at no additional cost a draft updated ISMS and/or Security Plan which includes any changes the Supplier proposes to make to the ISMS or Security Plan. The updated ISMS and/or Security Plan shall, unless otherwise agreed by the Authority, be subject to clause F4 (Change) and shall not be implemented until Approved.

- 4.4 If the Authority requires any updated ISMS and/or Security Plan to be implemented within shorter timescales than those set out in clause F4, the Parties shall thereafter follow clause F4 for the purposes of formalising and documenting the relevant change for the purposes of the Contract.

5. CERTIFICATION REQUIREMENTS

- 5.1 The Supplier shall ensure that any systems, including the ICT Environment, on which Information Assets and Authority Data are stored and/or processed are certified as compliant with:

5.1.1 ISO/IEC 27001:2013 or equivalent by a UKAS approved certification body or are included within the scope of an existing certification of compliance with ISO/IEC 27001:2013 or equivalent unless otherwise Approved; and

5.1.2 the Government's Cyber Essentials Scheme at the BASIC level unless otherwise agreed with the Authority

and shall provide the Authority with evidence:

5.1.3 of certification before the Supplier accessed the ICT Environment and receives, stores, processes or manages any Authority Data; and

5.1.4 that such certification remains valid and is kept up to date while the Supplier (as applicable) continues to access the ICT Environment and receives, stores, processes or manages any Authority Data during the Term.

- 5.2 The Supplier shall ensure that it:

5.2.1 carries out any secure destruction of Information Assets and/or Authority Data at Supplier sites which are included within the scope of an existing certificate of compliance with ISO/IEC 27001:2013 or equivalent unless otherwise Approved; and

5.2.2 is certified as compliant with the CESG Assured Service (CAS) Service Requirement Sanitisation Standard or equivalent unless otherwise Approved

and the Supplier shall provide the Authority with evidence of its compliance with the requirements set out in this paragraph 5.2 before the Supplier may carry out the secure destruction of any Information Assets and/or Authority Data.

- 5.3 The Supplier shall notify the Authority as soon as reasonably practicable and, in any event within 2 Working Days, if the Supplier ceases to comply with the certification requirements in paragraph 5.1 and, on request from the Authority, shall:

5.3.1 immediately cease access to and use of Information Assets and/or Authority Data; and

5.3.2 promptly return, destroy and/or erase any Authority Data in accordance with the Baseline Security Requirements

and failure to comply with this obligation is a material Default.

6. SECURITY TESTING

- 6.1 The Supplier shall, at its own cost, carry out relevant Security Tests from the Commencement Date and throughout the Term, which shall include:

- 6.1.1 a monthly vulnerability scan and assessment of the Supplier System and any other system under the control of the Supplier on which Information Assets and/or Authority Data are held;
- 6.1.2 an annual IT Health Check by an independent CHECK qualified company of the Supplier System and any other system under the control of the Supplier on which Information Assets and/or Authority Data are held and any additional IT Health Checks required by the Authority and/or any accreditor; and
- 6.1.3 an assessment as soon as reasonably practicable following receipt by the Supplier of a critical vulnerability alert from a provider of any software or other component of the Supplier System and/or any other system under the control of the Supplier on which Information Assets and/or Authority Data are held.
- 6.1.4 such other tests as are required:
 - 6.1.4.1 by any Vulnerability Correction Plans;
 - 6.1.4.2 by ISO/IEC 27001:2013 certification requirements or equivalent Approved;
 - 6.1.4.3 after any significant architectural changes to the ICT Environment;
 - 6.1.4.4 after a change to the ISMS (including security incident management processes and incident response plans) or the Security Plan; and
 - 6.1.4.5 following a Breach of Security.
- 6.2 In relation to each IT Health Check, the Supplier shall:
 - 6.2.1 agree with the Authority the aim and scope of the IT Health Check;
 - 6.2.2 promptly, following receipt of each IT Health Check report, give the Authority a copy of the IT Health Check report; and
 - 6.2.3 if the IT Health Check report identifies any vulnerabilities:
 - 6.2.3.1 prepare a Vulnerability Correction Plan for Approval which sets out in respect of each such vulnerability:
 - 6.2.3.1.1 how the vulnerability will be remedied;
 - 6.2.3.1.2 the date by which the vulnerability will be remedied; and
 - 6.2.3.1.3 the tests which the Supplier shall perform or procure to be performed (which may, at the Authority's discretion, include a further IT Health Check) to confirm that the vulnerability has been remedied;
 - 6.2.3.2 comply with the Vulnerability Correction Plan; and
 - 6.2.3.3 conduct such further Security Tests as are required by the Vulnerability Correction Plan.

- 6.3 Security Tests shall be designed and implemented by the Supplier so as to minimise any adverse effect on the Goods and the date, timing, content and conduct of Security Tests shall be agreed in advance with the Authority.
- 6.4 The Authority may send a representative to witness the conduct of the Security Tests. The Supplier shall provide the Authority with the results of Security Tests (in a form to be Approved) as soon as practicable and in any event within 5 Working Days after completion of each Security Test.
- 6.5 Without prejudice to any other right of audit or access granted to the Authority pursuant to the Contract, the Authority and/or its authorised representatives, including any accreditor, may at any time to carry out Security Tests (including penetration tests) as it may deem necessary as part of any accreditation process and/or to verify the Supplier's compliance with the ISMS and the Security Plan:
- 6.5.1 upon giving reasonable notice to the Supplier where reasonably practicable to do so; and
- 6.5.2 without giving notice to the Supplier where, in the Authority's view, the provision of such notice may undermine the Security Tests to be carried out
- and, where applicable, the Authority shall be granted access to the Supplier's premises for the purpose of undertaking the relevant Security Tests.
- 6.6 If the Authority carries out Security Tests in accordance with paragraphs 6.5.1 or 6.5.2, the Authority shall (unless there is any reason to withhold such information) notify the Supplier of the results of the Security Tests as soon as possible and in any event within 5 Working Days after completion of each Security Test.
- 6.7 If any Security Test carried out pursuant to paragraphs 6.1 or 6.4 reveals any:
- 6.7.1 vulnerabilities during any accreditation process, the Supplier shall track and resolve them effectively; and
- 6.7.2 actual or potential Breach of Security or weaknesses (including un-patched vulnerabilities, poor configuration and/or incorrect system management), the Supplier shall promptly notify the Authority of any proposed changes to the ICT Environment (to the extent that this is under the control of the Supplier) and/or to the ISMS and/or to the Security Plan (and the implementation thereof) which the Supplier intends to make in order to correct such failure or weakness. Subject to Approval and paragraphs 4.3 and 4.4, the Supplier shall implement such changes to the ICT Environment (to the extent that this is under the control of the Supplier) and/or the ISMS and/or the Security Plan and repeat the relevant Security Tests in accordance with an Approved timetable or, otherwise, as soon as reasonably practicable.
- 6.8 If the Authority unreasonably withholds its approval to the implementation of any changes to the ICT Environment and/or to the ISMS and/or to the Security Plan proposed by the Supplier in accordance with paragraph 6.7, the Supplier is not in breach of the Contract to the extent that it can be shown that such breach:
- 6.8.1 has arisen as a direct result of the Authority unreasonably withholding Approval to the implementation of such proposed changes; and
- 6.8.2 would have been avoided had the Authority Approved the implementation of such proposed changes.
- 6.9 If a change to the ISMS or Security Plan is to address any non-compliance with ISO/IEC 27001:2013 requirements or equivalent, the Baseline Security Requirements or any obligations in the Contract, the Supplier shall implement such change at its own cost and expense.

- 6.10 If any repeat Security Test carried out pursuant to paragraph 6.7 reveals an actual or potential breach of security or weakness exploiting the same root cause failure, such circumstance shall constitute a material Default.
- 6.11 On each anniversary of the Commencement Date, the Supplier shall provide to the Authority a letter from the individual appointed or identified in accordance with paragraph 1.3 confirming that having made due and careful enquiry the Supplier:
- 6.11.1 has in the previous year carried out all Security Tests in accordance with this Schedule 6 and has complied with all procedures in relation to security matters required under the Contract; and
 - 6.11.2 is confident that its security and risk mitigation procedures in relation to Information Assets and Authority Data remain effective.

7. SECURITY AUDITS AND COMPLIANCE

- 7.1 The Authority and its authorised representatives may carry out security audits as it reasonably considers necessary in order to ensure that the ISMS is compliant with the principles and practices of ISO 27001: 2013 or equivalent (unless otherwise Approved), the requirements of this Schedule 6 and the Baseline Security Requirements.
- 7.2 If ISO/IEC 27001: 2013 certification or equivalent is provided, the ISMS shall be audited independently in accordance with ISO/IEC 27001: 2013 or equivalent. The Authority and its authorised representatives shall, where applicable, be granted access to the Supplier Sites and Sub-contractor premises for this purpose.
- 7.3 If, on the basis of evidence resulting from such audits, it is the Authority's reasonable opinion that ISMS is not compliant with any applicable principles and practices of ISO/IEC 27001: 2013 or equivalent, the requirements of this Schedule 6 and/or the Baseline Security Requirements is not being achieved by the Supplier, the Authority shall notify the Supplier of this and provide a reasonable period of time (having regard to the extent and criticality of any non-compliance and any other relevant circumstances) for the Supplier to implement any necessary remedy. If the Supplier does not ensure that the ISMS is compliant within this period of time, the Authority may obtain an independent audit of the ISMS to assess compliance (in whole or in part).
- 7.4 If, as a result of any such independent audit as described in paragraph 7.3 the Supplier is found to be non-compliant with any applicable principles and practices of ISO/IEC 27001:2013 or equivalent, the requirements of this Schedule 6 and/or the Baseline Security Requirements the Supplier shall, at its own cost, undertake those actions that are required in order to ensure that the ISMS is complaint and shall reimburse the Authority in full in respect of the costs obtaining such an audit.

8. SECURITY RISKS AND BREACHES

- 8.1 The Supplier shall use its reasonable endeavours to prevent any Breach of Security for any reason, including as a result of malicious, accidental or inadvertent behaviour.
- 8.2 If either Party becomes aware of a Breach of Security or an attempted Breach of Security it shall act in accordance with the agreed security incident management processes and incident response plans as set out in the ISMS.
- 8.3 Without prejudice to the security incident management processes and incident response plans set out in the ISMS, upon becoming aware of any Breach of Security or attempted Breach of Security, the Supplier shall:

8.3.1 immediately notify the Authority and take all reasonable steps (which shall include any action or changes reasonably required by the Authority) that are necessary to:

8.3.1.1 minimise the extent of actual or potential harm caused by any Breach of Security;

8.3.1.2 remedy any Breach of Security to the extent that is possible and protect the integrity of the ICT Environment (to the extent that this is within its control) and ISMS against any such Breach of Security or attempted Breach of Security;

8.3.1.3 mitigate against a Breach of Security or attempted Breach of Security; and

8.3.1.4 prevent a further Breach of Security or attempted Breach of Security in the future resulting from the same root cause failure;

8.3.2 provide to the Authority and/or the Computer Emergency Response Team for UK Government ("**GovCertUK**") or equivalent any data that is requested relating to the Breach of Security or attempted Breach of Security within 2 Working Days of such request; and

8.3.3 as soon as reasonably practicable and, in any event, within 2 Working Days following the Breach of Security or attempted Breach of Security, provide to the Authority full details (using the reporting mechanism defined by the ISMS) of the Breach of Security or attempted Breach of Security, including a root cause analysis if required by the Authority

and the Supplier recognises that the Authority may report significant actual or potential losses of Personal Data to the Information Commissioner or equivalent and to the Cabinet Office.

8.4 If any action is taken by the Supplier in response to a Breach of Security or attempted Breach of Security which occurred as a result of non-compliance of the ISMS with any ISO/IEC 27001: 2013 requirements or equivalent (as applicable), the Baseline Security Requirements and/or the requirements of this Schedule 6, any such action and change to the ISMS and/or Security Plan as a result shall be implemented at the Supplier's cost.

IT Environment

8.5 The Supplier shall ensure that the Supplier System:

8.5.1 functions in accordance with Good Industry Practice for protecting external connections to the internet;

8.5.2 functions in accordance with Good Industry Practice for protection from malicious code;

8.5.3 provides controls to securely manage (store and propagate) all cryptographic keys to prevent malicious entities and services gaining access to them, in line with the Authority's Cryptographic Policy as made available to the Supplier from time to time;

8.5.4 is patched (and all of its components are patched) in line with Good Industry Practice, any Authority patching policy currently in effect and notified to the Supplier and any Supplier patch policy that is agreed with the Authority; and

8.5.5 uses the latest versions of anti-virus definitions, firmware and software available from industry accepted anti-virus software vendors.

- 8.6 Notwithstanding paragraph 8.5, if a Breach of Security is detected in the ICT Environment, the Parties shall co-operate to reduce the effect of the Breach of Security and, if the Breach of Security causes loss of operational efficiency or loss or corruption of Information Assets and/or Authority Data, assist each other to mitigate any losses and to recover and restore such Information Assets and Authority Data.
- 8.7 All costs arising out of the actions taken by the Parties in compliance with paragraphs 8.2, 8.3 and 8.6 shall be borne by:
- 8.7.1 the Supplier if the Breach of Security originates from the defeat of the Supplier's security controls or Information Assets and/or Authority Data is lost or corrupted whilst under the control of the Supplier or its Sub-contractor; or
- 8.7.2 the Authority if the Breach of Security originates from the defeat of the Authority's security controls or Information Assets and/or Authority Data is lost or corrupted whilst under the control of the Authority
- and each Party shall bear its own costs in all other cases.

9. VULNERABILITIES AND CORRECTIVE ACTION

- 9.1 The Parties acknowledge that from time to time vulnerabilities in the ICT Environment and ISMS will be discovered which, unless mitigated, will present an unacceptable risk to Information Assets and/or Authority Data.
- 9.2 The severity of any vulnerabilities shall be categorised by the Supplier as '*Critical*', '*Important*' and '*Other*' according to the agreed method in the ISMS and using any appropriate vulnerability scoring systems.
- 9.3 The Supplier shall procure the application of security patches to vulnerabilities categorised as '*Critical*' within 7 days of public release, vulnerabilities categorised as '*Important*' within 30 days of public release and vulnerabilities categorised as '*Other*' within 60 days of public release, except where:
- 9.3.1 the Supplier can demonstrate that a vulnerability is not exploitable within the context of the Goods being supplied, including where it resides in a software component which is not being used, provided that, where those vulnerabilities become exploitable, they are remedied by the Supplier within the timescales in paragraph 9.3;
- 9.3.2 the application of a security patch in respect of a vulnerability categorised as '*Critical*' or '*Important*' adversely affects the Supplier's ability to deliver the Goods, in which case the Supplier shall be granted an extension to the timescales in paragraph 9.3 of 5 days, provided that the Supplier continues to follow any security patch test plan agreed with the Authority; or
- 9.3.3 the Authority agrees a different timescale after consultation with the Supplier in accordance with the processes defined in the ISMS.
- 9.4 The ISMS and the Security Plan shall include provision for the Supplier to upgrade software throughout the Term within 6 months of the release of the latest version unless:
- 9.4.1 upgrading such software reduces the level of mitigation for known threats, vulnerabilities or exploitation techniques, provided always that such software is upgraded by the Supplier within 12 months of release of the latest version; or
- 9.4.2 otherwise agreed with the Authority in writing.

- 9.5 The Supplier shall:
- 9.5.1 implement a mechanism for receiving, analysing and acting upon threat information provided by GovCertUK, or any other competent Central Government Body;
 - 9.5.2 ensure that the ICT Environment (to the extent that this is within the control of the Supplier) is monitored to facilitate the detection of anomalous behaviour that would be indicative of system compromise;
 - 9.5.3 ensure that it is knowledgeable about the latest trends in threat, vulnerability and exploitation that are relevant to the ICT Environment (to the extent that this is within the control of the Supplier) by actively monitoring the threat landscape during the Term;
 - 9.5.4 pro-actively scan the ICT Environment (to the extent that this is within the control of the Supplier) for vulnerable components and address discovered vulnerabilities through the processes described in the ISMS;
 - 9.5.5 from the Commencement Date and within 5 Working Days of the end of each subsequent month during the Term provide a report to the Authority detailing both patched and outstanding vulnerabilities in the ICT Environment (to the extent that this is within the control of the Supplier) and any elapsed time between the public release date of patches and either the time of application or, for outstanding vulnerabilities, the time of issue of such report;
 - 9.5.6 propose interim mitigation measures in respect of any vulnerabilities in the ICT Environment (to the extent this is within the control of the Supplier) known to be exploitable where a security patch is not immediately available;
 - 9.5.7 remove or disable any extraneous interfaces, services or capabilities that are no longer needed for the provision of the Goods (in order to reduce the attack surface of the ICT Environment to the extent this is within the control of the Supplier); and
 - 9.5.8 inform the Authority when it becomes aware of any new threat, vulnerability or exploitation technique that has the potential to affect the security of the IT Environment (to the extent this is within the control of the Supplier) and provide initial indications of possible mitigations
- 9.6 If the Supplier is unlikely to be able to mitigate any vulnerability within the timescales in paragraph 9.3, the Supplier shall notify the Authority immediately.
- 9.7 Any failure by the Supplier to comply with paragraph 9.3 shall constitute a material Default.

10. SUB-CONTRACTS

- 10.1 The Supplier shall ensure that all Sub-Contracts with Sub-Contractors who have access to Information Assets and/or Authority Data contain equivalent provisions in relation to information assurance and security that are no less onerous than those imposed on the Supplier under the Contract.

ANNEX 1 – BASELINE SECURITY REQUIREMENTS

1 Security Classifications and Controls

- 1.1 The Supplier shall, unless otherwise Approved in accordance with paragraph 6.2 of this Annexe 1, only have access to and handle Information Assets and Authority Data that are classified under the Government Security Classifications Scheme as OFFICIAL.
- 1.2 There may be a specific requirement for the Supplier in some instances on a limited 'need to know basis' to have access to and handle Information Assets and Authority Data that are classified as 'OFFICIAL-SENSITIVE.'
- 1.3 The Supplier shall apply the minimum security controls required for OFFICIAL information and OFFICIAL-SENSITIVE information as described in Cabinet Office guidance, currently at:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/251480/Government-Security-Classifications-April-2014.pdf.
- 1.4 The Supplier shall be able to demonstrate to the Authority and any accreditor that it has taken into account the "Technical Controls Summary" for OFFICIAL (in the above guidance) in designing and implementing the security controls in the Supplier System, which shall be subject to assurance and accreditation to Government standards.
- 1.5 Additional controls may be required by the Authority and any accreditor where there are aspects of data aggregation.

2 End User Devices

- 2.1 Authority Data shall, wherever possible, be held and accessed on paper or in the ICT Environment on secure premises and not on removable media (including laptops, removable discs, CD-ROMs, USB memory sticks, PDAs and media card formats) without Approval. If Approval is sought to hold and access data by other means, the Supplier shall consider the second-best option and third best option below and record the reasons why a particular approach should be adopted when seeking Approval:
 - 2.1.1 second best option means: secure remote access so that data can be viewed or amended over the internet without being permanently stored on the remote device, using products meeting the FIPS 140-3 standard or equivalent, unless Approved;
 - 2.1.2 third best option means: secure transfer of Authority Data to a remote device at a secure site on which it will be permanently stored, in which case the Authority Data and any links to it shall be protected at least to the FIPS 140-3 standard or equivalent, unless otherwise Approved, and noting that protectively marked Authority Data must not be stored on privately owned devices unless they are protected in this way.
- 2.2 The right to transfer Authority Data to a remote device should be carefully considered and strictly limited to ensure that it is only provided where absolutely necessary and shall be subject to monitoring by the Supplier and Authority.
- 2.3 Unless otherwise Approved, when Authority Data resides on a mobile, removable or physically uncontrolled device, it shall be:
 - 2.3.1 the minimum amount that is necessary to achieve the intended purpose and should be anonymised if possible;
 - 2.3.2 stored in an encrypted form meeting the FIPS 140-3 standard or equivalent and using a product or system component which has been formally assured through a recognised certification

process of CESG to at least Foundation Grade, for example, under the CESG Commercial Product Assurance scheme (“CPA”) or equivalent, unless otherwise Approved;

2.3.3 protected by an authentication mechanism, such as a password; and

2.3.4 have up to date software patches, anti-virus software and other applicable security controls to meet the requirements of this Schedule 6.

2.4 Devices used to access or manage Authority Data shall be under the management authority of the Supplier and have a minimum set of security policy configurations enforced. Unless otherwise Approved, all Supplier devices shall satisfy the security requirements set out in the CESG End User Devices Platform Security Guidance (“**CESG Guidance**”) (<https://www.ncsc.gov.uk/guidance/end-user-device-security>) or equivalent.

2.5 Where the CESG Guidance highlights shortcomings in a particular platform the Supplier may wish to use, then these should be discussed with the Authority and a joint decision shall be taken on whether the residual risks are acceptable. If the Supplier wishes to deviate from the CESG Guidance, this should be agreed in writing with the Authority on a case by case basis.

3 Data Storage, Processing, Management, Transfer and Destruction

3.1 The Parties recognise the need for Authority Data to be protected. To that end, the Supplier shall inform the Authority the location within the United Kingdom where Authority Data is stored, processed and managed. The import and export of Authority Data from the Supplier System must be strictly controlled and recorded.

3.2 The Supplier shall inform the Authority of any changes to the location within the United Kingdom where Authority Data is stored, processed and managed and shall not transmit, store, process or manage Authority Data outside of the United Kingdom without Approval provided that the transmission, storage, processing and management of Authority Data offshore is within:

3.2.1 the EEA; or

3.2.2 another country or territory outside the EEA if that country or territory ensures an adequate level of protection by reason of its domestic law or of the international commitments it has entered into.

3.3 The Supplier System shall support the requirement of the Authority to comply with Government policy and Cabinet Office guidance on Offshoring by assessing, as required, any additional security risks associated with the storage, processing and/or transmission of any data and/or information offshore, including by an offshore Supplier (which may include the use of ‘landed resources’), taking account of European Union requirements to confirm the ‘adequacy’ of protection of Personal Data in the countries where storage, processing and/or transmission occurs. No element of the Supplier System may be offshored without Approval.

3.4 The Supplier shall ensure that the Supplier System provides internal processing controls between security domains to prevent the unauthorised high domain exporting of Authority Data to the low domain if there is a requirement to pass data between different security domains.

3.5 The Supplier shall ensure that any electronic transfer of Authority Data:

3.5.1 protects the confidentiality of the Authority during transfer through encryption suitable for the impact level of the data;

- 3.5.2 maintains the integrity of the Authority Data during both transfer and loading into the receiving system through suitable technical controls for the impact level of the data; and
- 3.5.3 prevents the repudiation of receipt through accounting and auditing.

3.6 The Supplier shall:

- 3.6.1 protect Authority Data, including sensitive Personal Data, whose release or loss could cause harm or distress to individuals and ensure that this is handled as if it were confidential while it is stored and/or processed;
- 3.6.2 ensure that any OFFICIAL-SENSITIVE information, including Personal Data is encrypted in transit and when at rest when stored away from the Supplier's controlled environment;
- 3.6.3 on demand, provide the Authority with all Authority Data in an agreed open format;
- 3.6.4 have documented processes to guarantee availability of Authority Data if it ceases to trade;
- 3.6.5 securely destroy all media that held Authority Data at the end of life of the media in accordance with any requirements in the Contract and, in the absence of any such requirements, in accordance with Good Industry Practice;
- 3.6.6 securely erase any or all Authority Data held by the Supplier when requested to do so by the Authority;
- 3.6.7 ensure that all material used for storage of Confidential Information is subject to controlled disposal and the Supplier shall:
 - 3.6.7.1 destroy paper records containing Personal Data by incineration, pulping or shredding so that reconstruction is unlikely; and
 - 3.6.7.2 dispose of electronic media that was used for the processing or storage of Personal Data through secure destruction, overwriting, erasure or degaussing for re-use.

4 Networking

- 4.1 Any Authority Data transmitted over any public network (including the Internet, mobile networks or unprotected enterprise network) or to a mobile device shall be encrypted using a product or system component which has been formally assured through a certification process recognised by CESG, to at least Foundation Grade, for example, under CPA or through the use of Public Sector Network ("PSN") compliant encrypted networking services or equivalent unless none are available in which case the Supplier shall agree the solution with the Authority.
- 4.2 The Authority requires that the configuration and use of all networking equipment in relation to the supply of the Goods, including equipment that is located in secure physical locations, is at least compliant with Good Industry Practice.
- 4.3 The Supplier shall ensure that the ICT Environment (to the extent this is within the control of the Supplier) contains controls to maintain separation between the PSN and internet connections if used.

5 Security Architectures

- 5.1 When designing and configuring the ICT Environment (to the extent that this is within the control of the Supplier) the Supplier shall follow Good Industry Practice and seek guidance from recognised security professionals with the appropriate skills and/or those with a CESG Certified Professional certification or equivalent for all bespoke or complex components.

- 5.2 The Supplier shall provide to the Authority and any accreditor sufficient design documentation detailing the security architecture of the ICT Environment and data transfer mechanism to support the Authority's and any accreditor's assurance that this is appropriate, secure and compliant with the Authority's requirements.
- 5.3 The Supplier shall apply the '*principle of least privilege*' (the practice of limiting systems, processes and user access to the minimum possible level) to the design and configuration of the ICT Environment used for the storage, processing and management of Authority Data. Users should only be granted the minimum necessary permissions to access Information Assets and Authority Data and must be automatically logged out of the Supplier System if an account or session is inactive for more than 15 minutes.

6 Digital Continuity

The Supplier shall ensure that each Information Asset is held in an appropriate format that is capable of being updated from time to time to enable the Information Asset to be retrieved, accessed, used and transferred to the Authority, including in accordance with any information handling procedures set out in the Information Security Policy Framework if applicable.

7 Personnel Vetting and Security

- 7.1 All Staff shall be subject to pre-employment checks that include, as a minimum, their employment history for at least the last 3 years, identity, unspent criminal convictions and right to work (including nationality and immigration status) and shall be vetted in accordance with:
- 7.1.1 the BPSS or BS7858 or equivalent; and
- 7.1.2 PSI 07/2014, if applicable, based on their level of access to Information Assets and/or Authority Data.
- 7.2 If the Authority agrees that it is necessary for any Staff to have logical or physical access to Information Assets and/or Authority Data classified at a higher level than OFFICIAL (such as that requiring 'SC' clearance), the Supplier shall obtain the specific government clearances that are required for access to such Information Assets and/or Authority Data.
- 7.3 The Supplier shall prevent Staff who are unable to obtain the required security clearances from accessing Information Assets and/or Authority Data and/or the ICT Environment used to store, process and/or manage such Information Assets or Authority Data.
- 7.4 The Supplier shall procure that all Staff comply with the Security Policy Framework and principles, obligations and policy priorities stated therein, including requirements to manage and report all security risks in relation to the supply of the Goods.
- 7.5 The Supplier shall ensure that Staff who can access Information Assets and/or Authority Data and/or the ICT Environment are aware of their responsibilities when handling such information and data and undergo regular training on secure information management principles. Unless otherwise Approved, this training must be undertaken annually.
- 7.6 If the Supplier grants Staff access to Information Assets and/or Authority Data, those individuals shall be granted only such levels of access and permissions that are necessary for them to carry out their duties. Once Staff no longer require such levels of access or permissions or leave the organisation, their access rights shall be changed or revoked (as applicable) within one Working Day.

8 Identity, Authentication and Access Control

- 8.1 The Supplier shall operate a robust role-based access control regime, including network controls, to ensure all users and administrators of and those maintaining the ICT Environment are uniquely identified and authenticated when accessing or administering the ICT Environment to prevent unauthorised users from gaining access to Information Assets and/or Authority Data. Applying the '*principle of least privilege*', users and administrators and those responsible for maintenance shall be allowed access only to those parts of the ICT Environment they require. The Supplier shall retain an audit record of accesses and users and disclose this to the Authority upon request.
- 8.2 The Supplier shall ensure that Staff who use the Authority System actively confirm annually their acceptance of the Authority's acceptable use policy.

9 Physical Media

- 9.1 The Supplier shall ensure that:
 - 9.1.1 all OFFICIAL information is afforded physical protection from internal, external and environmental threats commensurate with the value to the Authority of that information;
 - 9.1.2 all physical components of the Supplier System are kept in secure accommodation which conforms to the Security Policy Framework and CESG standards and guidance or equivalent;
 - 9.1.3 all physical media holding OFFICIAL information is handled in accordance with the Security Policy Framework and CESG standards and guidance or equivalent; and
 - 9.1.4 all Information Assets and Authority Data held on paper are:
 - 9.1.4.1 kept secure at all times, locked away when not in use on the premises on which they are held and secured and are segregated if the Supplier is co-locating with the Authority; and
 - 9.1.4.2 only transferred by an approved secure form of transfer with confirmation of receipt obtained.

10 Audit and Monitoring

- 10.1 The Supplier shall implement effective monitoring of its information assurance and security obligations in accordance with Government standards and where appropriate, in accordance with CESG Good Practice Guide 13 – Protective Monitoring or equivalent.
- 10.2 The Supplier shall collect audit records which relate to security events in the ICT Environment (where this is within the control of the Supplier), including those that would support the analysis of potential and actual compromises. In order to facilitate effective monitoring and forensic readiness, such Supplier audit records shall include:
 - 10.2.1 logs to facilitate the identification of the specific asset which makes every outbound request external to the ICT Environment (to the extent it is within the control of the Supplier). To the extent the design of the ICT Environment allows, such logs shall include those from DHCP servers, HTTP/HTTPS proxy servers, firewalls and routers;
 - 10.2.2 regular reports and alerts giving details of access by users of the ICT Environment (to the extent that it is within the control of the Supplier) to enable the identification of changing access trends, any unusual patterns of usage and/or accounts accessing higher than average amounts of Authority Data; and

- 10.2.3 security events generated in the ICT Environment (to the extent it is within the control of the Supplier) including account logon and logoff events, start and end of remote access sessions, security alerts from desktops and server operating systems and security alerts from third party security software.
- 10.3 The Parties shall work together to establish any additional audit and monitoring requirements for the ICT Environment.
- 10.4 The Supplier shall retain audit records collected in compliance with paragraph 10.1 for at least 6 months.

SCHEDULE 7 - PRISONS

ACCESS TO PRISONS

- 1 If Staff are required to have a pass for admission to an Authority Premises which is a prison, (a “**Prison**”) the Authority shall, subject to satisfactory completion of approval procedures, arrange for passes to be issued. Any member of the Staff who cannot produce a proper pass when required to do so by any member of the Authority’s personnel, or who contravenes any conditions on the basis of which a pass was issued, may be refused admission to a Prison or be required to leave a Prison if already there.
- 2 Staff shall promptly return any pass if at any time the Authority so requires or if the person to whom the pass was issued ceases to be involved in the supply of the Goods. The Supplier shall promptly return all passes on expiry or termination of the Contract.
- 3 Staff attending a Prison may be subject to search at any time. Strip searches shall be carried out only on the specific authority of the Authority under the same rules and conditions applying to the Authority’s personnel. The Supplier is referred to Rule 71 of Part IV of the Prison Rules 1999 as amended by the Prison (Amendment) Rules 2005 and Rule 75 of Part IV of the Young Offender Institution Rules 2000 as amended by the Young Offender Institution (Amendment) Rules 2005.
- 4 Searches shall be conducted only on the specific authority of the Authority under the same rules and conditions applying to the Authority’s personnel and/or visitors. The Supplier is referred to Section 8 of the Prison Act 1952, Rule 64 of the Prison Rules 1999 and PSI 67/2011.

SECURITY

- 5 Whilst at Prisons Staff shall comply with all security measures implemented by the Authority in respect of staff and other persons attending Prisons. The Authority shall provide copies of its written security procedures to Staff on request. The Supplier and all Staff are prohibited from taking any photographs at Prisons unless they have Approval and the Authority’s representative is present so as to have full control over the subject matter of each photograph to be taken. No such photograph shall be published or otherwise circulated without Approval.
- 6 The Authority may search vehicles used by the Supplier or Staff at Prisons.
- 7 The Supplier and Staff shall co-operate with any investigation relating to security which is carried out by the Authority or by any person who is responsible for security matters on the Authority’s behalf, and when required by the Authority shall:
 - 7.1 take all reasonable measures to make available for interview by the Authority any Staff identified by the Authority, or a person who is responsible for security matters, for the purposes of the investigation. Staff may be accompanied by and be advised by another person whose attendance at the interview is acceptable to the Authority; and
 - 7.2 subject to any legal restriction on their disclosure, provide all documents, records or other material of any kind and in any form reasonably required by the Authority, or by a person who is responsible for security matters on the Authority’s behalf, for the purposes of investigation as long as the provision of that material does not prevent the Supplier from supplying the Goods. The Authority may retain any such material for use in connection with the investigation and, as far as possible, may provide the Supplier with a copy of any material retained.

OFFENCES AND AUTHORISATION

- 8 In supplying the Goods the Supplier shall comply with PSI 10/2012 (Conveyance and Possession of Prohibited Items and Other Related Offences) and other applicable provisions relating to security as published by the Authority from time to time.
- 9 Nothing in the Contract is deemed to provide any “authorisation” to the Supplier in respect of any provision of the Prison Act 1952, Offender Management Act 2007, Crime and Security Act 2010, Serious Crime Act 2015 or other relevant legislation.

SCHEDULE 8 – STATUTORY OBLIGATIONS AND CORPORATE SOCIAL RESPONSIBILITY

1 What the Authority expects from the Supplier

- 1.1 Her Majesty's Government's Supplier Code of Conduct (the "**Code**") sets out the standards and behaviours expected of suppliers who work with government. The Code can be found online at:

[Supplier Code of Conduct - v2 \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/67141/supplier-code-of-conduct-v2.pdf)

- 1.1 The Supplier shall, and shall procure that its Sub-Contractors shall:

- 1.1.1 comply with its legal obligations, in particular those in Part 1 of this Schedule 8, and meet the standards set out in the Code as a minimum; and
- 1.1.2 use reasonable endeavours to comply with the standards in Part 2 of this Schedule 8.

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PART 1 Statutory Obligations

2 Equality and Accessibility

- 2.1 The Supplier shall:

- (a) perform its obligations under the Contract in accordance with:
 - i) all applicable equality Law (whether in relation to race, sex, gender reassignment, age, disability, sexual orientation, religion or belief, pregnancy maternity or otherwise);
 - ii) the Authority's equality, diversity and inclusion policy as given to the Supplier from time to time;
 - iii) any other requirements and instructions which the Authority reasonably imposes regarding any equality obligations imposed on the Authority at any time under applicable equality law; and
- (b) take all necessary steps and inform the Authority of the steps taken to prevent unlawful discrimination designated as such by any court or tribunal, or the Equality and Human Rights Commission (or any successor organisation).

3 Modern Slavery

- 3.1 The Supplier shall, and procure that each of its Sub-Contractors shall, comply with:

- (a) the MSA; and

- (b) the Authority's anti-slavery policy as provided to the Supplier from time to time ("**Anti-slavery Policy**").

3.2 The Supplier shall:

- (a) implement due diligence procedures for its Sub-Contractors and other participants in its supply chains, to ensure that there is no slavery or trafficking in its supply chains;
- (b) respond promptly to all slavery and trafficking due diligence questionnaires issued to it by the Authority from time to time and shall ensure that its responses to all such questionnaires are complete and accurate;
- (c) prepare and deliver to the Authority each year, an annual slavery and trafficking report setting out the steps it has taken to ensure that slavery and trafficking is not taking place in any of its supply chains or in any part of its business;
- (d) maintain a complete set of records to trace the supply chain of all goods and services provided to the Authority regarding the Contract;
- (e) report the discovery or suspicion of any slavery or trafficking by it or its Sub-Contractors to the Authority and to the Modern Slavery Helpline; and
- (f) implement a system of training for its employees to ensure compliance with the MSA.

3.3 The Supplier represents, warrants and undertakes throughout the Term that:

- (a) it conducts its business in a manner consistent with all applicable laws, regulations and codes including the MSA and all analogous legislation in place in any part of the world;
- (b) its responses to all slavery and trafficking due diligence questionnaires issued to it by the Authority from time to time are complete and accurate; and
- (c) neither the Supplier nor any of its Sub-Contractors, nor any other persons associated with it:
 - i) has been convicted of any offence involving slavery and trafficking; or
 - ii) has been or is the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding any offence regarding slavery and trafficking.

3.4 The Supplier shall notify the Authority as soon as it becomes aware of:

- (a) any breach, or potential breach, of the Anti-Slavery Policy; or
- (b) any actual or suspected slavery or trafficking in a supply chain which relates to the Contract.

3.5 If the Supplier notifies the Authority pursuant to paragraph 3.4 of this Schedule 8, it shall respond promptly to the Authority's enquiries, co-operate with any investigation, and allow the

Authority to audit any books, records and/or any other relevant documentation in accordance with the Contract.

3.6 If the Supplier is in Default under paragraphs 3.2 or 3.3 of this Schedule 8 the Authority may by notice:

- (a) require the Supplier to remove from performance of the Contract any Sub-Contractor, Staff or other persons associated with it whose acts or omissions have caused the Default; or
- (b) immediately terminate the Contract.

4 Income Security

4.1 The Supplier shall:

- (a) ensure that all pay and benefits paid for a standard working week meet, at least, national legal standards in the country of employment;
- (b) provide all Staff with written and readily understandable information about their employment conditions in respect of pay before they enter employment and about their pay for the pay period concerned each time that they are paid;
- (c) not make deductions from pay:
 - (i) as a disciplinary measure;
 - (ii) except where permitted by Law and the terms of the employment contract; and
 - (iii) without express permission of the person concerned; and
- (d) record all disciplinary measures taken against Staff.

4 Working Hours

5.1 The Supplier shall ensure that:

- (a) the working hours of Staff comply with the Law, and any collective agreements;
- (b) the working hours of Staff, excluding overtime, is defined by contract, do not exceed 48 hours per week unless the individual has agreed in writing, and that any such agreement is in accordance with the Law;
- (c) overtime is used responsibly, considering:
 - (i) the extent;
 - (ii) frequency; and
 - (iii) hours worked;

- (d) the total hours worked in any seven-day period shall not exceed 60 hours, except where covered by paragraph 5.1 (e);
- (e) working hours do not exceed 60 hours in any seven-day period unless:
 - (i) it is allowed by Law;
 - (ii) it is allowed by a collective agreement freely negotiated with a worker's organisation representing a significant portion of the workforce;
 - (iii) appropriate safeguards are taken to protect the workers' health and safety; and
 - (iv) the Supplier can demonstrate that exceptional circumstances apply such as during unexpected production peaks, accidents or emergencies;
- (f) all Supplier Staff are provided with at least:
 - (i) 1 day off in every 7-day period; or
 - (ii) where allowed by Law, 2 days off in every 14-day period.

6 Right to Work

6.1 The Supplier shall:

- (a) ensure that all Staff, are employed on the condition that they are permitted to work in the UK, and;
- (b) notify the authority immediately if an employee is not permitted to work in the UK.

7 Health and Safety

7.1 The Supplier shall perform its obligations under the Contract in accordance with:

- (a) all applicable Law regarding health and safety; and
- (b) the Authority's Health and Safety Policy while at the Authority's Premises.

7.2 Each Party shall notify the other as soon as practicable of any health and safety incidents or material health and safety hazards at the Authority's Premises of which it becomes aware and which relate to or arise in connection with the performance of the Contract. The Supplier shall instruct Staff to adopt any necessary safety measures in order to manage the risk.

8. Welsh Language Requirements

8.1 The Supplier shall comply with the Welsh Language Act 1993 and the Welsh Language Scheme as if it were the Authority to the extent that the same relate to the provision of the Goods.

9 Fraud and Bribery

- 9.1 The Supplier represents and warrants that neither it, nor to the best of its knowledge any Staff, have at any time prior to the Commencement Date:
- (a) committed a Prohibited Act or been formally notified that it is subject to an investigation or prosecution which relates to an alleged Prohibited Act; and/or
 - (b) been listed by any Government department or agency as being debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for participation in Government procurement programmes or contracts on the grounds of a Prohibited Act.
- 9.2 The Supplier shall not during the Term:
- (a) commit a Prohibited Act; and/or
 - (b) do or suffer anything to be done which would cause the Authority or any of its employees, consultants, contractors, sub-contractors or agents to contravene any of the Relevant Requirements or otherwise incur any liability in relation to the Relevant Requirements.
- 9.3 The Supplier shall, during the Term:
- (a) establish, maintain and enforce, and require that its Sub-Contractors establish, maintain and enforce, policies and procedures which are adequate to ensure compliance with the Relevant Requirements and prevent the occurrence of a Prohibited Act;
 - (b) have in place reasonable prevention measures (as defined in section 45(3) and 46(4) of the Criminal Finance Act 2017) to ensure that Associated Persons of the Supplier do not commit tax evasion facilitation offences as defined under that Act;
 - (c) keep appropriate records of its compliance with its obligations under paragraphs 9.3(a) and 9.3(b) and make such records available to the Authority on request; and
 - (d) take account of any guidance about preventing facilitation of tax evasion offences which may be published and updated in accordance with section 47 of the Criminal Finances Act 2017.
- 9.4 The Supplier shall immediately notify the Authority in writing if it becomes aware of any breach of paragraphs 9.1 and/or 9.2, or has reason to believe that it has or any of the Staff have:
- (a) been subject to an investigation or prosecution which relates to an alleged Prohibited Act;
 - (b) been listed by any Government department or agency as being debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for participation in Government procurement programmes or contracts on the grounds of a Prohibited Act; and/or
 - (c) received a request or demand for any undue financial or other advantage of any kind in connection with the performance of the Contract or otherwise suspects that any person

directly or indirectly connected with the Contract has committed or attempted to commit a Prohibited Act.

- 9.5 If the Supplier notifies the Authority pursuant to paragraph 9.4, the Supplier shall respond promptly to the Authority's enquiries, co-operate with any investigation, and allow the Authority to Audit any books, records and/or any other relevant documentation.
- 9.6 If the Supplier is in Default under paragraphs 9.1 and/or 9.2, the Authority may by notice:
- (a) require the Supplier to remove from performance of the Contract any Staff whose acts or omissions have caused the Default; or
 - (b) immediately terminate the Contract.
- 9.7 Any notice served by the Authority under paragraph 9.6 shall specify the nature of the Prohibited Act, the identity of the party who the Authority believes has committed the Prohibited Act and the action that the Authority has taken (including, where relevant, the date on which the Contract terminates).

PART 2 Corporate Social Responsibility

10 Zero Hours Contracts

- 10.1 Any reference to zero hours contracts, for the purposes of this Contract, means as they relate to employees or workers and not those who are genuinely self-employed and undertaking work on a zero hours arrangement.
- 10.2 When offering zero hours contracts, the Supplier shall consider and be clear in its communications with its employees and workers about:
- (a) whether an individual is an employee or worker and what statutory and other rights they have;
 - (b) the process by which work will be offered and assurance that they are not obliged to accept work on every occasion; and
 - (c) how the individual's contract will terminate, for example, at the end of each work task or with notice given by either party.

11 Sustainability

- 11.1 The Supplier shall:
- (a) comply with the applicable Government Buying Standards;
 - (b) provide, from time to time, in a format reasonably required by the Authority, reports on the environmental effects of providing the Goods;
 - (c) maintain ISO 14001 or BS 8555 or an equivalent standard intended to manage its environmental responsibilities; and

- (b) perform its obligations under the Contract in a way that:
 - (i) supports the Authority's achievement of the Greening Government Commitments;
 - (ii) conserves energy, water, wood, paper and other resources;
 - (iii) reduces waste and avoids the use of ozone depleting substances; and
 - (iv) minimises the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment.

IN WITNESS of which the Contract is duly executed by the Parties on the date which appears at the head of page 1.

SIGNED for and on behalf of the Secretary
of State for Justice

Signature:

Name (block capitals):

Position:

Date:

SIGNED for and on behalf of AluK (GB) Ltd

Signature:

Name (block capitals):

Position:

Date:

