

DATED []

THE SECRETARY OF STATE FOR HEALTH

and

MOTT MACDONALD LIMITED

FLEMING FUND MANAGEMENT AGENT CONTRACT

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This agreement is made on 10 October 2016

BETWEEN:

- (1) THE SECRETARY OF STATE FOR HEALTH of Richmond House, 79 Whitehall, London, SW1A 2NS, acting as part of the Crown (the "**Authority**");
- (2) **Mott MacDonald Limited** which is a company registered in England and Wales under company number 01243967 and whose registered office is at Mott MacDonald House, 8-10 Sydenham Road, Croydon, Surrey, CR0 2EE (the "**Supplier**").

RECITALS:

- A The Authority placed a contract notice 2016/S 069-120578 on **05/04/2016** (the "**OJEU Notice**") containing an invitation to tender (the "**Invitation to Tender**") in the Official Journal of the European Union seeking requests to participate from providers of services similar to the Services interested in entering into a contract for the supply of such services to the Authority.
- B In response to the OJEU Notice and Invitation to Tender, the Supplier submitted a request to participate to the Authority and, following assessment of the information it provided and further invitation by the Authority, an initial tender to the Authority and, following negotiations, the Tender on **31/08/2016** through which it represented to the Authority that it is capable of delivering the Services in accordance with the Authority's requirements as set out in the Invitation to Tender and, in particular, the Supplier made representations to the Authority in the Tender in relation to its competence, professionalism and ability to provide the Services in an efficient and cost effective manner.
- C On the basis of the Tender, the Authority selected the Supplier to enter into an agreement to provide the Services to the Authority from time to time in accordance with this Contract.

A. PRELIMINARIES

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Contract, unless the context otherwise requires, capitalised expressions shall have the meanings set out in Schedule 1 (Definitions) or the relevant Schedule in which that capitalised expression appears.
- 1.2 In this Contract, unless the context otherwise requires:
 - 1.2.1 the singular includes the plural and vice versa;
 - 1.2.2 reference to a gender includes the other gender and the neuter;
 - 1.2.3 references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Crown Body;
 - 1.2.4 a reference to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time;

- 1.2.5 the words "**including**", "**other**", "**in particular**", "**for example**" 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**";
 - 1.2.6 references to "**writing**" include typing, printing, lithography, photography, display on a screen, electronic and facsimile transmission and other modes of representing or reproducing words in a visible form, and expressions referring to writing shall be construed accordingly;
 - 1.2.7 references to "**representations**" shall be construed as references to present facts, to "**warranties**" as references to present and future facts and to "**undertakings**" as references to obligations under this Contract;
 - 1.2.8 references to "**Clauses**" and "**Schedules**" are, unless otherwise provided, references to the clauses and schedules of this Contract and references in any Schedule to parts, paragraphs, annexes and tables are, unless otherwise provided, references to the parts, paragraphs, annexes and tables of the Schedule in which these references appear; and
 - 1.2.9 the headings in this Contract are for ease of reference only and shall not affect the interpretation or construction of this Contract.
- 1.3 In the event of and only to the extent of any conflict between the Clauses and the Schedules, the conflict shall be resolved in accordance with the following order of precedence:
- 1.3.1 the Clauses;
 - 1.3.2 the Schedules (except Schedule 20 (Tender));
 - 1.3.3 Schedule 20 (Tender).

2. DUE DILIGENCE

- 2.1 The Supplier acknowledges that:
- 2.1.1 the Authority has delivered or made available to the Supplier all of the information and documents that the Supplier considers necessary or relevant for the performance of its obligations under this Contract;
 - 2.1.2 it has made its own enquiries to satisfy itself as to the accuracy and adequacy of the Due Diligence Information;
 - 2.1.3 it has raised all relevant due diligence questions with the Authority before the Commencement Date; and
 - 2.1.4 it has undertaken all necessary due diligence and has entered into this Contract in reliance on its own due diligence alone.
- 2.2 The Supplier shall not be excused from the performance of any of its obligations under this Contract on the grounds of, nor shall the Supplier be entitled to recover any additional costs or charges, arising as a result of:
- 2.2.1 any misinterpretation of the requirements of the Authority in this Contract;
 - 2.2.2 any failure by the Supplier to satisfy itself as to the accuracy and/or adequacy of the Due Diligence Information; and/or
 - 2.2.3 failure by the Supplier to undertake its own due diligence.

3. REPRESENTATIONS AND WARRANTIES

3.1 Each Party represents and warranties that:

- 3.1.1 it has full capacity and authority to enter into and to perform this Contract;
- 3.1.2 this Contract is executed by its duly authorised representative;
- 3.1.3 there are no actions, suits or proceedings or regulatory investigations before any court or administrative body or arbitration tribunal pending or, to its knowledge, threatened against it (or, in the case of the Supplier, any of its Affiliates) that might affect its ability to perform its obligations under this Contract; and
- 3.1.4 its obligations under this Contract constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms subject to applicable (as the case may be for each Party) bankruptcy, reorganisation, insolvency, moratorium or similar Laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or Law).

3.2 The Supplier represents and warrants that:

- 3.2.1 it is validly incorporated, organised and subsisting in accordance with the Laws of its place of incorporation;
- 3.2.2 it has all necessary consents (including, where its procedures so require, the consent of its Parent Company) and regulatory approvals to enter into this Contract;
- 3.2.3 its execution, delivery and performance of its obligations under this Contract does not and will not constitute a breach of any Law or obligation applicable to it and does not and will not cause or result in a Default under any agreement by which it is bound;
- 3.2.4 as at the Commencement Date, all written statements and representations in any written submissions made by the Supplier as part of the procurement process, its Tender and any other documents submitted remain true and accurate except to the extent that such statements and representations have been superseded or varied by this Contract;
- 3.2.5 if the Contract Charges payable under this Contract exceed or are likely to exceed five (5) million pounds, as at the Commencement Date it has notified the Authority in writing of any Occasions of Tax Non-Compliance or any litigation that it is involved in connection with any Occasions of Tax Non Compliance;
- 3.2.6 it has and shall continue to have all necessary rights in and to the Third Party IPR, the Supplier Background IPRs and any other materials made available by the Supplier (and/or any Sub-Contractor) to the Authority which are necessary for the performance of the Supplier's obligations under this Contract including the receipt of the Services by the Authority;
- 3.2.7 it shall take all steps, in accordance with Good Industry Practice, to prevent the introduction, creation or propagation of any disruptive elements (including any virus, worms and/or Trojans, spyware or other malware) into systems, data, software or the Authority's Confidential Information (held in electronic form) owned by or under the control of, or used by, the Authority;

- 3.2.8 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 this Contract;
 - 3.2.9 it is not affected by an Insolvency Event and no proceedings or other steps have been taken and not discharged (nor, to the best of its knowledge, are threatened) for the winding up of the Supplier or for its dissolution or for the appointment of a receiver, administrative receiver, liquidator, manager, administrator or similar officer in relation to any of the Supplier's assets or revenue; and
 - 3.2.10 for the Contract Period and for a period of twelve (12) months after the termination or expiry of this Contract, the Supplier shall not employ or offer employment to any staff of the Authority which have been associated with the provision of the Services without Approval or the prior written consent of the Authority, which shall not be unreasonably withheld.
- 3.3 Each of the representations and warranties set out in Clauses 3.1 and 3.2 shall be construed as a separate representation and warranty and shall not be limited or restricted by reference to, or inference from, the terms of any other representation, warranty or any undertaking in this Contract.
- 3.4 If at any time a Party becomes aware that a representation or warranty given by it under Clauses 3.1 and 3.2 has been breached, is untrue or is misleading, it shall immediately notify the other Party of the relevant occurrence in sufficient detail to enable the other Party to make an accurate assessment of the situation.
- 3.5 For the avoidance of doubt, the fact that any provision within this Contract is expressed as a warranty shall not preclude any right of termination the Authority may have in respect of breach of that provision by the Supplier which constitutes a material Default.

4. GUARANTEE

- 4.1 The Authority reserves the right to request a Guarantee from the Supplier at any time during the Contract Period where, in its sole discretion, the Authority considers it necessary for the effective performance of the Contract.
- 4.2 Where the Authority requests a Guarantee under Clause 4.1, the Supplier shall deliver to the Authority:
- 4.2.1 an executed Guarantee from a Guarantor; and
 - 4.2.2 a certified copy extract of the board minutes and/or resolution of the Guarantor approving the execution of the Guarantee,
- within thirty (30) days from the Authority's request or on such other date as is agreed between the Parties.
- 4.3 If the Supplier fails to provide the documentation required by Clause 4.1 by the agreed date then the Authority shall be entitled to terminate this Contract in accordance with Clause 34.1.

5. CYBER ESSENTIALS SCHEME CONDITION

- 5.1 Where the Authority has notified the Supplier that the award of this Contract is conditional upon receipt of a valid Cyber Essentials Scheme Basic Certificate or Cyber Essentials Scheme Plus Certificate or equivalent, then on or prior to the execution of this

Contract, as a condition for the award of this Contract, the Supplier shall deliver to the Authority evidence of the same.

- 5.2 Where the Supplier continues to Process Cyber Essentials Scheme Data during the Contract Period the Supplier shall deliver to the Authority evidence of renewal of a valid Cyber Essentials Scheme Basic Certificate or Cyber Essentials Scheme Plus Certificate or equivalent on each anniversary of the first applicable certificate obtained by the Supplier under Clause 5.1.
- 5.3 Where the Supplier is due to Process Cyber Essentials Scheme Data after the Commencement Date but before the end of the Contract Period, the Supplier shall deliver to the Authority evidence of:
 - 5.3.1 a valid Cyber Essentials Scheme Basic Certificate or Cyber Essentials Scheme Plus Certificate or equivalent (before the Supplier Processes any such Cyber Essentials Scheme Data); and
 - 5.3.2 renewal of a valid Cyber Essentials Scheme Basic Certificate or Cyber Essentials Scheme Plus Certificate or equivalent on each anniversary of the first Cyber Essentials Scheme certificate obtained by the Supplier under Clause 5.3.1.
- 5.4 In the event that the Supplier fails to comply with Clauses 5.2 or 5.3 (as applicable), the Authority reserves the right to terminate this Contract for material Default.

B. DURATION OF CONTRACT

6. CONTRACT PERIOD

- 6.1 This Contract shall take effect on the Commencement Date and shall expire, unless it is terminated earlier in accordance with the terms of this Contract or otherwise by operation of Law, either:
 - 6.1.1 at the end of the Initial Period; or
 - 6.1.2 where the Authority elects to extend the Initial Period in accordance with Clause 6.2 below, at the end of the Extension Period(s).
- 6.2 The Authority may elect to extend the duration of this Contract for an Extension Period from the expiry of the Initial Period, or the expiry of any previous Extension Period, by way of the Variation Procedure.

C. CONTRACT PERFORMANCE

7. INCEPTION PLAN AND IMPLEMENTATION PLAN

7.1 Compliance with the Inception Plan and Implementation Plan

- 7.1.1 The Supplier shall complete all Inception Services in full compliance with the Inception Plan set out in Schedule 4 (Inception Plan, Authority Responsibilities and Key Personnel).
- 7.1.2 The Supplier shall complete all Implementation Services in full compliance with the Implementation Plan set out in Annex 1 of Schedule 2 (Services).
- 7.1.3 The Supplier shall perform each of the Deliverables identified in the Inception Plan and the Implementation Plan by the applicable date assigned to that Deliverable in the Inception Plan or Implementation Plan so as to ensure that

each Milestone identified in the Inception Plan and the Implementation Plan is Achieved on or before its Milestone Date.

- 7.1.4 Where so specified in the Inception Plan, the Implementation Plan or elsewhere in this Contract, time in relation to compliance with a date, Milestone Date or period shall be of the essence and failure of the Supplier to comply with such date, Milestone Date or period shall be a material Default unless the Parties expressly agree otherwise.
- 7.1.5 The Supplier shall monitor its performance against the Inception Plan, the Implementation Plan and Milestones (if any) and any other requirements of the Authority as set out in this Contract and report to the Authority on such performance.
- 7.1.6 The Supplier shall keep the Inception Plan and the Implementation Plan under review in accordance with the Authority's instructions and ensure that it is maintained and updated on a regular basis as may be necessary to reflect the then current state of the provision of the Services. The Authority shall have the right to require the Supplier to include any reasonable changes or provisions in each version of the Inception Plan and the Implementation Plan.
- 7.1.7 Changes to the Inception Plan and the Implementation Plan shall only be made in accordance with the Variation Procedure.
- 7.1.8 The Supplier shall not attempt to postpone any of the Milestones using the Variation Procedure or otherwise (except in the event of an Authority Cause which affects the Supplier's ability to achieve a Milestone by the relevant Milestone Date).
- 7.1.9 For the avoidance of doubt, where a Deliverable or Milestone has not been Achieved following an initial request by the Supplier to the Authority for verification whether the Deliverable or Milestone has been Achieved or not, the Authority shall not be liable for any additional costs incurred by the Supplier until the relevant Deliverable or Milestone is Achieved (and for complying with the Authority's reasonable instructions to enable Achievement), unless the failure or delay in Achieving the relevant Deliverable or Milestone is due to Authority Cause and the Supplier is entitled to relief in accordance with the provisions of Clause 33.

7.2 Rectification of Delay

- 7.2.1 If the Supplier becomes aware that there is, or there is reasonably likely to be, a Delay under this Contract:
 - (a) it shall:
 - (i) notify the Authority as soon as practically possible and no later than within two (2) Working Days from becoming aware of the Delay or anticipated Delay;
 - (ii) include in its notification an explanation of the actual or anticipated impact of the Delay;
 - (iii) comply with the Authority's instructions in order to address the impact of the Delay or anticipated Delay;

- (iv) use all reasonable endeavours to eliminate or mitigate the consequences of any Delay or anticipated Delay; and
 - (b) if the Delay or anticipated Delay relates to a Milestone in respect which a Delay Payment has been specified in the Inception Plan or Implementation Plan, Clause 7.3 (Delay Payments) shall apply.
- 7.2.2 For the purposes of clause 7.1.4, the Parties agree that where:
 - (a) the Supplier complies with its obligations to under clause 7.2.1; and
 - (b) the Authority, at its sole discretion, agrees to a revised Milestone Date (the "Revised Milestone Date"),

a Delay in relation to any of the original Milestone Date in the Inception Plan or Implementation Plan which has subsequently been agreed as a Revised Milestone Date shall not be a Material Default.
- 7.2.3 Where a Revised Milestone Date is agreed by the Authority in accordance with clause 7.2.2, a Delay which exceed the Revised Milestone day by thirty (30) days or more shall be a Material Default unless the Parties expressly agree otherwise.

7.3 Delay Payments

- 7.3.1 If Delay Payments have been included in the Inception Plan or the Implementation Plan and a Milestone has not been achieved by the relevant Milestone Date, the Supplier shall pay to the Authority such Delay Payments (calculated as set out by the Authority in the Inception Plan or Implementation Plan) and the following provisions shall apply:
 - (a) the Supplier acknowledges and agrees that any Delay Payment is a price adjustment and not an estimate of the Loss that may be suffered by the Authority as a result of the Supplier's failure to Achieve the corresponding Milestone;
 - (b) Delay Payments shall be the Authority's exclusive financial remedy for the Supplier's failure to Achieve a corresponding Milestone by its Milestone Date except where:
 - (i) the Authority is otherwise entitled to or does terminate this Contract pursuant to Clause 34 (Authority Termination Rights) except Clause 34.7 (Termination Without Cause); or
 - (ii) the delay exceeds the period of ninety (90) days commencing on the relevant Milestone Date;
 - (c) the Delay Payments will accrue on a daily basis from the relevant Milestone Date and shall continue to accrue until the date when the Milestone is Achieved (unless otherwise specified by the Authority in the Inception Plan);
 - (d) no payment or concession to the Supplier by the Authority or other act or omission of the Authority shall in any way affect the rights of the Authority to recover the Delay Payments or be deemed to be a waiver of the right of the Authority to recover any such damages unless such waiver complies with Clause 41 (Waiver and Cumulative Remedies) and refers

specifically to a waiver of the Authority's rights to claim Delay Payments;
and

- (e) the Supplier waives absolutely any entitlement to challenge the enforceability in whole or in part of this Clause 7.3 and Delay Payments shall not be subject to or count towards any limitation on liability set out in Clause 29 (Liability).

8. SERVICES

8.1 Provision of the Services

- 8.1.1 The Supplier acknowledges and agrees that the Authority relies on the skill and judgment of the Supplier in the provision of the Services and the performance of its obligations under this Contract.
- 8.1.2 The Supplier shall ensure that the Services:
 - (a) comply in all respects with the Authority's description of the Services in Schedule 2 (Services) or elsewhere in this Contract; and
 - (b) are supplied in accordance with the provisions of this Contract and the Tender.
- 8.1.3 The Supplier shall perform its obligations under this Contract in accordance with:
 - (a) the Inception Plan;
 - (b) the Implementation Plan;
 - (c) all applicable Law;
 - (d) Good Industry Practice;
 - (e) the Standards;
 - (f) the Security Policy; and
 - (g) the Supplier's own established procedures and practices to the extent the same do not conflict with the requirements of Clauses 8.1.3(a) to (f).
- 8.1.4 The Supplier shall:
 - (a) at all times allocate sufficient resources with the appropriate technical expertise to supply the Deliverables and to provide the Services in accordance with this Contract;
 - (b) subject to Clause 17.1 (Variation Procedure), obtain, and maintain throughout the duration of this Contract, all the consents, approvals, licences and permissions (statutory, regulatory contractual or otherwise) it may require and which are necessary for the provision of the Services;
 - (c) ensure that any services recommended or otherwise specified by the Supplier for use by the Authority in conjunction with the Deliverables and/or Services shall enable the Deliverables and/or Services to meet the requirements of the Authority;
 - (d) ensure that the Supplier Assets will be free of all encumbrances (except as agreed in writing with the Authority);

- (e) ensure that the Services are fully compatible with any Authority Property or Authority Assets used by the Supplier in connection with this Contract;
- (f) minimise any disruption to the Sites and/or the Authority's operations when providing the Services;
- (g) ensure that any Documentation and training provided by the Supplier to the Authority are comprehensive, accurate and prepared in accordance with Good Industry Practice;
- (h) co-operate with the Other Suppliers and provide reasonable information (including any Documentation), advice and assistance in connection with the Services to any Other Supplier and, on the Expiry Date for any reason, to enable the timely transition of the supply of the Services (or any of them) to the Authority and/or to any Replacement Supplier;
- (i) without prejudice to any express obligations on the Supplier elsewhere in the Contract, shall be committed to:
 - (i) working in a spirit of trust and co-operation with the Authority and the Evaluation Supplier such that the aims, objectives and specific provisions of this Contract can be fully realised;
 - (ii) Proactively sharing knowledge with the Authority and the Evaluation Supplier; and
 - (iii) Co-operating with the Authority and the Evaluation Supplier in obtaining and providing information which they need in connection with the Services.
- (j) assign to the Authority, or if it is unable to do so, shall (to the extent it is legally able to do so) hold on trust for the sole benefit of the Authority, all warranties and indemnities provided by third parties or any Sub-Contractor in respect of any Deliverables and/or the Services. Where any such warranties are held on trust, the Supplier shall enforce such warranties in accordance with any reasonable directions that the Authority may notify from time to time to the Supplier;
- (k) provide the Authority with such assistance as the Authority may reasonably require during the Contract Period in respect of the supply of the Services;
- (l) deliver the Services in a proportionate and efficient manner;
- (m) ensure that neither it, nor any of its Affiliates, embarrasses the Authority or otherwise brings the Authority into disrepute by engaging in any act or omission which is reasonably likely to diminish the trust that the public places in the Authority, regardless of whether or not such act or omission is related to the Supplier's obligations under this Contract; and
- (n) gather, collate and provide such information and co-operation as the Authority may reasonably request for the purposes of ascertaining the Supplier's compliance with its obligations under this Contract.

8.1.5 An obligation on the Supplier to do, or to refrain from doing, any act or thing shall include an obligation upon the Supplier to procure that all Sub-Contractors and Supplier Personnel also do, or refrain from doing, such act or thing.

8.2 Time of Delivery of the Services

- 8.2.1 The Supplier shall provide the Services on the date(s) specified in the Inception Plan, the Implementation Plan or elsewhere in this Contract.

8.3 Undelivered Services

- 8.3.1 In the event that any of the Services are not Delivered in accordance with Clauses 8.1 (Provision of the Services) and 8.2 (Time of Delivery of the Services) ("**Undelivered Services**"), the Authority, without prejudice to any other rights and remedies of the Authority howsoever arising, shall be entitled to withhold payment of the applicable Contract Charges for the Services that were not so Delivered until such time as the Undelivered Services are Delivered.
- 8.3.2 The Authority may, at its discretion and without prejudice to any other rights and remedies of the Authority howsoever arising, deem the failure to comply with Clauses 8.1, (Provision of the Services) and 8.2 (Time of Delivery of the Services)) and meet the relevant Milestone Date (if any) to be a material Default.

8.4 Obligation to Remedy Default in the Supply of the Services

- 8.4.1 Subject to Clauses 26.9.2 and 26.9.3 (IPR Indemnity) and without prejudice to any other rights and remedies of the Authority howsoever arising (including under Clauses 8.3.2 (Undelivered Services) and 31 (Authority Remedies for Default)), the Supplier shall, where practicable:
- (a) remedy any breach of its obligations in Clauses 8.1 and 8.2 within three (3) Working Days of becoming aware of the relevant Default or being notified of the Default by the Authority or within such other time period as may be agreed with the Authority (taking into account the nature of the breach that has occurred); and
 - (b) meet all the costs of, and incidental to, the performance of such remedial work.

8.5 Continuing Obligation to Provide the Services

- 8.5.1 The Supplier shall continue to perform all of its obligations under this Contract and shall not suspend the provision of the Services, notwithstanding:
- (a) any withholding or deduction by the Authority of any sum due to the Supplier pursuant to the exercise of a right of the Authority to such withholding or deduction under this Contract;
 - (b) the existence of an unresolved Dispute; and/or
 - (c) any failure by the Authority to pay any Contract Charges,
- unless the Supplier is entitled to terminate this Contract under Clause 35.1 (Termination on Authority Cause for Failure to Pay) for failure by the Authority to pay undisputed Contract Charges.

9. STANDARDS AND QUALITY

- 9.1 The Supplier shall at all times during the Contract Period comply with the Standards and Schedule 7 (Standards) and maintain, where applicable, accreditation with the relevant Standards' authorisation body.
- 9.2 Throughout the Contract Period, the Parties shall notify each other of any new or emergent standards which could affect the Supplier's provision, or the receipt by the

Authority, of the Services. The adoption of any such new or emergent standard, or changes to existing Standards, shall be agreed in accordance with the Variation Procedure. Any change to an existing Standard which is included in Schedule 7 (Standards) shall, in addition, require the Approval of the Authority.

- 9.3 Where a new or emergent standard is to be developed or introduced by the Authority, the Supplier shall be responsible for ensuring that the potential impact on the Supplier's provision, or the Authority's receipt of the Services is explained to the Authority (within a reasonable timeframe), prior to the implementation of the new or emergent Standard.
- 9.4 Where Standards referenced conflict with each other or with best professional or industry practice adopted after the Commencement Date, then the later Standard or best practice shall be adopted by the Supplier. Any such alteration to any Standard or Standards shall require Approval and shall be implemented within an agreed timescale.
- 9.5 Where a standard, policy or document is referred to in Schedule 7 (Standards) by reference to a hyperlink, then if the hyperlink is changed or no longer provides access to the relevant standard, policy or document, the Supplier shall notify the Authority and the Parties shall agree the impact of such change.

10. SERVICE LEVELS

- 10.1 The Parties shall comply with the provisions of Part A (Service Levels) of Schedule 6 (Service Levels and Performance Monitoring).
- 10.2 The Supplier shall at all times during the Contract Period provide the Services to meet or exceed the Service Level Performance Measure for each Service Level Performance Criterion.
- 10.3 The Supplier acknowledges that any Service Level Failure may have a material adverse impact on the business and operations of the Authority and that it shall entitle the Authority to the rights set out in Part A of Schedule 6 (Service Levels and Performance Monitoring).
- 10.4 Not more than once in each Contract Year the Authority may, on giving the Supplier at least three (3) Months' notice, change the weighting of Service Level Performance Measure in respect of one or more Service Level Performance Criteria and the Supplier shall not be entitled to object to, or increase the Contract Charges as a result of such changes, provided that:
 - 10.4.1 the total number of Service Level Performance Criteria does not exceed ten (10); and
 - 10.4.2 the principal purpose of the change is to reflect changes in the Authority's business requirements and/or priorities or to reflect changing industry standards.

11. BUSINESS CONTINUITY AND DISASTER RECOVERY

- 11.1 The Supplier shall supply a Business Continuity and Disaster Recovery Plan within 30 days of the Commencement Date which shall be subject to the Authority's Approval.
- 11.2 The Parties agree that the Business Continuity and Disaster Recovery Plan supplied and Approved in accordance with clause 11.1 shall be inserted at Schedule 9 (Business Continuity and Disaster Recovery).

- 11.3 The Parties shall comply with the provisions of Schedule 9 (Business Continuity and Disaster Recovery).

12. SUPPLIER NOTIFICATION OF AUTHORITY CAUSE

- 12.1 Without prejudice to any other obligations of the Supplier in this Contract to notify the Authority in respect of a specific Authority Cause (including the notice requirements under Clause 35.1.1 (Termination on Authority Cause for Failure to Pay)), the Supplier shall notify the Authority as soon as reasonably practicable (and in any event within two (2) Working Days of the Supplier becoming aware) that a Authority Cause has occurred or is reasonably likely to occur, giving details of:
- 12.1.1 the Authority Cause and its effect, or likely effect, on the Supplier's ability to meet its obligations under this Contract; and
 - 12.1.2 any steps which the Authority can take to eliminate or mitigate the consequences and impact of such Authority Cause; and
 - 12.1.3 use all reasonable endeavours to eliminate or mitigate the consequences and impact of an Authority Cause, including any Losses that the Supplier may incur and the duration and consequences of any Delay or anticipated Delay.

13. CONTINUOUS IMPROVEMENT

- 13.1 The Supplier shall have an ongoing obligation throughout the Contract Period to identify new or potential improvements to the provision of the Services in accordance with this Clause 13 with a view to reducing the Authority's costs (including the Contract Charges) and/or improving the quality and efficiency of the Services and their supply to the Authority. As part of this obligation the Supplier shall identify and report to the Authority once every twelve (12) months:
- 13.1.1 the emergence of new and evolving relevant technologies which could improve the Sites and/or the provision of the Services, and those technological advances potentially available to the Supplier and the Authority which the Parties may wish to adopt;
 - 13.1.2 new or potential improvements to the provision of the Services including the quality, responsiveness, procedures, benchmarking methods, likely performance mechanisms and customer support services in relation to the Services;
 - 13.1.3 changes to the Sites, business processes and ways of working that would enable the Services to be provided at lower costs and/or at greater benefits to the Authority; and/or
 - 13.1.4 changes to the Sites, business processes and ways of working that would enable reductions in the total energy consumed annually in the provision of the Services.
- 13.2 The Supplier shall ensure that the information that it provides to the Authority shall be sufficient for the Authority to decide whether any improvement should be implemented. The Supplier shall provide any further information that the Authority requests.
- 13.3 If the Authority wishes to incorporate any improvement identified by the Supplier, the Authority shall request a Variation in accordance with the Variation Procedure and the Supplier shall implement such Variation at no additional cost to the Authority.

D. CONTRACT GOVERNANCE

14. PERFORMANCE MONITORING

- 14.1 The Supplier shall comply with the monitoring requirements set out in Part B (Performance Monitoring) of Schedule 6 (Service Levels and Performance Monitoring).

15. REPRESENTATIVES

- 15.1 Each Party shall have a representative for the duration of this Contract who shall have the authority to act on behalf of their respective Party on the matters set out in, or in connection with, this Contract.
- 15.2 The initial Supplier Representative shall be the person notified to the Authority in writing by the Supplier within (5) Working Days of the Commencement Date. Any change to the Supplier Representative shall be agreed in accordance with Clause 22 (Supplier Personnel).
- 15.3 The Authority shall notify the Supplier of the identity of the initial Authority Representative within five (5) Working Days of the Commencement Date. The Authority may, by written notice to the Supplier, revoke or amend the authority of the Authority Representative or appoint a new Authority Representative.

16. RECORDS, AUDIT ACCESS AND OPEN BOOK DATA

- 16.1 The Supplier shall keep and maintain for seven (7) years after the Expiry Date (or as long a period as may be agreed between the Parties), full and accurate records and accounts of the operation of this Contract including the Services provided under it, any Sub-Contracts and the amounts paid by the Authority.
- 16.2 The Supplier shall:
- 16.2.1 keep the records and accounts referred to in Clause 16.1 in accordance with Good Industry Practice and Law; and
 - 16.2.2 afford any Auditor access to the records and accounts referred to in Clause 16.1 at the Supplier's premises and/or provide records and accounts (including copies of the Supplier's published accounts) or copies of the same, as may be required by any of the Auditors from time to time during the Contract Period and the period specified in Clause 16.1, in order that the Auditor(s) may carry out an inspection to assess compliance by the Supplier and/or its Sub-Contractors of any of the Supplier's obligations under this Contract including in order to:
 - (a) verify the accuracy of the Contract Charges and any other amounts payable by the Authority under this Contract (and proposed or actual variations to them in accordance with this Contract);
 - (b) verify the costs of the Supplier (including the costs of all Sub-Contractors and any third party suppliers) in connection with the provision of the Services;
 - (c) verify the Open Book Data;
 - (d) verify the Supplier's and each Sub-Contractor's compliance with the applicable Law;
 - (e) identify or investigate an actual or suspected Prohibited Act, impropriety or accounting mistakes or any breach or threatened breach of security

and in these circumstances the Authority shall have no obligation to inform the Supplier of the purpose or objective of its investigations;

- (f) identify or investigate any circumstances which may impact upon the financial stability of the Supplier and/or the Guarantor and/or any Sub-Contractors or their ability to perform the Services;
- (g) obtain such information as is necessary to fulfil the Authority's obligations to supply information for parliamentary, ministerial, judicial or administrative purposes including the supply of information to the Comptroller and Auditor General;
- (h) review any books of account and the internal contract management accounts kept by the Supplier in connection with this Contract;
- (i) carry out the Authority's internal and statutory audits and to prepare, examine and/or certify the Authority's annual and interim reports and accounts;
- (j) enable the National Audit Office to carry out an examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority has used its resources;
- (k) review any Performance Monitoring Reports provided under Part B of Schedule 6 (Service Levels and Performance Monitoring) and/or other records relating to the Supplier's performance of the provision of the Services and to verify that these reflect the Supplier's own internal reports and records;
- (l) verify the accuracy and completeness of any information delivered or required by this Contract;
- (m) review the Supplier's quality management systems (including any quality manuals and procedures);
- (n) review the Supplier's compliance with the Standards;
- (o) inspect the Authority Assets, including the Authority's IPRs, equipment and facilities, for the purposes of ensuring that the Authority Assets are secure and that any register of assets is up to date; and/or
- (p) review the integrity, confidentiality and security of the Authority Data.

16.3 The Authority shall use reasonable endeavours to ensure that the conduct of each audit does not unreasonably disrupt the Supplier or delay the provision of the Services save insofar as the Supplier accepts and acknowledges that control over the conduct of audits carried out by the Auditor(s) is outside the control of the Authority.

16.4 Subject to the Supplier's rights in respect of Confidential Information, the Supplier shall on demand provide the Auditor(s) with all reasonable co-operation and assistance in:

- 16.4.1 all reasonable information requested by the Authority within the scope of the audit;
- 16.4.2 reasonable access to sites controlled by the Supplier and to any Supplier Equipment used in the provision of the Services; and
- 16.4.3 access to the Supplier Personnel.

- 16.5 The Parties agree that they shall bear their own respective costs and expenses incurred in respect of compliance with their obligations under this Clause 16, unless the audit reveals a Default by the Supplier in which case the Supplier shall reimburse the Authority for the Authority's reasonable costs incurred in relation to the audit.

17. CHANGE

17.1 Variation Procedure

- 17.1.1 Subject to the provisions of this Clause 17 and of Schedule 3 (Contract Charges, Payment and Invoicing), either Party may request a variation to this Contract provided that such variation does not amount to a substantial modification or a material change of this Contract within the meaning of the Regulations and the Law. Such a change once implemented is hereinafter called a "**Variation**".
- 17.1.2 A Party may request a Variation by completing, signing and sending the Variation Form to the other Party giving sufficient information for the receiving Party to assess the extent of the proposed Variation and any additional cost that may be incurred.
- 17.1.3 Where the Authority has so specified on receipt of a Variation Form from the Supplier, the Supplier shall carry out an impact assessment of the Variation on the Services (the "**Impact Assessment**"). The Impact Assessment shall be completed in good faith and shall include:
- (a) details of the impact of the proposed Variation on the Services and the Supplier's ability to meet its other obligations under this Contract;
 - (b) details of the cost of implementing the proposed Variation;
 - (c) details of the ongoing costs required by the proposed Variation when implemented, including any increase or decrease in the Contract Charges, any alteration in the resources and/or expenditure required by either Party and any alteration to the working practices of either Party;
 - (d) a timetable for the implementation, together with any proposals for the testing of the Variation; and
 - (e) such other information as the Authority may reasonably request in (or in response to) the Variation request.
- 17.1.4 The Parties may agree to adjust the time limits specified in the Variation Form to allow for the preparation of the Impact Assessment.
- 17.1.5 The receiving Party shall respond to the request within the time limits specified in the Variation Form. Such time limits shall be reasonable and ultimately at the discretion of the Authority having regard to the nature of the Services and the proposed Variation.
- 17.1.6 In the event that:
- (a) the Supplier is unable to agree to or provide the Variation; and/or
 - (b) the Parties are unable to agree a change to the Contract Charges that may be included in a request of a Variation or response to it as a consequence thereof,
- the Authority may:

- (i) agree to continue to perform its obligations under this Contract without the Variation; or
- (ii) terminate this Contract with immediate effect, except where the Supplier has already fulfilled part or all of the Services ordered in accordance with this Contract or where the Supplier can show evidence of substantial work being carried out to provide the Services under this Contract, and in such a case the Parties shall attempt to agree upon a resolution to the matter. Where a resolution cannot be reached, the matter shall be dealt with under the Dispute Resolution Procedure.

17.1.7 If the Parties agree the Variation, the Supplier shall implement such Variation and be bound by the same provisions so far as is applicable, as though such Variation was stated in this Contract.

17.2 Legislative Change

17.2.1 The Supplier shall neither be relieved of its obligations under this Contract nor be entitled to an increase in the Contract Charges as the result of a:

- (a) General Change in Law;
- (b) Specific Change in Law where the effect of that Specific Change in Law on the Services is reasonably foreseeable at the Commencement Date.

17.2.2 If a Specific Change in Law occurs or will occur during the Contract Period (other than as referred to in Clause 17.2.1(b)), the Supplier shall:

- (a) notify the Authority as soon as reasonably practicable of the likely effects of that change including:
 - (i) whether any Variation is required to the provision of the Services, the Contract Charges or this Contract; and
 - (ii) whether any relief from compliance with the Supplier's obligations is required, including any obligation to Achieve a Milestone and/or to meet the Service Level Performance Measures; and
- (b) provide to 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;
 - (ii) as to how the Specific Change in Law has affected the cost of providing the Services; and
 - (iii) demonstrating that any expenditure that has been avoided, for example which would have been required under the provisions of Clause 13 (Continuous Improvement), has been taken into account in amending the Contract Charges.

17.2.3 Any change in the Contract Charges or relief from the Supplier's obligations resulting from a Specific Change in Law (other than as referred to in Clause 17.2.1(b)) shall be implemented in accordance with the Variation Procedure.

E. PAYMENT, TAXATION AND VALUE FOR MONEY PROVISIONS

18. CONTRACT CHARGES AND PAYMENT

18.1 Contract Charges

- 18.1.1 In consideration of the Supplier carrying out its obligations under this Contract, including the provision of the Services, the Authority shall pay the undisputed Contract Charges in accordance with the pricing and payment profile and the invoicing procedure in Schedule 3 (Contract Charges, Payment and Invoicing).
- 18.1.2 Except as otherwise provided, each Party shall bear its own costs and expenses incurred in respect of compliance with its obligations under Clauses 16 (Records, Audit Access and Open Book Data), 27.5 (Freedom of Information) and 27.6 (Protection of Personal Data).
- 18.1.3 If the Authority fails to pay any undisputed Contract Charges properly invoiced under this Contract, the Supplier shall have the right to charge interest on the overdue amount at the applicable rate under the Late Payment of Commercial Debts (Interest) Act 1998, accruing on a daily basis from the due date up to the date of actual payment, whether before or after judgment.

18.2 VAT

- 18.2.1 The Contract Charges are stated exclusive of VAT, which shall be added at the prevailing rate as applicable and paid by the Authority following delivery of a Valid Invoice.
- 18.2.2 The Supplier shall indemnify 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 (whether before or after the making of a demand pursuant to the indemnity hereunder) in respect of the Supplier's failure to account for or to pay any VAT relating to payments made to the Supplier under this Contract. Any amounts due under Clause 18.2 (VAT) shall be paid in cleared funds by the Supplier to the Authority not less than five (5) Working Days before the date upon which the tax or other liability is payable by the Authority.

18.3 Retention and Set Off

- 18.3.1 The Authority may retain or set off any amount owed to it by the Supplier against any amount due to the Supplier under this Contract or under any other agreement between the Supplier and the Authority.
- 18.3.2 If the Authority wishes to exercise its right pursuant to Clause 18.3.1 it shall give notice to the Supplier within thirty (30) days of receipt of the relevant invoice, setting out the Authority's reasons for retaining or setting off the relevant Contract Charges.
- 18.3.3 The Supplier shall make any payments due to the Authority without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise unless the Supplier has obtained a sealed court order requiring an amount equal to such deduction to be paid by the Authority to the Supplier.

18.4 Foreign Currency

- 18.4.1 Any requirement of Law to account for the Services in any currency other than Sterling, (or to prepare for such accounting) instead of and/or in addition to Sterling, shall be implemented by the Supplier free of charge to the Authority.
- 18.4.2 The Authority shall provide all reasonable assistance to facilitate compliance with Clause 18.4.1 by the Supplier.

18.5 Income Tax and National Insurance Contributions

- 18.5.1 Where the Supplier or any Supplier Personnel are liable to be taxed in the UK or to pay national insurance contributions in respect of consideration received under this Contract, the Supplier shall:
- (a) at all times comply with the Income Tax (Earnings and Pensions) Act 2003 and all other statutes and regulations relating to income tax, and the Social Security Contributions and Benefits Act 1992 and all other statutes and regulations relating to national insurance contributions, in respect of that consideration; and
 - (b) indemnify the Authority against any income tax, national insurance and social security contributions and any other liability, deduction, contribution, assessment or claim arising from or made (whether before or after the making of a demand pursuant to the indemnity hereunder) in connection with the provision of the Services by the Supplier or any Supplier Personnel.
- 18.5.2 In the event that any one of the Supplier Personnel is a Worker as defined in Schedule 1 (Definitions) who receives consideration relating to the Services, then, in addition to its obligations under Clause 18.5.1, the Supplier shall ensure that its contract with the Worker contains the following requirements:
- (a) that the Authority may, at any time during the Contract Period, request that the Worker provides information which demonstrates how the Worker complies with the requirements of Clause 18.5.1, or why those requirements do not apply to it. In such case, the Authority may specify the information which the Worker must provide and the period within which that information must be provided;
 - (b) that the Worker's contract may be terminated at the Authority's request if:
 - (i) the Worker fails to provide the information requested by the Authority within the time specified by the Authority under Clause 18.5.2(a); and/or
 - (ii) the Worker provides information which the Authority considers is inadequate to demonstrate how the Worker complies with Clauses 18.5.1(a) or 18.5.1(b) or confirms that the Worker is not complying with those requirements; and
 - (c) that the Authority may supply any information it receives from the Worker to HMRC for the purpose of the collection and management of revenue for which they are responsible.

19. PROMOTING TAX COMPLIANCE

- 19.1 This Clause 19 shall apply if the Contract Charges payable under this Contract exceed or are likely to exceed five (5) million pounds during the Contract Period. If, at any point during the Contract Period, an Occasion of Tax Non-Compliance occurs, the Supplier shall:
- 19.1.1 notify the Authority in writing of such fact within five (5) Working Days of its occurrence; and
 - 19.1.2 promptly provide to the Authority:

- (a) details of the steps that the Supplier is taking to address the Occasion of Tax Non-Compliance and to prevent the same from recurring, together with any mitigating factors that it considers relevant; and
 - (b) such other information in relation to the Occasion of Tax Non-Compliance as the Authority may reasonably require.
- 19.2 In the event that the Supplier fails to comply with this Clause 19 and/or does not provide details of proposed mitigating factors which in the reasonable opinion of the Authority are acceptable, then the Authority reserves the right to terminate this Contract for material Default.

20. BENCHMARKING

- 20.1 Notwithstanding the Supplier's obligations under Clause 13 (Continuous Improvement), the Authority shall be entitled to regularly benchmark the Contract Charges and level of performance by the Supplier of the supply of the Services, against other suppliers providing goods and/or services substantially the same as the Services during the Contract Period.
- 20.2 The Authority, acting reasonably, shall be entitled to use any model to determine the achievement of value for money and to carry out the benchmarking evaluation referred to in Clause 20.1 above.
- 20.3 The Supplier shall use all reasonable endeavours and act in good faith to supply information required by the Authority in order to undertake the benchmarking and such information requirements shall be at the discretion of the Authority.
- 20.4 Where, as a consequence of any benchmarking carried out by the Authority, the Authority decides improvements to the Services should be implemented such improvements shall be implemented by way of the Variation Procedure at no additional cost to the Authority.

F. SUPPLIER PERSONNEL AND SUPPLY CHAIN MATTERS

21. KEY PERSONNEL

- 21.1 The Parties have agreed to the appointment of the Key Personnel. Part C of Schedule 4 (Inception Plan, Authority Responsibilities and Key Personnel) lists the key roles ("**Key Roles**") and names of the persons who the Supplier shall appoint to fill those Key Roles at the Commencement Date.
- 21.2 The Supplier shall ensure that the Key Personnel fulfil the Key Roles at all times during the Contract Period.
- 21.3 The Authority may identify any further roles as being Key Roles and, following agreement to the same by the Supplier, the relevant person selected to fill those Key Roles shall be included on the list of Key Personnel.
- 21.4 The Supplier shall not remove or replace any Key Personnel (including when carrying out its obligations under Schedule 10 (Exit Management)) unless:
 - 21.4.1 requested to do so by the Authority;
 - 21.4.2 the person concerned resigns, retires or dies or is on maternity or long-term sick leave;

- 21.4.3 the person's employment or contractual arrangement with the Supplier or a Sub-Contractor is terminated for material breach of contract by the employee; or
 - 21.4.4 the Supplier obtains the Authority's prior written consent (such consent not to be unreasonably withheld or delayed).
- 21.5 The Supplier shall:
- 21.5.1 notify the Authority promptly of the absence of any Key Personnel (other than for short-term sickness or holidays of two (2) weeks or less, in which case the Supplier shall ensure appropriate temporary cover for that Key Role);
 - 21.5.2 ensure that any Key Role is not vacant for any longer than ten (10) Working Days;
 - 21.5.3 give as much notice as is reasonably practicable of its intention to remove or replace any member of Key Personnel and, except in the cases of death, unexpected ill health or a material breach of the Key Personnel's employment contract, this will mean at least three (3) Months' notice;
 - 21.5.4 ensure that all arrangements for planned changes in Key Personnel provide adequate periods during which incoming and outgoing personnel work together to transfer responsibilities and ensure that such change does not have an adverse impact on the provision of the Services; and
 - 21.5.5 ensure that any replacement for a Key Role:
 - (a) has a level of qualifications and experience appropriate to the relevant Key Role; and
 - (b) is fully competent to carry out the tasks assigned to the Key Personnel whom he or she has replaced.
 - 21.5.6 shall and shall procure that any Sub-Contractor shall not remove or replace any Key Personnel during the Contract Period without Approval.
- 21.6 The Authority may require the Supplier to remove any Key Personnel that the Authority considers in any respect unsatisfactory. The Authority shall not be liable for the cost of replacing any Key Personnel.

22. SUPPLIER PERSONNEL

22.1 Supplier Personnel

- 22.1.1 The Supplier shall:
- (a) ensure that all Supplier Personnel:
 - (i) are vetted in accordance with Good Industry Practice and, where applicable, the Security Policy and the Standards;
 - (ii) obey all lawful instructions and reasonable directions of the Authority (including if so required by the Authority, the ICT Policy) and provide the Services to the reasonable satisfaction of the Authority; and
 - (iii) comply with all reasonable requirements of the Authority concerning conduct at the Authority's premises, including the security requirements set out in Schedule 8 (Security);

- (b) subject to Schedule 11 (Staff Transfer), retain overall control of the Supplier Personnel at all times so that the Supplier Personnel shall not be deemed to be employees, agents or contractors of the Authority;
 - (c) use all reasonable endeavours to minimise the number of changes in Supplier Personnel;
 - (d) replace (temporarily or permanently, as appropriate) any Supplier Personnel as soon as practicable if any Supplier Personnel have been removed or are unavailable for any reason whatsoever; and
 - (e) bear the programme familiarisation and other costs associated with any replacement of any Supplier Personnel.
- 22.1.2 If the Authority reasonably believes that any of the Supplier Personnel are unsuitable to undertake work in respect of this Contract, it may direct the Supplier to end the involvement in the provision of the Services of the relevant person(s).
- 22.1.3 The Supplier warrants that that it has and will throughout the Contract Period:
- (a) carry out the appropriate risk assessment with regard to its delivery of the Services;
 - (b) provide the Supplier's Personnel with adequate information, instruction, training and supervision;
 - (c) ensure that all Supplier Personnel are appropriately qualified and experienced to provide the Services with all reasonable skill, care and diligence; and
 - (d) ensure appropriate emergency procedures to enable the provision of the Services so as to prevent damage to the Supplier's Personnel's health, safety, security of life and property and general wellbeing.
- 22.1.4 The Supplier acknowledges and agrees that:
- (a) the provision of information of any kind whatsoever by the Authority to the Supplier shall not in any respect relieve the Supplier from responsibility for its obligations under Clause 22.1.3;
 - (b) the award of this Contract is not an endorsement by the Authority of any arrangement which the Supplier has made for the health, safety, security of life and property and wellbeing of the Supplier's Personnel in relation to the provision of the Services; and
 - (c) the Authority accepts no responsibility for the health, safety, security of life and property and wellbeing of the Supplier's Personnel in relation to the provision of the Services.
- 22.1.5 The Supplier shall indemnify and keep indemnified the Authority in respect of any Losses, howsoever arising out of, or relating to (whether before or after the making of a demand pursuant to the indemnity hereunder) any act, omission by the Supplier or any of the Supplier's Personnel in connection with Clauses 22.1.3 and 22.1.4.

23. STAFF TRANSFER

23.1 The Parties agree that:

- 23.1.1 Part C of Schedule 11 (Staff Transfer) shall apply on the Commencement Date; and
- 23.1.2 Part D of Schedule 11 (Staff Transfer) shall apply on the expiry or termination of the Services or any part of the Services;
- 23.2 The Supplier shall both during and after the Contract Period indemnify the Authority against all Employee Liabilities that may arise as a result of any claims brought against the Authority by any person where such claim arises from any act or omission of the Supplier or any Supplier Personnel.

24. SUPPLY CHAIN RIGHTS AND PROTECTION

24.1 Appointment of Sub-Contractors

- 24.1.1 The Supplier shall exercise due skill and care in the selection of any Sub-Contractors to ensure that the Supplier is able to:
 - (a) manage any Sub-Contractors in accordance with Good Industry Practice;
 - (b) comply with its obligations under this Contract in the Delivery of the Services; and
 - (c) assign, novate or otherwise transfer to the Authority or any Replacement Supplier any of its rights and/or obligations under each Sub-Contract that relates exclusively to this Contract.
- 24.1.2 Prior to sub-contacting any of its obligations under this Contract, the Supplier shall notify the Authority and provide the Authority with:
 - (a) the proposed Sub-Contractor's name, registered office and company registration number;
 - (b) the scope of any Services to be provided by the proposed Sub-Contractor; and
 - (c) where the proposed Sub-Contractor is an Affiliate of the Supplier, evidence that demonstrates to the reasonable satisfaction of the Authority that the proposed Sub-Contract has been agreed on "arm's-length" terms.
- 24.1.3 If requested by the Authority within ten (10) Working Days of receipt of the Supplier's notice issued pursuant to Clause 24.1.2, the Supplier shall also provide:
 - (a) a copy of the proposed Sub-Contract; and
 - (b) any further information reasonably requested by the Authority.
- 24.1.4 The Authority may, within ten (10) Working Days of receipt of the Supplier's notice issued pursuant to Clause 24.1.2 (or, if later, receipt of any further information requested pursuant to Clause 24.1.3), object to the appointment of the relevant Sub-Contractor if they consider that:
 - (a) the appointment of a proposed Sub-Contractor may prejudice the provision of the Services or may be contrary to the interests respectively of the Authority under this Contract;
 - (b) the proposed Sub-Contractor is unreliable and/or has not provided reasonable services to its other customers; and/or

- (c) the proposed Sub-Contractor employs unfit persons,
in which case, the Supplier shall not proceed with the proposed appointment.

24.1.5 If:

- (a) the Authority has not notified the Supplier that it objects to the proposed Sub-Contractor's appointment by the later of ten (10) Working Days of receipt of:
 - (i) the Supplier's notice issued pursuant to Clause 24.1.2; and
 - (ii) any further information requested by the Authority pursuant to Clause 24.1.3; and
- (b) the proposed Sub-Contract is not a Key Sub-Contract which shall require the written consent of the Authority in accordance with Clause 24.2 (Appointment of Key Sub-Contractors),

the Supplier may proceed with the proposed appointment.

24.2 Appointment of Key Sub-Contractors

- 24.2.1 The Authority has consented to the engagement of the Key Sub-Contractors listed in Schedule 17 (Key Sub-Contractors).
- 24.2.2 Where the Supplier wishes to enter into a new Key Sub-Contract or replace a Key Sub-Contractor, it must obtain the prior written consent of the Authority (the decision to consent or otherwise not to be unreasonably withheld or delayed). The Authority may reasonably withhold its consent to the appointment of a Key Sub-Contractor if it considers that:
 - (a) the appointment of a proposed Key Sub-Contractor may prejudice the provision of the Services or may be contrary to its interests;
 - (b) the proposed Key Sub-Contractor is unreliable and/or has not provided reasonable services to its other customers; and/or
 - (c) the proposed Key Sub-Contractor employs unfit persons.
- 24.2.3 At the Authority's request, the Supplier shall provide the Authority with the following information in respect of the proposed Key Sub-Contractor:
 - (a) the Key Sub-Contract price expressed as a percentage of the total projected Contract Charges over the Contract Period; and
 - (b) the credit rating of the Key Sub-Contractor as provided by an organisation specified the Authority
- 24.2.4 Except where the Authority has given its prior written consent under Clause 24.2.1, the Supplier shall ensure that each Key Sub-Contract shall include:
 - (a) provisions which will enable the Supplier to discharge its obligations under this Contract;
 - (b) a right under CRTPA for the Authority to enforce any provisions under the Key Sub-Contract which confer a benefit upon the Authority;
 - (c) a provision enabling the Authority to enforce the Key Sub-Contract as if it were the Supplier;

- (d) a provision enabling the Supplier to assign, novate or otherwise transfer any of its rights and/or obligations under the Key Sub-Contract to the Authority or any Replacement Supplier;
- (e) obligations no less onerous on the Key Sub-Contractor than those imposed on the Supplier under this Contract in respect of:
 - (i) data protection requirements set out in Clauses 27.1 (Security Requirements), 27.2 (Protection of Authority Data) and 27.6 (Protection of Personal Data);
 - (ii) FOIA requirements set out in Clause 27.5 (Freedom of Information);
 - (iii) the obligation not to embarrass the Authority or otherwise bring the Authority into disrepute set out in Clause 8.1.4(m) (Provision of Services);
 - (iv) the keeping of records in respect of the Services being provided under the Key Sub-Contract, including the maintenance of Open Book Data;
 - (v) the conduct of audits set out in Clause 16 (Records, Audit Access & Open Book Data);
- (f) provisions enabling the Supplier to terminate the Key Sub-Contract on notice on terms no more onerous on the Supplier than those imposed on the Authority under Clauses 34 (Authority Termination Rights), 36 (Termination by Either Party) and 38 (Consequences of Expiry or Termination) of this Contract;
- (g) a provision restricting the ability of the Key Sub-Contractor to Sub-Contract all or any part of the provision of the Services provided to the Supplier under the Sub-Contract without first seeking the written consent of the Authority;
- (h) a provision, where a provision in Schedule 11 (Staff Transfer) imposes an obligation on the Supplier to provide an indemnity, undertaking or warranty, requiring the Key Sub-Contractor to provide such indemnity, undertaking or warranty to the Authority, Former Supplier or the Replacement Supplier as the case may be.

24.3 Supply Chain Protection

24.3.1 The Supplier shall ensure that all Sub-Contracts contain a provision:

- (a) requiring the Supplier to pay any undisputed sums which are due from it to the Sub-Contractor within a specified period not exceeding thirty (30) days from the receipt of a Valid Invoice;
- (b) requiring that any invoices submitted by a Sub-Contractor shall be considered and verified by the Supplier in a timely fashion and that undue delay in doing so shall not be sufficient justification for failing to regard an invoice as valid and undisputed;
- (c) requiring the Sub-Contractor to include in any Sub-Contract which it in turn awards suitable provisions to impose, as between the parties to that Sub-Contract, requirements to the same effect as those required by sub-clauses (a) and (b) directly above; and

- (d) conferring a right to the Authority to publish the Supplier's compliance with its obligation to pay undisputed invoices within the specified payment period.

24.3.2 The Supplier shall:

- (a) pay any undisputed sums which are due from it to a Sub-Contractor within thirty (30) days from the receipt of a Valid Invoice;
- (b) include within the Performance Monitoring Reports required under Part B of Schedule 6 (Service Levels and Performance Monitoring) a summary of its compliance with this Clause 24.3.2, such data to be certified each quarter by a director of the Supplier as being accurate and not misleading.

24.3.3 Any invoices submitted by a Sub-Contractor to the Supplier shall be considered and verified by the Supplier in a timely fashion. Undue delay in doing so shall not be sufficient justification for the Supplier failing to regard an invoice as valid and undisputed.

24.3.4 Notwithstanding any provision of Clauses 27.3 (Confidentiality) and 28 (Publicity and Branding) if the Supplier notifies the Authority that the Supplier has failed to pay an undisputed Sub-Contractor's invoice within thirty (30) days of receipt, or the Authority otherwise discovers the same, the Authority shall be entitled to publish the details of the late or non-payment (including on government websites and in the press).

24.4 Cyber Essentials Scheme

24.4.1 The Supplier shall ensure that all Sub-Contracts with Sub-Contractors who Process Cyber Essentials Data contain provisions no less onerous on the Sub-Contractors than those imposed on the Supplier under this Contract in respect of the Cyber Essentials Scheme under Clause 5.

24.5 Termination of Sub-Contracts

24.5.1 The Authority may require the Supplier to terminate:

- (a) a Sub-Contract where:
 - (i) the acts or omissions of the relevant Sub-Contractor have caused or materially contributed to the Authority's right of termination pursuant to any of the termination events in Clause 34 (Authority Termination Rights) except Clause 34.7 (Termination Without Cause); and/or
 - (ii) the relevant Sub-Contractor or its Affiliates embarrassed the Authority or otherwise brought the Authority into disrepute by engaging in any act or omission which is reasonably likely to diminish the trust that the public places in the Authority, regardless of whether or not such act or omission is related to the Sub-Contractor's obligations in relation to the Services or otherwise; and/or
- (b) a Key Sub-Contract where there is a Change of Control of the relevant Key Sub-Contractor, unless:
 - (i) the Authority has given its prior written consent to the particular Change of Control, which subsequently takes place as proposed; or

- (ii) the Authority has not served its notice of objection within six (6) months of the later of the date the Change of Control took place or the date on which the Authority was given notice of the Change of Control.

24.6 Competitive Terms

- 24.6.1 If the Authority is able to obtain from any Sub-Contractor or any other third party more favourable commercial terms with respect to the supply of any materials, equipment, software, goods or services used by the Supplier or the Supplier Personnel in the supply of the Services, then the Authority may:
 - (a) require the Supplier to replace its existing commercial terms with its Sub-Contractor with the more favourable commercial terms obtained by the Authority in respect of the relevant item; or
 - (b) subject to Clause 24.5 (Termination of Sub-Contracts), enter into a direct agreement with that Sub-Contractor or third party in respect of the relevant item.
- 24.6.2 If the Authority exercises the option pursuant to Clause 24.6.1, then the Contract Charges shall be reduced by an amount that is agreed in accordance with the Variation Procedure.
- 24.6.3 The Authority's right to enter into a direct agreement for the supply of the relevant items is subject to:
 - (a) the Authority making the relevant item available to the Supplier where this is necessary for the Supplier to provide the Services; and
 - (b) any reduction in the Contract Charges taking into account any unavoidable costs payable by the Supplier in respect of the substituted item, including in respect of any licence fees or early termination charges.

24.7 Retention of Legal Obligations

- 24.7.1 Notwithstanding the Supplier's right to Sub-Contract pursuant to this Clause 24 (Supply Chain Rights and Protection), the Supplier shall remain responsible for all acts and omissions of its Sub-Contractors and the acts and omissions of those employed or engaged by the Sub-Contractors as if they were its own.

G. PROPERTY MATTERS

25. SUPPLIER EQUIPMENT

- 25.1 The Supplier shall provide all the Supplier Equipment necessary for the provision of the Services.
- 25.2 All the Supplier's property, including Supplier Equipment, shall remain at the sole risk and responsibility of the Supplier, except that the Authority shall be liable for loss of or damage to any of the Supplier's property located on the Authority's premises which is due to the negligent act or omission of the Authority.
- 25.3 Subject to any express provision of the BCDR Plan to the contrary, the loss or destruction for any reason of any Supplier Equipment shall not relieve the Supplier of its obligation to supply the Services in accordance with this Contract, including the Service Level Performance Measures.

- 25.4 The Supplier shall maintain all Supplier Equipment within the Sites and/or the Authority's premises in a safe, serviceable and clean condition.

H. INTELLECTUAL PROPERTY AND INFORMATION

26. INTELLECTUAL PROPERTY RIGHTS

26.1 Allocation of title to IPR

26.1.1 Save as expressly granted elsewhere under this Contract:

- (a) the Authority shall not acquire any right, title or interest in or to the Intellectual Property Rights of the Supplier or its licensors, including:
 - (i) the Supplier Background IPR;
 - (ii) the Third Party IPR; and
 - (iii) the Project Specific IPR.
- (b) the Supplier shall not acquire any right, title or interest in or to the Intellectual Property Rights of the Authority or its licensors, including the:
 - (i) Authority Background IPR; and
 - (ii) Authority Data.

26.1.2 Where either Party acquires, by operation of Law, title to Intellectual Property Rights that is inconsistent with the allocation of title set out in Clause 26.1, it shall assign in writing such Intellectual Property Rights as it has acquired to the other Party on the request of the other Party (whenever made).

26.1.3 Neither Party shall have any right to use any of the other Party's names, logos or trade marks on any of its products or services without the other Party's prior written consent.

26.2 Licences granted by the Supplier: Project Specific IPR

26.2.1 The Supplier hereby grants to the Authority, or shall procure the direct grant to the Authority of, a perpetual, royalty-free, irrevocable, non-exclusive licence to use the Project Specific IPR including but not limited to the right to copy, adapt, publish and distribute such Project Specific IPR.

26.3 Licences granted by the Supplier: Supplier Background IPR

26.3.1 The Supplier hereby grants to the Authority a perpetual, royalty-free and non-exclusive licence to use the Supplier Background IPR for any purpose relating to the Services (or substantially equivalent services) or for any purpose relating to the exercise of the Authority's (or, if the Authority is a Central Government Body, any other Central Government Body's) business or function.

26.3.2 At any time during the Contract Period or following the Expiry Date, the Supplier may terminate a licence granted in respect of the Supplier Background IPR under Clause 26.3.1 by giving thirty (30) days' notice in writing (or such other period as agreed by the Parties) if there is a Authority Cause which constitutes a material breach of the terms of Clauses 26.3.1 which, if the breach is capable of remedy, is not remedied within twenty (20) Working Days after the Supplier gives the Authority written notice specifying the breach and requiring its remedy.

26.3.3 In the event the licence of the Supplier Background IPR is terminated pursuant to Clause 26.3.2, the Authority shall:

- (a) immediately cease all use of the Supplier Background IPR;
- (b) at the discretion of the Supplier, return or destroy documents and other tangible materials that contain any of the Supplier Background IPR, provided that if the Supplier has not made an election within six (6) months of the termination of the licence, the Authority may destroy the documents and other tangible materials that contain any of the Supplier Background IPR; and
- (c) ensure, so far as reasonably practicable, that any Supplier Background IPR that is held in electronic, digital or other machine-readable form ceases to be readily accessible (other than by the information technology staff of the Authority) from any computer, word processor, voicemail system or any other device containing Supplier Background IPR.

26.4 Authority's right to sub-license

26.4.1 The Authority shall be freely entitled to sub-license the rights granted to it pursuant to Clause 26.2.1 (Licences granted by the Supplier: Project Specific IPR).

26.4.2 The Authority may sub-license:

- (a) the rights granted under Clause 26.3.1 (Licences granted by the Supplier: Supplier Background IPR) to a third party (including for the avoidance of doubt, any Replacement Supplier) provided that:
 - (i) the sub-license is on terms no broader than those granted to the Authority; and
 - (ii) the sub-license only authorises the third party to use the rights licensed in Clause 26.3.1 (Licences granted by the Supplier: Supplier Background IPR) for purposes relating to the Services (or substantially equivalent services) or for any purpose relating to the exercise of the Authority's (or, if the Authority is a Central Government Body, any other Central Government Body's) business or function; and
- (b) the rights granted under Clause 26.3.1 (Licences granted by the Supplier: Supplier Background IPR) to any Approved Sub-Licensee to the extent necessary to use and/or obtain the benefit of the Project Specific IPR provided that the sub-license is on terms no broader than those granted to the Authority.

26.5 Authority's right to assign/novate licences

26.5.1 The Authority:

- (a) shall be freely entitled to assign, novate or otherwise transfer its rights and obligations under the licence granted to it pursuant to Clause 26.2.1 (Licences granted by the Supplier: Project Specific IPR); and
- (b) may assign, novate or otherwise transfer its rights and obligations under the licence granted pursuant to Clause 26.3.1 (Licences granted by the Supplier: Supplier Background IPR) to:

- (i) a Central Government Body; or
 - (ii) to any body (including any private sector body) which performs or carries on any of the functions and/or activities that previously had been performed and/or carried on by the Authority.
- (c) Where the Authority is a Central Government Body, any change in the legal status of the Authority which means that it ceases to be a Central Government Body shall not affect the validity of any licence granted in Clause 26.2.1 (Licences granted by the Supplier: Project Specific IPR) and/or Clause 26.3.1 (Licences granted by the Supplier: Supplier Background IPR). If the Authority ceases to be a Central Government Body, the successor body to the Authority shall still be entitled to the benefit of the licences granted in Clause 26.2.1 (Licences granted by the Supplier: Project Specific IPR) and Clause 26.3.1 (Licences granted by the Supplier: Supplier Background IPR).
- (d) If a licence granted in Clause 26.2.1 (Licences granted by the Supplier: Project Specific IPR) and/or Clause 26.3.1 (Licences granted by the Supplier: Supplier Background IPR) is novated under Clause 26.5.1(b) or there is a change of the Authority's status pursuant to Clause 26.5.1(c) (both such bodies being referred to as the **"Transferee"**), the rights acquired by the Transferee shall not extend beyond those previously enjoyed by the Authority.

26.6 Third Party IPR

- 26.6.1 The Supplier shall procure that the owners or the authorised licensors of any Third Party IPR grant a direct licence to the Authority on terms at least equivalent to those set out in Clause 26.3.1 (Licences granted by the Supplier: Supplier Background IPR) and Clause 26.5.1(b) (Authority's right to assign/novate licences). If the Supplier cannot obtain for the Authority a licence materially in accordance with the licence terms set out in Clause 26.3.1 (Licences granted by the Supplier: Supplier Background IPR) and Clause 26.5.1(b) (Authority's right to assign/novate licences) in respect of any such Third Party IPR, the Supplier shall:
- (a) notify the Authority in writing giving details of what licence terms can be obtained from the relevant third party and whether there are alternative providers which the Supplier could seek to use; and
 - (b) only use such Third Party IPR if the Authority Approves the terms of the licence from the relevant third party.

26.7 Licence granted by the Authority

- 26.7.1 The Authority hereby grants to the Supplier a royalty-free, non-exclusive, non-transferable licence during the Contract Period to use the Authority Background IPR and the Authority Data solely to the extent necessary for providing the Services in accordance with this Contract, including (but not limited to) the right to grant sub-licences to Sub-Contractors provided that:
- (a) any relevant Sub-Contractor has entered into a confidentiality undertaking with the Supplier on the same terms as set out in Clause 27.3 (Confidentiality); and

- (b) the Supplier shall not without Approval use the licensed materials for any other purpose or for the benefit of any person other than the Authority.

26.8 Termination of licenses

- 26.8.1 Subject to Clauses 26.3.2 and/or 26.3.3 (Licences granted by the Supplier: Supplier Background IPR), all licences granted pursuant to this Clause 26 (Intellectual Property Rights) (other than those granted pursuant to Clause 26.6 (Third Party IPR) and 26.7.1 (Licence granted by the Authority)) shall survive the Expiry Date.
- 26.8.2 The Supplier shall, if requested by the Authority in accordance with Schedule 10 (Exit Management), grant (or procure the grant) to the Replacement Supplier of a licence to use any Supplier Background IPR and/or Third Party IPR on terms equivalent to those set out in Clause 26.3.1 (Licences granted by the Supplier: Supplier Background IPR) subject to the Replacement Supplier entering into reasonable confidentiality undertakings with the Supplier.
- 26.8.3 The licence granted pursuant to Clause 26.7.1 (Licence granted by the Authority) and any sub-licence granted by the Supplier in accordance with Clause 26.7.1 (Licence granted by the Authority) shall terminate automatically on the Expiry Date and the Supplier shall:
 - (a) immediately cease all use of the Authority Background IPR and the Authority Data (as the case may be);
 - (b) at the discretion of the Authority, return or destroy documents and other tangible materials that contain any of the Authority Background IPR and the Authority Data, provided that if the Authority has not made an election within six months of the termination of the licence, the Supplier may destroy the documents and other tangible materials that contain any of the Authority Background IPR and the Authority Data (as the case may be); and
 - (c) ensure, so far as reasonably practicable, that any Authority Background IPR and Authority Data that are held in electronic, digital or other machine-readable form ceases to be readily accessible from any computer, word processor, voicemail system or any other device of the Supplier containing such Authority Background IPR and/or Authority Data.

26.9 IPR Indemnity

- 26.9.1 The Supplier shall at during and after the Contract Period, on written demand indemnify the Authority against all Losses incurred by, awarded against or agreed to be paid by the Authority (whether before or after the making of the demand pursuant to the indemnity hereunder) arising from an IPR Claim.
- 26.9.2 If an IPR Claim is made, or the Supplier anticipates that an IPR Claim might be made, the Supplier may, at its own expense and sole option, either:
 - (a) procure for the Authority the right to continue using the relevant item which is subject to the IPR Claim; or
 - (b) replace or modify the relevant item with non-infringing substitutes provided that:

- (i) the performance and functionality of the replaced or modified item is at least equivalent to the performance and functionality of the original item;
 - (ii) the replaced or modified item does not have an adverse effect on any other Services;
 - (iii) there is no additional cost to the Authority; and
 - (iv) the terms and conditions of this Contract shall apply to the replaced or modified Services.
- 26.9.3 If the Supplier elects to procure a licence in accordance with Clause 26.9.2(a) or to modify or replace an item pursuant to Clause 26.9.2(b), but this has not avoided or resolved the IPR Claim, then:
 - (i) the Authority may terminate this Contract by written notice with immediate effect; and
 - (ii) without prejudice to the indemnity set out in Clause 26.9.1, the Supplier shall be liable for all reasonable and unavoidable costs of the substitute services including the additional costs of procuring, implementing and maintaining the substitute items.

27. SECURITY AND PROTECTION OF INFORMATION

27.1 Security Requirements

- 27.1.1 The Supplier shall comply with the Security Policy and the requirements of Schedule 8 (Security) including the Security Management Plan and shall ensure that the Security Management Plan produced by the Supplier fully complies with the Security Policy.
- 27.1.2 The Authority shall notify the Supplier of any changes or proposed changes to the Security Policy.
- 27.1.3 If the Supplier believes that a change or proposed change to the Security Policy will have a material and unavoidable cost implication to the provision of the Services it may propose a Variation to the Authority. In doing so, the Supplier must support its request by providing evidence of the cause of any increased costs and the steps that it has taken to mitigate those costs. Any change to the Contract Charges shall then be subject to the Variation Procedure.
- 27.1.4 Until and/or unless a change to the Contract Charges is agreed by the Authority pursuant to the Variation Procedure the Supplier shall continue to provide the Services in accordance with its existing obligations.

27.2 Protection of Authority Data

- 27.2.1 The Supplier shall not delete or remove any proprietary notices contained within or relating to the Authority Data.
- 27.2.2 The Supplier shall not store, copy, disclose, or use the Authority Data except as necessary for the performance by the Supplier of its obligations under this Contract or as otherwise Approved by the Authority.
- 27.2.3 To the extent that the Authority Data is held and/or Processed by the Supplier, the Supplier shall supply that Authority Data to the Authority as requested by

the Authority and in the format (if any) specified by the Authority and in any event as specified by the Authority from time to time in writing.

- 27.2.4 The Supplier shall take responsibility for preserving the integrity of Authority Data and preventing the corruption or loss of Authority Data.
- 27.2.5 The Supplier shall perform secure back-ups of all Authority Data and shall ensure that up-to-date back-ups are stored off-site at an Approved location in accordance with the BCDR Plan. The Supplier shall ensure that such back-ups are available to the Authority (or to such other person as the Authority may direct) at all times upon request and are delivered to the Authority at no less than six (6) Monthly intervals (or such other intervals as may be agreed in writing between the Parties).
- 27.2.6 The Supplier shall 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 and the Security Management Plan.
- 27.2.7 If at any time the Supplier suspects or has reason to believe that the Authority Data is corrupted, lost or sufficiently degraded in any way for any reason, then the Supplier shall notify the Authority immediately and inform the Authority of the remedial action the Supplier proposes to take.
- 27.2.8 If the Authority Data is corrupted, lost or sufficiently degraded as a result of a Default so as to be unusable, the Supplier may:
 - (a) require the Supplier (at the Supplier's expense) to restore or procure the restoration of Authority Data to the extent and in accordance with the requirements specified in Schedule 9 (Business Continuity and Disaster Recovery) or as required by the Authority and the Supplier shall do so as soon as practicable but not later than five (5) Working Days from the date of receipt of the Authority's notice; and/or
 - (b) itself restore or procure the restoration of Authority Data, and shall be repaid by the Supplier any reasonable expenses incurred in doing so to the extent and in accordance with the requirements specified in Schedule 9 (Business Continuity and Disaster Recovery) or as required by the Authority.

27.3 Confidentiality

- 27.3.1 For the purposes of this Clause 27.3, the term **"Disclosing Party"** shall mean a Party which discloses or makes available directly or indirectly its Confidential Information and **"Recipient"** shall mean the Party which receives or obtains directly or indirectly Confidential Information.
- 27.3.2 Except to the extent set out in this Clause 27.3 or where disclosure is expressly permitted elsewhere in this Contract, the Recipient shall:
 - (a) treat the Disclosing Party's Confidential Information as confidential and keep it in secure custody (which is appropriate depending upon the form in which such materials are stored and the nature of the Confidential Information contained in those materials); and
 - (b) not disclose the Disclosing Party's Confidential Information to any other person except as expressly set out in this Contract or without obtaining the owner's prior written consent;

- (c) not use or exploit the Disclosing Party's Confidential Information in any way except for the purposes anticipated under this Contract; and
 - (d) immediately notify the Disclosing Party if it suspects or becomes aware of any unauthorised access, copying, use or disclosure in any form of any of the Disclosing Party's Confidential Information.
- 27.3.3 The Recipient shall be entitled to disclose the Confidential Information of the Disclosing Party where:
 - (a) the Recipient is required to disclose the Confidential Information by Law, provided that Clause 27.5 (Freedom of Information) shall apply to disclosures required under the FOIA or the EIRs;
 - (b) the need for such disclosure arises out of or in connection with:
 - (i) any legal challenge or potential legal challenge against the Authority arising out of or in connection with this Contract;
 - (ii) the examination and certification of the Authority's accounts (provided that the disclosure is made on a confidential basis) or for any examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority is making use of any Services provided under this Contract; or
 - (iii) the conduct of a Central Government Body review in respect of this Contract; or
 - (c) the Recipient has reasonable grounds to believe that the Disclosing Party is involved in activity that may constitute a criminal offence under the Bribery Act 2010 and the disclosure is being made to the Serious Fraud Office.
- 27.3.4 If the Recipient is required by Law to make a disclosure of Confidential Information, the Recipient shall as soon as reasonably practicable and to the extent permitted by Law notify the Disclosing Party of the full circumstances of the required disclosure including the relevant Law and/or regulatory body requiring such disclosure and the Confidential Information to which such disclosure would apply.
- 27.3.5 Subject to Clauses 27.3.2 and 27.3.7, the Supplier may only disclose the Confidential Information of the Authority on a confidential basis to:
 - (a) Supplier Personnel who are directly involved in the provision of the Services and need to know the Confidential Information to enable performance of the Supplier's obligations under this Contract; and
 - (b) its professional advisers for the purposes of obtaining advice in relation to this Contract.
- 27.3.6 Where the Supplier discloses Confidential Information of the Authority pursuant to this Clause 27.3.5, it shall remain responsible at all times for compliance with the confidentiality obligations set out in this Contract by the persons to whom disclosure has been made.
- 27.3.7 The Authority may disclose the Confidential Information of the Supplier:

- (a) to any Central Government Body on the basis that the information may only be further disclosed to Central Government Bodies;
- (b) to the United Kingdom Parliament and any committees of the United Kingdom Parliament or if required by any United Kingdom Parliamentary reporting requirement;
- (c) to the extent that the Authority (acting reasonably) deems disclosure necessary or appropriate in the course of carrying out its public functions;
- (d) on a confidential basis to a professional adviser, consultant, supplier or other person engaged by any of the entities described in Clause 27.3.7(a) (including any benchmarking organisation) for any purpose relating to or connected with this Contract;
- (e) on a confidential basis for the purpose of the exercise of its rights under this Contract; or
- (f) to a proposed transferee, assignee or novatee of, or successor in title to the Authority,

and for the purposes of the foregoing, references to disclosure on a confidential basis shall mean disclosure subject to a confidentiality agreement or arrangement containing terms no less stringent than those placed on the Authority under this Clause 27.3.

- 27.3.8 Nothing in this Clause 27.3 shall prevent a Recipient from using any techniques, ideas or Know-How gained during the performance of this Contract in the course of its normal business to the extent that this use does not result in a disclosure of the Disclosing Party's Confidential Information or an infringement of Intellectual Property Rights.
- 27.3.9 In the event that the Supplier fails to comply with Clauses 27.3.2 to 27.3.5, the Authority reserves the right to terminate this Contract for material Default.

27.4 Transparency

- 27.4.1 The Parties acknowledge and agree that, except for any information which is exempt from disclosure in accordance with the provisions of the FOIA, the content of this Contract and any Transparency Reports under it is not Confidential Information and shall be made available in accordance with the procurement policy note 13/15 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/458554/Procurement_Policy_Note_13_15.pdf and the Transparency Principles referred to therein. The Authority shall determine whether any of the content of this Contract is exempt from disclosure in accordance with the provisions of the FOIA. The Authority may consult with the Supplier to inform its decision regarding any redactions but shall have the final decision in its absolute discretion.
- 27.4.2 Notwithstanding any other provision of this Contract, the Supplier hereby gives his consent for the Authority to publish this Contract in its entirety (but with any information which is exempt from disclosure in accordance with the provisions of the FOIA redacted), including any changes to this Contract agreed from time to time.
- 27.4.3 The Supplier shall assist and cooperate with the Authority to enable the Authority to publish this Contract.

27.5 Freedom of Information

- 27.5.1 The Supplier acknowledges that the Authority is subject to the requirements of the FOIA and the EIRs. The Supplier shall:
- (a) provide all necessary assistance and cooperation as reasonably requested by the Authority to enable the Authority to comply with its Information disclosure obligations under the FOIA and EIRs;
 - (b) transfer to the Authority all Requests for Information relating to this Contract that it receives as soon as practicable and in any event within two (2) Working Days of receipt;
 - (c) provide the Authority with a copy of all Information belonging to the Authority requested in the Request for Information which is in its possession or control in the form that the Authority requires within five (5) Working Days (or such other period as the Authority may reasonably specify) of the Authority's request for such Information; and
 - (d) not respond directly to a Request for Information unless authorised in writing to do so by the Authority.
- 27.5.2 The Supplier acknowledges that the Authority may be required under the FOIA and EIRs to disclose Information (including Commercially Sensitive Information) without consulting or obtaining consent from the Supplier. The Authority shall take reasonable steps to notify the Supplier of a Request for Information (in accordance with the Secretary of State's Section 45 Code of Practice on the Discharge of the Functions of Public Authorities under Part 1 of the FOIA) to the extent that it is permissible and reasonably practical for it to do so but (notwithstanding any other provision in this Contract) the Authority shall be responsible for determining in its absolute discretion whether any Commercially Sensitive Information and/or any other information is exempt from disclosure in accordance with the FOIA and/or the EIRs.

27.6 Protection of Personal Data

- 27.6.1 Where any Personal Data are Processed in connection with the exercise of the Parties' rights and obligations under this Contract, the Parties acknowledge that the Authority is the Data Controller and that the Supplier is the Data Processor.
- 27.6.2 The Supplier shall:
- (a) Process the Personal Data only in accordance with instructions from the Authority to perform its obligations under this Contract;
 - (b) ensure that at all times it has in place appropriate technical and organisational measures to guard against unauthorised or unlawful Processing of the Personal Data and/or accidental loss, destruction, or damage to the Personal Data, including the measures as are set out in Clauses 27.1 (Security Requirements) and 27.2 (Protection of Authority Data);
 - (c) not disclose or transfer the Personal Data to any third party or Supplier Personnel unless necessary for the provision of the Services and, for any disclosure or transfer of Personal Data to any third party, obtain the prior written consent of the Authority (save where such disclosure or transfer is specifically authorised under this Contract)

- (d) take reasonable steps to ensure the reliability and integrity of any Supplier Personnel who have access to the Personal Data and ensure that the Supplier Personnel:
 - (i) are aware of and comply with the Supplier's duties under this Clause 27.6.2 and Clauses 27.1 (Security Requirements), 27.2 (Protection of Authority Data) and 27.3 (Confidentiality);
 - (ii) are informed of the confidential nature of the Personal Data and do not publish, disclose or divulge any of the Personal Data to any third party unless directed in writing to do so by the Authority or as otherwise permitted by this Contract; and
 - (iii) have undergone adequate training in the use, care, protection and handling of personal data (as defined in the DPA);
- (e) notify the Authority within five (5) Working Days if it receives:
 - (i) from a Data Subject (or third party on their behalf) a Data Subject Access Request (or purported Data Subject Access Request) a request to rectify, block or erase any Personal Data or any other request, complaint or communication relating to the Authority's obligations under the DPA;
 - (ii) any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data; or
 - (iii) a request from any third party for disclosure of Personal Data where compliance with such request is required or purported to be required by Law;
- (f) provide the Authority with full cooperation and assistance (within the timescales reasonably required by the Authority) in relation to any complaint, communication or request made (as referred to at Clause 27.6.2(e)), including by promptly providing:
 - (i) the Authority with full details and copies of the complaint, communication or request;
 - (ii) where applicable, such assistance as is reasonably requested by the Authority to enable the Authority to comply with the Data Subject Access Request within the relevant timescales set out in the DPA; and
 - (iii) the Authority, on request by the Authority, with any Personal Data it holds in relation to a Data Subject; and
- (g) if requested by the Authority, provide a written description of the measures it has taken and technical and organisational security measures in place, for the purpose of compliance with its obligations pursuant to this Clause 27.6.2 and provide to the Authority copies of all documentation relevant to such compliance including, protocols, procedures, guidance, training and manuals.
- (h) not Process Personal Data outside the United Kingdom without the prior written consent of the Authority and, where the Authority consents to a transfer, to comply with:

- (i) the obligations of a Data Controller under the Eight Data Protection Principle set out in Schedule 1 of the Data Protection Act 1998 by providing an adequate level of protection to any Personal Data that is transferred; and
- (ii) any reasonable instructions notified to it by the Authority which (the Supplier acknowledges and agrees) may include the conditions for processing Personal Data outside the United Kingdom set out in the Cabinet Office model contract for services (<https://www.gov.uk/government/publications/model-services-contract>).

27.6.3 The Supplier shall use its reasonable endeavours to assist the Authority to comply with any obligations under the DPA and shall not perform its obligations under this Contract in such a way as to cause the Authority to breach any of the Authority's obligations under the DPA to the extent the Supplier is aware, or ought reasonably to have been aware, that the same would be a breach of such obligations.

28. PUBLICITY AND BRANDING

28.1 The Supplier shall not:

28.1.1 make any press announcements or publicise this Contract in any way; or

28.1.2 use the Authority's name or brand in any promotion or marketing or announcement of orders,
without Approval.

28.2 Each Party acknowledges to the other that nothing in this Contract either expressly or by implication constitutes an endorsement of any products or services of the other Party (including the Services and Supplier Equipment) and each Party agrees not to conduct itself in such a way as to imply or express any such approval or endorsement.

I. LIABILITY AND INSURANCE

29. LIABILITY

29.1 Unlimited Liability

29.1.1 Neither Party excludes or limits its liability for:

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

29.1.2 The Supplier does not exclude or limit its liability in respect of the Indemnities:

- (a) in Clause 26.9 (IPR Indemnity) howsoever arising; and

- (b) In Clause 22.1 (Supplier Personnel) in respect of the warranty in clause 22.1.3(d)

and in each case whether before or after the making of a demand pursuant to the Indemnities therein.

29.2 Financial Limits

29.2.1 Subject to Clause 29.1 (Unlimited Liability), the Supplier's total aggregate liability in respect of all Losses incurred by the Authority under or in connection with this Contract as a result of Defaults by the Supplier (including in respect of the Management Agent Grant Funds by the Supplier, third parties or grant recipients) shall in no event exceed £50,000,000.

29.2.2 Subject to Clauses 29.1 (Unlimited Liability) and 29.2.1 (Financial Limits) and without prejudice to its obligation to pay the undisputed Contract Charges as and when they fall due for payment, the Authority's total aggregate liability in respect of all Losses as a result of Authority Causes shall be limited to the total Contract Charges payable under this Contract over the Contract Period specified in Schedule 3 (Pricing) of the Contract.

29.3 Non-recoverable Losses

29.3.1 Subject to Clause 29.1 (Unlimited Liability) neither Party shall be liable to the other Party for any:

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

29.4 Recoverable Losses

29.4.1 Subject to Clause 29.2 (Financial Limits), and notwithstanding Clause 29.3.1 (Non-recoverable Losses), the Supplier acknowledges that the Authority may, amongst other things, recover from the Supplier the following Losses incurred by the Authority to the extent that 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 cost of procuring Replacement Services for the remainder of the Contract Period and/or replacement Deliverables, which shall include any incremental costs associated with such Replacement Services and/or replacement Deliverables above those which would have been payable under this Contract;
- (d) any compensation or interest paid to a third party by the Authority; and
- (e) any fine, penalty or costs incurred by the Authority pursuant to Law.

29.5 Miscellaneous

29.5.1 Each Party shall use all reasonable endeavours to mitigate any loss or damage suffered arising out of or in connection with this Contract.

- 29.5.2 Any Deductions shall not be taken into consideration when calculating the Supplier's liability under Clause 29.2 (Financial Limits).
- 29.5.3 Subject to any rights of the Authority under this Contract (including in respect of an IPR Claim), any claims by a third party where an indemnity is sought by that third party from a Party to this Contract shall be dealt with in accordance with the provisions of Schedule 16 (Conduct of Claims).

30. INSURANCE

- 30.1 The Supplier shall effect and maintain insurances in relation to the performance of its obligations under this Contract, and shall procure that Sub-Contractors shall effect and maintain insurances in relation to the performance of their obligations under any Sub-Contract, in accordance with Schedule 15 (Insurance Requirements).
- 30.2 The terms of any insurance or the amount of cover shall not relieve the Supplier of any liabilities arising under this Contract.

J. REMEDIES AND RELIEF

31. AUTHORITY REMEDIES FOR DEFAULT

31.1 Remedies

- 31.1.1 Without prejudice to any other right or remedy of the Authority howsoever arising (including under Schedule 6 (Service Levels and Performance Monitoring)) and subject to the exclusive financial remedy provisions in Clause 7.3.1(b)) if the Supplier commits any Default of this Contract then the Authority may (whether or not any part of the Services have been Delivered) do any of the following:
- (a) at the Authority's option, give the Supplier the opportunity (at the Supplier's expense) to remedy the Default together with any damage resulting from such Default (where such Default is capable of remedy) or to supply Replacement Services and carry out any other necessary work to ensure that the terms of this Contract are fulfilled, in accordance with the Authority's instructions;
 - (b) carry out, at the Supplier's expense, any work necessary to make the provision of the Services comply with this Contract;
 - (c) if the Default is a material Default that is capable of remedy (and for these purposes a material Default may be a single material Default or a number of Defaults or repeated Defaults - whether of the same or different obligations and regardless of whether such Defaults are remedied - which taken together constitute a material Default):
 - (i) instruct the Supplier to comply with the Rectification Plan Process;
 - (ii) suspend this Contract (whereupon the relevant provisions of Clause 37 (Partial Termination, Suspension and Partial Suspension) shall apply) and step-in to itself supply or procure a third party to supply (in whole or in part) the Services;
 - (iii) without terminating or suspending the whole of this Contract, terminate or suspend this Contract in respect of part of the provision of the Services only (whereupon the relevant provisions of Clause 37

(Partial Termination, Suspension and Partial Suspension) shall apply) and step-in to itself supply or procure a third party to supply (in whole or in part) such part of the Good and/or Services;

- 31.1.2 Where the Authority exercises any of its step-in rights under Clauses 31.1.1(c)(ii) or 31.1.1(c)(iii), the Authority shall have the right to charge the Supplier for and the Supplier shall on demand pay any costs reasonably incurred by the Authority (including any reasonable administration costs) in respect of the supply of any part of the Services by the Authority or a third party and provided that the Authority uses its reasonable endeavours to mitigate any additional expenditure in obtaining Replacement Services.

31.2 Rectification Plan Process

- 31.2.1 Where the Authority has instructed the Supplier to comply with the Rectification Plan Process pursuant to Clause 31.1.1(c)(i):
- (a) the Supplier shall submit a draft Rectification Plan to the Authority for it to review as soon as possible and in any event within five (5) Working Days (or such other period as may be agreed between the Parties) from the date of Authority's instructions. The Supplier shall submit a draft Rectification Plan even if the Supplier disputes that it is responsible for the Default giving rise to the Authority's request for a draft Rectification Plan;
 - (b) the draft Rectification Plan shall set out:
 - (i) full details of the Default that has occurred, including a root cause analysis;
 - (ii) the actual or anticipated effect of the Default; and
 - (iii) the steps which the Supplier proposes to take to rectify the Default (if applicable) and to prevent such Default from recurring, including timescales for such steps and for the rectification of the Default (where applicable).
- 31.2.2 The Supplier shall promptly provide to the Authority any further documentation that the Authority requires to assess the Supplier's root cause analysis. If the Parties do not agree on the root cause set out in the draft Rectification Plan, either Party may refer the matter to be determined by an expert in accordance with paragraph 5 of Schedule 12 (Dispute Resolution Procedure).
- 31.2.3 The Authority may reject the draft Rectification Plan by notice to the Supplier if, acting reasonably, it considers that the draft Rectification Plan is inadequate, for example because the draft Rectification Plan:
- (a) is insufficiently detailed to be capable of proper evaluation;
 - (b) will take too long to complete;
 - (c) will not prevent reoccurrence of the Default; and/or
 - (d) will rectify the Default but in a manner which is unacceptable to the Authority.
- 31.2.4 The Authority shall notify the Supplier whether it consents to the draft Rectification Plan as soon as reasonably practicable. If the Authority rejects the draft Rectification Plan, the Authority shall give reasons for its decision and the

Supplier shall take the reasons into account in the preparation of a revised Rectification Plan. The Supplier shall submit the revised draft of the Rectification Plan to the Authority for review within five (5) Working Days (or such other period as agreed between the Parties) of the Authority's notice rejecting the first draft.

- 31.2.5 If the Authority consents to the Rectification Plan, the Supplier shall immediately start work on the actions set out in the Rectification Plan.

32. SUPPLIER RELIEF DUE TO AUTHORITY CAUSE

- 32.1 If the Supplier has failed to:

- 32.1.1 Achieve a Milestone by its Milestone Date;
 - 32.1.2 provide the Services in accordance with the Service Levels; or
 - 32.1.3 comply with its obligations under this Contract,
- (each a "Supplier Non-Performance"),

and can demonstrate that the Supplier Non-Performance would not have occurred but for an Authority Cause, then (subject to the Supplier fulfilling its obligations in Clause 12 (Supplier Notification of Authority Cause)):

- (a) the Supplier shall not be treated as being in breach of this Contract to the extent the Supplier can demonstrate that the Supplier Non-Performance was caused by the Authority Cause;
 - (b) the Authority shall not be entitled to exercise any rights that may arise as a result of that Supplier Non-Performance to terminate this Contract pursuant to Clause 34 (Authority Termination Rights) except Clause 34.7 (Termination Without Cause);
 - (c) where the Supplier Non-Performance constitutes the failure to Achieve a Milestone by its Milestone Date:
 - (i) the Milestone Date shall be postponed by a period equal to the period of Delay that the Supplier can demonstrate was caused by the Authority Cause;
 - (ii) if the Authority, acting reasonably, considers it appropriate, the Inception Plan or Implementation Plan shall be amended to reflect any consequential revisions required to subsequent Milestone Dates resulting from the Authority Cause;
- and/or
- (d) where the Supplier Non-Performance constitutes a Service Level Failure the Supplier shall be entitled to invoice for the Contract Charges for the provision of the relevant Services affected by the Authority Cause

in each case, to the extent that the Supplier can demonstrate that the Service Level Failure was caused by the Authority Cause.

- 32.2 In order to claim any of the rights and/or relief referred to in Clause 32.1, the Supplier shall:

- 32.2.1 comply with its obligations under Clause 12 (Notification of Authority Cause); and
- 32.2.2 within ten (10) Working Days of becoming aware that a Authority Cause has caused, or is likely to cause, a Supplier Non-Performance, give the Authority notice (a “**Relief Notice**”) setting out details of:
 - (a) the Supplier Non-Performance;
 - (b) the Authority Cause and its effect on the Supplier’s ability to meet its obligations under this Contract; and
 - (c) the relief claimed by the Supplier.
- 32.3 Following the receipt of a Relief Notice, the Authority shall as soon as reasonably practicable consider the nature of the Supplier Non-Performance and the alleged Authority Cause and whether it agrees with the Supplier’s assessment set out in the Relief Notice as to the effect of the relevant Authority Cause and its entitlement to relief, consulting with the Supplier where necessary.
- 32.4 Without prejudice to Clause 8.5 (Continuing obligation to provide the Services), if a Dispute arises as to:
 - 32.4.1 whether a Supplier Non-Performance would not have occurred but for a Authority Cause; and/or
 - 32.4.2 the nature and/or extent of the relief claimed by the Supplier,
 either Party may refer the Dispute to the Dispute Resolution Procedure. Pending the resolution of the Dispute, both Parties shall continue to resolve the causes of, and mitigate the effects of, the Supplier Non-Performance.
- 32.5 Any Variation that is required to the Inception Plan, Implementation Plan or to the Contract Charges pursuant to this Clause 32 shall be implemented in accordance with the Variation Procedure.

33. FORCE MAJEURE

- 33.1 Subject to the remainder of Clause 33 (and, in relation to the Supplier, subject to its compliance with any obligations in Clause 11 (Business Continuity and Disaster Recovery)), a Party may claim relief under Clause 33 from liability for failure to meet its obligations under this 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 this 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.
- 33.2 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.
- 33.3 If the Supplier is the Affected Party, it shall not be entitled to claim relief under Clause 33 to the extent that consequences of the relevant Force Majeure Event:
 - 33.3.1 are capable of being mitigated by any of the provision of any Services including the BCDR Services, but the Supplier has failed to do so; and/or

- 33.3.2 should have been foreseen and prevented or avoided by a prudent provider of services similar to the Services, operating to the standards required by this Contract.
- 33.4 Subject to Clause 33.5, 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 provision of the Services affected by the Force Majeure Event.
- 33.5 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.
- 33.6 Where, as a result of a Force Majeure Event:
- 33.6.1 an Affected Party fails to perform its obligations in accordance with this Contract, then during the continuance of the Force Majeure Event:
- (a) the other Party shall not be entitled to exercise any rights to terminate this Contract in whole or in part as a result of such failure unless the provision of the Services is materially impacted by a Force Majeure Event which endures for a continuous period of more than ninety (90) days; and
 - (b) the Supplier shall not be liable for any Default and the Authority shall not be liable for any Authority Cause arising as a result of such failure;
- 33.6.2 the Supplier fails to perform its obligations in accordance with this Contract:
- (a) the Authority shall not be entitled:
 - (i) during the continuance of the Force Majeure Event to exercise its step-in rights under Clause 31.1.1(b) and 31.1.1(c) (Authority Remedies for Default) as a result of such failure;
 - (ii) to receive Delay Payments pursuant to Clause 0 (Delay Payments) to the extent that the Achievement of any Milestone is affected by the Force Majeure Event; and
 - (iii) to withhold and retain any of the Contract Charges to the extent that a Service Level Failure has been caused by the Force Majeure Event; and
 - (b) the Supplier shall be entitled to receive payment of the Contract Charges (or a proportional payment of them) only to the extent that the Services (or part of the Services) continue to be provided in accordance with the terms of this Contract during the occurrence of the Force Majeure Event.
- 33.7 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 this Contract.
- 33.8 Relief from liability for the Affected Party under this Clause 33 shall end as soon as the Force Majeure Event no longer causes the Affected Party to be unable to comply with its obligations under this Contract and shall not be dependent on the serving of notice under Clause 33.7.

K. TERMINATION AND EXIT MANAGEMENT

34. AUTHORITY TERMINATION RIGHTS

34.1 Termination in Relation to Guarantee

34.1.1 Where the Authority has exercised its right to request a Guarantee pursuant to Clause 4 (Guarantee), the Authority may terminate this Contract by issuing a Termination Notice to the Supplier where:

- (a) the Guarantor withdraws the Guarantee for any reason whatsoever;
- (b) the Guarantor is in breach or anticipatory breach of the Guarantee;
- (c) an Insolvency Event occurs in respect of the Guarantor;
- (d) the Guarantee becomes invalid or unenforceable for any reason whatsoever

and in each case the Guarantee (as applicable) is not replaced by an alternative guarantee agreement acceptable to the Authority within the period of time specified by the Authority;

- (e) the Supplier fails to provide the Guarantee and accompanying documentation required by Clause 4.1

34.2 Termination on Material Default

34.2.1 The Authority may terminate this Contract for material Default by issuing a Termination Notice to the Supplier where:

- (a) the representation and warranty given by the Supplier pursuant to Clause 3.2.5 (Representations and Warranties) is materially untrue or misleading and the Supplier fails to provide details of proposed mitigating factors which in the reasonable opinion of the Authority are acceptable;
- (b) as a result of any Defaults, the Authority incurs Losses in any Contract Year which exceed 80% of the value of the Supplier's aggregate annual liability limit as set out in Clause 29.2.1 (Liability);
- (c) the Authority expressly reserves the right to terminate this Contract for material Default, including pursuant to any of the following Clauses: 5.4 (Cyber Essentials Scheme Condition), 7 (Inception Plan and Implementation Plan), 8.3.2 (Provision of Services), 16.5 (Records, Audit Access and Open Book Data), 19 (Promoting Tax Compliance), 27.3.9 (Confidentiality), 43.6.2 (Prevention of Fraud and Bribery);
- (d) the Supplier commits any material Default of this Contract which is not, in the reasonable opinion of the Authority, capable of remedy; and/or
- (e) the Supplier commits a Default, including a material Default, which in the opinion of the Authority is remediable but has not remedied such Default to the satisfaction of the Authority in accordance with the Rectification Plan Process;

34.2.2 For the purpose of Clause 34.2.1, a material Default may be a single material Default or a number of Defaults or repeated Defaults (whether of the same or different obligations and regardless of whether such Defaults are remedied) which taken together constitute a material Default.

34.3 Termination in Relation to Financial Standing

34.3.1 The Authority may terminate this Contract by issuing a Termination Notice to the Supplier where in the reasonable opinion of the Authority there is a material detrimental change in the financial standing and/or the credit rating of the Supplier which:

- (a) adversely impacts on the Supplier's ability to supply the Services under this Contract; or
- (b) could reasonably be expected to have an adverse impact on the Suppliers ability to supply the Services under this Contract.

34.4 Termination on Insolvency

34.4.1 The Authority may terminate this Contract by issuing a Termination Notice to the Supplier where an Insolvency Event affecting the Supplier occurs.

34.5 Termination on Change of Control

34.5.1 The Supplier shall notify the Authority immediately in writing and as soon as the Supplier is aware (or ought reasonably to be aware) that it is anticipating, undergoing, undergoes or has undergone a Change of Control and provided such notification does not contravene any Law.

34.5.2 The Supplier shall ensure that any notification made pursuant to Clause 34.5.1 shall set out full details of the Change of Control including the circumstances suggesting and/or explaining the Change of Control.

34.5.3 The Authority may terminate this Contract under Clause 34.5 by issuing a Termination Notice to the Supplier within six (6) Months of:

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

but shall not be permitted to terminate where an Approval was granted prior to the Change of Control.

34.6 Termination for breach of Regulations

34.6.1 The Authority may terminate this Contract by issuing a Termination Notice to the Supplier on the occurrence of any of the statutory provisos contained in Regulation 73 (1) (a) to (c).

34.7 Termination Without Cause

34.7.1 The Authority may, at its sole discretion, terminate this Contract:

- (a) before the Implementation Services Start Date upon giving the Supplier thirty (30) days' Termination Notice; or
- (b) after the Implementation Services Start Date:
 - (A) upon giving the Supplier thirty (30) days' Termination Notice before the end of the period of three (3) years from the Commencement Date stating that the Contract shall be terminated at the end of that three (3) year period ("**Break Option Notice**"); or

- (B) upon giving the Supplier three (3) months' Termination Notice at any other time.

34.8 Termination in Relation to Variation

- 34.8.1 The Authority may terminate this Contract by issuing a Termination Notice to the Supplier for failure of the Parties to agree or the Supplier to implement a Variation in accordance with the Variation Procedure.

35. SUPPLIER TERMINATION RIGHTS

35.1 Termination on Authority Cause for Failure to Pay

- 35.1.1 The Supplier may, by issuing a Termination Notice to the Authority, terminate this Contract if the Authority fails to pay an undisputed sum due to the Supplier under this Contract which in aggregate exceeds £ 100,000 and such amount remains outstanding forty (40) Working Days (the **"Undisputed Sums Time Period"**) after the receipt by the Authority of a written notice of non-payment from the Supplier specifying:

- (a) the Authority's failure to pay; and
- (b) the correct overdue and undisputed sum; and
- (c) the reasons why the undisputed sum is due; and
- (d) the requirement on the Authority to remedy the failure to pay,

this Contract shall then terminate on the date specified in the Termination Notice (which shall not be less than twenty (20) Working Days from the date of the issue of the Termination Notice), save that such right of termination shall not apply where the failure to pay is due to the Authority exercising its rights under this Contract including Clause 18.3 (Retention and Set off).

- 35.1.2 The Supplier shall not suspend the supply of the Services for failure of the Authority to pay undisputed sums of money (whether in whole or in part).

36. TERMINATION BY EITHER PARTY

36.1 Termination for continuing Force Majeure Event

- 36.1.1 Either Party may, by issuing a Termination Notice to the other Party terminate this Contract if, in accordance with Clause 33.6.1(a) (Force Majeure).

37. PARTIAL TERMINATION, SUSPENSION AND PARTIAL SUSPENSION

- 37.1 Where the Authority has the right to terminate this Contract, the Authority shall be entitled to terminate or suspend all or part of this Contract provided always that, if the Authority elects to terminate or suspend this Contract in part, the parts of this Contract not terminated or suspended can, in the Authority's reasonable opinion, operate effectively to deliver the intended purpose of the surviving parts of this Contract.
- 37.2 Any suspension of this Contract under Clause 37.1 shall be for such period as the Authority may specify and without prejudice to any right of termination which has already accrued, or subsequently accrues, to the Authority.
- 37.3 The Parties shall seek to agree the effect of any Variation necessitated by a partial termination, suspension or partial suspension in accordance with the Variation

Procedure, including the effect that the partial termination, suspension or partial suspension may have on the provision of any other Services and the Contract Charges, provided that the Supplier shall not be entitled to:

- 37.3.1 an increase in the Contract Charges in respect of the provision of the Services that have not been terminated if the partial termination arises due to the exercise of any of the Authority's termination rights under Clause 34 (Authority Termination Rights) except Clause 34.7 (Termination Without Cause); and
- 37.3.2 reject the Variation.

38. CONSEQUENCES OF EXPIRY OR TERMINATION

38.1 Consequences of termination under Clauses 34.1 (Termination in Relation to Guarantee), 34.2 (Termination on Material Default), 34.3 (Termination in Relation to Financial Standing) and 34.8 (Termination in Relation to Variation)

38.1.1 Where the Authority:

- (a) Terminates (in whole or in part) this Contract under any of the Clauses referred to in Clause 38.1; and
- (b) then makes other arrangements for the supply of the Services,

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 Contract Period provided that Authority shall take all reasonable steps to mitigate such additional expenditure. No further payments shall be payable by the Authority to the Supplier until the Authority has established the final cost of making those other arrangements.

38.2 Consequences of termination under Clauses 34.7 (Termination without Cause) and 35.1 (Termination on Authority Cause for Failure to Pay)

38.2.1 Where:

- (a) the Authority terminates (in whole or in part) this Contract under Clause 34.7 (Termination without Cause); or
- (b) the Supplier terminates this Contract pursuant to Clause 35.1 (Termination on Authority Cause for Failure to Pay),

the Authority shall, subject to Clauses 38.2.4 and 38.2.4, indemnify the Supplier against any reasonable and proven Losses which would otherwise represent an unavoidable loss by the Supplier by reason of the termination of this Contract, provided that the Supplier takes all reasonable steps to mitigate such Losses. The Supplier shall submit a fully itemised and costed list of such Losses, with supporting evidence including such further evidence as the Authority may require, reasonably and actually incurred by the Supplier as a result of termination under Clause 34.6 (Termination without Cause).

38.2.2 The Authority shall not be liable under Clause 38.2.1 to pay any sum which:

- (a) was claimable under insurance held by the Supplier, and the Supplier has failed to make a claim on its insurance, or has failed to make a claim in accordance with the procedural requirements of the insurance policy; or

- (b) when added to any sums paid or due to the Supplier under this Contract, exceeds the total sum that would have been payable to the Supplier if this Contract had not been terminated.

38.2.3 Where the Authority terminates (in whole or in part) this Contract under Clause 34.7.1(b)(A) (Termination without Cause) by way of a Break Option Notice, the indemnity in Clause 38.2.1 shall not apply and the Authority shall pay the Supplier only in respect of any undisputed Contract Charges which are due up to the date of termination of this Contract.

38.2.4 Where the Authority terminates (in whole or in part) this Contract under Clause 34.7.1(a) (Termination without Cause) prior to the Implementation Services Start Date, the indemnity in Clause 38.2.1 shall apply in respect of eligible Losses by the Supplier solely in connection with the provision to the Authority of the Inception Services under the Inception Plan and shall not include any Losses in connection with the Implementation Services.

38.3 Consequences of termination under Clause 36.1 (Termination for Continuing Force Majeure Event)

38.3.1 The costs of termination incurred by the Parties shall lie where they fall if either Party terminates or partially terminates this Contract for a continuing Force Majeure Event pursuant to Clause 36.1 (Termination for Continuing Force Majeure Event).

38.4 Consequences of Termination for Any Reason

38.4.1 Save as otherwise expressly provided in this Contract:

- (a) termination or expiry of this Contract shall be without prejudice to any rights, remedies or obligations accrued under this Contract prior to termination or expiration and nothing in this Contract shall prejudice the right of either Party to recover any amount outstanding at the time of such termination or expiry; and
- (b) termination of this Contract shall not affect the continuing rights, remedies or obligations of the Authority or the Supplier under Clauses 16 (Records, Audit Access & Open Book Data), 26 (Intellectual Property Rights), 27.3 (Confidentiality), 27.5 (Freedom of Information) 27.6 (Protection of Personal Data), 29 (Liability), 38 (Consequences of Expiry or Termination), 44 (Severance), 47 (Entire Agreement), 48 (Third Party Rights) 50 (Dispute Resolution) and 51 (Governing Law and Jurisdiction), and the provisions of Schedule 1 (Definitions), Schedule 3 (Contract Charges, Payment and Invoicing), Schedule 10 (Exit Management), Schedule 11 (Staff Transfer), Schedule 12 (Dispute Resolution Procedure) and, without limitation to the foregoing, any other provision of this Contract which expressly or by implication is to be performed or observed notwithstanding termination or expiry shall survive the Expiry Date.

38.5 Exit management

38.5.1 The Parties shall comply with the exit management provisions set out in Schedule 10 (Exit Management).

L. MISCELLANEOUS AND GOVERNING LAW

39. COMPLIANCE

39.1 Health and Safety

- 39.1.1 The Supplier shall perform its obligations under this Contract (including those in relation to the Services) in accordance with all applicable Law regarding health and safety.

39.2 Equality and Diversity

39.2.1 The Supplier shall:

- (a) perform its obligations under this Contract (including those in relation to provision of the Services) in accordance with:
 - (i) all applicable equality Law (whether in relation to race, sex, gender reassignment, religion or belief, disability, sexual orientation, pregnancy, maternity, age or otherwise); and
 - (ii) any other requirements and instructions which the Authority reasonably imposes in connection with any equality obligations imposed on the Authority at any time under applicable equality Law;
- (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).

39.3 Official Secrets Act and Finance Act

39.3.1 The Supplier shall comply with the provisions of:

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

39.4 Environmental Requirements

- 39.4.1 The Supplier shall, when working on the Sites, perform its obligations under this Contract in accordance with the Environmental Policy of the Authority.

- 39.4.2 The Authority shall provide a copy of its written Environmental Policy (if any) to the Supplier upon the Supplier's written request.

39.5 Anti-terrorism regulations

- 39.5.1 In accordance to the Terrorism Act 2000 and all subsequent regulations pursuant to this Act, the Supplier will assure itself to the best of its knowledge that UK funding, including financial assets or economic resources is not made available, either directly or indirectly to, or for the benefit of persons, groups or entities listed in accordance with European Council Regulation EC/2580/2001 (as amended) and/or the Terrorism (United Nations Measures) Orders 2009 of the United Kingdom, or contravene the provisions of those and any subsequent applicable terrorism legislation.

- 39.5.2 The Supplier represents and warrants that neither it, nor to the best of its knowledge any Supplier's Personnel, servants, agents or sub-contractors, or any person acting on their behalf, have at any time prior to the Commencement Date and/or during the term of this Contract appeared on the Home Office Proscribed Terrorist Organisations List.

- 39.5.3 The Supplier shall immediately notify the Authority in writing if it becomes aware of any breach of Clause 39.5.1 and/or 39.5.2, or has reason to believe that it has or any Supplier's Personnel, servants, agents or sub-contractors, or any person acting on their behalves have:
- (a) been subject to an investigation or prosecution which relates to an alleged Infringement of these Clauses 39.5.1 and/or 39.5.2; 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.
- 39.5.4 Where the Supplier or any of his employees, servants, agents or sub-contractors, or any person acting on their behalf, breaches any of the acts mentioned in Clauses 39.5.1 and/or 39.5.2 commits any offence under the Terrorism Act 2000, with or without the knowledge of the Supplier, in relation to this Contract or any other contract with the Crown, the Authority shall be entitled:
- (a) to terminate the Contract with immediate effect by written notice to the Supplier and recover from the Supplier the amount of any loss resulting from the termination; and
 - (b) to recover from the Supplier any other loss sustained as a result of any breach of this Clause 39.5, whether or not the Contract has been terminated.

40. ASSIGNMENT AND NOVATION

- 40.1 The Supplier shall not assign, novate, Sub-Contract or otherwise dispose of or create any trust in relation to any or all of its rights, obligations or liabilities under this Contract or any part of it without Approval.
- 40.2 The Authority may assign, novate or otherwise dispose of any or all of its rights, liabilities and obligations under this Contract or any part thereof to:
- 40.2.1 any other body established by the Crown or under statute in order substantially to perform any of the functions that had previously been performed by the Authority; or
 - 40.2.2 any private sector body which substantially performs the functions of the Authority,
- and the Supplier shall, at the Authority's request, enter into a novation agreement in such form as the Authority shall reasonably specify in order to enable the Authority to exercise its rights pursuant to this Clause 40.2.
- 40.3 A change in the legal status of the Authority shall not, subject to Clause 40.4 affect the validity of this Contract and this Contract shall be binding on any successor body to the Authority.
- 40.4 If the Authority assigns, novates or otherwise disposes of any of its rights, obligations or liabilities under this Contract to a private sector body in accordance with Clause 40.2.2 (the "**Transferee**" in the rest of this Clause) the right of termination of the Authority in Clause 34.4 (Termination on Insolvency) shall be available to the Supplier in the event of insolvency of the Transferee as if the references to Supplier in Clause 34.4 (Termination

on Insolvency) and to Supplier or Guarantor in the definition of Insolvency Event were references to the Transferee.

41. WAIVER AND CUMULATIVE REMEDIES

- 41.1 The rights and remedies under this Contract may be waived only by notice in accordance with Clause 49 (Notices) and in a manner that expressly states that a waiver is intended. A failure or delay by a Party in ascertaining or exercising a right or remedy provided under this Contract or by Law shall not constitute a waiver of that right or remedy, nor shall it prevent or restrict the further exercise of that right or remedy.
- 41.2 Unless otherwise provided in this Contract, rights and remedies under this Contract are cumulative and do not exclude any rights or remedies provided by Law, in equity or otherwise.

42. RELATIONSHIP OF THE PARTIES

- 42.1 Except as expressly provided otherwise in this Contract, nothing in this Contract, nor any actions taken by the Parties pursuant to this Contract, shall create a partnership, joint venture or relationship of employer and employee or principal and agent between the Parties, or authorise either Party to make representations or enter into any commitments for or on behalf of any other Party.

43. PREVENTION OF FRAUD AND BRIBERY

- 43.1 The Supplier represents and warrants that neither it, nor to the best of its knowledge any Supplier Personnel, have at any time prior to the Commencement Date:
 - 43.1.1 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
 - 43.1.2 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.
- 43.2 The Supplier shall not during the Contract Period:
 - 43.2.1 commit a Prohibited Act; and/or
 - 43.2.2 do or suffer anything to be done which would cause the Authority or any of the Authority's 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.
- 43.3 The Supplier shall during the Contract Period:
 - 43.3.1 establish, maintain and enforce, and require that its Sub-Contractors establish, maintain and enforce, policies and procedures which are adequate to ensure compliance with the Relevant Requirements and prevent the occurrence of a Prohibited Act;
 - 43.3.2 keep appropriate records of its compliance with its obligations under Clause 43.3.1 and make such records available to the Authority on request;
 - 43.3.3 if so required by the Authority, within twenty (20) Working Days of the Commencement Date, and annually thereafter, certify to the Authority in

writing that the Supplier and all persons associated with it or its Sub-Contractors or other persons who are supplying the Services in connection with this Contract are compliant with the Relevant Requirements. The Supplier shall provide such supporting evidence of compliance as the Authority may reasonably request; and

- 43.3.4 have, maintain and where appropriate enforce an anti-bribery policy (which shall be disclosed to the Authority on request) to prevent it and any Supplier Personnel or any person acting on the Supplier's behalf from committing a Prohibited Act.
- 43.4 The Supplier shall immediately notify the Authority in writing if it becomes aware of any breach of Clause 43.1, or has reason to believe that it has or any of the Supplier Personnel have:
 - 43.4.1 been subject to an investigation or prosecution which relates to an alleged Prohibited Act;
 - 43.4.2 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
 - 43.4.3 received a request or demand for any undue financial or other advantage of any kind in connection with the performance of this Contract or otherwise suspects that any person or Party directly or indirectly connected with this Contract has committed or attempted to commit a Prohibited Act.
- 43.5 If the Supplier makes a notification to the Authority pursuant to Clause 43.4, 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 in accordance with Clause 16 (Records, Audit Access and Open Book Data).
- 43.6 If the Supplier breaches Clause 43.3, the Authority may by notice:
 - 43.6.1 require the Supplier to remove from performance of this Contract any Supplier Personnel whose acts or omissions have caused the Supplier's breach; or
 - 43.6.2 immediately terminate this Contract for material Default.
- 43.7 Any notice served by the Authority under Clause 43.4 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 elected to take (including, where relevant, the date on which this Contract shall terminate).

44. SEVERANCE

- 44.1 If any provision of this Contract (or part of any provision) is held to be void or otherwise unenforceable by any court of competent jurisdiction, such provision (or part) shall to the extent necessary to ensure that the remaining provisions of this Contract are not void or unenforceable be deemed to be deleted and the validity and/or enforceability of the remaining provisions of this Contract shall not be affected.
- 44.2 In the event that any deemed deletion under Clause 44.1 is so fundamental as to prevent the accomplishment of the purpose of this Contract or materially alters the balance of risks and rewards in this Contract, either Party may give notice to the other Party

requiring the Parties to commence good faith negotiations to amend this Contract so that, as amended, it is valid and enforceable, preserves the balance of risks and rewards in this Contract and, to the extent that is reasonably practicable, achieves the Parties' original commercial intention.

- 44.3 If the Parties are unable to resolve the Dispute arising under Clause 44 within twenty (20) Working Days of the date of the notice given pursuant to Clause 44.2, this Contract shall automatically terminate with immediate effect. The costs of termination incurred by the Parties shall lie where they fall if this Contract is terminated pursuant to Clause 44.

45. FURTHER ASSURANCES

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

46. RELATIONSHIP OF THE PARTIES

- 46.1 Except as expressly provided otherwise in this Contract, nothing in this Contract, nor any actions taken by the Parties pursuant to this Contract, shall create a partnership, joint venture or relationship of employer and employee or principal and agent between the Parties, or authorise either Party to make representations or enter into any commitments for or on behalf of any other Party.

47. ENTIRE AGREEMENT

- 47.1 This Contract and the documents referred to in it constitute the entire agreement between the Parties in respect of the matter and supersede and extinguish all prior negotiations, course of dealings or agreements made between the Parties in relation to its subject matter, whether written or oral.
- 47.2 Neither Party has been given, nor entered into this Contract in reliance on, any warranty, statement, promise or representation other than those expressly set out in this Contract.
- 47.3 Nothing in this Clause 47 shall exclude any liability in respect of misrepresentations made fraudulently.

48. THIRD PARTY RIGHTS

- 48.1 The provisions of paragraphs 2.1 and 2.3 of Part C and paragraphs 1.4, 2.3 and 2.8 of Part D of Schedule 11 (Staff Transfer)] and the provisions of paragraph 9.9 of Schedule 10 (Exit Management) (together "**Third Party Provisions**") confer benefits on persons named in such provisions other than the Parties (each such person a "**Third Party Beneficiary**") and are intended to be enforceable by Third Parties Beneficiaries by virtue of the CRTPA.
- 48.2 Subject to Clause 48.1, a person who is not a Party to this Contract has no right under the CTRPA to enforce any term of this Contract but this does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.
- 48.3 No Third Party Beneficiary may enforce, or take any step to enforce, any Third Party Provision without the prior written consent of the Authority, which may, if given, be given on and subject to such terms as the Authority may determine.

- 48.4 Any amendments or modifications to this Contract may be made, and any rights created under Clause 48.1 may be altered or extinguished, by the Parties without the consent of any Third Party Beneficiary.

49. NOTICES

- 49.1 Except as otherwise expressly provided within this Contract, any notices sent under this Contract must be in writing. For the purpose of Clause 49, an e-mail is accepted as being "in writing".
- 49.2 Subject to Clause 49.3, the following table sets out the method by which notices may be served under this Contract and the respective deemed time and proof of service:

Manner of delivery	Deemed time of delivery	Proof of Service
Email (Subject to Clauses 49.3 and 49.4)	9.00am on the first Working Day after sending	Dispatched as a pdf attachment to an e-mail to the correct e-mail address without any error message
Personal delivery	On delivery, provided delivery is between 9.00am and 5.00pm on a Working Day. Otherwise, delivery will occur at 9.00am on the next Working Day	Properly addressed and delivered as evidenced by signature of a delivery receipt
Royal Mail Signed For™ 1 st Class or other prepaid, next Working Day service providing proof of delivery	At the time recorded by the delivery service, provided that delivery is between 9.00am and 5.00pm on a Working Day. Otherwise, delivery will occur at 9.00am on the same Working Day (if delivery before 9.00am) or on the next Working Day (if after 5.00pm)	Properly addressed prepaid and delivered as evidenced by signature of a delivery receipt

- 49.3 The following notices may only be served as an attachment to an email if the original notice is then sent to the recipient by personal delivery or Royal Mail Signed For™ 1st Class or other prepaid in the manner set out in the table in Clause 49.2:

- 49.3.1 any Termination Notice (Clause 34 (Authority Termination Rights)),
- 49.3.2 any notice in respect of:
- (a) partial termination, suspension or partial suspension (Clause 37 (Partial Termination, Suspension and Partial Suspension));
 - (b) waiver (Clause 41 (Waiver and Cumulative Remedies));
 - (c) Default or Authority Cause; and
 - (d) any Dispute Notice.

- 49.4 Failure to send any original notice by personal delivery or recorded delivery in accordance with Clause 49.3 shall invalidate the service of the related e-mail transmission. The deemed time of delivery of such notice shall be the deemed time of delivery of the original notice sent by personal delivery or Royal Mail Signed For™ 1st Class delivery (as set out in the table in Clause 49.2) or, if earlier, the time of response or acknowledgement by the other Party to the email attaching the notice.
- 49.5 Clause 49 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution (other than the service of a Dispute Notice under the Dispute Resolution Procedure).
- 49.6 For the purposes of this Clause 49, the address and email address of each Party shall be
- 49.6.1 For the Authority:
Address: Department of Health, 79 Whitehall, London, SW1A 2NS
For the attention of: **[redacted]**
- 49.6.2 For the Supplier:
Mott MacDonald Limited
Address: 10 Fleet Place, London EC4M 7RB
For the attention of: **[redacted]**

50. DISPUTE RESOLUTION

- 50.1 The Parties shall resolve Disputes arising out of or in connection with this Contract in accordance with the Dispute Resolution Procedure.
- 50.2 The Supplier shall continue to provide the Services in accordance with the terms of this Contract until a Dispute has been resolved.

51. GOVERNING LAW AND JURISDICTION

- 51.1 This Contract and any issues, Disputes or claims (whether contractual or non-contractual) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of England and Wales.
- 51.2 Subject to Clause 50 (Dispute Resolution) and Schedule 12 (Dispute Resolution Procedure) (including the Authority's right to refer the Dispute to arbitration), the Parties agree that the courts of England and Wales shall have exclusive jurisdiction to settle any Dispute or claim (whether contractual or non-contractual) that arises out of or in connection with this Contract or its subject matter or formation.

IN WITNESS of which this Contract has been duly executed by the Parties.

Signed duly authorised for and on behalf of the SUPPLIER

Signature:

Name:

Position:

Date

Signed for and on behalf of the AUTHORITY

Signature:

Name:

Position:

Date

SCHEDULE 1: DEFINITIONS

In accordance with Clause 1 (Definitions and Interpretations) of this Contract including its Recitals the following expressions shall have the following meanings:

"Achieve"	means in respect of a Milestone, the issue of a Satisfaction Certificate in respect of that Milestone and "Achieved" , "Achieving" and "Achievement" shall be construed accordingly;
"Acquired Rights Directive"	means the European Council Directive 77/187/EEC on the approximation of laws of European member states relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses, as amended or re-enacted from time to time;
"Affected Party"	means the party seeking to claim relief in respect of a Force Majeure;
"Affiliates"	means in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control of that body corporate from time to time;
"AMR"	means antimicrobial resistance;
"Approval"	means the prior written consent of the Authority and "Approve" and "Approved" shall be construed accordingly;
"Approved Sub-Licensee"	means any of the following: <ul style="list-style-type: none">a) a Central Government Body;b) any third party providing goods and/or services to a Central Government Body; and/orc) any body (including any private sector body) which performs or carries on any of the functions and/or activities that previously had been performed and/or carried on by the Authority;
"Auditor"	means: <ul style="list-style-type: none">a) the Authority's internal and external auditors;b) the Authority's statutory or regulatory auditors;c) the Comptroller and Auditor General, their staff and/or any appointed representatives of the National Audit Office;d) HM Treasury or the Cabinet Office;e) any party formally appointed by the Authority to carry out audit or similar review functions; andf) successors or assigns of any of the above;
"Authority Assets"	means the Authority's infrastructure, data, software, materials, assets, equipment or other property owned by and/or licensed or leased to the Authority and which is or may be used in

	connection with the provision of the Services;
"Authority Background IPR"	<p>means:</p> <ul style="list-style-type: none"> a) IPRs owned by the Authority before the Commencement Date, including IPRs contained in any of the Authority's Know-How, documentation, processes, software and procedures; b) IPRs created by the Authority independently of this Contract; and/or <p>Crown Copyright which is not available to the Supplier otherwise than under this Contract;</p>
"Authority Cause"	means any breach of the obligations of the Authority or any other default, act, omission, negligence or statement of the Authority, of its employees, servants, agents in connection with or in relation to the subject-matter of this Contract and in respect of which the Authority is liable to the Supplier;
"Authority Data"	<p>means:</p> <ul style="list-style-type: none"> 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, including any Authority's Confidential Information, and which: <ul style="list-style-type: none"> i) are supplied to the Supplier by or on behalf of the Authority; or ii) the Supplier is required to generate, process, store or transmit pursuant to this Contract; or b) any Personal Data for which the Authority is the Data Controller;
"Authority Property"	means the property, other than real property and IPR, including any equipment issued or made available to the Supplier by the Authority in connection with this Contract;
"Authority Representative"	means the representative appointed by the Authority from time to time in relation to this Contract;
"Authority Responsibilities"	means the responsibilities of the Authority set out in Part B of Schedule 4 (Inception Plan, Authority Responsibilities and Key Personnel) and any other responsibilities of the Authority agreed in writing between the Parties from time to time in connection with this Contract;
"Authority's Confidential Information"	<p>means:</p> <ul style="list-style-type: none"> a) all Personal Data and any information, however it is conveyed, that relates to the business, affairs, developments, property rights, trade secrets, Know-How and IPR of the Authority (including all Authority Background IPR and Project Specific IPR); b) any other information clearly designated as being

	<p>confidential (whether or not it is marked "confidential") or which ought reasonably be considered confidential which comes (or has come) to the Authority's attention or into the Authority's possession in connection with this Contract; and</p> <p>c) information derived from any of the above;</p>
"BCDR Services"	means the Business Continuity Services and Disaster Recovery Services as defined in Schedule 9 (Business Continuity and Disaster Recovery);
"BCDR Plan"	means the Supplier's plan relating to business continuity and disaster recovery as referred to in Clause 11 (Business Continuity and Disaster Recovery) and Schedule 9 (Business Continuity and Disaster Recovery);
"Break Option Notice"	shall have the meaning given to it in Clause 34.7.1(b)(A) (Termination without Cause);
"Central Government Body"	<p>means a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics:</p> <ul style="list-style-type: none"> a) Government Department; b) Non-Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal); c) Non-Ministerial Department; or d) Executive Agency;
"Change in Law"	means any change in Law which impacts on the supply of the Services and performance of the Contract which comes into force after the Commencement Date;
"Change of Control"	means a change of control within the meaning of Section 450 of the Corporation Tax Act 2010;
"Charges"	means the charges raised under or in connection with this Contract from time to time;
"Commercially Sensitive Information"	means the Confidential information listed in Schedule 14 (Commercially Sensitive Information) comprising commercially sensitive information relating to the Supplier, its IPR or its business or which the Supplier has indicated to the Authority that, if disclosed by the Authority, would cause the Supplier significant commercial disadvantage or material financial loss;
"Comparable Supply"	means the supply of Services to another customer of the Supplier that are the same or similar to the Services;
"Confidential Information"	means the Authority's Confidential Information and/or the Supplier's Confidential Information, as the context specifies;
"Contract"	means this agreement between the Authority and the Supplier;

"Contract Charges"	means the prices (comprising of any Milestone Payments, the Supplier's Fees, the Supplier's Expenses and exclusive of any applicable VAT), payable to the Supplier by the Authority under this Contract, as set out in Annex 1 of Schedule 3 (Contract Charges, Payment and Invoicing), for the full and proper performance by the Supplier of its obligations under this Contract less any Deductions and any sum allocated as Management Agent Grant Funds;
"Contract Period"	means the term of this Contract from the Commencement Date until the Expiry Date;
"Contract Year"	means a consecutive period of twelve (12) Months commencing on the Commencement Date or each anniversary thereof;
"Control"	means control as defined in section 1124 and 450 Corporation Tax Act 2010 and "Controls" and "Controlled" shall be interpreted accordingly;
"Commencement Date"	means 10 October 2016 ;
"Costs"	<p>the following costs (without double recovery) to the extent that they are reasonably and properly incurred by the Supplier in providing the Services:</p> <ul style="list-style-type: none"> a) the cost to the Supplier or the Sub-Contractor (as the context requires), calculated per Man Day, of engaging the Supplier Personnel, including: <ul style="list-style-type: none"> i) base salary paid to the Supplier Personnel; ii) employer's national insurance contributions; iii) pension contributions; iv) car allowances; v) any other contractual employment benefits; vi) staff training; vii) work place accommodation; viii) work place IT equipment and tools reasonably necessary to provide the Services (but not including items included within limb (b) below); and ix) reasonable recruitment costs, as agreed with the Authority; b) costs incurred in respect of those Supplier Assets which are detailed on the Registers and which would be treated as capital costs according to generally accepted accounting principles within the UK, which shall include the cost to be charged in respect of Supplier Assets by the Supplier to the Authority or (to the extent that risk and title in any Supplier Asset is not held by the Supplier) any cost actually incurred by the Supplier in respect of

	those Supplier Assets;
	c) operational costs which are not included within (a) or (b) above, to the extent that such costs are necessary and properly incurred by the Supplier in the provision of the Services;
	but excluding:
	a) Overhead;
	b) financing or similar costs;
	c) maintenance and support costs to the extent that these relate to maintenance and/or support services provided beyond the Contract Period whether in relation to Supplier Assets or otherwise;
	d) taxation;
	e) fines and penalties;
	f) amounts payable under Clause 20 (Benchmarking); and
	g) non-cash items (including depreciation, amortisation, impairments and movements in provisions).
"Crown"	means the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Executive and the National Assembly for Wales), including, but not limited to, government ministers and government departments and particular bodies, persons, commissions or agencies from time to time carrying out functions on its behalf;
"Crown Body"	means any department, office or executive agency of the Crown;
"CRTPA"	means the Contracts (Rights of Third Parties) Act 1999;
"Cyber Essentials Scheme"	means the Cyber Essentials Scheme developed by the Government which provides a clear statement of the basic controls all organisations should implement to mitigate the risk from common internet based threats. Details of the Cyber Essentials Scheme can be found here: https://www.gov.uk/government/publications/cyber-essentials-scheme-overview ;
"Cyber Essentials Scheme Basic Certificate"	means the certificate awarded on the basis of self assessment, varied by an independent certification body, under the Cyber Essentials Scheme and is the basic level of assurance;
"Cyber Essentials Scheme Data"	means sensitive and personal information and other relevant information as referred to in the Cyber Essentials Scheme;
"Cyber Essentials Scheme Plus Certificate"	means the certificate awarded by an independent certification body of the Supplier's cyber security approach under the Cyber Essentials Scheme and is a more advanced level of assurance;
"Data Controller"	has the meaning given to it in the Data Protection Act 1998, as

	amended from time to time;
"Data Processor"	has the meaning given to it in the Data Protection Act 1998, as amended from time to time;
"Data Protection Legislation" or "DPA"	means the Data Protection Act 1998 and all applicable laws and regulations relating to processing of personal data and privacy, including where applicable the guidance and codes of practice issued by the Information Commissioner or relevant Government department in relation to such legislation;
"Data Subject"	has the meaning given to it in the Data Protection Act 1998, as amended from time to time;
"Data Subject Access Request"	means a request made by a Data Subject in accordance with rights granted pursuant to the DPA to access his or her Personal Data;
"Deductions"	means Delay Payments or any other deduction which the Authority is paid or is payable under this Contract;
"Default"	means any breach of the obligations of the Supplier (including but not limited to including abandonment of this Contract in breach of its terms) or any other default (including material Default), act, omission, negligence or statement of the Supplier, of its Sub-Contractors or any Supplier Personnel howsoever arising in connection with or in relation to the subject-matter of this Contract and in respect of which the Supplier is liable to the Authority;
"Delay"	means: <ul style="list-style-type: none"> a) a delay in the Achievement of a Milestone by its Milestone Date; or b) a delay in the design, development, testing or implementation of a Deliverable by the relevant date set out in the Inception Plan or Implementation Plan;
"Delay Payments"	means the amounts payable by the Supplier to the Authority in respect of a delay in respect of a Milestone as specified in the Inception Plan and Implementation Plan;
"Deliverable"	means an item or feature in the supply of the Services delivered or to be delivered by the Supplier at or before a Milestone Date listed in the Inception Plan (if any), Implementation Plan or at any other stage during the performance of this Contract as agreed between the Parties;
"Delivery"	means delivery in accordance with the terms of this Contract as confirmed by the issue by the Authority of a Satisfaction Certificate in respect of the relevant Milestone thereof (if any) or otherwise in accordance with this Contract and accepted by the Authority and "Deliver" and "Delivered" shall be construed accordingly;
"Digital Service Standard"	means the standard available at https://www.gov.uk/service-manual/digital-by-default as updated or amended from time to

	time;
"Disclosing Party"	has the meaning given to it in Clause 27.3.1 (Confidentiality);
"Dispute"	means any dispute, difference or question of interpretation arising out of or in connection with this Contract, including any dispute, difference or question of interpretation relating to the Services, failure to agree in accordance with the Variation Procedure or any matter where this Contract directs the Parties to resolve an issue by reference to the Dispute Resolution Procedure;
"Dispute Notice"	means a written notice served by one Party on the other stating that the Party serving the notice believes that there is a Dispute;
"Dispute Resolution Procedure"	means the dispute resolution procedure set out in Schedule 12 (Dispute Resolution Procedure);
"Documentation"	means all documentation as: <ul style="list-style-type: none"> a) is required to be supplied by the Supplier to the Authority under this Contract; b) would reasonably be required by a competent third party capable of Good Industry Practice contracted by the Authority to develop, configure, build, deploy, run, maintain, upgrade and test the individual systems that provide the Services; c) is required by the Supplier in order to provide the Services; and/or d) has been or shall be generated for the purpose of providing the Services;
"DOTAS"	means the Disclosure of Tax Avoidance Schemes rules which require a promoter of tax schemes to tell HMRC of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in Part 7 of the Finance Act 2004 and as extended to national insurance contributions by the National Insurance Contributions (Application of Part 7 of the Finance Act 2004) Regulations 2012, SI 2012/1868) made under section 132A of the Social Security Administration Act 1992;
"Due Diligence Information"	means any information supplied to the Supplier by or on behalf of the Authority prior to the Commencement Date;
"Employee Liabilities"	means all claims, actions, proceedings, orders, demands, complaints, investigations (save for any claims for personal injury which are covered by insurance) and any award, compensation, damages, tribunal awards, fine, loss, order, penalty, disbursement, payment made by way of settlement and costs, expenses and legal costs reasonably incurred in connection with a claim or investigation including in relation to

the following:

- a) redundancy payments including contractual or enhanced redundancy costs, termination costs and notice payments;
- b) unfair, wrongful or constructive dismissal compensation;
- c) compensation for discrimination on grounds of sex, race, disability, age, religion or belief, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation or claims for equal pay;
- d) compensation for less favourable treatment of part-time workers or fixed term employees;
- e) outstanding debts and unlawful deduction of wages including any PAYE and National Insurance Contributions in relation to payments made by the Authority or the Replacement Supplier to a Transferring Supplier Employee which would have been payable by the Supplier or the Sub-Contractor if such payment should have been made prior to the Service Transfer Date;
- f) claims whether in tort, contract or statute or otherwise;
- g) any investigation by the Equality and Human Rights Commission or other enforcement, regulatory or supervisory body and of implementing any requirements which may arise from such investigation;

"Employment Regulations"

means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended or replaced or any other Regulations implementing the Acquired Rights Directive;

"Environmental Policy"

means to conserve energy, water, wood, paper and other resources, reduce waste and phase out the use of ozone depleting substances and minimise the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment, including any written environmental policy of the Authority;

"Environmental Information Regulations or EIRs"

means the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such regulations;

"Evaluation Supplier"

means ITAD Limited or any successor thereof appointed in accordance with the terms of the contract between the Authority and ITAD Limited

"Exit Plan"

means the exit plan described in paragraph 5 of Schedule 10 (Exit Management);

"Expedited Dispute Timetable"

means the timetable set out in paragraph 2 of Schedule 12 (Dispute Resolution Procedure);

"Expiry Date"

means:

- a) the end date of the Initial Period or the end date of any

Extension Period, whichever is later; or

- b) if this Contract is terminated before the end date of the Initial Period or Extension Period as appropriate, the earlier date of termination of this Contract in accordance with its terms;

"Extension Period"

means such period or periods from the expiry of the Initial Period as may be specified by the Authority pursuant to Clause 6.2, which when aggregated shall not exceed a total period of 5 years;

"Management Agent Grant Funds"

means monies provided by the Authority which are ring-fenced for onward disbursement to grant recipients and which shall not form part of the Contract Charges. The Management Agent Grant Funds shall, until they are disbursed to grant recipients by the Supplier, remain the property of the Authority and shall be so disbursed by the Supplier solely in accordance with the Implementation Plan, agreed grant scheme rules therein and the Authority's instructions. It is anticipated that the Management Agent Grant Funds will be as set out as 'Total Funds for disbursement' in pro forma 5 of Annex 1, Schedule 3 (Contract Charges). The exact figure shall be as stated in the Approved Implementation Plan.

"FOIA"

means the Freedom of Information Act 2000 and any subordinate legislation made under that Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner or relevant government department in relation to such legislation;

"Force Majeure"

means any event, occurrence, circumstance, matter or cause affecting the performance by either the Authority or the Supplier of its obligations arising from:

- a) acts, events, omissions, happenings or non-happenings beyond the reasonable control of the Affected Party which prevent or materially delay the Affected Party from performing its obligations under this Contract;
- b) riots, civil commotion, war or armed conflict, acts of terrorism, nuclear, biological or chemical warfare;
- c) acts of the Crown, local government or Regulatory Bodies;
- d) fire, flood, storm, earthquake or any disaster; and
- e) an industrial dispute affecting a third party for which a substitute third party is not reasonably available but excluding:
 - i) any industrial dispute relating to the Supplier, the Supplier Personnel (including any subsets of them) or any other failure in the Supplier or the Sub-Contractor's supply chain; and
 - ii) any event, occurrence, circumstance, matter or cause which is attributable to the wilful act, neglect or

	failure to take reasonable precautions against it by the Party concerned; and
	iii) any failure of delay caused by a lack of funds;
"Force Majeure Notice"	means a written notice served by the Affected Party on the other Party stating that the Affected Party believes that there is a Force Majeure Event;
"Former Supplier"	means a supplier supplying the services to the Authority before the Relevant Transfer Date that are the same as or substantially similar to the Services (or any part of the Services) and shall include any sub-contractor of such supplier (or any sub-contractor of any such sub-contractor);
"Fraud"	means any offence under any Laws creating offences in respect of fraudulent acts (including the Misrepresentation Act 1967) or at common law in respect of fraudulent acts including acts of forgery;
"General Anti-Abuse Rule"	means (a) the legislation in Part 5 of the Finance Act 2013 and; and (b) any future legislation introduced into parliament to counteract tax advantages arising from abusive arrangements to avoid national insurance contributions;
"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 exercise of the degree of skill and care, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person or body engaged within the relevant industry or business sector;
"Government"	means the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Executive and the National Assembly for Wales), including government ministers and government departments and other bodies, persons, commissions or agencies from time to time carrying out functions on its behalf;
"Government Procurement Card"	means the Government's preferred method of purchasing and payment for low value goods or services https://www.gov.uk/government/publications/government-procurement-card-2 ;
"Guarantee"	means a deed of guarantee in favour of the Authority in the form set out in Schedule 18 (Guarantee) granted pursuant to Clause 4 (Guarantee);
"Guarantor"	means the person acceptable to the Authority to give a Guarantee;
"Halifax Abuse Principle"	means the principle explained in the CJEU Case C-255/02 Halifax

	and others;
"HMRC"	means Her Majesty's Revenue and Customs;
"Holding Company"	has the meaning given to it in section 1159 of the Companies Act 2006;
"ICT Policy"	means the Authority's policy in respect of information and communications technology, which is in force as at the Commencement Date (a copy of which has been supplied to the Supplier), as updated from time to time in accordance with the Variation Procedure;
"Impact Assessment"	has the meaning given to it in Clause 17.1.3 (Variation Procedure);
"Implementation Plan"	means the Supplier's plan detailing the Implementation Services and method of delivery thereof referred to in the Inception Plan under the Milestone entitled "Implementation Plan Approved";
"Inception Plan"	means the inception plan as set out at Part A of Schedule 4 (Inception Plan, Authority Responsibilities and Key Personnel);
"Information"	has the meaning given to it under section 84 of the Freedom of Information Act 2000;
"Initial Period"	means the period from the Commencement Date until its fifth anniversary;
"Insolvency Event"	means, in respect of the Supplier or Guarantor (as applicable): <ul style="list-style-type: none"> 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; or 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); or c) a petition is presented for its winding up (which is not dismissed within fourteen (14) Working Days of its service) or an application is made for the appointment of a provisional liquidator or a creditors' meeting is convened pursuant to section 98 of the Insolvency Act 1986; or d) a receiver, administrative receiver or similar officer is appointed over the whole or any part of its business or assets; or 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; or f) it is or becomes insolvent within the meaning of

	section 123 of the Insolvency Act 1986; or
	g) being a "small company" within the meaning of section 382(3) of the Companies Act 2006, a moratorium comes into force pursuant to Schedule A1 of the Insolvency Act 1986; or
	h) where the Supplier or Guarantor is an individual or partnership, any event analogous to those listed in limbs (a) to (g) (inclusive) occurs in relation to that individual or partnership; or
	i) any event analogous to those listed in limbs (a) to (h) (inclusive) occurs under the law of any other jurisdiction;
"Insurances"	shall have the meaning given to it in Paragraph 1.1 of Schedule 15 (Insurances);
"Intellectual Property Rights" or "IPR"	means <ul style="list-style-type: none"> a) copyright, rights related to or affording protection similar to copyright, rights in databases, patents and rights in inventions, semi-conductor topography rights, trade marks, rights in internet domain names and website addresses and other rights in trade or business names, designs, Know-How, trade secrets and other rights in Confidential Information; b) applications for registration, and the right to apply for registration, for any of the rights listed at (a) that are capable of being registered in any country or jurisdiction; and c) all other rights having equivalent or similar effect in any country or jurisdiction;
Invitation to Tender or "ITT"	has the meaning given to it in the Recitals to this Contract;
"IPR Claim"	means any claim of infringement or alleged infringement (including the defence of such infringement or alleged infringement) of any IPR, used to provide the Services or as otherwise provided and/or licensed by the Supplier (or to which the Supplier has provided access) to the Authority in the fulfilment of its obligations under this Contract;
"Key Personnel"	means the individuals (if any) identified as such in Part C of Schedule 4 (Inception Plan, Authority Responsibilities and Key Personnel);
"Key Role(s)"	has the meaning given to it in Clause 21.1 (Key Personnel);
"Key Sub-Contract"	means each Sub-Contract with a Key Sub-Contractor;
"Key Sub-Contractor"	means any Sub-Contractor: <ul style="list-style-type: none"> a) listed in Schedule 17 (Key Sub-Contractors); b) which, in the opinion of the Authority, performs (or would perform if appointed) a critical role in the provision of all

or any part of the Services; and/or

- c) with a Sub-Contract with a contract value which at the time of appointment exceeds (or would exceed if appointed) 10% of the aggregate Contract Charges forecast to be payable under this Contract;

"Know-How"

means all ideas, concepts, schemes, information, knowledge, techniques, methodology, and anything else in the nature of know-how relating to the Services but excluding know-how already in the other Party's possession before the Commencement Date;

"Law"

means any law, subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, bye-law, enforceable right within the meaning of Section 2 of the European Communities Act 1972, regulation, order, regulatory policy, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements with which the Supplier is bound to comply;

"Losses"

means all losses, liabilities, damages, costs, expenses (including legal fees), disbursements, costs of investigation, litigation, settlement, judgment, interest and penalties whether arising in contract, tort (including negligence), breach of statutory duty, misrepresentation or otherwise and **"Loss"** shall be interpreted accordingly;

"Man Day"

means 7.5 Man Hours, whether or not such hours are worked consecutively and whether or not they are worked on the same day;

"Man Hours"

means the hours spent by the Supplier Personnel properly working on the provision of the Services including time spent travelling (other than to and from the Supplier's offices, or to and from the Sites) but excluding lunch breaks;

"Milestone"

means an event or task described in the Inception Plan or the Implementation Plan which, if applicable, must be completed by the relevant Milestone Date;

"Milestone Date"

means the target date set out against the relevant Milestone in the Inception Plan or the Implementation Plan by which the Milestone must be Achieved;

"Milestone Payment"

means a payment identified in the Inception Plan or the Implementation Plan to be made to the Supplier following the issue of a Satisfaction Certificate in respect of Achievement of the relevant Milestone, and, in respect of Milestones associated with the Implementation Services subject to the Retention Fee Guiding Principles in Annex 3 of Schedule 3;

"Month"

means a calendar month and **"Monthly"** shall be interpreted accordingly;

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

"OJEU Notice"

has the meaning given to it in the Recitals to this Contract;

"Open Book Data "

means complete and accurate financial and non-financial information which is sufficient to enable the Authority to verify the Contract Charges already paid or payable and Contract Charges forecast to be paid during the remainder of this Contract, including details and all assumptions relating to:

- a) the Supplier's Costs broken down against each Service and/or Deliverable, including actual capital expenditure (including capital replacement costs) and the unit cost and total actual costs of all goods and/or services;
- b) operating expenditure relating to the provision of the Services including an analysis showing:
 - i) the unit costs and quantity of any consumables and bought-in goods and/or services;
 - ii) manpower resources broken down into the number and grade/role of all Supplier Personnel (free of any contingency) together with a list of agreed rates against each manpower grade; and
 - iii) a list of Costs underpinning those rates for each manpower grade, being the agreed rate less the Supplier's Profit Margin;
- c) Overheads;
- d) all interest, expenses and any other third party financing costs incurred in relation to the provision of the Services;
- e) the Supplier Profit achieved over the Contract Period and on an annual basis;

	<p>f) confirmation that all methods of Cost apportionment and Overhead allocation are consistent with and not more onerous than such methods applied generally by the Supplier;</p> <p>g) an explanation of the type and value of risk and contingencies associated with the provision of the Services, including the amount of money attributed to each risk and/or contingency; and</p> <p>h) the actual Costs profile for each Service Period.</p>
"Other Supplier"	means any supplier to the Authority (other than the Supplier) which is notified to the Supplier from time to time and/or of which the Supplier should have been aware including the Evaluation Supplier;
"Overhead"	means those amounts which are intended to recover a proportion of the Supplier's or the relevant Sub-Contractor's (as the context requires) indirect corporate costs (including financing, marketing, advertising, research and development and insurance costs and any fines or penalties) but excluding allowable indirect costs apportioned to facilities and administration in the provision of Supplier Personnel and accordingly included within limb (a) of the definition of "Costs";
"Parent Company"	means any company which is the ultimate Holding Company of the Supplier and which is either responsible directly or indirectly for the business activities of the Supplier or which is engaged by the same or similar business to the Supplier. The term "Holding or Parent Company" shall have the meaning ascribed by the Companies Act 2006 or any statutory re-enactment or amendment thereto;
"Party"	means the Authority or the Supplier and "Parties" shall mean both of them;
"Performance Monitoring System"	has the meaning given to it in paragraph 1.1.2 in Part B of Schedule 6 (Service Levels and Performance Monitoring);
"Performance Monitoring Reports"	has the meaning given to it in paragraph 3.1 of Part B of Schedule 6 (Service Level and Performance Monitoring);
"Personal Data"	has the meaning given to it in the Data Protection Act 1998;
"Inception Services"	means the services outlined in paragraph 2 of Schedule 2 (Services) which shall be provided by the Supplier prior to the Implementation Services Start Date in accordance with the Inception Plan;
"Implementation Services"	means the services outlined in paragraph 3 of Schedule 2 (Services) which shall be provided by the Supplier after the Implementation Services Start Date;
"Implementation Services Start Date"	means the Milestone Date of commencement of the Implementation Services which is specified in the Inception Plan against the corresponding Milestone entitled "Completion of Inception Services and commencement of Implementation

	Services”;
"Processing"	has the meaning given to it in the Data Protection Legislation but, for the purposes of this Contract, it shall include both manual and automatic processing and "Process" and "Processed" shall be interpreted accordingly;
"Prohibited Act"	<p>means any of the following:</p> <ul style="list-style-type: none"> a) to directly or indirectly offer, promise or give any person working for or engaged by the Authority or any other public body a financial or other advantage to: <ul style="list-style-type: none"> 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 this Agreement; c) committing any offence: <ul style="list-style-type: none"> i) under the Bribery Act 2010 (or any legislation repealed or revoked by such Act); or ii) under legislation or common law concerning fraudulent acts; or iii) defrauding, attempting to defraud or conspiring to defraud the Authority; or iv) any activity, practice or conduct which would constitute one of the offences listed under (c) above if such activity, practice or conduct had been carried out in the UK;
"Project Specific IPR"	<p>means:</p> <ul style="list-style-type: none"> a) Intellectual Property Rights in items created by the Supplier (or by a third party on behalf of the Supplier) specifically for the purposes of this Contract and updates and amendments of these items including (but not limited to) database schema; and/or b) IPR in or arising as a result of the performance of the Supplier’s obligations under this Contract and all updates and amendments to the same; <p>but shall not include the Supplier Background IPR;</p>
"Recipient"	has the meaning given to it in Clause 27.3.1 (Confidentiality);
"Rectification Plan"	means the rectification plan pursuant to the Rectification Plan Process;
"Rectification Plan Process"	means the process set out in Clause 31.2 (Rectification Plan Process);

"Registers"	has the meaning given to in Schedule 10 (Exit Management);
"Regulations"	means the Public Contracts Regulations 2015 and/or the Public Contracts (Scotland) Regulations 2012 (as the context requires) as amended from time to time;
"Related Supplier"	means any person who provides goods and/or services to the Authority which are related to the Services from time to time;
"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, the tax authority in the jurisdiction in which the Supplier is established;
"Relevant Transfer"	means a transfer of employment to which the Employment Regulations applies;
"Relevant Transfer Date"	means, in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place;
"Relief Notice"	has the meaning given to it in Clause 32.2.2 (Supplier Relief Due to Authority Cause);
"Replacement Services"	means any services which are substantially similar to any of the Services and which the Authority receives in substitution for any of the Services following the Expiry Date, whether those services are provided by the Authority internally and/or by any third party;
"Replacement Sub-Contractor"	means a sub-contractor of the Replacement Supplier to whom Transferring Supplier Employees will transfer on a Service Transfer Date (or any sub-contractor of any such sub-contractor);
"Replacement Supplier"	means any third party provider of Replacement Services appointed by or at the direction of the Authority from time to time or where the Authority is providing Replacement Services for its own account, shall also include the Authority;
"Request for Information"	means a request for information or an apparent request relating to this Contract or the provision of the Services or an apparent request for such information under the FOIA or the EIRs;
"Satisfaction Certificate"	means the certificate materially in the form of the document contained in Schedule 5 (Satisfaction Certificate) granted by the Authority when the Supplier has Achieved a Milestone;
"Schedule"	means a schedule to this Contract;
"Security Management Plan"	means the Supplier's security management plan prepared pursuant to paragraph 4 of Schedule 8 (Security) a draft of which has been provided by the Supplier to the Authority in accordance with paragraph 4 of Schedule 8 (Security) and as updated from time to time;

"Security Policy"	means the Authority's security policy in force as at the Commencement Date (a copy of which has been supplied to the Supplier), as updated from time to time and notified to the Supplier;
"Security Policy Framework"	the current HMG Security Policy Framework that can be found at https://www.gov.uk/government/publications/security-policy-framework ;
"Service Failure"	means an unplanned failure and interruption to the provision of the Services, reduction in the quality of the provision of the Services or event which could affect the provision of the Services in the future;
"Service Level Failure"	means a failure to meet the Service Level Performance Measure in respect of a Service Level Performance Criterion;
"Service Level Performance Criteria"	has the meaning given to it in paragraph 3.2 of Part A of Schedule 6 (Service Levels and Performance Monitoring);
"Service Level Performance Measure"	shall be as set out against the relevant Service Level Performance Criterion in Annex 1 of Part A of Schedule 6 (Service Levels and Performance Monitoring);
"Service Level Threshold"	shall be as set out against the relevant Service Level Performance Criterion in Annex 1 of Part A of Schedule 6 (Service Levels and Performance Monitoring);
"Service Levels"	means any service levels applicable to the provision of the Services under this Contract specified in Annex 1 to Part A of Schedule 6 (Service Levels and Performance Monitoring);
"Service Period"	has the meaning given to in paragraph 3.1 of Part B (Performance Monitoring) of Schedule 6 (Service Levels and Performance Monitoring);
"Service Transfer"	means any transfer of the Services (or any part of the Services), for whatever reason, from the Supplier or any Sub-Contractor to a Replacement Supplier or a Replacement Sub-Contractor;
"Service Transfer Date"	means the date of a Service Transfer;
"Services"	means the services to be provided by the Supplier to the Authority as referred to in Schedule 2 (Services) including the Inception Services and the Implementation Services, as well as the service of South Africa Regional Conference in accordance with the Authority's instructions and in compliance with the relevant pricing provisions of Schedule 3;
"Sites"	means any premises (including the Authority's premises, the Supplier's premises or third party premises) from, to or at which: <ul style="list-style-type: none"> a) the Services are (or are to be) provided; or b) the Supplier manages, organises or otherwise directs the provision or the use of the Services;
"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;
"Staffing Information"	has the meaning give to it in Schedule 11 (Staff Transfer);
"Standards"	means any: <ul style="list-style-type: none"> a) standards published by BSI British Standards, the National Standards Body of the United Kingdom, the International Organisation for Standardisation or other reputable or equivalent bodies (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; b) any Standards detailed by the Authority in Schedule 7 (Standards) or agreed between the Parties from time to time; c) relevant Government codes of practice and guidance applicable from time to time.
"Sub-Contract"	means any contract or agreement (or proposed contract or agreement), other than this Contract, pursuant to which a third party: <ul style="list-style-type: none"> a) provides the Services (or any part of them); b) provides facilities or services necessary for the provision of the Services (or any part of them); and/or c) is responsible for the management, direction or control of the provision of the Services (or any part of them);
"Sub-Contractor"	means any person other than the Supplier, who is a party to a Sub-Contract and the servants or agents of that person;
"Supplier"	means the person, firm or company named in the recitals with whom the Authority enters into this Contract;
"Supplier Assets"	means all assets and rights used by the Supplier to provide the Services in accordance with this Contract but excluding the Authority Assets;
"Supplier Background IPR"	means <ul style="list-style-type: none"> a) Intellectual Property Rights owned by the Supplier before the Commencement Date, for example those subsisting in the Supplier's standard development tools, program components or standard code used in computer programming or in physical or electronic media containing the Supplier's Know-How or generic business methodologies; and/or b) Intellectual Property Rights created by the Supplier independently of this Contract;
"Supplier Equipment"	means the Supplier's hardware, computer and telecoms devices, equipment, plant, materials and such other items supplied and used by the Supplier (but not hired, leased or loaned from the

	Authority) in the performance of its obligations under this Contract;
"Supplier Non-Performance"	has the meaning given to it in Clause 32.1 (Supplier Relief Due to Authority Cause);
"Supplier Personnel"	means all directors, officers, employees, agents, consultants and contractors of the Supplier and/or of any Sub-Contractor engaged in the performance of the Supplier's obligations under this Contract;
"Supplier Profit"	means, in relation to a period or a Milestone (as the context requires), the difference between the total Charges (in nominal cash flow terms but excluding any Deductions) and total Costs (in nominal cash flow terms) for the relevant period or in relation to the relevant Milestone;
"Supplier Profit Margin"	means, in relation to a period or a Milestone (as the context requires), the Supplier Profit for the relevant period or in relation to the relevant Milestone divided by the total Contract Charges over the same period or in relation to the relevant Milestone and expressed as a percentage;
"Supplier Representative"	means the representative appointed by the Supplier and notified to the Authority in accordance with Clause 15;
"Supplier's Confidential Information"	means <ul style="list-style-type: none"> a) any information, however it is conveyed, that relates to the business, affairs, developments, IPR of the Supplier (including the Supplier Background IPR) trade secrets, Know-How, and/or personnel of the Supplier; b) any other information clearly designated as being confidential (whether or not it is marked as "confidential") or which ought reasonably to be considered to be confidential and which comes (or has come) to the Supplier's attention or into the Supplier's possession in connection with this Contract; c) information derived from any of the above.
Supplier's Expenses	has the meaning given to it in paragraph 1 of Schedule 3;
Supplier's Fees	has the meaning given to it in paragraph 1 of Schedule 3;
"Tender"	means the tender submitted by the Supplier to the Authority on 31/08/2016 and annexed to or referred to in Schedule 20 (Tender);
"Termination Notice"	means a written notice of termination given by one Party to the other, notifying the Party receiving the notice of the intention of the Party giving the notice to terminate this Contract on a specified date and setting out the grounds for termination;
"Terms of Reference"	means the terms of reference laid out in Annex 2 to Schedule 2;

"Third Party IPR"	means Intellectual Property Rights owned by a third party which is or will be used by the Supplier for the purpose of providing the Services;
"Transferring Authority Employees"	those employees of the Authority to whom the Employment Regulations will apply on the Relevant Transfer Date;
"Transferring Former Supplier Employees"	in relation to a Former Supplier, those employees of the Former Supplier to whom the Employment Regulations will apply on the Relevant Transfer Date;
"Transferring Supplier Employees"	means those employees of the Supplier and/or the Supplier's Sub-Contractors to whom the Employment Regulations will apply on the Service Transfer Date.
"Transparency Principles"	means the principles which set out the requirement for the proactive release of information under the Government's transparency commitment to publish contract information. They set a presumption in favour of disclosure, to encourage both Government and suppliers to consider the information that should be made available when government signs a contract with a supplier;
"Transparency Reports"	means the information relating to the Services and performance of this Framework Agreement which the Supplier is required to provide to the Authority in accordance with the reporting requirements in Schedule 19;
"Undelivered Services"	has the meaning given to it in Clause 8.3.1 (Services);
"Undisputed Sums Time Period"	has the meaning given to it Clause 35.1.1 (Termination of Authority Cause for Failure to Pay);
"Valid Invoice"	means an invoice issued by the Supplier to the Authority that complies with the invoicing procedure in paragraph 6 (Invoicing Procedure) of Schedule 3 (Contract Charges, Payment and Invoicing);
"Variation"	has the meaning given to it in Clause 17.1 (Variation Procedure);
"Variation Form"	means the form set out in Schedule 13 (Variation Form);
"Variation Procedure"	means the procedure set out in Clause 17.1 (Variation Procedure);
"VAT"	means value added tax in accordance with the provisions of the Value Added Tax Act 1994;
"Worker"	means any one of the Supplier Personnel which the Authority, in its reasonable opinion, considers is an individual to which Procurement Policy Note 08/15 – Tax Arrangements of Public Appointees https://www.gov.uk/government/publications/procurement-policy-note-0815-tax-arrangements-of-appointees applies in respect of the Services;
"Working Day"	means any Day other than a Saturday or Sunday or public holiday in England and Wales.

SCHEDULE 2: SERVICES

1. INTRODUCTION

- 1.1 This Schedule specifies the Services to be provided under this Contract.
- 1.2 The Supplier shall ensure that the provision of the Services, and the Implementation Plan and the Inception Plan themselves, comply with the key principles laid out in paragraph 2.39 of the Terms of Reference at all times.

2. INCEPTION SERVICES

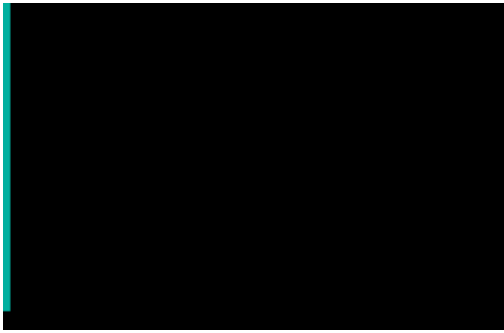
- 2.1 The Supplier shall provide the following Inception Services, in accordance with the Inception Plan, from the Commencement Date and until Achievement of the Milestone entitled “Completion of Inception Services and Commencement of Implementation Services” in the Inception Plan:
 - 2.1.1 Programme design as outlined in paragraph 3.5 of the Terms of Reference.
- 2.2 The Supplier shall meet with the Authority on a monthly basis (or as frequently as is reasonably required) and shall submit regular reports on progress against the Inception Plan in a form specified by the Authority.

3. IMPLEMENTATION SERVICES

- 3.1 The Supplier shall provide the following Implementation Services, in accordance with the Implementation Plan, after completion of the Inception Services in accordance with the Milestone entitled “Completion of Inception Services and Commencement of Implementation Services” in the Inception Plan:
 - 3.1.1 Country engagement as outlined in paragraph 3.6 of the Terms of Reference;
 - 3.1.2 Grant management as outlined in paragraph 3.7 of the Terms of Reference; and
 - 3.1.3 Capacity building as outlined in paragraph 3.8 of the Terms of Reference.
- 3.2 The Implementation Services shall be further detailed and/or refined as part of the development and Approval of the Supplier’s Implementation Plan in accordance with the Milestone “Implementation Plan Approved” in the Inception Plan and a copy of the Implementation Plan so Approved shall be included in Annex 1 to this Schedule 2.
- 3.3 The so detailed and/or refined Implementation Services in the Implementation Plan shall substitute the Implementation Services that were included on the Commencement Date in paragraph 3.1.1.
- 3.4 The Supplier shall keep the Implementation Plan under review in accordance with the Authority’s instructions and ensure that it is maintained and updated on a regular basis as may be necessary to reflect the then current state of the provision of the Implementation Services. The Authority shall have the right to require the Supplier to include any reasonable changes or provisions in each version of the Implementation Plan.
- 3.5 Changes to the Implementation Plan shall only be made in accordance with the Variation Procedure.

ANNEX 1: IMPLEMENTATION PLAN

[Include here a copy of the Implementation Plan produced in accordance with paragraphs 3.2 to 3.5 of this Schedule 2]



Terms of Reference

Management Agent for
The Fleming Fund

Acronyms

AMR	Antimicrobial Resistance
DFID	Department for International Development
DH	Department of Health
FAO	Food and Agriculture Organization
GHS	Global Health Security
GHSA	Global Health Security Agenda
ITT	Invitation to tender
MA	Management Agent
ODA	Official Development Assistance (UK aid budget)
OIE	International Organization for Animal Health
PQQ	Pre-qualification questionnaire
SRO	Senior Responsible Officer (within DH)
TAG	Technical Advisory Group (for the Fleming Fund)
WHO	World Health Organization

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PART 1: INTRODUCTION

- 1.1. The Department of Health (DH) has launched the Fleming Fund, a £265 million one health programme to support low and middle income countries (LMICs) in tackling antimicrobial resistance (AMR).
- 1.2. To deliver the Fleming Fund, DH is intending to contract a Management Agent that will deliver the portfolio of country and regional grants. The following document outlines the shape of the Fleming Fund programme, initial work already underway and the detailed specification for the Management Agent function.
- 1.3. AMR is a global problem that needs concerted action at both a national and global level using a one health approach that spans work across the human, veterinary, environment and development sectors. The UK is at the forefront of action to address the threat of AMR.
- 1.4. Drug-resistant infections could kill an extra 10 million people across the world every year by 2050 if they are not tackled. By this date they could also cost the world around \$100 trillion in lost output: more than the size of the current world economy¹. See Annex A for detailed background information on the challenge of AMR in LMICs.
- 1.5. Ongoing systematic collection, analysis, and interpretation of health data is essential to the planning, implementation and evaluation of public health practice, closely integrated with the dissemination of these data to those who need to know and linked to prevention and control.²
- 1.6. Both the Prime Minister and Chief Medical Officer are clear that tackling AMR at home and abroad is a key priority and that the UK will help lead a global response.
- 1.7. The Fleming Fund is a key part of this work and as such is funded through Official Development Assistance (ODA).
- 1.8. The Fleming Fund will aim to improve laboratory capacity and diagnosis as well as data and surveillance of AMR in LMICs. The purpose of this tender is to illustrate the requirement for a Management Agent function to deliver the Fleming Fund portfolio of country and regional grants and the Fleming Fellows scheme. This includes how this function will relate to other projects within the wider Fleming Fund programme.

PART 2: PROGRAMME DESCRIPTION AND FEATURES

Programme aims, activities and approach

- 2.1. The aim of the Fleming Fund is to improve laboratory capacity and diagnosis as well as data and surveillance of AMR in low and middle income countries through a one health approach: building

¹ Review on Antimicrobial Resistance (2014) Antimicrobial Resistance: Tackling a crisis for the health and wealth of nations. http://amr-review.org/sites/default/files/AMR%20Review%20Paper%20-%20Tackling%20a%20crisis%20for%20the%20health%20and%20wealth%20of%20nations_1.pdf

² Centers for Disease Control. "CDC's vision for public health surveillance in the 21st century." *MMWR Morb Mortal Wkly Rep* 61 (2012): 1-44. <http://www.cdc.gov/mmwr/pdf/other/su6103.pdf>

capacity to collect drug resistance data; enabling the sharing of drug resistance data locally, regionally and internationally; collating data on AMR; and encouraging the application of these data to promote the rational use of antimicrobials.

2.2. The fund will do this by:

- Building laboratory capacity for diagnosis;
- Collecting drug resistance data;
- Enabling the sharing of drug resistance data locally, regionally and internationally;
- Collating and analysing data on the sale and use of antimicrobial medicines, particularly antibiotics;
- Advocating the application of these data to promote the rational use of antimicrobials for human health, animal health and agriculture;
- Shaping a sustainable system for AMR surveillance and data sharing.

Country and regional focus

- 2.3. **Country focus:** The fund will have a focus principally on countries which are encompassed by a high level set of priority principles set out by DH such as ODA eligibility, countries in Sub-Saharan Africa, Southern and South Eastern Asia, and countries with existing UK diplomatic relations. These high level principles should be the first maker in country selection and are detailed in Annex C. Within this selection the Management Agent will be expected to work with the Department of Health to further shortlist countries through a series of country assessments to understand where investments will be most effectively targeted. Fleming Fund country investments will benefit from being implemented alongside other DFID programming where relevant but projects will not be limited to DFID priority countries.
- 2.4. **Regional focus:** The Management Agent will be expected to run a call for regional grants to support the development of networks and data sharing. However the makeup of a regional network can remain flexible to reflect geographical proximity, a specific collection of countries with similar priorities or regional partnerships.
- 2.5. **Cross-border thematic focus:** The Fleming Fund will target country and regional grants which can demonstrate a clear path to impact through a one health approach³; this may include a one health commitment from governments as part of AMR National Action Plans.

Technical focus

- 2.6. The Fleming Fund will focus on detecting and reporting on pathogenic bacteria-antibacterial drug combinations in line with those that were identified as of international public health concern by WHO in the Antimicrobial Resistance Global Report on Surveillance 2014 (available at

³ The one health concept recognises that the health of humans is connected to the health of animals and the environment. AMR is, in part, driven by practices in all three; hence collaborative efforts across multiple disciplines are required to reduce AMR and to mitigate its impact.

http://apps.who.int/iris/bitstream/10665/112642/1/9789241564748_eng.pdf), **subject to adaptation to suit local priorities and infectious disease prevalence (including zoonotic infections)**. We expect programmes to include some of the following pathogenic bacteria-antibacterial drug combinations:

- Escherichia coli vs. 3rd generation cephalosporins and fluroquinolones;
- Klebsiella pneumoniae vs. 3rd generation cephalosporins and carbapenems;
- Staphylococcus aureus vs. methicillin;
- Streptococcus pneumoniae vs penicillin;
- Salmonella species vs. fluoroquinolones;
- Shigella species vs. fluroquinolones;
- Neisseria gonorrhoeae vs. 3rd generation cephalosporins.

2.7. Specific countries and regions may have identified priorities within this list dependent on their country burden of disease and reported resistance, or additional priorities such as tuberculosis. The aim of the fund, aligned with the GHSA AMR target, is to encourage each country receiving Fleming funding to begin improving laboratory capacity for, and surveillance of, a minimum of three of the above pathogenic bacteria-antibacterial drug combinations as a starting point, with the ambition of improving capacity to test for all. However, in consultation with country governments and national stakeholders, the programme can support additional pathogens alongside those in the WHO list, if this is a national priority.

What the programme will not fund

- 2.8. **Research** - although it will be informed by research agendas, have close links with researchers and generate useful new knowledge on AMR, the prime objective of the fund is not AMR research.
- 2.9. **New product development** – other funding mechanisms and relationships will be required to do this.
- 2.10. **Support to non-ODA countries.**
- 2.11. **Financial disbursements directly to governments.**

Existing Activities

2.12. Ahead of commissioning the Fleming Fund portfolio of country and regional grants, DH has progressed a number of key areas of work to build laboratory capacity and capability on diagnosis, one health and international AMR surveillance to lay the ground work for the country and regional projects. Information and data from these initial projects will provide vital feedback while developing the portfolio of country and regional grants. DH will provide links to the relevant organisations and study results upon selection of the chosen Management Agent bidder.

- 2.13. **Initial grants to multilateral groups:** Grants have been made to WHO and FAO to build capacity for developing National Action Plans in LMICs and aligning international standards on AMR surveillance around a one health approach.
- 2.14. The grant to the World Health Organization is supporting implementation of the Global Action Plan on antimicrobial resistance with a focus on low and middle income countries (LMICs). The aim is to achieve increased national and global capacities to prevent and control AMR and identify investment needs particularly in LMICs. This is being delivered via a number of activities including:
- Increasing the number of countries, especially LMICs, with comprehensive National Action Plans;
 - Fostering global AMR surveillance and assessing investment needs;
 - Developing national policies and strengthening leadership in preventing multidrug resistant infections.
- 2.15. Over the coming months, there will be continued support for countries in developing their National Action Plans with the aim of meeting the target of all countries having plans in place for the World Health Assembly in May 2017. Workshops with national focal points for AMR will take place in all WHO regions and additional support will be provided to Indonesia, Bangladesh, Timor Leste, Samoa, Mongolia, and other countries upon request.
- 2.16. WHO will work at the global level to better understand antimicrobial consumption; developing a tool and training materials for monitoring consumption; and will conduct workshops focusing on improving the utilisation of antibiotics. At country level, antimicrobial stewardship activities will take place in the India, Indonesia, Bangladesh, Vietnam and the Cook Islands, among others.
- 2.17. Further work will be done on reviewing and selecting effective and safe antimicrobial medicines for inclusion in the *WHO Model List of Essential Medicines*, with the development of a Smart phone application for rapid alert for substandard/spurious/falsely-labelled/falsified/counterfeit (SSFFC) medical products from 113 countries. Further work is also being done in relation to Infection, Prevention and Control (IPC) programmes with IPC capacity being strengthened in countries such as Vietnam and the Cook Islands.
- 2.18. The grant to the Food and Agriculture Organization is supporting the FAO with the overarching aim of providing targeted assistance to, initially, four countries to develop national strategies on AMR with a focus on agriculture, fisheries, food and livestock production as part of the overall implementation of the Global Action Plan. The support will particularly concentrate on ensuring a one health approach and harmonising national capacities for AMR across animal and human health.
- 2.19. The initial focus on the funding will be to support four target countries - Zimbabwe, Kenya, Ghana, and Cambodia. These have been selected based on need, capability, regional mix, and countries where FAO have a relatively stronger presence or interest.
- 2.20. **Scoping and mapping of existing laboratory capacity and AMR surveillance capacity in LMICs** through Wellcome Trust commissioned studies, to better understand country and regional needs and potential for targeted investment. These studies cover:

- Laboratory capacity strengthening – to complement the work that is ongoing in WHO on mapping laboratories with the capacity to undertake a quality assurance function. This work will include a mapping of the major laboratories, and relevant agencies providing support in LMICs, particularly focussed on Africa and Asia, which have capacity, or potential, to undertake AMR surveillance and identification of pathogens to internationally quality assured levels; a review of which of these countries have national laboratory policies and how these are being implemented; consider options for fragile states; and for at surveillance and laboratory system strengthening for the diagnosis of key diseases and AMR.
- Regional networks and education resources available in low and middle income contexts: the work will map what networks including academic networks exist in LMICs dealing with resistance/ surveillance/ quality assurance and support and factors impacting on success; map what educational resources, for example toolboxes, training resources/programmes are available and provide guidance to low resource countries to support surveillance capacity and identify gaps; and identify options for standard setting and sharing.
- The animal/human interface with a focus on LMICs, which will include mapping known antibiotic use in agriculture in LMICs; evidence of the hotspots for zoonotic disease transmission linked to AMR from animals to humans; use of antimicrobials used as growth promoters; and evidence in effect of antibiotic manufacturing waste disposal on antibiotic resistance in the environment.

2.21. Outputs will be available in the first half of 2016 and will be shared.

2.22. **The UK is piloting the Fleming Fund country approach to improving laboratory capacity** through funding of a national AMR Reference Laboratory and Surveillance Programme in Vietnam working with the Oxford University Clinical Research Unit (OUCRU). The objective is to support the Vietnamese government to develop a sustainable national AMR reference laboratory and surveillance scheme to be housed in the new National Hospital for Tropical Diseases (NHTD) in Hanoi. Specific deliverables include:

- Developing a national AMR reference laboratory with a focus on AMR in medically important bacteria other than mycobacteria. This will include setting up the required infrastructure and recruitment and training of a dedicated laboratory and surveillance team
- Developing a national antibiotic resistance surveillance programme to develop a surveillance network of around 30 participating hospitals throughout Vietnam. In the first instance the surveillance programme will focus on the hospitals. Later in the project, they will consider to expand the surveillance system to the community setting, including the human-animal interface
- Ensuring sustainability once the development phase is completed. The Vietnamese government are committed to the on-going support and development of the laboratory and surveillance programme, and they will continue to receive technical support from OUCRU.

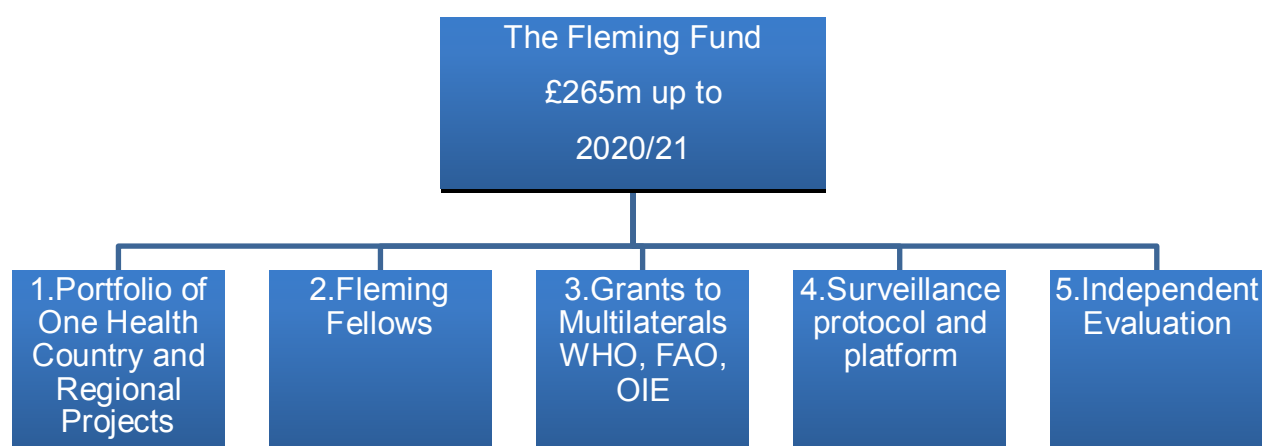
Future programme activities

2.23. With initial projects underway and expected results due in Summer 2016, DH are commissioning a longer term set of Fleming Fund projects to sustain through the five year cycle. The following represents the shape of the programme as a whole over this five year period with detail on each works stream.

2.24. The Fleming Fund programme will be managed by the Department of Health and will be made up of **five interdependent work streams** as shown below. The current tender is to procure a Management Agent who will deliver the country and regional projects and the Fleming Fellows (work stream 1 and 2), although alignment is expected between all work streams in the programme.

2.25. Work stream 1 and 2 will be structured into two phases:

- **Phase 1:** The eight month **inception phase** to design the programme portfolio of country and regional grants and the Fleming Fellows alongside DH.
- **Phase 2:** The **implementation phase** to manage the portfolio of country and regional grants and the Fleming Fellows. **NB:** The implementation phase will go live upon the successful completion of all ten inception phase deliverables (see 3.9) and approval from DH of the submitted implementation phase.



2.26. **Work stream 1 – Portfolio of country and regional projects (Management Agent):** This work stream is the focal point of the Fleming Fund and will be delivered by the selected Management Agent supplier.

2.27. The focus of country and regional grants will be to improve laboratory capacity for diagnosis as well as surveillance on AMR, as well as surveillance of the use of antimicrobial medicines. It is recognised that any improvements to laboratory infrastructure and capacity will not happen in isolation but will rather need to complement the sustaining ecosystem around the laboratory including: external quality assurance; effective collection of samples; flow of samples to the laboratory; trained staff to undertake sample testing; and efficient mechanisms to share data.

2.28. Country one health grants during implementation phase may include but are not limited to:

- Equipping and refurbishing laboratories so that they are able to reliably undertake bacterial diagnosis and antimicrobial sensitivity testing;
- Supporting bio-safety and bio-security improvements within and around the laboratory and sample sharing context.
- Training staff on diagnosis and antimicrobial sensitivity testing, using laboratory equipment and undertaking AMR surveillance;

- Hardware and software to support epidemiological investigation and improved surveillance of resistance trends;
- Developing surveillance systems that are capable of delivering real time AMR surveillance that can be shared nationally, regionally and globally;
- Undertaking point prevalence studies to gain a snapshot of the AMR burden in specific areas;
- Collation and analysis of data on the sale and use of antimicrobial medicines, particularly antibiotics at a country level;
- Policy and advocacy work with national governments, using AMR data and analysis collected to make the case for evidence based public health interventions;
- Improving national capacity to regularly collate and upload data to an international data sharing platform represented by GLASS⁴, and other data sharing platforms such as the Institute of Health Metrics Evaluation (IHME) global burden of disease.

2.29. National grants must be effectively embedded in national public health systems, acceptable under principles for support set out by the Ministry of Health and integrated as part of a sustainable plan to improve laboratory capacity for bacterial diagnosis, data collection and surveillance on AMR long term. Grants should align with wider national work on achieving the International Health Regulation Core capacities⁵ and make a measureable contribution to this progress.

2.30. Regional one health grants during implementation may include but are not limited to:

- Enhancing the capability of existing regional surveillance networks;
- Training and development on laboratory testing, AMR surveillance at a regional level and undertaking regional quality assurance of surveillance data;
- Delivering external quality assurance services.
- Improving regional capacity to regularly collate and upload data to an international data sharing platform represented by GLASS⁶, and other data sharing platforms such as the Institute of Health Metrics Evaluation (IHME) global burden of disease;
- Collation and analysis of data on the sale and use of antimicrobial medicines, particularly antibiotics at a regional level;
- Convening regional meetings and conferences to share skills and learning on improving laboratory capacity, data collection and surveillance of AMR in low resource settings.
- Developing MOOCs (Massive Open Online Courses) to disseminate information on AMR, infection prevention control, surveillance protocols and other relevant subject areas required to improve national, regional and international understanding. **NB:** These

⁴ Global AMR Surveillance System <http://www.who.int/drugresistance/surveillance/en/>

⁵ IHR Core Capacities: **Core capacity 1:** National legislation, policy and financing, **Core capacity 2:** Coordination and National Focal Point (NFP) communications, **Core capacity 3:** Surveillance, **Core capacity 4:** Response, **Core capacity 5:** Preparedness, **Core capacity 6:** Risk communication, **Core capacity 7:** Human resources, **Core capacity 8:** Laboratory.

⁶ Global AMR Surveillance System <http://www.who.int/drugresistance/surveillance/en/>

products may be delivered through a platform arranged by: the Management Agent directly, a commissioned academic or through grants to country/regional level suppliers. This will be agreed between the selected Management Agent supplier and DH through the inception but should be anticipated as a key activity during the implementation phase contract.

2.31. Country eligibility for receipt of grant funding will be:

- An ODA eligible country with a particular focus on the low or lower-middle income group⁷;
- Evidence of a robust National Action Plan or considerable effort towards developing this plan;
- Evidence of recognition and commitment to Fleming Fund projects by the national government. This may be an MOU or letter of intent with the Ministry of Health with details of any national engagement or resources that could be used to support the projects.

The Fleming Fund will not expect explicit country financial or in-kind buy in to receive Fleming Fund investments but evidence of country ownership and commitment to support the fund's activities will be a requirement.

2.32. Between £200 and £235 million (excluding VAT) will be utilised through the selected Management Agent, profiled to rise incrementally over the five year period to reach the total budget. There may also be a possibility of absorbing additional budget into the fund from other donors to further increase the capacity of the programme.

2.33. Funding by region

DH will not prescribe the exact split of funding across the two key regions but will rather look to country and regional capability assessments carried out by the Management Agent during design, to dictate the number of countries selected between the two regions and the absorptive capacity for funding of each of these countries to make up the total regional budget available. At a minimum it is expected that a single region would receive 30% of the total budget for country and regional projects.

2.34. Funding by country

DH will not prescribe how many grants can be agreed in each country, but where multiple grants are agreed in a country there is an expectation that they will link together or align, this may need to be supported through the Management Agent coordination function. During design DH will decide with the Management Agent whether the amount of funding per country will be allocated in advance of a call for funding, and the number of grants will depend on the amount of projects that can be funded under this budget; or rather if the budget allocated per country will depend on the total budget of the accepted grants. Bidder should suggest the approach they feel will lead to the most effective portfolio of projects and best value for money.

⁷ Middle income countries may be considered for regional hubs if a strong rationale was given for this.

- 2.35. During implementation, the Management Agent is expected to manage the portfolio of country and regional grants. See Part 3 for details of the role, remit and deliverables of the Management Agent.
- 2.36. The Fleming Fund will initially run for a five year period from 2016/2017. Individual grants under the Fleming Fund would normally be expected to run for between two to three and a half years. An independent evaluation (see 2.24) is planned to determine the success of the Fleming Fund while suggesting areas for course correction and improvement throughout the programme lifecycle. The evaluation will primarily focus on evaluating the impact of Fleming Fund projects directly working in LMICs. This will help to inform any decision by the UK government to extend funding beyond the initial five year period. Additional funding from other partners or host governments may be considered.
- 2.37. **Work Stream 2 – Fleming Fellows (Management Agent):** The Fleming Fellowship scheme will be a network of practitioners from different disciplines and sectors such as laboratory technicians, clinicians, policy makers, community leaders, hospital managers and more. The network will focus on professional development facilitating the cross-pollination of ideas and experience, peer to peer learning, and finding creative solutions as part of a multi-disciplinary network to tackle AMR in LMICs. The scheme would facilitate the kind of cross-pollination of experience and ideas that cannot be delivered on a course or through academic programmes. Our offer to fellows can include:
- Mentoring - Fleming Fellows will be allocated a regional mentor who is an expert in their field and could offer support and advice for tackling AMR in their specific context;
 - Secondments - With agreement from their home institutions, Fellows could be offered the opportunity to spend 3 months on placement being given formal training on their subject matter e.g for lab technicians spending time at a high quality lab in their region to gain experience and bringing back learning to their host country of standards and processes used;
 - Training - Fellows will be offered written and verbal communication training to present their findings and support them as key influencers in their fields;
 - Support for travel - Fellows would be alerted to learning opportunities in their region around infectious disease and drug-resistant infections and given travel and subsistence funding to make the most of these opportunities;
 - Networks - Fellows will be linked into a network of other fellows and Friends of the Fleming Fund working on drug-resistance and brought together annually to share their learning and experiences at a regional conference;
 - Collaborative projects - Fellows would commit a set period of time within their one or two year fellowship to join together with other fellows to undertake scoping work, link with in country Fleming Fund projects, travel to regional or other country projects, share experiences and bring local challenges to the network to find creative solutions as a group;
 - Other initiatives - Small amounts of funding would be available to support Fleming Fellows projects or initiatives/solutions devised as a group.

The Management Agent will be expected to design this fellowship scheme during inception phase and launch during implementation. Fellows may choose to bid for country funding or may be identified out of developed relationships with country grantees. Conflict of interest must be monitored by the Management Agent closely, but fellows will be identified for their unique influence on country AMR lab and surveillance systems which could be an asset to the portfolio of country and regional grants. Fellowships will be piloted initially in a small number of countries.

2.38. **To support the portfolio of country and regional projects, additional activities will be commissioned through the Fleming Fund. These three work streams are detailed below.**

2.39. **Work Stream 3 – Grants to multilateral organisations (DH):** An essential part of delivering the ambition of the Fleming Fund is to ensure there is support for international AMR surveillance and alignment of activities at the international level. WHO, FAO and OIE have a central role in providing global leadership not only within each of their sectors, but also through their tripartite collaboration in promoting the one health approach. Going forward, the expectation is that the three organisations continue to work together to drive forward the international work on data and surveillance and directly linked to this, for them to be supported in providing additional support to low and middle income countries in developing, agreeing and implementing National Action Plans.

2.40. It is intended that grants be agreed for the first three years of the Fleming Fund aimed predominantly at supporting LMIC development. The Management Agent will be provided with the outputs of these activities, planned activities and key contacts to ensure alignment of international and country/regional level activities. The management and disbursement of funds to these organisations will remain with DH.

2.41. **Work Stream 4 – Surveillance protocol and platform (DH):** DH is commissioning the writing of a set of tiered protocols for initiating AMR surveillance in low resource settings. This will build on the recently published WHO manual for early implementation of a global antimicrobial resistance surveillance system (GLASS). See Annex A for information on GLASS and the need for a tiered set of protocols.

2.42. The aim of the work is to develop of a set of standard protocols for improving laboratory capacity and initiating antimicrobial resistance surveillance that:

- Are suitable for use by low income countries, recognising the context of different health systems;
- Are based on an assessment of available evidence and review of established protocols in comparable resource settings;
- Provide a basis for early collection and analysis of data on AMR that will help countries to rapidly assess the impact of antimicrobial resistance and participate in global and regional surveillance (GLASS);
- Take into account the need for epidemiological and statistical validity and quality assurance, so that the data can be used, shared and combined (multicentre and multinational analysis) to provide evidence of prevalence of antimicrobial resistance and effectiveness of interventions with confidence;
- Is structured as a set of tiered options so that countries can select the types of surveillance, samples and scale of operation to suit their circumstances, with the ability to expand and broaden the scope of surveillance with time;
- Can be used as a basis for supporting the development of National Action Plans, and assessing applications to the Fleming Fund.
- Provide a roadmap for how to improve laboratory capacity, data collection and surveillance for AMR with an effective one health approach.

- 2.43. It is anticipated that the set of protocols will be completed by the time the Management Agent supplier has been selected.
- 2.44. The protocol will then be tested with experts and will be available for piloting by the Management Agent supplier during the inception phase. Fleming Fund country and regional projects will need to demonstrate how they contribute to and improve the use of these surveillance protocols.
- 2.45. The Fleming Fund will require all grants to share data on an international platform represented by GLASS and will provide financial support to ensure these platforms are fit for purpose.
- 2.46. In addition to sharing data through GLASS, the Fleming Fund will expect partners to share data on other international platforms such as the Institute of Health Metrics Evaluation (IHME) global burden of disease.
- 2.47. **Work Stream 5 – The independent evaluation (DH procured evaluation supplier):** A core principle of the Fleming Fund is a robust and independent evaluation, which will be commissioned to run alongside and evaluate the portfolio of country and regional projects. This evaluation will be carried out by an evaluation supplier procured by DH by July 2016. The Management Agent will be expected to work alongside the evaluator to design a monitoring strategy that can feed information into the evaluation.

Programme approach

TECHNICAL SUPPORT AND GUIDANCE

- 2.48. **Technical Advisory Group (TAG)** - To help ensure effective delivery on the aims and anticipated objectives of the Fleming Fund, the programme will draw on a high calibre group of independent experts with experience including but not limited to: laboratory diagnosis; one health; external quality assurance of data; disease surveillance within low and middle income countries; international development; health system strengthening in low and middle income countries; public health; antimicrobial resistance and data sharing.
- 2.49. Friends of the Fleming Fund will be the brand used to identify all such experts providing technical input or guidance to the Fleming Fund.
- 2.50. In mid-2016 DH will contact a number of experts and register the support of a small multi-disciplinary group to form a TAG that will help with inputs to the broad Fleming Fund programme. This might include peer review of multilateral grant agreements, technical input for the team as a surveillance protocol is being commissioned and quality assurance or peer review of inception phase deliverables from the Management Agent.
- 2.51. The TAG will be established to support the DH policy team during commissioning, review and approval of key deliverables and aspects of the full Fleming Fund programme. The group can also provide independent technical guidance to the Steering Committee if needed to inform a specific decision. They may also be called on to peer review progress and annual reports from the fund's suppliers before they are sent to the Steering Committee. The names of the group will be available to the Management Agent Supplier if useful for engagement but the relationship will be held by DH.

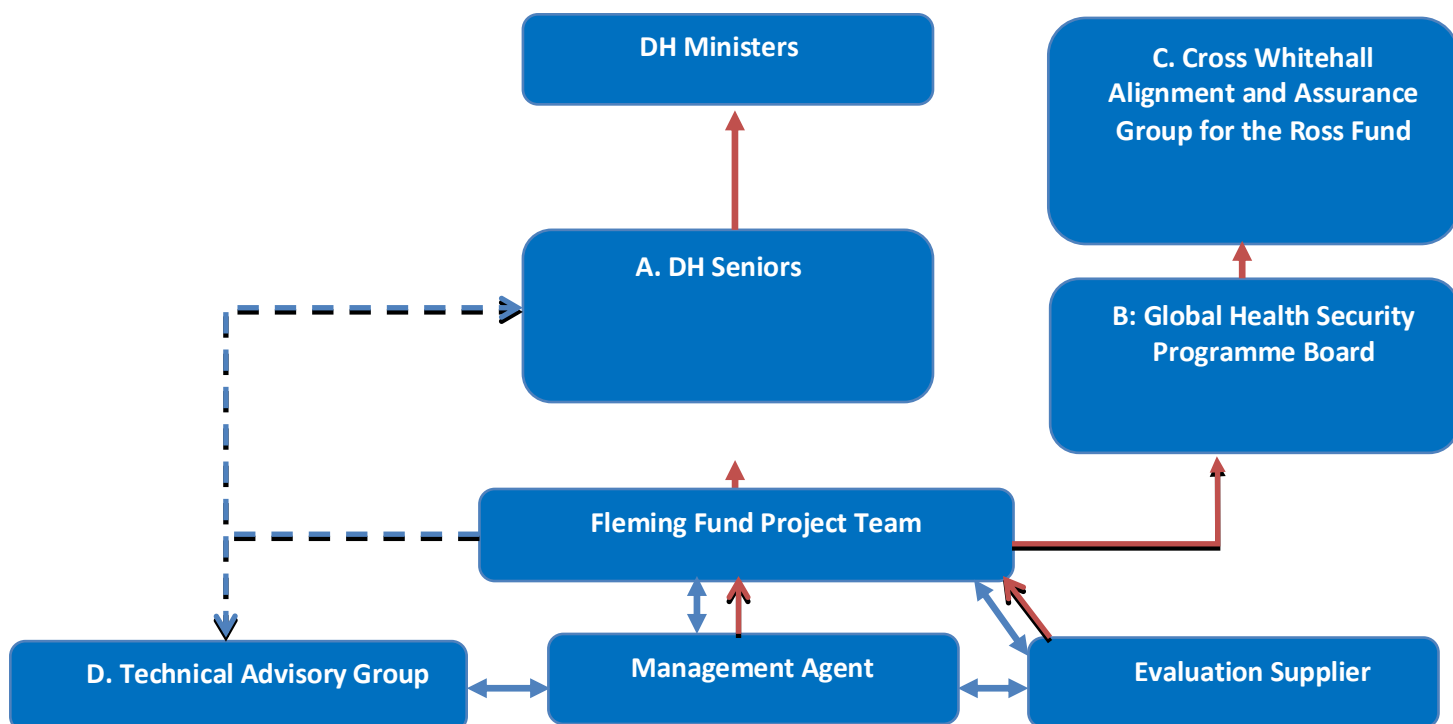
- 2.52. The TAG will not form part of the programme's decision making governance but will rather help to technically advise where requested, to inform direction and decisions made by DH, the Management Agent or the Steering Committee (see 2.36 – 2.38).
- 2.53. This group does not negate the requirement for the Management Agent to provide strong technical support within their bid. This group will be an additional advisory group and cannot be requested for the longer term or more frequent support that the Management Agent will need to seek through in-house or sub-contracted expertise.
- 2.54. Conflicts of interest will need to be closely monitored and managed as many experts advising the Department of Health on the wider programme or the Management Agent on country work may wish to apply for country or regional project funding through work stream 1. This should not be completely discouraged but Management Agent bidders will be asked to suggest how conflicts of interest might be mitigated.
- 2.55. Any expert approached to become part of the TAG will be asked to declare if they are part of the Management Agent or Evaluation Supplier bid. In this case they then could not be called on as part of this group's remit would include peer review of deliverables from these suppliers.

Collaboration and partnership with Department of Health

- 2.56. The Department of Health is dedicated to ensuring a close and collaborative working relationship is developed with the Management Agent. A key focus of evaluating Management Agent bids will be to assess the strength of proposals for working with DH on both inception and design of the programme, and then moving into implementation.
- 2.57. DH has one dedicated FTE acting as lead for country and regional project delivery for the Fleming Fund who can offer the equivalent of four days a week to collaborate and support the development of country programmes alongside the Management Agent. This lead will be the main DH focal point for the selected Management Agent; however additional support is available from an AMR expert consultant working with the department and further policy support within the Global Health Security Team.
- 2.58. Consultation time with the programme SRO and access to the Chief Medical Officer will be coordinated through the Fleming Fund country lead. There will be considerable scope for regular discussions, particularly while shaping and designing the portfolio of country and regional grants.

Governance

- 2.59. Governance for the portfolio of country and regional grants and the Fleming Fellows (Work stream 1 and 2) delivered by the Management Agent, will be split to reflect the difference between inception phase and implementation phase.
- 2.60. **Governance during inception phase** - the inception stage of the programme, assumes regular collaboration between the DH Fleming Fund project team and the Management Agent, as well as other key grantees such as the WHO. The following represents the governance of Phase 1.



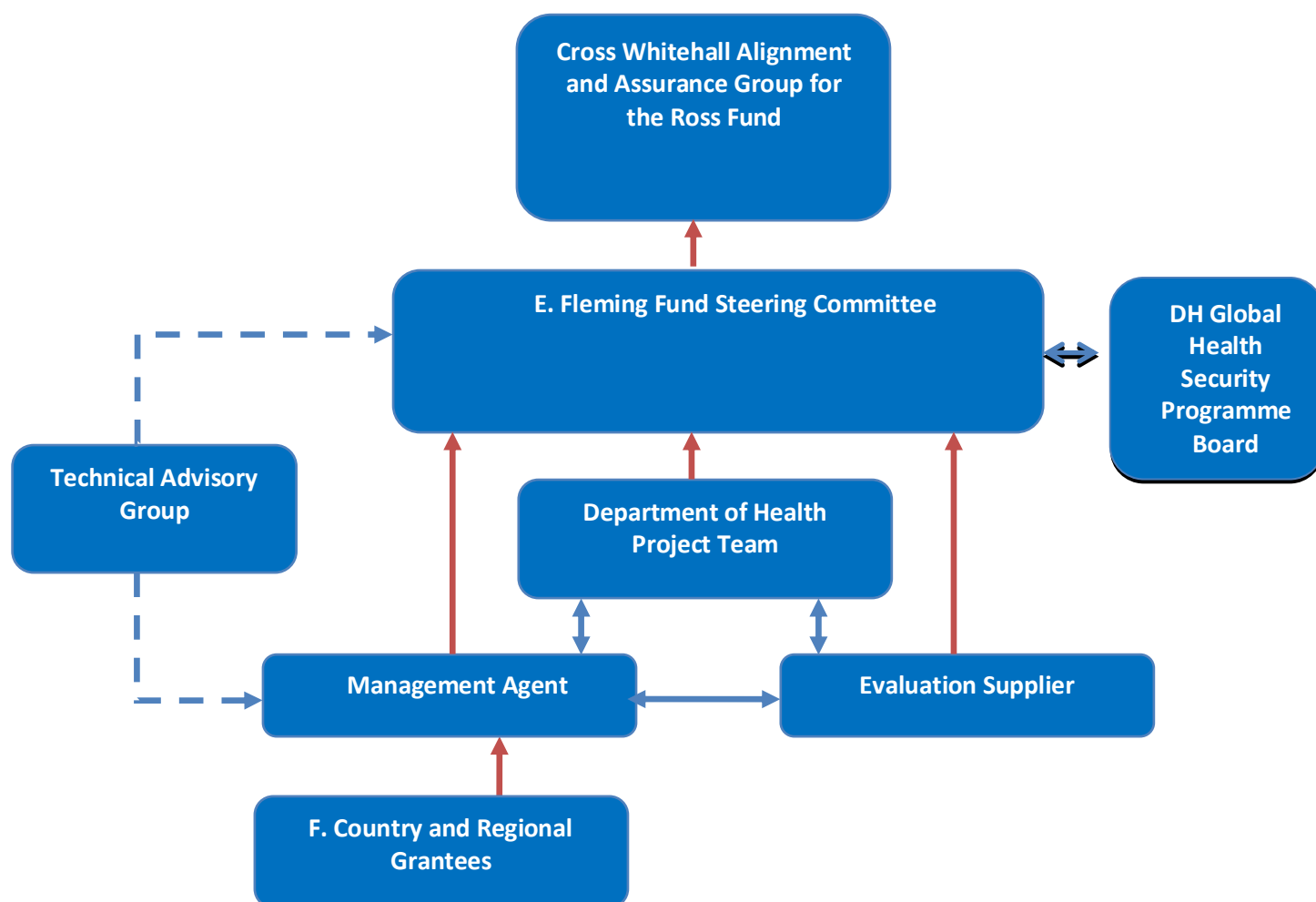
A: During inception phase - proposals, decisions and approaches will be discussed and approved by this group of DH seniors including the SRO for the Global Health Security portfolio.

B: The Fleming Fund is part of the DH portfolio of work on Global Health Security. This work is regularly reviewed and governed by a Global Health Security Programme Board chaired by the DH Senior Reporting Officer for the funds. The Project Team will report progress on the Fleming Fund design into this group.

C: The Fleming Fund is part of the broader Ross Fund as a joint initiative between DH and DFID as announced in the 2015 government spending review. To ensure all activities across Whitehall are aligned and on track, a cross-Whitehall group will meet to review and discuss interdependencies between projects and give assurance to ministers that planned activities are on track.

D: The Technical Advisory Group will be a small group of multidisciplinary experts that DH, the Management Agent or the Evaluation Supplier are able to call on during either inception or implementation to advise, input or quality assure elements of the wider Fleming Fund (see 2.25 – 2.24).

2.61. **Governance during the implementation phase** - the implementation stage of the programme will devolve much of the day to day management decisions to the Management Agent with approvals being taken and decisions reviewed where necessary by a Steering Committee. The Steering Committee will be a high level group including representatives from the key programme areas.



E: When fully operational, the Fleming Fund portfolio of country and regional grants will be governed by a Steering Committee. Representation on this committee will include, but not be limited to, senior members of DH, DFID, the Management Agent and, the Evaluation Supplier, it may also include independent experts. This group will likely meet to review and approve key documents including the funding call specification, proposed grantees, annual reports, results and recommendations from the independent evaluation. This group will have the opportunity to provide strategic challenge and will be charged with using their remit of challenge and approval to keep the programme working towards the desired impact in the most effective and efficient way. The terms of reference for this group will be defined between the Management Agent, the Evaluation Supplier and DH during Phase 1. Although day to day management for the fund will be devolved to DH, the Management Agent and the Evaluation Supplier respectively, all elements of the fund will be accountable to this group.

F: Country and regional grant holders will be accountable directly to the Management Agent on financial and delivery related matters. Devolved responsibility for decision making, monitoring, risk, and management with these suppliers rests with the Management Agent. If required, an issue can be escalated to either the DH project team informally or formally to the Fleming Fund Steering Committee.

Core principles for the Fund

2.62. The following table details for the four core principles of the entire Fleming Fund which the Management Agent would be expected to uphold while designing and delivering the portfolio of country and regional projects.

1. One health
<p>What does this mean in practice: The one health concept recognises that the health of humans is connected to the health of animals and the environment. AMR is, in part, driven by practices in all three; hence collaborative efforts across multiple disciplines are required to reduce AMR and to mitigate its impact.</p> <p>Fleming Fund projects will strengthen the surveillance of AMR in human and animal populations and collect data from agriculture where possible. Although surveillance is only one aspect of the one health approach to AMR, all projects should demonstrate understanding of the one health concept, and how multidisciplinary data collection can lead to evidence based policies relating to public health, veterinary medicine and agricultural practices.</p>
2. Country ownership:
<p>What does this mean in practice: Genuine engagement with country governments and stakeholders to meet nationally identified needs when undertaking country selection, decisions on funding envelopes for each country, and specific activities to target Fleming investments.</p> <p>Grants must be effectively embedded in national public health systems and existing national infrastructure, acceptable under principles for support set out by the Ministry of Health and integrated as part of a sustainable plan to improve laboratory capacity for diagnosis, data collection and surveillance on AMR long term.</p> <p>The portfolio of country and regional grants will remain flexible in focus within the parameters of the fund, both with regards to investment activities within each country and to the priority pathogens for laboratory testing; ensuring projects truly meet local needs.</p> <p>Evidence will be required that the country government and relevant stakeholders have been identified and consulted in developing the aforementioned portfolio of support for each country. A stakeholder communication and engagement plan should set out how the project will ensure country engagement throughout the programme lifetime, which may at inception include letters of intent from Ministries of Health. The role of relevant partners and documentation of their involvement and consultation should be detailed for DH.</p>
3. Sustainability
<p>What does this mean in practice: Projects should build capacity of government and relevant partners to sustain and further expand laboratory capacity and capability as well as AMR surveillance beyond the lifetime of the programme. This includes strengthening human resource capacity, ensuring the analysis and use of AMR data to inform National Action Plans, and strengthening oversight/quality assurance mechanisms.</p>

The selected Management Agent will be charged with developing a sustainability and exit strategy for the Fleming Fund from the inception of the programme. Actioning this strategy will ensure the impact of the programme outlasts specific country funding, but also that downscaling programme activities is undertaken in a responsible manner without leaving an unsustainable cost on the host country.

Transition plans will be discussed with each Fleming Fund country and local stakeholders to ensure timescales for potential exit or scale back are understood. Transition plans will need to detail costs and strategies to maintain national laboratory capacity and surveillance networks through an increase in government contributions or support from other donors.

4. Alignment of activities from national to regional and international levels

What does this mean in practice: Individual country and regional grants should demonstrate cognisance of the wider laboratory capacity within the national public health system, as well as AMR surveillance networks both globally and locally, and describe how the project will align within this.

Country and regional grants will target gaps in local capacity to deliver aspects of improved AMR surveillance rather than creating a parallel process to existing national delivery, overlapping with AMR surveillance work from other donors or diverting resources from existing regional surveillance networks. The Management Agent will need to ensure coordination is carried out effectively at country and regional levels with governments and other partners, and alignment and complementarity is sustained.

PART 3: PROCUREMENT OF THE MANAGEMENT AGENT

Role of the Management Agent

- 3.1. For the avoidance of doubt, although the term 'Management Agent' is used throughout these Terms of Reference for convenience, the relationship between DH and the successful tenderer shall not be one of principal and agent (except as provided for by clause 42 of the Contract).
- 3.2. The role of the management agent is to design and deliver the Fleming Fund portfolio of country and regional projects and the Fleming Fellows scheme.
- 3.3. **During inception phase** the Management Agent will take the role of collaborator with DH to fully design Work stream 1 and 2.
- 3.4. **During implementation phase** the Management Agent will deliver the portfolio of country and regional grants and establish the Fleming Fellow scheme (Work stream 1 and 2), ensuring coordination with the wider Fleming Fund programme. **NB:** Implementation phase will go live upon the successful completion of all ten inception phase deliverables (see 3.9) and approval from DH of the submitted implementation phase design

Remit of the Management Agent

- 3.5. **Programme design:** Eight months will be allocated for an inception phase contract to design the portfolio of country and regional grants, and the Fleming Fellowships Scheme (Work Stream 1 and 2) in further detail in collaboration with DH. This will include: workshops with DH; country pilots to trial the AMR surveillance protocol; assessment and mapping of country needs and existing capacity; working with other elements of the wider Fleming Fund programme to ensure

alignment of the design with other elements of the fund; and development of relationships with country governments and regional surveillance hubs.

Management Agent suppliers should also be aware that analysis from the selected evaluation supplier will be made available at selected points through the lifetime of the programme. Design and re-design may be necessary long into the implementation phase contract to ensure lessons are learned continuously, and programme is always working in the most effective and sustainable way. The Management Agents ability to adapt their approach in light evidence of what is or is not working will be key to their effective delivery of the Fleming Fund.

- 3.6. **Country engagement:** Throughout the programme the Management Agent will be expected to engage and consult with country governments, and other key partners including multilaterals and bilaterals, academic and professional bodies and others as relevant, to ensure strong country ownership and alignment of activities under a broader AMR action plan and one health approach to AMR. This will involve a number of country visits and at the very least a permanent regional presence at key regional hubs in Sub-Saharan Africa, Southern and South Eastern Asia, and preferably a number of country offices within these regions through which to better foster local understanding. The Fleming Fund will not expect explicit country financial or in-kind buy in to receive Fleming Fund investments but evidence of country ownership and commitment to support the fund's activities will be a requirement.
- 3.7. **Grant management:** Provide end to end grant management of both country and regional grants. Develop a flexible approach to grant management including: adaption of the call for funding in each selected country; building in capacity to work with certain grantees showing potential in their original bids but with further assistance needed in order to receive funding; and the flexibility to collaborate with or absorb funding from other donors wishing to support the same or similar projects, with a particular emphasis on southern donors.
- 3.8. **Capacity building:** Target investments towards national capacity gaps on improving AMR surveillance. Build capacity of government and in-country partners to sustain and further expand AMR surveillance beyond the lifetime of the project, within the context of a broader AMR Action Plan.

OUTPUTS AND DELIVERABLES FOR THE MANAGEMENT AGENT DURING INCEPTION (PHASE 1)

- 3.9. The selected Management Agent will be required to achieve the following deliverables in the following table during the inception phase.

The table below aligns with Schedule 4 of the terms and conditions for consistency and clarity of the inception phase deliverables. References to 'Schedules' in the table below are references to the schedules found in the terms and conditions. Any capitalised terms have the meaning given to them in Schedule 1 (Definitions) of the terms and conditions.

Milestone	Deliverable(s)
<p><i>1. Approval by the Authority of the pilot scheme proposals and launch of pilot schemes in Burma and Sierra Leone (or alternative countries as agreed between the Authority and the Supplier).</i></p>	<ol style="list-style-type: none"> 1. Supplier to begin initial design of the Fleming Fellowship Scheme as outlined at paragraph 2.14 of the Terms of Reference. 2. Supplier to draft pilot scheme proposals for deployment in Burma and Sierra Leone (or alternative countries as agreed between the Authority and the Supplier), which shall include: <ol style="list-style-type: none"> (a) Methods by which to test the utility of the surveillance protocol outlined in paragraphs 2.18 to 2.23 of the Terms of Reference; (b) Methods by which to test the initial design of the Fleming Fellowship Scheme; (c) A proposed financial plan detailing the overall budget of the pilot schemes and allocation of funds for each financial year. Such plan must include proposals for the payment of a at least one quarter of the allocated budget for the pilot schemes in the financial year 2016/2017;and (d) Proposals for collaboration with the Authority and key stakeholders throughout the pilot schemes.
<p><i>2. Approval by the Authority of a draft list of countries and/or regions for Fleming Fund investments submitted by the Supplier.</i></p>	<ol style="list-style-type: none"> 1. Supplier to: <ol style="list-style-type: none"> (a) Undertake and submit to the Authority desk and country based analysis to identify countries and/or regions wherein Fleming Fund grants can be most effectively targeted; (b) Draft the list of countries and/or regions for Fleming Fund investments in accordance with the principles laid out in Annex C of the Terms of Reference; and (c) Engage with networks, international organisation and stakeholders specified by the Authority to gather information and mapping to support country selection analysis.
<p><i>3. Approval by the Authority of needs and capability assessments for all countries identified in the list provided in accordance with Milestone 2.</i></p>	<ol style="list-style-type: none"> 1. Supplier to work with national governments and local stakeholder to conduct needs and capability assessments for all countries identified in the list provided in accordance with Milestone 2. Such assessments may include: <ol style="list-style-type: none"> (a) Assessment of the level of antimicrobial resistance data and issues around data collection; (b) Analysis of existing laboratory capacity

	<ul style="list-style-type: none"> (c) Needs assessment around capacity for diagnosis and disease surveillance; (d) Assessment of the National Action Plan and any Global Health Security Agenda assessment if relevant; (e) Exploration of national one health strategies; (f) Assessment of the level of programme intervention and investment that could effectively be absorbed within the country; (g) Analysis of the interventions that would fit within the country's health system and where these interventions could be best targeted; (h) Exploration of country capacity for Infection Prevention Control practices and control mechanisms; and (i) Categorisation of the country into a tier of capacity relating to an appropriate level of Fleming Fund investment.
<p><i>4. Approval by the Authority of a Political Economy Analysis for each of the countries identified in the list provided in accordance with Milestone 2.</i></p>	<ol style="list-style-type: none"> 1. Supplier to undertake a Political Economy Analysis for each of the countries identified in the list provided in accordance with Milestone 2, which shall, as a minimum: <ul style="list-style-type: none"> (a) Be based upon intelligence and analysis gathered from within the relevant country; (b) Include written analysis relating to national and local political incentives and disincentives, challenges and opportunities for tackling AMR and Antimicrobial use and the potential for work with international donors; and (c) Recommendations as to how to most effectively target Fleming Fund investments.
<p><i>5. Approval by the Authority of an IT platform to be used to deliver the Implementation Services</i></p>	<ol style="list-style-type: none"> 1. Supplier to develop IT platform suitable for: <ul style="list-style-type: none"> (a) The dissemination of evidence and training materials; (b) The sharing of learning; and (c) The advertisement of calls for funding.

	<p>2. In developing the IT platform, the Supplier shall:</p> <p>(a) Consider and develop innovative solutions to online information sharing that are also applicable in a low resource setting;</p> <p>(b) Consult regularly with the Authority;</p> <p>(c) Comply with the Authority's Digital Service Standard; and</p> <p>(d) Ensure the IT platform meets any requirement notified to the Supplier by the Authority</p>
<p>6. Approval by the Authority of a joint strategy between the Supplier and the Evaluation Supplier (contingent on Evaluation Supplier being in place) submitted in draft by the Supplier.</p>	<p>1. Supplier to agree a draft protocol for ways of working with the Evaluation Supplier including proposed meetings and workshops inviting the Authority.</p> <p>2. Supplier to agree with the Evaluation Supplier a draft monitoring and evaluation framework for the portfolio of country and regional grants, containing the following:</p> <p>(a) Key data collection points;</p> <p>(b) A detailed description of the focus for analysis and the outputs to be analysed throughout evaluation);and</p> <p>(c) A monitoring and evaluation framework for the portfolio of country and regional grants.</p>
<p>7. Approval by the Authority of the Implementation Plan.</p>	<p>1. Supplier to hold regular meetings with the Authority to discuss requirements and progress of the draft Implementation Plan.</p> <p>2. Supplier to provide draft Implementation Plan to the Authority by June 2016.</p> <p>3. The Supplier's draft Implementation Plan must contain:</p> <p>(a) One proposal for implementation in Sub-Saharan Africa and one proposal for implementation in Southern/South Eastern Asia;</p> <p>(b) Proposals for detailing the Service Levels in Annex 1 to Part A of Schedule 6 (Service Levels and Performance Monitoring);</p> <p>(c) Proposals for the completion of the design of the Fleming Fellowship Scheme prior to the Implementation Services Start Date;</p>

	<ul style="list-style-type: none"> (d) Proposals for the subsequent launch, operation and further development the Fleming Fellowship Scheme; (e) Proposals for a reporting and monitoring system, similar to a log frame, which will allow the Authority to ensure compliance with its statutory obligations in respect of overseas development aid; (g) Proposals for working with the Authority and key stakeholders from the Implementation Services Start Date to the Expiry Date; (h) A proposed budget for the Implementation Services; (i) Detailed outcomes expected from funding; (j) Evidence to support the Supplier's approach; (k) A detailed timeline and work plan, including proposals for Delay Payments, for delivery of the Implementation Services; (l) A description of the criteria which will be applied for the selection of grantees including how value for money will be assessed; and (m) Any relevant information and learning gathered from the operation of the pilot schemes. <p>4. The proposed budget referred to in deliverable 3(h) of this Milestone must be calculated using the 'Total Daily Rate Fees' set out in pro forma 2 of Annex 1, Schedule 3.</p>
<p><i>8. Approval by the Authority of a project sustainability strategy and exit plan.</i></p>	<ul style="list-style-type: none"> 1. Supplier to draft a project sustainability strategy and an exit plan, both of which must: <ul style="list-style-type: none"> (a) Take due regard of existing country experience and best practice of sustainable aid programmes and similar interventions; (b) Recognise the political, social, economic cultural and any other relevant differences between Sub-Saharan Africa and Southern and South Eastern Asia and dealt with those differences appropriately; (c) Consider effective in-country coordination, including possible successor organisation; and;

	(d) Include a plan for transition of project funding to another donor or to national funding mechanisms.
<i>9. Approval by the Authority of evidence submitted to demonstrate the Supplier's establishment of partnerships with relevant in-country organisations.</i>	<p>1. Supplier to identify, engage and develop partnerships with relevant country level stakeholders which may include, but not be limited to:</p> <ul style="list-style-type: none"> (a) Ministries of Health; (b) National academic institutions; (c) Regional offices of the Department for International Development and the Foreign and Commonwealth Office; and (d) Key partners within the local health system <p>2. Supplier to provide evidence of partnerships agreed with Ministries of Health and other relevant institutions, which shall take the form of:</p> <ul style="list-style-type: none"> (a) Letters of intent; (b) Memoranda of understanding; or (c) Any other document which the Authority shall deem acceptable from time to time, at its sole discretion.
<i>10. Approval by the Authority of the country call for funding.</i>	<p>1. Supplier to design the country call for funding which must:</p> <ul style="list-style-type: none"> (a) meet the Fleming Fund Theory of Change expected outputs outlined in Annex B of the Terms of Reference; (b) Include detailed documentation on: <ul style="list-style-type: none"> i. Grant eligibility criteria ;and ii. The proposed wording and format of grant agreements, suitable for modification on a grant-by-grant basis, which shall include milestone payment strategies and reporting, monitoring and evaluation requirements (as specified by the Authority).
Completion of Inception Services and commencement of Implementation Services	Supplier to Achieve all the Milestones in the Inception Plan

3.10. Payments for the inception phase will be based on achieving each of these deliverables to an agreed standard and schedule within the eight month inception period.

3.11. **Costing the inception phase contract** – Bidders will be expected to propose a cost model and payment schedule based on delivery of the ten inception phase deliverables. DH envisages awarding a contract based on an output based payment schedule during the design phase but welcome suggestions from bidders on how performance and other key milestones could be incorporated into the payment model.

Factors affecting the costings will include the number of countries DH expect country assessments to take place in. For the purpose of bidding, suppliers should budget for assessing a minimum of 25 countries (deliverable 2) leading to a shortlist of 20 countries to do more in depth country capability and political economy analysis in (deliverable 3 and 4). Within the principles of country selection detailed in Annex C, bidders are invited to draw on their technical and development expertise to propose which minimum of 25 countries should be assessed to work towards a country shortlist.

OUTCOMES FOR THE MANAGEMENT AGENT THROUGH TO IMPLEMENTATION (PHASE 2)

3.12. Specific deliverables and indicators for the portfolio of country and regional projects will be developed in consultation between the selected bidder and DH during the inception phase contract.

3.13. The following points provide a guide of the overarching outcomes for the Fleming Fund portfolio of country and regional projects and the Fleming Fellows. These draft outcomes will be developed by the selected Management Agent and specific outputs and deliverables defined under these. The Management Agent will be held financially accountable for the agreed outputs working towards these broader aims but should show effective progress towards these targets through the lifetime of the programme.

- Country and regional buy in for sustainable development of laboratory capacity and capability and surveillance networks on AMR.
- International protocol (see 2.18 – 2.21) applied in each Fleming Country to design national AMR surveillance system and roadmap for implementation, setting out the role of Fleming Fund, country government and partners.
- Laboratory capacity developed at country level, involving: the procurement of equipment; training of staff; effective human resource management; identification of priority pathogens at national laboratory level; and quality assured testing of these identified pathogens. Establishment of at least one leading institution as a national reference laboratory for one health (or equivalent function) is an important component of this outcome.
- Laboratory capacity developed at regional level, involving: improvements in regional collaborating centres; regional quality assurance of data from the surrounding national reference laboratories; regional collaboration and agreement on priority pathogens; provision of a regional or supranational reference laboratory to support those countries that have yet to establish a national facility.
- AMR surveillance networks improved at country level, involving: networks of hospital, university and private laboratories identified and developed into an AMR surveillance

network; all laboratories testing for the same priority pathogens and regularly sharing data with a national surveillance network.

- AMR surveillance networks improved at regional level, involving: national links established between country surveillance networks and regional surveillance hubs; regional quality assurance and surveillance training provided by hubs to country and regional representatives.
- National and regional AMR surveillance data regularly fed in to a global AMR surveillance platform.
- Evidence of use of AMR data within the health system and partner governments, regional and global bodies to better inform evidence based public health interventions including sample testing, infection prevention control and prescribing practices.
- Improved surveillance and analysis nationally on the scale and use of antimicrobial medicines, particularly antibiotics.
- Network and community of practice developed in all Fleming Fund countries, linking one health learning between related professionals working on AMR.

3.14. The following table details the remit and tasks expected from the Management Agent during the implementation phase. Although specific objectives and deliverables will be defined with DH during inception phase, the table indicates the minimum anticipated deliverables to achieve the aforementioned outcomes.

	Task	Sub-task	Anticipated deliverables (At minimum)
1	Country engagement	Close engagement and consultation with national governments and local stakeholders to understand needs and existing capabilities.	Letters of intent from Ministries of Health and key local stakeholders or partners (in addition to those obtained during inception phase). A detailed stakeholder analysis and engagement plan per country/region.
2	Grant management	Pre-market engagement with potential grantees in selected countries and regions.	
		Launch and advertisement of call for funding in selected countries.	A selection of possible country and regional projects.
		Evaluation and recommendation for grant awards.	A recommendation document to include all grants to be funded.
		Due diligence on grant awards	Documented and published due diligence on each grant award.
		Management of grant award agreements and subsequent payments.	Grant agreements drafted and signed to an agreed standard. Day to day management of country and regional grants effectively

			discharged.
		Grant payments.	Grant payments made to awardees in the right amount according to agreed payment schedules without disruption.
		Responsible and sustainable grant exist or transition management.	Responsible and efficient closure or transition of projects when grants come to an end.
3	Capacity building	Capacity building on project development and proposal writing with potential grantees to improve bids.	An addition of high quality country and regional grants to the portfolio of selected awardees.
		Working with governments on evidence based public health policy using AMR surveillance data.	Improvements in national submission of AMR resistance data to the global surveillance platform.
		Working with DH, governments, other donors, academics and grantees to understand the educational requirements that could be met using MOOCs. Developing these e-learning platforms in order to increase access to information for a range of stakeholders on AMR and how to improve laboratory capacity, data collection and surveillance on AMR.	A set of translated and easily accessible MOOCs on AMR, AMR surveillance and related subjects available.
		Develop and implement the Fleming Fund Fellowship Scheme to build capacity and learning within locally engaged professionals working on AMR or to improve national laboratory capacity.	Network of Fleming Fellows in each Fleming Fund country.
4	Monitoring and reporting	Monitoring and reporting of progress towards KPI's from country and regional grants.	Country and regional level data uploaded by the MA onto the WHO Strategic Partnership Portal (when operational).
		Monitoring and reporting of progress towards KPI's for the entire portfolio of country and regional programmes	Quarterly progress and financial reports submitted to DH. Annual reports submitted to DH and published online.
		Monitoring of Official Development Assistance (ODA) financial disbursements.	Accurate financial information with DH by Nov/Dec annually to support ODA return.

		Ad hoc reporting of activities, progress, financial disbursements and other requested information.	Data and information with DH as requested to inform parliamentary questions or other government reporting requirements as needed.
		Monitoring of key measures pertinent to the independent evaluation, as agreed with the evaluation supplier.	Contribution to an ongoing independent evaluation of the success and impact of the fund.
		Cooperation with DH Annual Review teams.	DH annual review published on devtracker or similar.

3.15. DH has a zero tolerance approach to corruption. The Management Agent will have full responsibility for monitoring and mitigating the risk of fraud and corruption in the procurement and delivery of country and regional grants

3.16. **Costing the implementation phase contract** – Exact costs and strategies for disbursement of funds for the implementation phase will depend on key aspects of the programme to be decided during inception phase. During the inception phase the Department of Health, in collaboration with the MA, will set the total budget envelope for the portfolio of country and regional projects and the Fleming Fellows scheme.

3.17. As a benchmark, bidders should provide a cost model for the implementation phase, based on an estimated funding envelope of up to £235 million (excluding VAT) to include Management Agent costs. The costs model should be detailed in the tender proforma provided, detailing an indicative budget plan for the implementation phase. This should include fee rates for all key personnel, including full visibility of overheads and the proposed profit margin.

3.18. To provide this indicative cost model for implementation, bidders should work on the assumption that:

- Twenty countries will be selected for investments, with a number of regional grants in addition to this;⁸
- The Fleming Fund will work in some fragile states, low income and low-middle income countries but not active conflict countries⁹;
- The Fleming will manage grants in Sub-Saharan Africa, Southern and South Eastern Asia.
- The support provided to countries can broadly be categorised under three tiers -
 - **Small programme packages with a funding portfolio of up to £1 million;**
 - **Medium programme packages with a funding portfolio of up to £5 million;**
 - **Large programme packages with a funding portfolio of above £5 million.**

⁸ The Fleming Fund may support more than twenty countries through the life of the programme but this assumption should be used when providing an indicative cost model for implementation.

⁹ For the purposes of the fund please consider conflict countries to be countries where an active conflict is nationwide; however the fund may work in countries with pockets of conflict or fragility but where there is potential to develop a sustainable surveillance system.

- The Fleming Fellows scheme is launched in the same twenty countries as the Fleming Fund portfolio of country and regional investments.
- 3.19. As part of the indicative proposal for implementation, bidders should suggest twenty countries to receive Fleming Fund support, group into regions, whether they are fragile states, whether they are low income or whether they are low-middle income. Indicative costs detailed in the proforma for the implementation phase should be based on these suggested countries. **NB:** This list of countries will not dictate the final list of Fleming Fund countries which will rather be the product of a country assessment and selection process during the inception phase.
- 3.20. There is a preference for the supplier to provide pre-financing to support the project if needed. However, DH may also explore a pre-financing mechanism agreement with HM Treasury for the grant funds if this is considered necessary.

Conflicts of interest

- 3.21. Whilst our expectation is that the lead Management Agent who would be running the call for proposals would be exempt from applying for downstream grants, DH recognises that it is possible that members of the Management Agent's wider consortium may wish to bid for the downstream grants at country and regional level.
- 3.22. In this instance DH would need to be assured that the Management Agent has an appropriate system and protocols to mitigate any possible or perceived conflicts of interests, by ensuring such partners are in no way able to design a call for funding that would suit their organisations future application, or are enabled to make governing decisions.
- 3.23. If Management Agent bidders are aware that a desire to apply for downstream grants is possible within their wider consortium, bids should include a detailed explanation of how conflicts of interest would be mitigated as part of their proposed approach to governance.

Contract arrangements

- 3.24. DH intend to award one single contract to the successful bidder for the five year funding period to cover both inception and implementation phase. The contract will include a break clause after:
- 8 months, at the end of the inception period;
 - 3 years.
- 3.25. Ahead of the break point at the end of the inception phase, DH will review the Management Agent deliverables and strategy for implementation. At this point a final set of objectives and deliverables will be agreed and payment schedule suggested. Subject to strong performance by the supplier during the inception phase, and on basis that DH has fully accepted all proposals, work-plans and budgets for the implementation period, DH will proceed to the implementation phase.
- 3.26. DH is committed to ensuring that good value for money is represented in its contracts through a strong focus on performance and delivery. During the Inception period, payment of fees will be released against an output based payment model based on successful completion and approval of the ten inception deliverables detailed in para 3.9. DH also expects commitment from bidders to performance or output based payments through into the implementation phase. An acceptable mechanism for linking payment to performance and outputs during implementation should be

proposed by bidders, although this will be subject to review and agreement at the end of the inception period.

- 3.27. It is DH's preference to see a performance based payment method, through appropriate linkage of payment to outputs or results in downstream funding agreements where this makes sense.
- 3.28. £265m funding for the overall Fleming Fund has been confirmed for the five year spending review period from April 2016. DH reserves the right to scale up this contract by 50% of the original value should other funding become available during the current contract period.
- 3.29. If there is ongoing need and further funding is available beyond the original five year period DH may seek to extend this contract by any period up to a further five years. This would only be considered if it makes sense from a Value for Money perspective, and further break points would be included. Such an extension is likely to involve a similar spend profile as the current contract requirement i.e. £50-75m per year. DH may also use such a contract extension to scale up or broaden the work of the Fleming Fund into further countries or activities.

Reporting and engagement requirements

- 3.30. DH will expect to work collaboratively with the selected Management Agent during the eight month inception phase and will build in regular meeting opportunities within the wider department.
- 3.31. DH will look to a minimum set of reporting requirements from the selected Management Agent which will include:
- An inception report submitted to the DH team for approval;
 - Attendance if required at Global Health Security programme board meetings;
 - Senior representation at Fleming Fund steering committee meetings;
 - Quarterly progress and financial reports (retrospective and prospective quarterly financial profiles disaggregated by country and individual grants/work streams);
 - Annual reports;
 - Annual audited financial statements;
 - Regular sharing of information on country and regional grantees as well as Fleming Fellows.

Annex A: Background

The scale of the problem

Improvements in global health over recent decades are under threat because pathogens that cause many common human diseases and medical conditions have become resistant to a wide range of antimicrobial medicines. Resistance to all antimicrobials, including antivirals and antifungals, is increasing, but of greatest concern is the rapid development of bacterial resistance to antibiotics. If the number of hard-to-treat infections continues to grow, then it will become increasingly difficult to control infection in a range of routine medical care settings. Furthermore it will be more difficult to maintain animal health and protect animal welfare.

The direct consequences of infection from resistant bacterial can be severe, including longer illnesses, and increased mortality. Doctors must increasingly use “last-resort” medicines that are more costly, may have more side effects and are often unavailable or unaffordable in low- and middle-income countries. The loss of effective antibiotics in particular compromises many other areas of health and medicine; with increased risk of prolonged illness or death from a failure to treat or prevent infection arising from surgery or childbirth for example. AMR affects all areas of health, involves many sectors and has an impact on the whole of society.

AMR also has an additional impact in low resource settings where access to quality assured, safe, effective and affordable medicines is already a challenge. Good quality data on antibiotic use, and prevalence of AMR, are crucial for development of health policies and programmes to preserving the effectiveness of existing antibiotics, and provide the arguments for affordable access to “last resort” and to new antibiotics and other antimicrobial medicines

The impact of AMR in low and middle income countries

There is a growing expectation that the increase of antibiotic consumption in LMICs will continue to rise markedly going forward (Grundmann et al, 2011), associated with:

- Rising incomes correlated with rising consumption of antimicrobials;
- Changing patterns of health-seeking behaviour post HIV/AIDS pandemic with a greater demand for antimicrobials;
- Civil unrest, food shortages and natural disasters in some regions forcing people into crowded, unsanitary conditions conducive to the spread of infectious disease;
- Expansion of the generics industry in LMICs, leading to greater supply of cheap antimicrobial;
- Shortfalls in hospital hygiene procedures increasing the likelihood of contracting an infection.

With increased consumption of antibiotics in LMICs, it is important to understand the potential burden of antibiotic resistance in particular.

While there are often fewer data on the prevalence and burden of AMR in low and middle income countries, and the impact is consequentially difficult to quantify, there are many factors likely to impact the scale of this problem. These include:

- The high prevalence of infectious diseases or conditions including for example tuberculosis, pneumonia, neonatal sepsis, HIV;

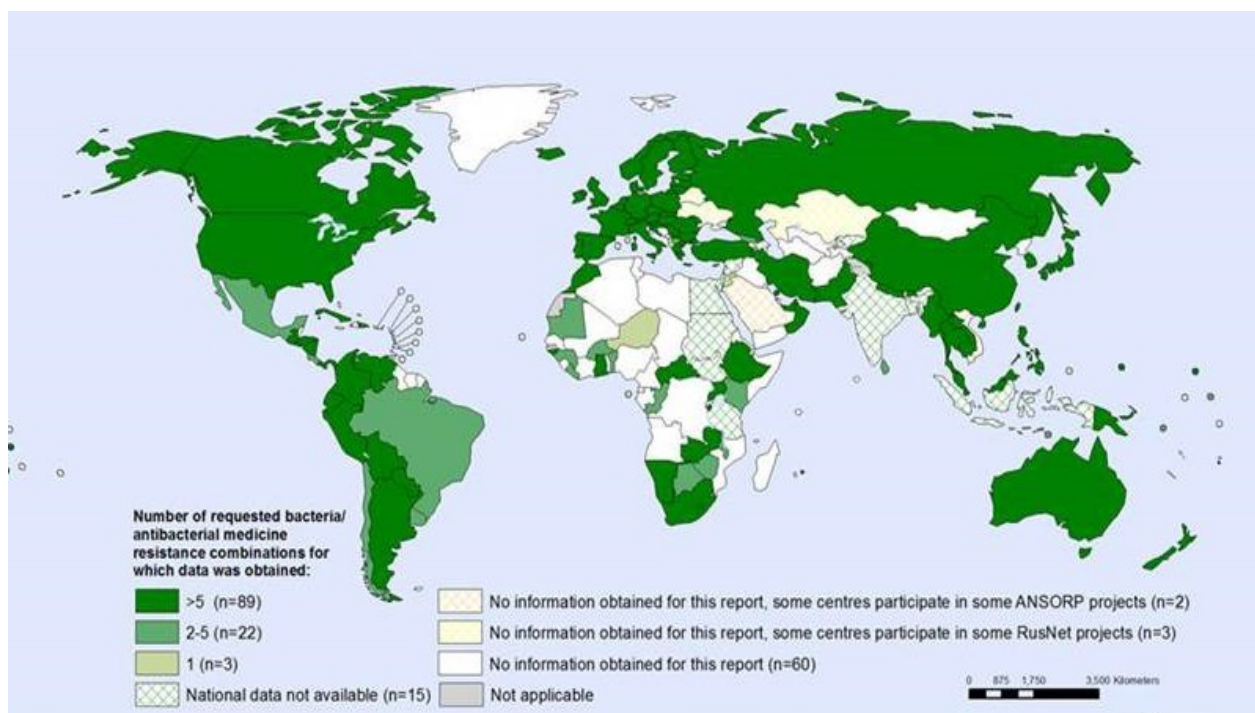
- Poor access to healthcare services including to diagnostic laboratories;
- Poor access to safe, effective, quality assured medicines including to antibiotics and other antimicrobial medicines;
- Lack of effective regulation and supervision of the use of antimicrobial medicines in human health, animal health and agriculture.

Surveillance of AMR

The WHO global report on surveillance of AMR published in 2014 documented the global prevalence of AMR in humans, with high prevalence of resistance to many of the most important antimicrobial medicines in all parts of the world. Reports of infections resistant to all available antimicrobial medicines are becoming more frequent, rendering diseases such as gonorrhoea and TB potentially untreatable.

WHO's 2014 global report on surveillance of AMR also revealed many gaps in information on AMR in pathogens that are of major public health importance. The report identified a lack of agreed and harmonized methodologies for collecting resistance data, particularly across medical, veterinary and agricultural sectors.

The following map illustrates the extent to which each country was able to contribute data to the AMR Global Report on Surveillance in 2014, and provides an indication of countries and regions with insufficient surveillance capacity for AMR.



Boundaries and names shown and the designations used on this map do not imply the expression of any opinion whatsoever on the part of the World Health Organization concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries. Dotted and dashed lines on maps represent approximate border lines for which there may not yet be full agreement.

Data Source: World Health Organization
Map Production: Health Statistics and Information Systems (HSI)
World Health Organization



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Good surveillance data are key to national and global public health action to maintain the effectiveness of antimicrobial medicines. Such data are important at many levels of health care:

- At the local level, laboratory microbiology and antimicrobial susceptibility testing (AST) guides patient treatment;
- Good current knowledge of the prevalence of AMR in different pathogens provides a basis for evidence based treatment guidelines, medicine procurement and formulary decisions;
- Knowledge of the prevalence of AMR nationally, regionally and globally, together with data from other sectors (animal health, agriculture, and aquaculture) and on antimicrobial medicine use (consumption, prescription) is necessary for an understanding of the factors driving such resistance. This in turn provides the evidence to support action and intervention;
- Surveillance data collected over time enables international and national actors to monitor the effectiveness of interventions and adjusted as necessary.

With the combination of increase use of antimicrobials and the anticipation that AMR would have a disproportionate effect on LMICs, surveillance of AMR in these countries is more important than ever.

Moving towards a set of global surveillance standards

The WHO has issued a Global Action Plan (GAP)¹⁰ on AMR which calls for countries to develop a national AMR surveillance system in animal and human health which at a global level would feed into the Global AMR Surveillance System for comparability and assessment of resistance data. This global system would act as a forum for the rapid sharing of information on AMR to best inform necessary global and national actions.

To develop strategies for implementing a national AMR surveillance system, monitoring the effectiveness of these strategies, and feeding surveillance data into the Global AMR Surveillance System, WHO member states have been encouraged to develop National Action Plans (NAP) on AMR by 2017. Around 33 member states have NAPs to date.

Resolutions on AMR have also been adopted by the governing Council of the Food and Agriculture Organization (FAO) and the Assembly of Delegates to the World Organisation for Animal Health (OIE). Both FAO and OIE resolutions call for improvements to surveillance, cross-refer to the GAP delivery and reinforce the one health approach. Together these reflect a growing commitment from world governments to address AMR, and recognition of the need to work across human health, animal health and agriculture.

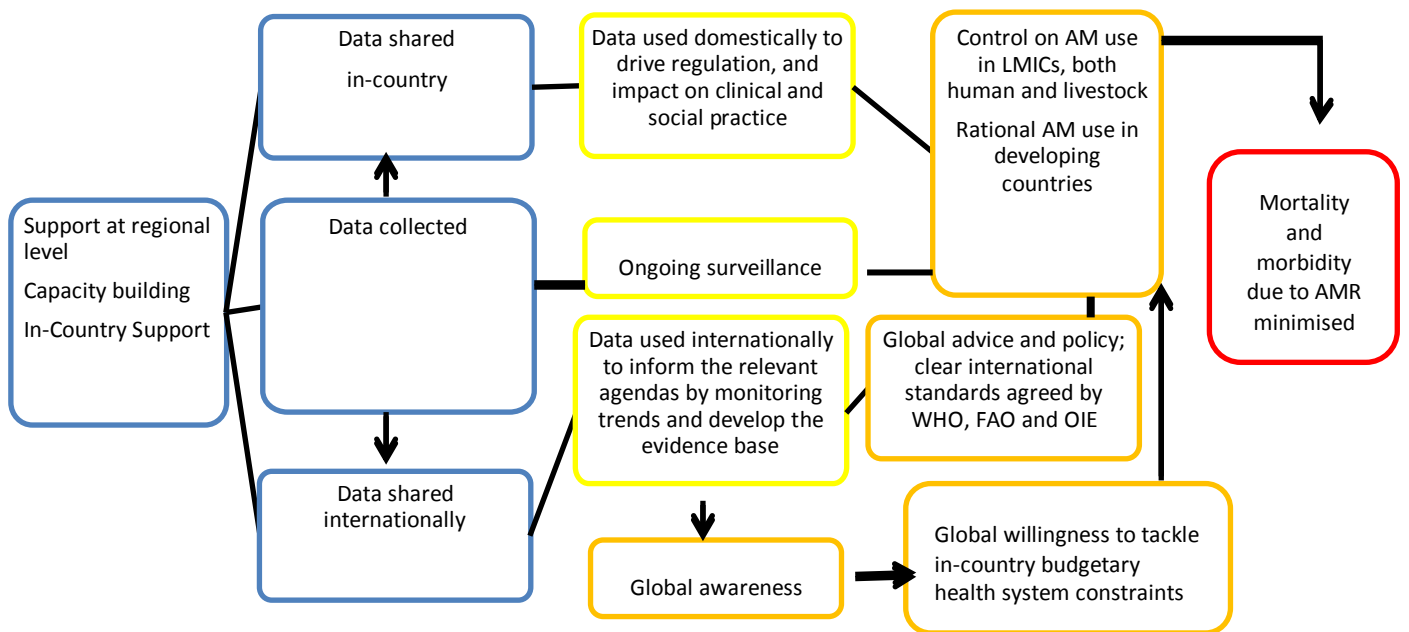
¹⁰ Global Action Plan for AMR
http://apps.who.int/iris/bitstream/10665/193736/1/9789241509763_eng.pdf?ua=1

WHO published a manual for early implementation of a Global Antimicrobial Surveillance System (GLASS, 2015)¹¹ which sets out the framework for collection and sharing of resistance data, but many countries will need technical and financial support to develop their own diagnosis surveillance capacity.

Many low or low-middle income countries are unlikely to have the resources or capacity to implement all the components of AMR surveillance as set out in the WHO GLASS manual for early implementation. To ensure all countries are able to work towards the global set of AMR surveillance standards set out in the GLASS manual, we must ensure that these targets can be translated into practical and achievable activities for countries with lower capacities. The UK supports the production of a tiered (step wise) set of protocols to help all countries in progress towards improved AMR surveillance targets.

¹¹ Global AMR Surveillance System <http://www.who.int/drugresistance/surveillance/en/>

Annex B: Theory of Change



Annex C – Principles of Fleming Fund priority countries

The following principles should be used as a guideline the country and regional selection determining where projects can be located, and therefore to which countries a call for funding will be carried out.

Key criteria which all priority countries need to meet:

- Official Development Assistance (ODA) eligible, in order that the country can receive the funds
- Located in Sub-Saharan Africa, Southern or South Eastern Asia
- Fragile states will be considered, however conflict countries¹² will not be considered

A broad number of countries will be considered. Funding will be granted across a three tiered system:

- Less than £1 million
- Up to £5 million
- Over £5 million

We are looking to work in around 20 countries in the first call to funding.

Countries applying for funding must follow the below principles in order for a bid to be considered. These are:

(1) Fit with Strategic vision of the Fleming Fund

The aim of the Fleming Fund is to improve laboratory capacity and diagnosis as well as data and surveillance of AMR in low and middle income countries through a one health approach: building capacity to collect drug resistance data; enabling the sharing of drug resistance data locally, regionally and internationally; collating data on AMR; and encouraging the application of these data to promote the rational use of antimicrobials. Therefore there needs to be evidence that the country is not collecting and sharing quality data on AMR because it does not have adequate facilities and/or the correct technical personnel to complete this work. Furthermore, there also needs to be evidence that there is a will to share quality data once gathered, both domestically and internationally.

(2) Enabling Factors

To help enable the success of the programme DH is keen to work in countries where there is an existing HMG and UK presence, such as DFID, FCO and PHE. This does not mean that we will not work where there is not a significant HMG footprint, but we would need to consider carefully how a given project would be sustained.

(3) Ensuring Alignment

There are already a number of existing stakeholders in the global health space and we would want to ensure that we align with these activities and avoid the risk of duplication. On this basis, DH would aspire to ensure work in-country will be aligned with other groups. This does not mean that countries where such stakeholders are not working will not be considered, but it would be expected that all grants will be made in the knowledge of activity in the country. Stakeholders to be aware of include:

¹² For the purposes of the fund please consider conflict countries to be countries where an active conflict is nationwide; however the fund may work in countries with pockets of conflict or fragility but where there is potential to develop a sustainable surveillance system.

- US Government and CDC;
- Institute Pasteur;
- ECDC;
- Bill and Melinda Gates Foundation;
- Major NGOs including MSF;
- International and multilateral organisations;
- GHSA Action Package on AMR;
- G7;
- WHO staff and centres supporting the Global Action Plan.

SCHEDULE 3: CONTRACT CHARGES, PAYMENT AND INVOICING

1. DEFINITIONS

1. The following terms used in this Schedule 3 shall have the following meaning:

"Supplier's Fees"	means the fees chargeable by the Supplier in respect of staff costs. The Supplier's Fees are calculated using the 'total daily rate fees' for specific members of staff as set out in the rate card in Annex 1, Schedule 3.
"Supplier's Expenses"	means the reasonable travel and subsistence expenses, bank charges and handling fees, and any other expenses properly and necessarily incurred in the performance of the Services, calculated on an actual basis and incurred in accordance with the restrictions laid out in the Invitation to Tender, the Authority's instructions on its expenses policy from time to time and Annex 1, Schedule 3
"Supporting Documentation"	means sufficient information in writing to enable the Authority to reasonably assess whether the Contract Charges and other sums due from the Authority under this Contract detailed in the information are properly payable.

2. GENERAL PROVISIONS

- 2.1 This Schedule 3 details:
 - 2.1.1 the Contract Charges for the Services under this Contract; and
 - 2.1.2 the payment terms/profile for the Contract Charges;
 - 2.1.3 the invoicing procedure; and
 - 2.1.4 the procedure applicable to any adjustments of the Contract Charges.

3. CONTRACT CHARGES

- 3.1 The Contract Charges which are applicable to this Contract are set out in Annex 1 of this Schedule 3, paragraph 3 of this Schedule 3.
- 3.2 The Supplier's Fees for the Inception Services are fixed and have been calculated in accordance with Annex 1, Schedule 3 and shall be paid in accordance with the Inception Plan in Part A, Schedule 4. The Supplier's Fees for the Inception Services shall in no event exceed £4,836,414.
- 3.3 The Supplier's Expenses for the Inception Services are fixed and have been calculated in accordance with Annex 1, Schedule 3 and shall be paid in accordance with the Inception Plan in Part A, Schedule 4. The Supplier's Expenses for the Inception Services shall in no event exceed £891,860 excluding £4,600,000 for Management Agent Grant Funds.
- 3.4 The Supplier's Fees for the Implementation Services shall be as set out in the Approved Implementation Plan which, in accordance Milestone 7 of the Inception Plan, shall be

calculated using the 'total daily rate fee' rates set out in pro forma 2 of Annex 1, Schedule 3.

- 3.5 The Supplier's Expenses for the Implementation Services shall be paid on an actual basis and on receipt of proof they have been properly and necessarily incurred in the performance of the Implementation Services. The Supplier's Expenses for the Implementation Services shall be capped in accordance pro forma 4 of Annex 1, Schedule 3 and shall in no event exceed £3,185,150.95.
- 3.6 The Supplier's Fees and the Supplier's Expenses in respect of the South Africa Regional Conference shall be paid on an actual basis and any deviations from the figures set out in pro forma 7 of Annex 1, Schedule 3 shall only be paid where the Supplier has obtained the Authority's express prior Approval.
- 3.7 The Parties acknowledge and agree that:
- 3.7.1 the 'TOTAL-IMPLEMENTATION' figure and the figures in the 'Cost £' and 'Qty of Days' columns in proforma 2 of Annex 1, Schedule 3;
 - 3.7.2 all the figures in the 'Implementation' and 'Total' column of proforma 5 of Annex 1, Schedule 3;
 - 3.7.3 all the figures in proforma 6 of Annex 1, Schedule 3;
 - 3.7.4 all the figures in proforma 7 of Annex 1, Schedule 3; and
 - 3.7.5 all the figures marked as 'Implementation' in the 'Project Stage' column in proforma 9 of Annex 2, Schedule 3
- are indicative values inserted in Annex 1 of Schedule 3 from the Tender. The Supplier's Fees for the Implementation Services shall be agreed and set out in accordance with paragraph 3.4 above.
- 3.8 The Supplier acknowledges and agrees that, subject to paragraph 7 of this Schedule 3 (Adjustment of Contract Charges), the Contract Charges cannot be increased during the Contract Period.

4. COSTS AND EXPENSES

- 4.1 Subject to paragraph 7 of this Schedule 3, the Contract Charges include all costs and expenses (including the Supplier's Fees and Supplier's Expenses) relating to the Services and/or the Supplier's performance of its obligations under this Contract and no further amounts shall be payable by the Authority to the Supplier in respect of such performance, including in respect of matters such as:
- 4.1.1 any incidental expenses that the Supplier incurs in addition to the Supplier's Expenses, or
 - 4.1.2 any amount for any services provided or costs incurred by the Supplier prior to the Commencement Date.

5. PAYMENT TERMS/PAYMENT PROFILE

- 5.1 The payment terms/profile which are applicable to this Contract are set out in Annex 2 of this Schedule 3.

6. INVOICING PROCEDURE

- 6.1 The Authority shall pay all sums properly due and payable to the Supplier in cleared funds within twenty five (25) days of receipt of a Valid Invoice, submitted to the address specified by the Authority in paragraph 6.5 of this Schedule 3 and in accordance with the provisions of this Contract.
- 6.2 The Supplier shall ensure that each invoice (whether submitted electronically through a purchase-to-pay (P2P) system (or similar) or in a paper form, as the Authority may specify (but in respect of paper form, subject to paragraph 7.3 below)):
- 6.2.1 contains:
- (a) all appropriate references, including the unique order reference number []; and
 - (b) a detailed breakdown of the Delivered Services, including the Milestone(s) (if any) and Deliverable(s) within this Contract to which the Delivered Services relate, against the applicable due and payable Contract Charges; and
- 6.2.2 shows
- the VAT added to the due and payable Contract Charges in accordance with Clause 18.2.1 of this Contract (VAT) and the tax point date relating to the rate of VAT shown; and
- 6.2.3 it is supported by any other documentation reasonably required by the Authority to substantiate that the invoice is a Valid Invoice.
- 6.3 If the Authority is a Central Government Body, the Authority's right to request paper form invoicing shall be subject to procurement policy note 11/15 (available at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/437471/PPN_e-invoicing.pdf), which sets out the policy in respect of unstructured electronic invoices submitted by the Supplier to the Authority (as may be amended from time to time).
- 6.4 All payments due by one Party to the other shall be made within twenty five (25) days of receipt of a Valid Invoice unless otherwise specified in this Contract, in cleared funds, to such bank or building society account as the recipient Party may from time to time direct.
- 6.5 The Supplier shall submit invoices directly to both :
- Accounts Payable
 - Room 530
 - Richmond House
 - 79 Whitehall
 - London SW1A 2NSAnd
 - [Redacted]**
 - Department of Health
 - Richmond House
 - 79 Whitehall
 - London
 - SW1A 2NS

7. ADJUSTMENT OF CONTRACT CHARGES

- 7.1 The Contract Charges shall only be varied:
- 7.1.1 due to a Specific Change in Law in relation to which the Parties agree that a change is required to all or part of the Contract Charges in accordance with Clause 17.2 of this Contract (Legislative Change);
 - 7.1.2 where all or part of the Contract Charges are reduced as a result of a review of the Contract Charges in accordance with Clause 13 of this Contract (Continuous Improvement);
 - 7.1.3 where all or part of the Contract Charges are reduced as a result of a review of Contract Charges in accordance with Clause 20 of this Contract (Benchmarking); or
 - 7.1.4 where all or part of the Contract Charges are reviewed and reduced in accordance with paragraph 8 of this Schedule 3;
- 7.2 Subject to paragraph 7 of this Schedule 3, the Contract Charges shall remain fixed from the Commencement Date until the expiry of the Initial Period.

8. SUPPLIER PERIODIC ASSESSMENT OF CONTRACT CHARGES

- 8.1 Every six (6) Months during the Contract Period, the Supplier shall assess the level of the Contract Charges to consider whether it is able to reduce them.
- 8.2 Such assessments by the Supplier under paragraph 8 of this Schedule 3 shall be carried out on 1 May and 1 December in each Contract Year (or in the event that such dates do not, in any Contract Year, fall on a Working Day, on the next Working Day following such dates). To the extent that the Supplier is able to decrease all or part of the Contract Charges it shall promptly notify the Authority in writing and such reduction shall be implemented in accordance with paragraph 9.1.4 of this Schedule 3 below.

9. IMPLEMENTATION OF ADJUSTED CONTRACT CHARGES

- 9.1 Variations in accordance with the provisions of this Schedule 3 to all or part the Contract Charges (as the case may be) shall be made by the Authority to take effect:
- 9.1.1 in accordance with Clause 17.2 of this Contract (Legislative Change) where an adjustment to the Contract Charges is made in accordance with paragraph 7.1.1 of this Schedule 3;
 - 9.1.2 in accordance with Clause 13 of this Contract (Continuous Improvement) where an adjustment to the Contract Charges is made in accordance with paragraph 7.1.2 of this Schedule 3;
 - 9.1.3 in accordance with Clause 20 of this Contract (Benchmarking) where an adjustment to the Contract Charges is made in accordance with paragraph 7.1.3 of this Schedule 3; or
 - 9.1.4 on 1 June for assessments made on 1 May and on 1 January for assessments made on 1 December where an adjustment to the Contract Charges is made in accordance with paragraph 7.1.4 of this Schedule 3

and the Parties shall amend the Contract Charges shown in Annex 1 to this Schedule 3 to reflect such variations.

ANNEX 1: CONTRACT CHARGES

Proforma 1 - Inception Services - The Supplier's Fees

[Redacted]

Proforma 2 – Implementation Services – The Supplier’s Fees

[Redacted]

Proforma 3 – Inception Expenses (also showing the Management Agent Grant Fund during the Inception Phase under “Grant Fund for 4 Countries” and “Fleming Fellows”)

[Redacted]

Proforma 4 – Implementation Expenses (also showing the Management Agent Grant Fund during the Implementation Phase under “One Health Country Grants”)

The rates in the expenses table below are an average rate. The actual unit rate incurred by the Supplier shall be used when invoicing actual expenses to the Authority. The Supplier shall keep within the total budget within each budget line indicated in the Cost column in the Proforma below, although the Supplier may via up to 10% of the total of each budget line to another budget line without further approval from the Authority.

[Redacted]

Proforma 5 – Total costs for Inception and Implementation (also showing total of the Management Agent Grant Fund under “Total Fund for Disbursement”)

[Redacted]

Proforma 6 – Breakdown of costs

[Redacted]

Proforma 7 - South Africa Regional Conference

Budget to organise conference (non-LMIC delegates only). These costs are not included within proformas 1 to 3 and actual costs will be invoiced for by the Supplier once the conference has been completed.

[Redacted]

ANNEX 2: PAYMENT TERMS/PROFILE

1. PAYMENTS FOR INCEPTION SERVICES

- 1.1 The Supplier's Fees and Supplier's Expenses for the Inception Services shall be paid in accordance with Schedule 3 and Part A, Schedule 4 (the Inception Plan). Proforma 8 in this Annex 2 (Financial Plan for Inception) is the calculation basis for the cost of Milestones in the Inception Plan.

2. PAYMENTS FOR IMPLEMENTATION SERVICES

- 2.1 The Supplier's Fees and the Supplier's Expenses for the Implementation Services shall be paid in accordance with the provisions of the Implementation Plan and, in respect of the Supplier's Fees for the Implementation Services the provisions of Annex 3 (Retention of Fees Principles) of this Schedule.

3. PRE-FINANCING AND HANDLING FEE

- 3.1 The Authority has agreed to pre-finance the Management Agent Grant Funds. The details of the process for this pre-financing are to be agreed within 30 days from the Commencement Date. Actual bank charges will be directly charged against the Management Agent Grant Funds.

Proforma 8 – Financial Plan for Inception

[Redacted]

ANNEX 3 - RETENTION OF FEES - PRINCIPLES

1. Guiding Principles

- 1.1. The Supplier's Fees for the Implementation Services will be payable on an actual input basis with a retention of [**Redacted**]
- 1.2. The Retention Fee will be payable quarterly and linked solely to the Supplier's Achievement of Deliverables by the relevant Milestone Date. Each Deliverable shall be priced according to an agreed % allocation of the quarterly Retention Fee and the price for each Deliverable, once agreed, shall be fixed.
- 1.3. Payment for a Deliverable that is delayed for any reason shall be made at such later time as that Deliverable is produced and Achievement of the Deliverable is confirmed by the Authority. Any time revision to an agreed Deliverable will be Approved or not by the Authority in good time (the Authority's decision to Approve or not shall not be unreasonably withheld or delayed).
- 1.4. In the event of a Delay to the Achievement to a Deliverable, payment in respect of all other Achieved Deliverables shall be made at the scheduled time (without prejudice to any other rights of the Authority under this Contract)
- 1.5. If any Deliverable is agreed by both Parties to be no longer valid (a "Superseded Deliverable") it shall be replaced with another mutually acceptable Deliverable.
- 1.6. Reasonable costs incurred in respect of a Superseded Deliverable before the decision to replace such Deliverable is made shall be reimbursed to the Supplier, but no such costs shall be payable where the replacement of the Superseded Deliverable is due to Default or Delay on the part of the Supplier in respect of the Superseded Deliverable.

Proforma 9 – Milestone Payment Proposal

This Proforma 9 is an indicative payment schedule. For the avoidance of doubt, payment for the Inception Services will be in line with the Inception Plan in Part A, Schedule 4 and payment for the Implementation Services will be in line with the Approved Implementation Plan in accordance with Milestone 7 of the Inception Plan. The Submission of payment dates for the Inception Services are indicated in months from the Commencement Date. The submission of payment dates for the Implementation Services are indicated in months from the Implementation Services Start Date.

[Redacted]

Proforma 10 – Value Add Table

[Redacted]

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SCHEDULE 4: INCEPTION PLAN, AUTHORITY RESPONSIBILITIES AND KEY PERSONNEL

1. INTRODUCTION

1.1 This Schedule 4 specifies:

- 1.1.1 in Part A, the Inception Plan in accordance with which the Supplier shall provide the Inception Services;
- 1.1.2 in Part B, the Authority Responsibilities in respect of facilitating the Supplier's achievement of the Inception Plan; and
- 1.1.3 in Part C, the Key Personnel and their Key Roles assigned by the Supplier to this Contract in accordance with Clause 21.1 of this Contract (Key Personnel).

PART A: INCEPTION PLAN

1. GENERAL

1.1 Inception Plan

1.1.1 The Inception Plan including the Milestones to be Achieved is set out below. The milestone dates are in months from the Commencement Date.

Milestone	Deliverable(s)	Authority Responsibility	Milestone Date	Milestone Payment¹³	Delay Payment
1. Approval by the Authority of the pilot scheme proposals and launch of pilot schemes in Burma, Kenya, Ghana and Nepal (or alternative countries as agreed between the Authority and the Supplier).	1. Supplier to begin initial design of the Fleming Fellowship Scheme as outlined at paragraph 2.14 of the Terms of Reference.	APPROVAL OF DELIVERABLE	1	£[Redacted]	[NOT USED]
	2. Supplier to draft pilot scheme proposals for deployment in Burma, Ghana, Kenya and Nepal or alternative countries as agreed between the Authority and the Supplier which shall include: (a) Methods by which to test the utility of the surveillance protocol outlined in paragraphs 2.18 to 2.23 of the Terms of Reference; (b) Methods by which to test the initial design of the Fleming Fellowship Scheme;	APPROVAL OF DELIVERABLE	3	£[Redacted] for fees and expenses, £[Redacted] of Grant Fund	

¹³ Includes both Contract Charges and Management Agent Grant Funds.

	<p>(c) A proposed financial plan detailing the overall budget of the pilot schemes and allocation of funds for each financial year. Such plan must include proposals for the payment of a at least one quarter of the allocated budget for the pilot schemes in the financial year 2016/2017;and</p> <p>(d) Proposals for collaboration with the Authority and key stakeholders throughout the pilot schemes.</p>				
<p>2. Approval by the Authority of a draft list of countries and/or regions for Fleming Fund investments submitted by the Supplier.</p>	<p>1. Supplier to:</p> <p>(a) undertake and submit to the Authority desk and country based analysis to identify countries and/or regions wherein Fleming Fund grants can be most effectively targeted;</p> <p>(b) draft the list of countries and/or regions for Fleming Fund investments in accordance with the principles laid out in Annex C of the Terms of Reference; and</p> <p>(c) engage with networks, international organisation and stakeholders specified by the Authority to gather information and mapping to support country selection analysis.</p>	APPROVAL OF DELIVERABLE	4	£[Redacted]	[NOT USED]
<p>3. Approval by the Authority of needs and capability assessments for all countries</p>	<p>1. Supplier to work with national governments and local stakeholder to conduct needs and capability assessments for all countries identified in the list provided in accordance</p>	APPROVAL OF DELIVERABLE	7	£[Redacted]	[NOT USED]

<p><i>identified in the list provided in accordance with Milestone 2.</i></p>	<p>with Milestone 2. Such assessments may include:</p> <ul style="list-style-type: none"> (a) Assessment of the level of antimicrobial resistance data and issues around data collection; (b) Analysis of existing laboratory capacity (c) Needs assessment around capacity for diagnosis and disease surveillance; (d) Assessment of the National Action Plan and any Global Health Security Agenda assessment if relevant; (e) Exploration of national one health strategies; (f) Assessment of the level of programme intervention and investment that could effectively be absorbed within the country; (g) Analysis of the interventions that would fit within the country's health system and where these interventions could be best targeted; (h) Exploration of country capacity for Infection Prevention Control practices and control mechanisms; and (i) Categorisation of the country into a tier of capacity relating to an appropriate level of Fleming Fund investment. 				
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<p>4. <i>Approval by the Authority of a Political Economy Analysis for each of the countries identified in the list provided in accordance with Milestone 2.</i></p>	<p>1. Supplier to undertake a Political Economy Analysis for each of the countries identified in the list provided in accordance with Milestone 2, which shall, as a minimum:</p> <ul style="list-style-type: none"> (a) Be based upon intelligence and analysis gathered from within the relevant country; (b) Include written analysis relating to national and local political incentives and disincentives, challenges and opportunities for tackling AMR and Antimicrobial use and the potential for work with international donors; and (c) Recommendations as to how to most effectively target Fleming Fund investments. 	<p>APPROVAL OF DELIVERABLE</p>	<p>7</p>	<p>£[Redacted]</p>	<p>[NOT USED]</p>
<p>5. <i>Approval by the Authority of an IT platform to be used to deliver the Implementation Services</i></p>	<p>1. Supplier to develop IT platform suitable for:</p> <ul style="list-style-type: none"> (a) the dissemination of evidence and training materials; (b) the sharing of learning; and (c) the advertisement of calls for funding. <p>2. In developing the IT platform, the Supplier shall:</p> <ul style="list-style-type: none"> (a) consider and develop innovative solutions to online information sharing that are also applicable in a low resource setting; (b) consult regularly with the Authority; 	<p>APPROVAL OF DELIVERABLE</p>	<p>5</p>	<p>£[Redacted]</p>	<p>[NOT USED]</p>

	<p>(c) comply with the Authority’s Digital Service Standard; and</p> <p>(d) ensure the IT platform meets any requirement notified to the Supplier by the Authority</p>				
<p>6. Approval by the Authority of a joint strategy between the Supplier and the Evaluation Supplier (contingent on Evaluation Supplier being in place) submitted in draft by the Supplier.</p>	<p>1. Supplier to agree a draft protocol for ways of working with the Evaluation Supplier including proposed meetings and workshops inviting the Authority.</p> <p>2. Supplier to agree with the Evaluation Supplier a draft monitoring and evaluation framework for the portfolio of country and regional grants which must contain:</p> <p>(a) key data collection points;</p> <p>(b) detailed description of the focus for analysis and the outputs to be analysed throughout evaluation; and</p> <p>(c) a monitoring and evaluation framework for the portfolio of country and regional grants.</p>	<p>APPROVAL OF DELIVERABLE</p> <p>2</p> <p>APPROVAL OF DELIVERABLE</p> <p>6</p>	<p>£[Redacted]</p> <p>£[Redacted]£</p>	<p>[NOT USED]</p>	
<p>7. Approval by the Authority of the Implementation Plan.</p>	<p>1.Supplier to hold regular meetings with the Authority to discuss requirements and progress of the draft Implementation Plan.</p> <p>2.Supplier to provide draft Implementation Plan to the Authority by [insert date]</p>	<p>APPROVAL OF DELIVERABLE</p> <p>8</p> <p>APPROVAL OF DELIVERABLE</p> <p>8</p>	<p>£[Redacted]</p> <p>£[Redacted]</p>	<p>[NOT USED]</p>	

	<p>3.The Supplier's draft Implementation Plan must contain:</p> <p>(a) One proposal for implementation in Sub-Saharan Africa and one proposal for implementation in Southern/South Eastern Asia;</p> <p>(b) as a minimum, the anticipated deliverables laid out at paragraph 3.14 of the Terms of Reference and a proposal for reviewing the Implementation Plan and setting additional Deliverables and/or Milestones throughout the Implementation phase.</p> <p>(c) Proposals for detailing the Service Levels in Annex 1 to Part A of Schedule 6 and proposals for a performance monitoring process pursuant to paragraph 1.2. of Part B of Schedule 6 (Service Levels and Performance Monitoring);</p> <p>(d) Proposals for the completion of the design of the Fleming Fellowship Scheme prior to the Implementation Services Start Date;</p> <p>(e) Proposals for the subsequent launch, operation and further development the Fleming Fellowship Scheme;</p>	APPROVAL OF DELIVERABLE	8	£[Redacted]	
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	<p>(f) Proposals for a reporting and monitoring system, similar to a log frame, which will allow the Authority to ensure compliance with its statutory obligations in respect of official development assistance The proposed reporting and monitoring system shall also include:</p> <ul style="list-style-type: none"> i. mechanisms to ensure compliance with grant terms and conditions by third party grant recipients (where appropriate); and ii. Proposals for enforcement and recovery mechanisms should third party grant recipients breach grant terms and conditions; <p>(h) Proposals for working with the Authority and key stakeholders from the Implementation Services Start Date to the Expiry Date including a procedure for ensuring the Authority approves grants before they are made;</p> <p>(i) A proposed budget for the Implementation Services;</p> <p>(j) A business continuity and disaster recovery plan which once Approved shall substitute the Business Continuity and Disaster Recovery Plan set out in Schedule 9;</p> <p>(k) Detailed outcomes expected from funding;</p>				
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	<p>(l) Evidence to support the Supplier's approach;</p> <p>(m) A detailed timeline and work plan, including proposals for Delay Payments, for delivery of the Implementation Services;</p> <p>(n) A description of the criteria which will be applied for the selection of grantees including how value for money will be assessed; and</p> <p>(o) Any relevant information and learning gathered from the operation of the pilot schemes.</p> <p>4. The proposed budget referred to in deliverable 3(i) of this Milestone must:</p> <p class="margin-left: 40px;">a. be calculated using the 'total daily rate fees' laid out in pro forma 2 of Annex 1, Schedule 3 ; and</p> <p class="margin-left: 40px;">b. Include a proposed payment plan based on the retention fee guiding principles set out in Annex 3, Schedule 3.</p> <p>5. In respect of operation of the proposal required by virtue of Deliverable 3(b), the Parties agree that:</p> <p class="margin-left: 40px;">a. the criteria to evidence that</p>				
		APPROVAL OF DELIVERABLE		£[Redacted]	

	<p>Deliverables and/or Milestone have been Achieved shall, as far as is reasonably possible, minimise any degree of subjectivity and enable pass/fail verification;</p> <p>b. they shall meet no less than once per quarter;</p> <p>c. the Authority will respond to a Supplier's request to verify a Deliverable or Milestone has been Achieved within 10 working days by either:</p> <ul style="list-style-type: none"> i. providing a Satisfaction Certificate; or ii. detailing what further work and actions are required by the Supplier to Achieve the relevant Deliverable or Milestone. 		8		
<p>8. Approval by the Authority of a project sustainability strategy and exit plan.</p>	<p>1. Supplier to draft a project sustainability strategy and an exit plan, both of which must:</p> <p>(a) Take due regard of existing country experience and best practice of sustainable aid programmes and similar interventions;</p> <p>(b) Recognise the political, social, economic cultural and any other relevant differences between Sub-Saharan Africa and Southern and</p>	<p>APPROVAL OF DELIVERABLE</p>	8	£[Redacted]	[NOT USED]

	<p>South Eastern Asia and dealt with those differences appropriately;</p> <p>(c) Consider effective in-country coordination, including possible successor organisation; and;</p> <p>(d) Include a plan for transition of project funding to another donor or to national funding mechanisms.</p>				
<p>9. Approval by the Authority of evidence submitted to demonstrate the Supplier's establishment of partnerships with relevant in-country organisations.</p>	<p>1. Supplier to identify, engage and develop partnerships with relevant country level stakeholders which may include, but not be limited to:</p> <p>(a) Ministries of Health;</p> <p>(b) National academic institutions;</p> <p>(c) Regional offices of the Department for International Development and the Foreign and Commonwealth Office; and</p> <p>(d) Key partners within the local health system</p> <p>2. Supplier to provide evidence of partnerships agreed with Ministries of Health and other relevant institutions, which shall take the form of:</p> <p>(a) Letters of intent;</p> <p>(b) Memoranda of understanding; or</p> <p>(c) Any other document which the Authority shall</p>	<p>APPROVAL OF DELIVERABLE</p> <p>7</p> <p>APPROVAL OF DELIVERABLE</p> <p>7</p>	<p>7</p> <p>7</p>	<p>£[Redacted]</p> <p>£[Redacted]</p>	<p>[NOT USED]</p>

	deem acceptable from time to time, at its sole discretion.				
10. Approval by the Authority of the country call for funding.	<p>1. Supplier to design the country call for funding which must:</p> <p>(a) meet the Fleming Fund Theory of Change expected outputs outlined in Annex B of the Terms of Reference;</p> <p>(b) Include detailed documentation on:</p> <p>i. Grant eligibility criteria ;and</p> <p>ii. The proposed wording and format of grant agreements, suitable for modification on a grant-by-grant basis, which shall include milestone payment strategies, enforcement and recovery mechanisms and reporting, monitoring and evaluation requirements (as specified by the Authority).</p>	APPROVAL OF DELIVERABLE	7	£[Redacted]	[NOT USED]
Completion of Inception Services and commencement of Implementation Services	2. Supplier to Achieve all the Milestones in the Inception Plan	APPROVAL OF DELIVERABLE	8	£[Redacted]	[NOT USED]

PART B: AUTHORITY RESPONSIBILITIES

2. GENERAL

- 2.1 The Authority Responsibilities associated with the Inception Services and associated Milestones identified in the Inception Plan are set out in the column entitled Authority Responsibilities in the Inception Plan.

PART C: KEY PERSONNEL

3. GENERAL

- 3.1 The Supplier has assigned the following Key Personnel to this Contract in the Key Roles detailed below:

<i>Key Roles</i>	<i>Key Personnel</i>
<i>Programme Director</i>	<i>[Redacted]</i>
<i>Team Leader</i>	<i>[Redacted]</i>
<i>Programme Manager</i>	<i>[Redacted]</i>
<i>Finance Manager</i>	<i>[Redacted]</i>
<i>Grant Manager</i>	<i>[Redacted]</i>
<i>Chair of the Expert Advisory Group</i>	<i>[Redacted]</i>

SCHEDULE 5: SATISFACTION CERTIFICATE

To: Mott MacDonald Group Ltd.

From: The Secretary of State for Health

[insert Date dd/mm/yyyy]

Dear Sirs,

SATISFACTION CERTIFICATE

Milestone:

[Guidance Note to Authority: Insert description of the relevant Milestones]

We refer to the agreement ("**Contract**") relating to the provision of the Services between the Secretary of State for Health ("**Authority**") and Mott Mac Donald Limited ("**Supplier**") dated [insert Contract Commencement Date dd/mm/yyyy].

The definitions for terms capitalised in this certificate are set out in this Contract.

[We confirm that all the] [Deliverables relating to Milestone(s)/Milestone(s) *[insert relevant description and/or reference number(s) from the Inception Plan/Implementation Plan]* have been achieved

Yours faithfully

SCHEDULE 6: SERVICE LEVELS AND PERFORMANCE MONITORING

1. SCOPE

- 1.1 This Schedule 6 (Service Levels and Performance Monitoring) sets out the Service Levels which the Supplier is required to achieve when providing the Services, the mechanism by which Service Level Failures will be managed and the method by which the Supplier's performance in the provision by it of the Services will be monitored.
- 1.2 This Schedule 6 comprises:
 - 1.2.1 Part A: Service Levels;
 - 1.2.2 Annex 1 to Part A - Service Levels Table;
 - 1.2.3 Part B: Performance Monitoring; and
 - 1.2.4 Annex 1 to Part B: Additional Performance Monitoring Requirements.

PART A: SERVICE LEVELS

1. GENERAL PROVISIONS

- 1.1 The Supplier shall provide a proactive Contract manager to ensure that all Service Levels in this Contract are achieved to the highest standard throughout the Contract Period.
- 1.2 The Supplier shall provide a managed service through the provision of a dedicated Contract manager where required on matters including but not limited to:
 - 1.2.1 Supply performance;
 - 1.2.2 Quality of Services;
 - 1.2.3 Authority support;
 - 1.2.4 Complaints handling;
 - 1.2.5 Accurate and timely invoices.

2. PRINCIPAL POINTS

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

3. SERVICE LEVELS

- 3.1 Annex 1 to this Part A of this Schedule 6 sets out the Service Levels the performance of which the Parties have agreed to measure, as on the Commencement Date. The parties agree that the information in Annex 1 of Part A shall be updated after Achievement of the Milestone entitled "Implementation Plan Approved" in the Inception Plan with the detailed and/or refined Service Levels agreed in the Approved Implementation Plan.
- 3.2 The Supplier shall monitor its performance of this Contract by reference to the relevant performance criteria for achieving the Service Levels shown in Annex 1 to this Part A of this Schedule 6 (the "**Service Level Performance Criteria**") and shall send the Authority a Performance Monitoring Report detailing the level of service which was achieved in accordance with the provisions of Part B (Performance Monitoring) of this Schedule 6.
- 3.3 The Supplier shall, at all times, provide the Services in such a manner that the Service Levels Performance Measures are achieved.

If the level of performance of the Supplier of any element of the provision by it of the Services during the Contract Period is likely to or fails to meet any Service Level Performance Measure, the Supplier shall immediately notify the Authority in writing and the Authority, in its absolute discretion and without prejudice to any other of its rights howsoever arising including under Clause 10 of this Contract (Service Levels), may:

- (a) require the Supplier to immediately take all remedial action that is reasonable to mitigate the impact on the Authority and to rectify or prevent a Service Level Failure from taking place or recurring; and
 - (b) if the action taken under paragraph (a) above has not already prevented or remedied the Service Level Failure, the Authority shall be entitled to instruct the Supplier to comply with the Rectification Plan Process;
- 3.4 Approval and implementation by the Authority of any Rectification Plan shall not relieve the Supplier of any continuing responsibility to achieve the Service Levels, or remedy any failure to do so, and no estoppels or waiver shall arise from any such Approval and/or implementation by the Authority.

ANNEX 1 TO PART A: SERVICE LEVELS TABLE

Service Levels						
Service Criterion	Level	Performance	Detailed Description	Service Measure	Level	Performance
[]			[]	[]		
[]			[]	[]		
[]			[]	[]		

PART B: PERFORMANCE MONITORING

1. PRINCIPAL POINTS

- 1.1 Part B to this Schedule 6 provides the methodology for monitoring the provision of the Services:
 - 1.1.1 to ensure that the Supplier is complying with the Service Levels; and
 - 1.1.2 for identifying any failures to achieve Service Levels in the performance of the Supplier and/or provision of the Services ("**Performance Monitoring System**").
- 1.2 The parties agree that the information in Annex 1 of Part B shall be updated after Achievement of the Milestone entitled "Implementation Plan Approved" in the Inception Plan with the detailed and/or refined performance monitoring methodology agreed in the Approved Implementation Plan.

2. REPORTING OF SERVICE FAILURES

- 2.1 The Supplier shall report all failures to achieve Service Levels to the Authority in accordance with the processes agreed in paragraph 1.2 of Part B of this Schedule 6 above.

3. PERFORMANCE MONITORING AND PERFORMANCE REVIEW

- 3.1 The Supplier shall provide the Authority with performance monitoring reports ("**Performance Monitoring Reports**") in accordance with the process and timescales agreed pursuant to paragraph 1.2 of Part B of this Schedule 6 above which shall contain, as a minimum, the following information in respect of each month of the Contract Period after the Implementation Services Start Date (the relevant "**Service Period**") just ended:
 - 3.1.1 for each Service Level, the actual performance achieved over the Service Level for the relevant Service Period;
 - 3.1.2 a summary of all failures to achieve Service Levels that occurred during that Service Period;
 - 3.1.3 for any repeat failures, actions taken to resolve the underlying cause and prevent recurrence;
 - 3.1.4 such other details as the Authority may reasonably require from time to time.
- 3.2 The Parties shall attend meetings to discuss Performance Monitoring Reports ("**Performance Review Meetings**") on a monthly basis (unless otherwise agreed). The Performance Review Meetings will be the forum for the review by the Supplier and the Authority of the Performance Monitoring Reports. The Performance Review Meetings shall (unless otherwise agreed):
 - 3.2.1 take place within one (1) week of the Performance Monitoring Reports being issued by the Supplier;
 - 3.2.2 take place at such location and time (within normal business hours) as the Authority shall reasonably require unless otherwise agreed in advance;
 - 3.2.3 be attended by the Supplier's Representative and the Authority's Representative; and
 - 3.2.4 be fully minuted by the Supplier. The prepared minutes will be circulated by the Supplier to all attendees at the relevant meeting and also to the Authority's

Representative and any other recipients agreed at the relevant meeting. The minutes of the preceding month's Performance Review Meeting will be agreed and signed by both the Supplier's Representative and the Authority's Representative at each meeting.

- 3.3 The Authority shall be entitled to raise any additional questions and/or request any further information regarding any failure to achieve Service Levels.
- 3.4 The Supplier shall provide to the Authority such supporting documentation as the Authority may reasonably require in order to verify the level of the performance by the Supplier for any specified Service Period.

4. SATISFACTION SURVEYS

- 4.1 In order to assess the level of performance of the Supplier, the Authority may undertake satisfaction surveys in respect of the Supplier's provision of the Services.
- 4.2 The Authority shall be entitled to notify the Supplier of any aspects of their performance of the provision of the Services which the responses to the Satisfaction Surveys reasonably suggest are not in accordance with this Contract.
- 4.3 All other suggestions for improvements to the provision of Services shall be dealt with as part of the continuous improvement programme pursuant to Clause 13 of this Contract (Continuous Improvement).

ANNEX 1 TO PART B: ADDITIONAL PERFORMANCE MONITORING REQUIREMENTS

[NOT USED]

SCHEDULE 7: STANDARDS

1. STANDARDS

- 1.1 Any Standards specifically laid out elsewhere in this Contract;
- 1.2 BS25999-1:2006 Code of Practice for Business Continuity Management (Or Equivalent);
- 1.3 ISO27001 Information Security Management Standard (Or Equivalent);
- 1.4 Government Security Standards Policy 2014 (Or Equivalent); and
- 1.5 Prince2 and MSP Methodologies or Equivalent Methodologies

SCHEDULE 8: SECURITY

1. DEFINITIONS

1.1 In this Schedule 8, the following definitions shall apply:

- "Breach of Security"** means the occurrence of:
- a) any unauthorised access to or use of the Services, the Sites and/or any Information and Communication Technology ("ICT"), information or data (including the Confidential Information and the Authority Data) used by the Authority and/or the Supplier in connection with this Contract; and/or
 - b) the loss and/or unauthorised disclosure of any information or data (including the Confidential Information and the Authority Data), including any copies of such information or data, used by the Authority and/or the Supplier in connection with this Contract,
- in either case as more particularly set out in the Security Policy;
- "Security Policy"** means the HMG Security Policy Framework (April 2014) available at <https://www.gov.uk/government/publications/security-policy-framework> as amended by notification to the Supplier from time to time;

2. INTRODUCTION

- 2.1 The purpose of this Schedule 8 is to ensure a good organisational approach to security under which the specific requirements of this Contract will be met;
- 2.2 This Schedule 8 covers:
- 2.2.1 principles of protective security to be applied in delivering the Services;
 - 2.2.2 the creation and maintenance of the Security Management Plan; and
 - 2.2.3 obligations in the event of actual or attempted Breaches of Security.

3. PRINCIPLES OF SECURITY

- 3.1 The Supplier acknowledges that the Authority places great emphasis on the reliability of the performance of the Services, confidentiality, integrity and availability of information and consequently on security.
- 3.2 The Supplier shall be responsible for the effective performance of its security obligations and shall at all times provide a level of security which:
- 3.2.1 is in accordance with the Law and this Contract;
 - 3.2.2 as a minimum demonstrates Good Industry Practice;

- 3.2.3 complies with the Security Policy;
- 3.2.4 meets any specific security threats of immediate relevance to the Services and/or the Authority Data; and
- 3.2.5 complies with the Authority's ICT Policy (if so required by the Authority).
- 3.3 Subject to Clause 27 of this Contract (Security and Protection of Information) the references to standards, guidance and policies contained or set out in paragraph 3.2 of this Schedule 8 shall be deemed to be references to such items as developed and updated and to any successor to or replacement for such standards, guidance and policies, as notified to the Supplier from time to time.
- 3.4 In the event of any inconsistency in the provisions of the above standards, guidance and policies, the Supplier should notify the Authority's Representative of such inconsistency immediately upon becoming aware of the same, and the Authority's Representative shall, as soon as practicable, advise the Supplier which provision the Supplier shall be required to comply with.

4. SECURITY MANAGEMENT PLAN

4.1 Introduction

- 4.1.1 The Supplier shall develop and maintain a Security Management Plan in accordance with this Schedule 8 within 30 days of the Commencement Date. The Supplier shall thereafter comply with its obligations set out in the Security Management Plan.

4.2 Content of the Security Management Plan

- 4.2.1 The Security Management Plan shall:
 - (a) comply with the principles of security set out in paragraph 3 of this Schedule 8 and any other provisions of this Contract relevant to security;
 - (b) identify the necessary delegated organisational roles defined for those responsible for ensuring it is complied with by the Supplier;
 - (c) detail the process for managing any security risks from Sub-Contractors and third parties authorised by the Authority with access to the Services, processes associated with the provision of the Services, the Sites and any ICT, Information and data (including the Authority's Confidential Information and the Authority Data) and any system that could directly or indirectly have an impact on that Information, data and/or the Services;
 - (d) unless otherwise specified by the Authority in writing, be developed to protect all aspects of the Services and all processes associated with the provision of the Services, including the Sites, and any ICT, Information and data (including the Authority's Confidential Information and the Authority Data) to the extent used by the Authority or the Supplier in connection with this Contract or in connection with any system that could directly or indirectly have an impact on that Information, data and/or the Services;
 - (e) set out the security measures to be implemented and maintained by the Supplier in relation to all aspects of the Services and all processes associated with the provision of the Services and shall at all times comply

with and specify security measures and procedures which are sufficient to ensure that the Services comply with the provisions of this Contract;

- (f) set out the plans for transitioning all security arrangements and responsibilities for the Supplier to meet the full obligations of the security requirements set out in this Contract and the Security Policy; and
- (g) be written in plain English in language which is readily comprehensible to the staff of the Supplier and the Authority engaged in the provision of the Services and shall only reference documents which are in the possession of the Parties or whose location is otherwise specified in this Schedule 8.

4.3 Development of the Security Management Plan

- 4.3.1 Within twenty (20) Working Days after the Commencement Date (or such other period agreed by the Parties in writing) and in accordance with paragraph 4.4 (Amendment and Revision), the Supplier shall prepare and deliver to the Authority for Approval a fully complete and up to date Security Management Plan which will be based on the draft Security Management Plan.
- 4.3.2 If the Security Management Plan submitted to the Authority in accordance with paragraph 4.3.1, or any subsequent revision to it in accordance with paragraph 4.4 (Amendment and Revision), is Approved it will be adopted immediately and will replace the previous version of the Security Management Plan and thereafter operated and maintained in accordance with this Schedule 8. If the Security Management Plan is not Approved, the Supplier shall amend it within ten (10) Working Days or such other period as the Parties may agree in writing of a notice of non-approval from the Authority and re-submit to the Authority for Approval. The parties will use all reasonable endeavours to ensure that the approval process takes as little time as possible and in any event no longer than fifteen (15) Working Days (or such other period as the parties may agree in writing) from the date of its first submission to the Authority. If the Authority does not approve the Security Management Plan following its resubmission, the matter will be resolved in accordance with the Dispute Resolution Procedure.
- 4.3.3 The Authority shall not unreasonably withhold or delay its decision to Approve or not the Security Management Plan pursuant to paragraph 4.3.2. However a refusal by the Authority to Approve the Security Management Plan on the grounds that it does not comply with the requirements set out in paragraph 4.2 shall be deemed to be reasonable.
- 4.3.4 Approval by the Authority of the Security Management Plan pursuant to paragraph 4.3.2 of this Schedule 8 or of any change to the Security Management Plan in accordance with paragraph 4.4 shall not relieve the Supplier of its obligations under this Schedule 8.

4.4 Amendment and Revision of the Security Management Plan

- 4.4.1 The Security Management Plan shall be fully reviewed and updated by the Supplier at least annually to reflect:
 - (a) emerging changes in Good Industry Practice;
 - (b) any change or proposed change to the Services and/or associated processes;
 - (c) any change to the Security Policy;

- (d) any new perceived or changed security threats; and
- (e) any reasonable change in requirements requested by the Authority.

4.4.2 The Supplier shall provide the Authority with the results of such reviews as soon as reasonably practicable after their completion and amendment of the Security Management Plan at no additional cost to the Authority. The results of the review shall include, without limitation:

- (a) suggested improvements to the effectiveness of the Security Management Plan;
- (b) updates to the risk assessments; and
- (c) suggested improvements in measuring the effectiveness of controls.

4.4.3 Subject to paragraph 4.4.4, any change or amendment which the Supplier proposes to make to the Security Management Plan (as a result of a review carried out in accordance with paragraph 4.4.1, a request by the Authority or otherwise) shall be subject to the Variation Procedure and shall not be implemented until Approved by the Authority.

4.4.4 The Authority may, where it is reasonable to do so, Approve and require changes or amendments to the Security Management Plan to be implemented on timescales faster than set out in the Variation Procedure but, without prejudice to their effectiveness, all such changes and amendments shall thereafter be subject to the Variation Procedure for the purposes of formalising and documenting the relevant change or amendment for the purposes of this Contract.

5. BREACH OF SECURITY

5.1 Either party shall notify the other in accordance with the agreed security incident management process (as detailed in the Security Management Plan if one exists) upon becoming aware of any Breach of Security or any potential or attempted Breach of Security.

5.2 Without prejudice to the security incident management process, upon becoming aware of any of the circumstances referred to in paragraph 5.1, the Supplier shall:

5.2.1 immediately take all reasonable steps(which shall include any action or changes reasonably required by the Authority) necessary to:

- (a) minimise the extent of actual or potential harm caused by any Breach of Security;
- (b) remedy such Breach of Security to the extent possible and protect the integrity of the Authority and the provision of the Services to the extent within its control against any such Breach of Security or attempted Breach of Security;
- (c) prevent an equivalent breach in the future exploiting the same root cause failure; and
- (d) as soon as reasonably practicable provide to the Authority, where the Authority so requests, full details (using the reporting mechanism defined by the Security Management Plan if one exists) of the Breach of Security

or attempted Breach of Security, including a root cause analysis where required by the Authority.

- 5.3 In the event that any action is taken in response to a Breach of Security or potential or attempted Breach of Security that demonstrates non-compliance of the Security Management Plan with the Security policy or the requirements of this Schedule, then any required change to the Security Management Plan shall be at no cost to the Authority.

ANNEX 1: SECURITY POLICY

[NOT USED]

ANNEX 2: SECURITY MANAGEMENT PLAN

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SCHEDULE 9: BUSINESS CONTINUITY AND DISASTER RECOVERY

1. SUPPLIER BCDR PLAN

[]

SCHEDULE 10: EXIT MANAGEMENT

1. DEFINITIONS

1.1 In this Schedule 10, the following definitions shall apply:

"Exclusive Assets"	means those Supplier Assets used by the Supplier or a Sub-Contractor which are used exclusively in the provision of the Services;
"Exit Information"	has the meaning given to it in paragraph 4.1 of this Schedule 10;
"Exit Manager"	means the person appointed by each Party pursuant to paragraph 3.4 of this Schedule 10 for managing the Parties' respective obligations under this Schedule 10;
"Net Book Value"	means the net book value of the relevant Supplier Asset(s) calculated in accordance with the depreciation policy of the Supplier set out in the letter in the agreed form from the Supplier to the Costumer of even date with this Contract;
"Non-Exclusive Assets"	means those Supplier Assets (if any) which are used by the Supplier or a Sub-Contractor in connection with the Services but which are also used by the Supplier or Sub-Contractor for other purposes;
"Registers"	means the register and configuration database referred to in paragraphs 3.1.1 and 3.1.2 of this Schedule 10;
"Termination Assistance"	means the activities to be performed by the Supplier pursuant to the Exit Plan, and any other assistance required by the Authority pursuant to the Termination Assistance Notice;
"Termination Assistance Notice"	has the meaning given to it in paragraph 6.1 of this Schedule 10;
"Termination Assistance Period"	means in relation to a Termination Assistance Notice, the period specified in the Termination Assistance Notice for which the Supplier is required to provide the Termination Assistance as such period may be extended pursuant to paragraph 6.2 of this Schedule 10;
"Transferable Assets"	means those of the Exclusive Assets which are capable of legal transfer to the Authority;
"Transferable Contracts"	means the Sub-Contracts, licences for Supplier's Background IPR, Project Specific IPR, licences for Third Party IPR or other

agreements which are necessary to enable the Authority or any Replacement Supplier to provide the Services or the Replacement Services, including in relation to licences all relevant Documentation;

"Transferring Assets"

has the meaning given to it in paragraph 9.2.1 of this Schedule 10;

"Transferring Contracts"

has the meaning given to it in paragraph 9.2.3 of this Schedule 10.

2. INTRODUCTION

- 2.1 This Schedule 10 describes provisions that should be included in the Exit Plan, the duties and responsibilities of the Supplier to the Authority leading up to and covering the Expiry Date and the transfer of service provision to the Authority and/or a Replacement Supplier.
- 2.2 The objectives of the exit planning and service transfer arrangements are to ensure a smooth transition of the availability of the Services from the Supplier to the Authority and/or a Replacement Supplier at the Expiry Date.

3. OBLIGATIONS DURING THE CONTRACT PERIOD TO FACILITATE EXIT

- 3.1 During the Contract Period, the Supplier shall:
- 3.1.1 create and maintain a Register of all:
 - (a) Supplier Assets, detailing their:
 - (i) make, model and asset number;
 - (ii) ownership and status as either Exclusive Assets or Non-Exclusive Assets;
 - (iii) Net Book Value;
 - (iv) condition and physical location; and
 - (v) use (including technical specifications); and
 - (b) Sub-Contracts and other relevant agreements (including relevant software licences, maintenance and support agreements and equipment rental and lease agreements) required for the performance of the Services;
 - 3.1.2 create and maintain a configuration database detailing the technical infrastructure and operating procedures through which the Supplier provides the Services, which shall contain sufficient detail to permit the Authority and/or Replacement Supplier to understand how the Supplier provides the Services and to enable the smooth transition of the Services with the minimum of disruption;
 - 3.1.3 agree the format of the Registers with the Authority as part of the process of agreeing the Exit Plan; and
 - 3.1.4 at all times keep the Registers up to date, in particular in the event that Assets, Sub-Contracts or other relevant agreements are added to or removed from the Services.

3.2 The Supplier shall:

- 3.2.1 procure that all Exclusive Assets listed in the Registers are clearly marked to identify that they are exclusively used for the provision of the Services under this Contract; and
 - 3.2.2 (unless otherwise agreed by the Authority in writing) procure that all licences for Third Party IPR supplied by third parties and all Sub-Contracts shall be assignable and/or capable of novation at the request of the Authority to the Authority (and/or its nominee) and/or any Replacement Supplier upon the Supplier ceasing to provide the Services (or part of them) without restriction (including any need to obtain any consent or approval) or payment by the Authority.
- 3.3 Where the Supplier is unable to procure that any Sub-Contract or other agreement referred to in paragraph 3.2.2 of this Schedule 10 which the Supplier proposes to enter into after the Commencement Date is assignable and/or capable of novation to the Authority (and/or its nominee) and/or any Replacement Supplier without restriction or payment, the Supplier shall promptly notify the Authority of this and the Parties shall (acting reasonably and without undue delay) discuss the appropriate action to be taken which, where the Authority so directs, may include the Supplier seeking an alternative Sub-Contractor or provider of services to which the relevant agreement relates.
- 3.4 Each Party shall appoint a person for the purposes of managing the Parties' respective obligations under this Schedule 10 and provide written notification of such appointment to the other Party within three (3) months of the Commencement Date. The Supplier's Exit Manager shall be responsible for ensuring that the Supplier and its employees, agents and Sub-Contractors comply with this Schedule 10. The Supplier shall ensure that its Exit Manager has the requisite Authority to arrange and procure any resources of the Supplier as are reasonably necessary to enable the Supplier to comply with the requirements set out in this Schedule 10. The Parties' Exit Managers will liaise with one another in relation to all issues relevant to the termination of this Contract and all matters connected with this Schedule 10 and each Party's compliance with it.

4. OBLIGATIONS TO ASSIST ON RE-TENDERING OF SERVICES

- 4.1 On reasonable notice at any point during the Contract Period, the Supplier shall provide to the Authority and/or its potential Replacement Suppliers (subject to the potential Replacement Suppliers entering into reasonable written confidentiality undertakings), the following material and information in order to facilitate the preparation by the Authority of any invitation to tender and/or to facilitate any potential Replacement Suppliers undertaking due diligence:
- 4.1.1 details of the Service(s);
 - 4.1.2 a copy of the Registers, updated by the Supplier up to the date of delivery of such Registers;
 - 4.1.3 an inventory of Authority Data in the Supplier's possession or control;
 - 4.1.4 details of any key terms of any third party contracts and licences, particularly as regards charges, termination, assignment and novation;
 - 4.1.5 a list of on-going and/or threatened disputes in relation to the provision of the Goods and/or Services;

- 4.1.6 all information relating to Transferring Supplier Employees required to be provided by the Supplier under this Contract; and
- 4.1.7 such other material and information as the Authority shall reasonably require, (together, the “Exit Information”).
- 4.2 The Supplier acknowledges that the Authority may disclose the Supplier's Confidential Information to an actual or prospective Replacement Supplier or any third party whom the Authority is considering engaging to the extent that such disclosure is necessary in connection with such engagement (except that the Authority may not under this paragraph 4.2 of this Schedule 10 disclose any Supplier’s Confidential Information which is information relating to the Supplier’s or its Sub-Contractors’ prices or costs).
- 4.3 The Supplier shall:
 - 4.3.1 notify the Authority within five (5) Working Days of any material change to the Exit Information which may adversely impact upon the provision of any Goods and/or Services and shall consult with the Authority regarding such proposed material changes; and
 - 4.3.2 provide complete updates of the Exit Information on an as-requested basis as soon as reasonably practicable and in any event within ten (10) Working Days of a request in writing from the Authority.
- 4.4 The Supplier may charge the Authority for its reasonable additional costs to the extent the Authority requests more than four (4) updates in any six (6) month period.
- 4.5 The Exit Information shall be accurate and complete in all material respects and the level of detail to be provided by the Supplier shall be such as would be reasonably necessary to enable a third party to:
 - 4.5.1 prepare an informed offer for those Goods and/or Services; and
 - 4.5.2 not be disadvantaged in any subsequent procurement process compared to the Supplier (if the Supplier is invited to participate).

5. EXIT PLAN

- 5.1 The Supplier shall, within three (3) months after the Commencement Date, deliver to the Authority an Exit Plan which:
 - 5.1.1 sets out the Supplier's proposed methodology for achieving an orderly transition of the Goods and/or Services from the Supplier to the Authority and/or its Replacement Supplier on the expiry or termination of this Contract;
 - 5.1.2 complies with the requirements set out in paragraph 5.3 of this Schedule 10;
 - 5.1.3 is otherwise reasonably satisfactory to the Authority.
- 5.2 The Parties shall use reasonable endeavours to agree the contents of the Exit Plan. If the Parties are unable to agree the contents of the Exit Plan within twenty (20) Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.
- 5.3 Unless otherwise specified by the Authority or Approved, the Exit Plan shall set out, as a minimum:
 - 5.3.1 how the Exit Information is obtained;

- 5.3.2 the management structure to be employed during both transfer and cessation of the Goods and/or Services;
- 5.3.3 the management structure to be employed during the Termination Assistance Period;
- 5.3.4 a detailed description of both the transfer and cessation processes, including a timetable;
- 5.3.5 how the Goods and/or Services will transfer to the Replacement Supplier and/or the Authority, including details of the processes, documentation, data transfer, systems migration, security and the segregation of the Authority's technology components from any technology components operated by the Supplier or its Sub-Contractors (where applicable);
- 5.3.6 details of contracts (if any) which will be available for transfer to the Authority and/or the Replacement Supplier upon the Expiry Date together with any reasonable costs required to effect such transfer (and the Supplier agrees that all assets and contracts used by the Supplier in connection with the provision of the Goods and/or Services will be available for such transfer);
- 5.3.7 proposals for the training of key members of the Replacement Supplier's personnel in connection with the continuation of the provision of the Goods and/or Services following the Expiry Date charged at rates agreed between the Parties at that time;
- 5.3.8 proposals for providing the Authority or a Replacement Supplier copies of all documentation:
 - (a) used in the provision of the Goods and/or Services and necessarily required for the continued use thereof, in which the Intellectual Property Rights are owned by the Supplier; and
 - (b) relating to the use and operation of the Goods and/or Services;
- 5.3.9 proposals for the assignment or novation of the provision of all services, leases, maintenance agreements and support agreements utilised by the Supplier in connection with the performance of the supply of the Goods and/or Services;
- 5.3.10 proposals for the identification and return of all Authority Property in the possession of and/or control of the Supplier or any third party (including any Sub-Contractor);
- 5.3.11 proposals for the disposal of any redundant Goods and/or Services and materials;
- 5.3.12 procedures to deal with requests made by the Authority and/or a Replacement Supplier for Staffing Information pursuant to Schedule 11 (Staff Transfer);
- 5.3.13 how each of the issues set out in this Schedule 10 will be addressed to facilitate the transition of the Goods and/or Services from the Supplier to the Replacement Supplier and/or the Authority with the aim of ensuring that there is no disruption to or degradation of the Goods and/or Services during the Termination Assistance Period; and
- 5.3.14 proposals for the supply of any other information or assistance reasonably required by the Authority or a Replacement Supplier in order to effect an orderly handover of the provision of the Goods and/or Services.

6. TERMINATION ASSISTANCE

- 6.1 The Authority shall be entitled to require the provision of Termination Assistance at any time during the Contract Period by giving written notice to the Supplier (a "**Termination Assistance Notice**") at least four (4) months prior to the Expiry Date or as soon as reasonably practicable (but in any event, not later than one (1) month) following the service by either Party of a Termination Notice. The Termination Assistance Notice shall specify:
- 6.1.1 the date from which Termination Assistance is required;
 - 6.1.2 the nature of the Termination Assistance required; and
 - 6.1.3 the period during which it is anticipated that Termination Assistance will be required, which shall continue no longer than twelve (12) months after the date that the Supplier ceases to provide the Goods and/or Services.
- 6.2 The Authority shall have an option to extend the Termination Assistance Period beyond the period specified in the Termination Assistance Notice provided that such extension shall not extend for more than six (6) months after the date the Supplier ceases to provide the Goods and/or Services or, if applicable, beyond the end of the Termination Assistance Period and provided that it shall notify the Supplier to such effect no later than twenty (20) Working Days prior to the date on which the provision of Termination Assistance is otherwise due to expire. The Authority shall have the right to terminate its requirement for Termination Assistance by serving not less than (20) Working Days' written notice upon the Supplier to such effect.

7. TERMINATION ASSISTANCE PERIOD

- 7.1 Throughout the Termination Assistance Period, or such shorter period as the Authority may require, the Supplier shall:
- 7.1.1 continue to provide the Goods and/or Services (as applicable) and, if required by the Authority pursuant to paragraph 6.1 of this Schedule, provide the Termination Assistance;
 - 7.1.2 in addition to providing the Goods and/or Services and the Termination Assistance, provide to the Authority any reasonable assistance requested by the Authority to allow the Goods and/or Services to continue without interruption following the termination or expiry of this Contract and to facilitate the orderly transfer of responsibility for and conduct of the Goods and/or Services to the Authority and/or its Replacement Supplier;
 - 7.1.3 use all reasonable endeavours to reallocate resources to provide such assistance as is referred to in paragraph 7.1.2 of this Schedule without additional costs to the Authority;
 - 7.1.4 provide the Goods and/or Services and the Termination Assistance at no detriment to the Service Level Performance Measures, save to the extent that the Parties agree otherwise in accordance with paragraph 7.3; and
 - 7.1.5 at the Authority's request and on reasonable notice, deliver up-to-date Registers to the Authority.
- 7.2 Without prejudice to the Supplier's obligations under paragraph 7.1.3 of this Schedule 10, if it is not possible for the Supplier to reallocate resources to provide such assistance as is referred to in paragraph 7.1.2 of this Schedule 10 without additional costs to the

Authority, any additional costs incurred by the Supplier in providing such reasonable assistance which is not already in the scope of the Termination Assistance or the Exit Plan shall be subject to the Variation Procedure.

- 7.3 If the Supplier demonstrates to the Authority's reasonable satisfaction that transition of the Goods and/or Services and provision of the Termination Assist during the Termination Assistance Period will have a material, unavoidable adverse effect on the Supplier's ability to meet one or more particular Service Level Performance Measure(s), the Parties shall vary the relevant Service Level Performance Measure(s) to take account of such adverse effect.

8. TERMINATION OBLIGATIONS

- 8.1 The Supplier shall comply with all of its obligations contained in the Exit Plan.
- 8.2 Upon termination or expiry (as the case may be) or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Goods and/or Services and the Termination Assistance and its compliance with the other provisions of this Schedule 10), the Supplier shall:
- 8.2.1 cease to use the Authority Data;
 - 8.2.2 provide the Authority and/or the Replacement Supplier with a complete and uncorrupted version of the Authority Data in electronic form (or such other format as reasonably required by the Authority);
 - 8.2.3 erase from any computers, storage devices and storage media that are to be retained by the Supplier after the end of the Termination Assistance Period all Authority Data and promptly certify to the Authority that it has completed such deletion;
 - 8.2.4 return to the Authority such of the following as is in the Supplier's possession or control:
 - (a) all copies of any software licensed by the Authority to the Supplier under this Contract;
 - (b) all materials created by the Supplier under this Contract in which the IPRs are owned by the Authority;
 - (c) any parts of the equipment which belongs to the Authority;
 - (d) any items that have been on-charged to the Authority, such as consumables; and
 - (e) all Authority Property issued to the Supplier under Clause **Error! Reference source not found.** of this Contract (Authority Property). Such Authority Property shall be handed back to the Authority in good working order (allowance shall be made only for reasonable wear and tear);
 - (f) any sums prepaid by the Authority in respect of Goods and/or Services not Delivered by the Expiry Date;
 - 8.2.5 vacate any of the Authority's premises;
 - 8.2.6 remove the Supplier Equipment together with any other materials used by the Supplier to supply the Goods and/or Services and shall leave the Sites in a clean, safe and tidy condition. The Supplier is solely responsible for making good any

damage to the Sites or any objects contained thereon, other than fair wear and tear, which is caused by the Supplier and/or any Supplier Personnel;

- 8.2.7 provide access during normal working hours to the Authority and/or the Replacement Supplier for up to twelve (12) months after expiry or termination to:
- (a) such information relating to the Goods and/or Services as remains in the possession or control of the Supplier; and
 - (b) such members of the Supplier Personnel as have been involved in the design, development and provision of the Goods and/or Services and who are still employed by the Supplier, provided that the Authority and/or the Replacement Supplier shall pay the reasonable costs of the Supplier actually incurred in responding to requests for access under this paragraph.
- 8.3 Upon termination or expiry (as the case may be) or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Goods and/or Services and the Termination Assistance and its compliance with the other provisions of this Schedule 10), each Party shall return to the other Party (or if requested, destroy or delete) all Confidential Information of the other Party and shall certify that it does not retain the other Party's Confidential Information save to the extent (and for the limited period) that such information needs to be retained by the Party in question for the purposes of providing or receiving any Goods and/or Services or termination services or for statutory compliance purposes.
- 8.4 Except where this Contract provides otherwise, all licences, leases and authorisations granted by the Authority to the Supplier in relation to the Goods and/or Services shall be terminated with effect from the end of the Termination Assistance Period.

9. ASSETS AND SUB-CONTRACTS

- 9.1 Following notice of termination of this Contract and during the Termination Assistance Period, the Supplier shall not, without the Authority's prior written consent:
- 9.1.1 terminate, enter into or vary any Sub-Contract;
 - 9.1.2 (subject to normal maintenance requirements) make material modifications to, or dispose of, any existing Supplier Assets or acquire any new Supplier Assets; or
 - 9.1.3 terminate, enter into or vary any licence for software in connection with the provision of Goods and/or Services.
- 9.2 Within twenty (20) Working Days of receipt of the up-to-date Registers provided by the Supplier pursuant to paragraph 7.1.5 of this Schedule 10, the Authority shall provide written notice to the Supplier setting out:
- 9.2.1 which, if any, of the Transferable Assets the Authority requires to be transferred to the Authority and/or the Replacement Supplier ("**Transferring Assets**");
 - 9.2.2 which, if any, of:
 - (a) the Exclusive Assets that are not Transferable Assets; and
 - (b) the Non-Exclusive Assets,the Authority and/or the Replacement Supplier requires the continued use of; and

- 9.2.3 which, if any, of Transferable Contracts the Authority requires to be assigned or novated to the Authority and/or the Replacement Supplier (the **"Transferring Contracts"**),
- in order for the Authority and/or its Replacement Supplier to provide the Goods and/or Services from the expiry of the Termination Assistance Period. Where requested by the Authority and/or its Replacement Supplier, the Supplier shall provide all reasonable assistance to the Authority and/or its Replacement Supplier to enable it to determine which Transferable Assets and Transferable Contracts the Authority and/or its Replacement Supplier requires to provide the Goods and/or Services or the Replacement Goods and/or Replacement Services.
- 9.3 With effect from the expiry of the Termination Assistance Period, the Supplier shall sell the Transferring Assets to the Authority and/or its nominated Replacement Supplier for a consideration equal to their Net Book Value, except where the cost of the Transferring Asset has been partially or fully paid for through the Contract Charges at the expiry Date, in which case the Authority shall pay the Supplier the Net Book Value of the Transferring Asset less the amount already paid through the Contract Charges.
- 9.4 Risk in the Transferring Assets shall pass to the Authority or the Replacement Supplier (as appropriate) at the end of the Termination Assistance Period and title to the Transferring Assets shall pass to the Authority or the Replacement Supplier (as appropriate) on payment for the same.
- 9.5 Where the Supplier is notified in accordance with paragraph 9.2.2 of this Schedule that the Authority and/or the Replacement Supplier requires continued use of any Exclusive Assets that are not Transferable Assets or any Non-Exclusive Assets, the Supplier shall as soon as reasonably practicable:
- 9.5.1 procure a non-exclusive, perpetual, royalty-free licence (or licence on such other terms that have been agreed by the Authority) for the Authority and/or the Replacement Supplier to use such assets (with a right of sub-licence or assignment on the same terms); or failing which
- 9.5.2 procure a suitable alternative to such assets and the Authority or the Replacement Supplier shall bear the reasonable proven costs of procuring the same.
- 9.6 The Supplier shall as soon as reasonably practicable assign or procure the novation to the Authority and/or the Replacement Supplier of the Transferring Contracts. The Supplier shall execute such documents and provide such other assistance as the Authority reasonably requires to effect this novation or assignment.
- 9.7 The Authority shall:
- 9.7.1 accept assignments from the Supplier or join with the Supplier in procuring a novation of each Transferring Contract; and
- 9.7.2 once a Transferring Contract is novated or assigned to the Authority and/or the Replacement Supplier, carry out, perform and discharge all the obligations and liabilities created by or arising under that Transferring Contract and exercise its rights arising under that Transferring Contract, or as applicable, procure that the Replacement Supplier does the same.
- 9.8 The Supplier shall hold any Transferring Contracts on trust for the Authority until such time as the transfer of the relevant Transferring Contract to the Authority and/or the Replacement Supplier has been effected.

- 9.9 The Supplier shall indemnify the Authority (and/or the Replacement Supplier, as applicable) against each loss, liability and cost arising out of any claims made by a counterparty to a Transferring Contract which is assigned or novated to the Authority (and/or Replacement Supplier) pursuant to paragraph 9.6 of this Schedule 10 in relation to any matters arising prior to the date of assignment or novation of such Transferring Contract.

10. SUPPLIER PERSONNEL

- 10.1 The Authority and Supplier agree and acknowledge that in the event of the Supplier ceasing to provide the Goods and/or Services or part of them for any reason, Schedule 11 (Staff Transfer) shall apply.
- 10.2 The Supplier shall not take any step (expressly or implicitly and directly or indirectly by itself or through any other person) to dissuade or discourage any employees engaged in the provision of the Goods and/or Services from transferring their employment to the Authority and/or the Replacement Supplier.
- 10.3 During the Termination Assistance Period, the Supplier shall give the Authority and/or the Replacement Supplier reasonable access to the Supplier's personnel to present the case for transferring their employment to the Authority and/or the Replacement Supplier.
- 10.4 The Supplier shall immediately notify the Authority or, at the direction of the Authority, the Replacement Supplier of any period of notice given by the Supplier or received from any person referred to in the Staffing Information, regardless of when such notice takes effect.
- 10.5 The Supplier shall not for a period of twelve (12) months from the date of transfer re-employ or re-engage or entice any employees, suppliers or Sub-Contractors whose employment or engagement is transferred to the Authority and/or the Replacement Supplier, unless approval has been obtained from the Authority which shall not be unreasonably withheld.

11. CHARGES

- 11.1 Except as otherwise expressly specified in this Contract, the Supplier shall not make any charges for the services provided by the Supplier pursuant to, and the Authority shall not be obliged to pay for costs incurred by the Supplier in relation to its compliance with, this Schedule 10 including the preparation and implementation of the Exit Plan, the Termination Assistance and any activities mutually agreed between the Parties to carry on after the expiry of the Termination Assistance Period.

12. APPORTIONMENTS

- 12.1 All outgoings and expenses (including any remuneration due) and all rents, royalties and other periodical payments receivable in respect of the Transferring Assets and Transferring Contracts shall be apportioned between the Authority and the Supplier and/or the Replacement Supplier and the Supplier (as applicable) as follows:
- 12.1.1 the amounts shall be annualised and divided by 365 to reach a daily rate;
- 12.1.2 the Authority shall be responsible for (or shall procure that the Replacement Supplier shall be responsible for) or entitled to (as the case may be) that part of the value of the invoice pro rata to the number of complete days following the transfer, multiplied by the daily rate; and

- 12.1.3 the Supplier shall be responsible for or entitled to (as the case may be) the rest of the invoice.
- 12.2 Each Party shall pay (and/or the Authority shall procure that the Replacement Supplier shall pay) any monies due under paragraph 12.1 of this Schedule 10 as soon as reasonably practicable.

SCHEDULE 11: STAFF TRANSFER

1. DEFINITIONS

1.1 In this Schedule 11, the following definitions shall apply:

“Former Supplier”	a supplier supplying services to the Authority before the Relevant Transfer Date that are the same as or substantially similar to the Services (or any part of the Services) and shall include any sub-contractor of such supplier (or any sub-contractor of any such sub-contractor);
“Notified Sub-Contractor”	a Sub-Contractor identified in the Annex to this Schedule 11 to whom Transferring Authority Employees and/or Transferring Former Supplier Employees will transfer on a Relevant Transfer Date;
“Replacement Sub-Contractor”	a sub-contractor of the Replacement Supplier to whom Transferring Supplier Employees will transfer on a Service Transfer Date (or any sub-contractor of any such sub-contractor);
“Relevant Transfer”	a transfer of employment to which the Employment Regulations applies;
“Relevant Transfer Date”	in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place;
“Service Transfer”	any transfer of the Services (or any part of the Services), for whatever reason, from the Supplier or any Sub-Contractor to a Replacement Supplier or a Replacement Sub-Contractor;
“Service Transfer Date”	the date of a Service Transfer;
“Staffing Information”	<p>in relation to all persons identified on the Supplier's Provisional Supplier Personnel List or Supplier's Final Supplier Personnel List, as the case may be, such information as the Authority may reasonably request (subject to all applicable provisions of the DPA), but including in an anonymised format:</p> <ul style="list-style-type: none">(a) their ages, dates of commencement of employment or engagement and gender;(b) details of whether they are employed, self employed contractors or consultants, agency workers or otherwise;(c) the identity of the employer or relevant contracting Party;(d) their relevant contractual notice periods and any other terms relating to termination of employment, including redundancy procedures, and redundancy payments;(e) their wages, salaries and profit sharing arrangements as

applicable;

- (f) details of other employment-related benefits, including (without limitation) medical insurance, life assurance, pension or other retirement benefit schemes, share option schemes and company car schedules applicable to them;
- (g) any outstanding or potential contractual, statutory or other liabilities in respect of such individuals (including in respect of personal injury claims);
- (h) details of any such individuals on long term sickness absence, parental leave, maternity leave or other authorised long term absence;
- (i) copies of all relevant documents and materials relating to such information, including copies of relevant contracts of employment (or relevant standard contracts if applied generally in respect of such employees); and
- (j) any other “employee liability information” as such term is defined in regulation 11 of the Employment Regulations;

“Supplier's Final Supplier Personnel List”

list provided by the Supplier of all Supplier Personnel who will transfer under the Employment Regulations on the Relevant Transfer Date;

“Supplier's Provisional Supplier Personnel List”

list prepared and updated by the Supplier of all Supplier Personnel who are engaged in or wholly or mainly assigned to the provision of the Services or any relevant part of the Services which it is envisaged as at the date of such list will no longer be provided by the Supplier;

“Transferring Supplier Employees”

those employees of the Supplier and/or the Supplier’s Sub-Contractors to whom the Employment Regulations will apply on the Service Transfer Date.

2. INTERPRETATION

- 2.1 Where a provision in this Schedule 11 imposes an obligation on the Supplier to provide an indemnity, undertaking or warranty, the Supplier shall procure that each of its Sub-Contractors shall comply with such obligation and provide such indemnity, undertaking or warranty to the Authority, Former Supplier, Replacement Supplier or Replacement Sub-Contractor, as the case may be.

[PART A: NOT USED]

[PART B: NOT USED]

PART C: NO TRANSFER OF EMPLOYEES AT COMMENCEMENT OF SERVICES

1. PROCEDURE IN THE EVENT OF TRANSFER

- 1.1 The Authority and the Supplier agree that the commencement of the provision of the Services or of any part of the Services will not be a Relevant Transfer in relation to any employees of the Authority and/or any Former Supplier.
- 1.2 If any employee of the Authority and/or a Former Supplier claims, or it is determined in relation to any employee of the Authority and/or a Former Supplier, that his/her contract of employment has been transferred from the Authority and/or the Former Supplier to the Supplier and/or any Sub-Contractor pursuant to the Employment Regulations or the Acquired Rights Directive then:
 - 1.2.1 the Supplier shall, and shall procure that the relevant Sub-Contractor shall, within five (5) Working Days of becoming aware of that fact, give notice in writing to the Authority and, where required by the Authority, give notice to the Former Supplier; and
 - 1.2.2 the Authority and/or the Former Supplier may offer (or may procure that a third party may offer) employment to such person within fifteen (15) Working Days of the notification by the Supplier or the Sub-Contractor (as appropriate) or take such other reasonable steps as the Authority or Former Supplier (as the case may be) considers appropriate to deal with the matter provided always that such steps are in compliance with applicable Law.
- 1.3 If an offer referred to in Paragraph 1.2.2 is accepted (or if the situation has otherwise been resolved by the Authority and/or the Former Supplier), the Supplier shall, or shall procure that the Sub-Contractor shall, immediately release the person from his/her employment or alleged employment.
- 1.4 If by the end of the fifteen (15) Working Day period specified in Paragraph 1.2.2:
 - 1.4.1 no such offer of employment has been made;
 - 1.4.2 such offer has been made but not accepted; or
 - 1.4.3 the situation has not otherwise been resolved,the Supplier and/or the Sub-Contractor may within five (5) Working Days give notice to terminate the employment or alleged employment of such person.

2. INDEMNITIES

- 2.1 Subject to the Supplier and/or the relevant Sub-Contractor acting in accordance with the provisions of Paragraphs 1.2 to 1.4 and in accordance with all applicable employment procedures set out in applicable Law and subject also to Paragraph 2.4, the Authority shall:
 - 2.1.1 indemnify the Supplier and/or the relevant Sub-Contractor against all Employee Liabilities arising out of the termination of the employment of any employees of the Authority referred to in Paragraph 1.2 made pursuant to the provisions of Paragraph 1.4 provided that the Supplier takes, or shall procure that the Notified Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities; and

- 2.1.2 subject to paragraph 3, procure that the Former Supplier indemnifies the Supplier and/or any Notified Sub-Contractor against all Employee Liabilities arising out of termination of the employment of the employees of the Former Supplier made pursuant to the provisions of Paragraph 1.4 provided that the Supplier takes, or shall procure that the relevant Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities.
- 2.2 If any such person as is described in Paragraph 1.2 is neither re employed by the Authority and/or the Former Supplier as appropriate nor dismissed by the Supplier and/or any Sub-Contractor within the fifteen (15) Working Day period referred to in Paragraph 1.4 such person shall be treated as having transferred to the Supplier and/or the Sub-Contractor (as appropriate) and the Supplier shall, or shall procure that the Sub-Contractor shall, comply with such obligations as may be imposed upon it under Law.
- 2.3 Where any person remains employed by the Supplier and/or any Sub-Contractor pursuant to Paragraph 2.2, all Employee Liabilities in relation to such employee shall remain with the Supplier and/or the Sub-Contractor and the Supplier shall indemnify the Authority and any Former Supplier, and shall procure that the Sub-Contractor shall indemnify the Authority and any Former Supplier, against any Employee Liabilities that either of them may incur in respect of any such employees of the Supplier and/or employees of the Sub-Contractor.
- 2.4 The indemnities in Paragraph 2.1:
- 2.4.1 shall not apply to:
- (a) any claim for:
 - (i) discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or
 - (ii) equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,in any case in relation to any alleged act or omission of the Supplier and/or any Sub-Contractor; or
 - (b) any claim that the termination of employment was unfair because the Supplier and/or any Sub-Contractor neglected to follow a fair dismissal procedure; and
- 2.4.2 shall apply only where the notification referred to in Paragraph 1.2.1 is made by the Supplier and/or any Sub-Contractor to the Authority and, if applicable, Former Supplier within 6 months of the Commencement Date.

3. PROCUREMENT OBLIGATIONS

- 3.1 Where in this Part C the Authority accepts an obligation to procure that a Former Supplier does or does not do something, such obligation shall be limited so that it extends only to the extent that the Authority's contract with the Former Supplier contains a contractual right in that regard which the Authority may enforce, or otherwise so that it requires only that the Authority must use reasonable endeavours to procure that the Former Supplier does or does not act accordingly.

PART D

EMPLOYMENT EXIT PROVISIONS

1. PRE-SERVICE TRANSFER OBLIGATIONS

- 1.1 The Supplier agrees that within twenty (20) Working Days of the earliest of:
- 1.1.1 receipt of a notification from the Authority of a Service Transfer or intended Service Transfer;
 - 1.1.2 receipt of the giving of notice of early termination or any Partial Termination of this Contract;
 - 1.1.3 the date which is twelve (12) months before the end of the Term; and
 - 1.1.4 receipt of a written request of the Authority at any time (provided that the Authority shall only be entitled to make one such request in any six (6) month period),
- it shall provide in a suitably anonymised format so as to comply with the DPA, the Supplier's Provisional Supplier Personnel List, together with the Staffing Information in relation to the Supplier's Provisional Supplier Personnel List and it shall provide an updated Supplier's Provisional Supplier Personnel List at such intervals as are reasonably requested by the Authority.
- 1.2 At least thirty (30) Working Days prior to the Service Transfer Date, the Supplier shall provide to the Authority or at the direction of the Authority to any Replacement Supplier and/or any Replacement Sub-Contractor:
- 1.2.1 the Supplier's Final Supplier Personnel List, which shall identify which of the Supplier Personnel are Transferring Supplier Employees; and
 - 1.2.2 the Staffing Information in relation to the Supplier's Final Supplier Personnel List (insofar as such information has not previously been provided).
- 1.3 The Authority shall be permitted to use and disclose information provided by the Supplier under Paragraphs 1.1 and 1.2 for the purpose of informing any prospective Replacement Supplier and/or Replacement Sub-Contractor.
- 1.4 The Supplier warrants, for the benefit of the Authority, any Replacement Supplier, and any Replacement Sub-Contractor that all information provided pursuant to Paragraphs 1.1 and 1.2 shall be true and accurate in all material respects at the time of providing the information.
- 1.5 From the date of the earliest event referred to in Paragraph 1.1, the Supplier agrees, that it shall not, and agrees to procure that each Sub-Contractor shall not, assign any person to the provision of the Services who is not listed on the Supplier's Provisional Supplier Personnel List and shall not without the approval of the Authority (not to be unreasonably withheld or delayed):
- 1.5.1 replace or re-deploy any Supplier Personnel listed on the Supplier Provisional Supplier Personnel List other than where any replacement is of equivalent grade, skills, experience and expertise and is employed on the same terms and conditions of employment as the person he/she replaces;
 - 1.5.2 make, promise, propose or permit any material changes to the terms and conditions of employment of the Supplier Personnel (including any payments connected with the termination of employment);

- 1.5.3 increase the proportion of working time spent on the Services (or the relevant part of the Services) by any of the Supplier Personnel save for fulfilling assignments and projects previously scheduled and agreed;
 - 1.5.4 introduce any new contractual or customary practice concerning the making of any lump sum payment on the termination of employment of any employees listed on the Supplier's Provisional Supplier Personnel List;
 - 1.5.5 increase or reduce the total number of employees so engaged, or deploy any other person to perform the Services (or the relevant part of the Services); or
 - 1.5.6 terminate or give notice to terminate the employment or contracts of any persons on the Supplier's Provisional Supplier Personnel List save by due disciplinary process,
- and shall promptly notify, and procure that each Sub-Contractor shall promptly notify, the Authority or, at the direction of the Authority, any Replacement Supplier and any Replacement Sub-Contractor of any notice to terminate employment given by the Supplier or relevant Sub-Contractor or received from any persons listed on the Supplier's Provisional Supplier Personnel List regardless of when such notice takes effect.
- 1.6 During the Term, the Supplier shall provide, and shall procure that each Sub-Contractor shall provide, to the Authority any information the Authority may reasonably require relating to the manner in which the Services are organised, which shall include:
 - 1.6.1 the numbers of employees engaged in providing the Services;
 - 1.6.2 the percentage of time spent by each employee engaged in providing the Services; and
 - 1.6.3 a description of the nature of the work undertaken by each employee by location.
 - 1.7 The Supplier shall provide, and shall procure that each Sub-Contractor shall provide, all reasonable cooperation and assistance to the Authority, any Replacement Supplier and/or any Replacement Sub-Contractor to ensure the smooth transfer of the Transferring Supplier Employees on the Service Transfer Date including providing sufficient information in advance of the Service Transfer Date to ensure that all necessary payroll arrangements can be made to enable the Transferring Supplier Employees to be paid as appropriate. Without prejudice to the generality of the foregoing, within five (5) Working Days following the Service Transfer Date, the Supplier shall provide, and shall procure that each Sub-Contractor shall provide, to the Authority or, at the direction of the Authority, to any Replacement Supplier and/or any Replacement Sub-Contractor (as appropriate), in respect of each person on the Supplier's Final Supplier Personnel List who is a Transferring Supplier Employee:
 - 1.7.1 the most recent month's copy pay slip data;
 - 1.7.2 details of cumulative pay for tax and pension purposes;
 - 1.7.3 details of cumulative tax paid;
 - 1.7.4 tax code;
 - 1.7.5 details of any voluntary deductions from pay; and
 - 1.7.6 bank/building society account details for payroll purposes.

2. EMPLOYMENT REGULATIONS EXIT PROVISIONS

- 2.1 The Authority and the Supplier acknowledge that subsequent to the commencement of the provision of the Services, the identity of the provider of the Services (or any part of the Services) may change (whether as a result of termination or Partial Termination of this Contract or otherwise) resulting in the Services being undertaken by a Replacement Supplier and/or a Replacement Sub-Contractor. Such change in the identity of the Supplier of such Services may constitute a Relevant Transfer to which the Employment Regulations and/or the Acquired Rights Directive will apply. The Authority and the Supplier further agree that, as a result of the operation of the Employment Regulations, where a Relevant Transfer occurs, the contracts of employment between the Supplier and the Transferring Supplier Employees (except in relation to any contract terms disapplied through operation of regulation 10(2) of the Employment Regulations) will have effect on and from the Service Transfer Date as if originally made between the Replacement Supplier and/or a Replacement Sub-Contractor (as the case may be) and each such Transferring Supplier Employee.
- 2.2 The Supplier shall, and shall procure that each Sub-Contractor shall, comply with all its obligations in respect of the Transferring Supplier Employees arising under the Employment Regulations in respect of the period up to (but not including) the Service Transfer Date and shall perform and discharge, and procure that each Sub-Contractor shall perform and discharge, all its obligations in respect of all the Transferring Supplier Employees arising in respect of the period up to (and including) the Service Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions which in any case are attributable in whole or in part to the period ending on (and including) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between: (i) the Supplier and/or the Sub-Contractor (as appropriate); and (ii) the Replacement Supplier and/or Replacement Sub-Contractor.
- 2.3 Subject to Paragraph 2.4, where a Relevant Transfer occurs, the Supplier shall indemnify the Authority and/or the Replacement Supplier and/or any Replacement Sub-Contractor against any Employee Liabilities in respect of any Transferring Supplier Employee (or, where applicable any employee representative as defined in the Employment Regulations) arising from or as a result of:
- 2.3.1 any act or omission of the Supplier or any Sub-Contractor whether occurring before, on or after the Service Transfer Date;
 - 2.3.2 the breach or non-observance by the Supplier or any Sub-Contractor occurring on or before the Service Transfer Date of:
 - (a) any collective agreement applicable to the Transferring Supplier Employees; and/or
 - (b) any other custom or practice with a trade union or staff association in respect of any Transferring Supplier Employees which the Supplier or any Sub-Contractor is contractually bound to honour;
 - 2.3.3 any claim by any trade union or other body or person representing any Transferring Supplier Employees arising from or connected with any failure by the Supplier or a Sub-Contractor to comply with any legal obligation to such trade union, body or person arising on or before the Service Transfer Date;

- 2.3.4 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
 - (a) in relation to any Transferring Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on and before the Service Transfer Date; and
 - (b) in relation to any employee who is not a Transferring Supplier Employee, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Supplier to the Authority and/or Replacement Supplier and/or any Replacement Sub-Contractor, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on or before the Service Transfer Date;
- 2.3.5 a failure of the Supplier or any Sub-Contractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Supplier Employees in respect of the period up to (and including) the Service Transfer Date);
- 2.3.6 any claim made by or in respect of any person employed or formerly employed by the Supplier or any Sub-Contractor other than a Transferring Supplier Employee for whom it is alleged the Authority and/or the Replacement Supplier and/or any Replacement Sub-Contractor may be liable by virtue of this Contract and/or the Employment Regulations and/or the Acquired Rights Directive; and
- 2.3.7 any claim made by or in respect of a Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee relating to any act or omission of the Supplier or any Sub-Contractor in relation to its obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the failure by the Authority and/or Replacement Supplier to comply with regulation 13(4) of the Employment Regulations.
- 2.4 The indemnities in Paragraph 2.3 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Replacement Supplier and/or any Replacement Sub-Contractor whether occurring or having its origin before, on or after the Service Transfer Date, including any Employee Liabilities:
 - 2.4.1 arising out of the resignation of any Transferring Supplier Employee before the Service Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Replacement Supplier and/or any Replacement Sub-Contractor to occur in the period on or after the Service Transfer Date); or
 - 2.4.2 arising from the Replacement Supplier's failure, and/or Replacement Sub-Contractor's failure, to comply with its obligations under the Employment Regulations.
- 2.5 If any person who is not a Transferring Supplier Employee claims, or it is determined in relation to any person who is not a Transferring Supplier Employee, that his/her contract of employment has been transferred from the Supplier or any Sub-Contractor to the

Replacement Supplier and/or Replacement Sub-Contractor pursuant to the Employment Regulations or the Acquired Rights Directive, then:

- 2.5.1 the Authority shall procure that the Replacement Supplier shall, or any Replacement Sub-Contractor shall, within (five) 5 Working Days of becoming aware of that fact, give notice in writing to the Supplier; and
 - 2.5.2 the Supplier may offer (or may procure that a Sub-Contractor may offer) employment to such person within fifteen (15) Working Days of the notification by the Replacement Supplier and/or any and/or Replacement Sub-Contractor or take such other reasonable steps as it considers appropriate to deal with the matter provided always that such steps are in compliance with Law.
- 2.6 If such offer is accepted, or if the situation has otherwise been resolved by the Supplier or a Sub-Contractor, the Authority shall procure that the Replacement Supplier shall, or procure that the Replacement Sub-Contractor shall, immediately release or procure the release of the person from his/her employment or alleged employment.
- 2.7 If after the fifteen (15) Working Day period specified in Paragraph 2.5.2 has elapsed:
- 2.7.1 no such offer of employment has been made;
 - 2.7.2 such offer has been made but not accepted; or
 - 2.7.3 the situation has not otherwise been resolved
- the Authority shall advise the Replacement Supplier and/or Replacement Sub-Contractor, as appropriate that it may within five (5) Working Days give notice to terminate the employment or alleged employment of such person.
- 2.8 Subject to the Replacement Supplier and/or Replacement Sub-Contractor acting in accordance with the provisions of Paragraphs 2.5 to 2.7, and in accordance with all applicable proper employment procedures set out in applicable Law, the Supplier shall indemnify the Replacement Supplier and/or Replacement Sub-Contractor against all Employee Liabilities arising out of the termination pursuant to the provisions of Paragraph 2.7 provided that the Replacement Supplier takes, or shall procure that the Replacement Sub-Contractor takes, all reasonable steps to minimise any such Employee Liabilities.
- 2.9 The indemnity in Paragraph 2.8:
- 2.9.1 shall not apply to:
 - (a) any claim for:
 - (i) discrimination, including on the grounds of sex, race, disability, age, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation, religion or belief; or
 - (ii) equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,in any case in relation to any alleged act or omission of the Replacement Supplier and/or Replacement Sub-Contractor; or
 - (b) any claim that the termination of employment was unfair because the Replacement Supplier and/or Replacement Sub-Contractor neglected to follow a fair dismissal procedure; and

- 2.9.2 shall apply only where the notification referred to in Paragraph 2.5.1 is made by the Replacement Supplier and/or Replacement Sub-Contractor to the Supplier within six (6) months of the Service Transfer Date .
- 2.10 If any such person as is described in Paragraph 2.5 is neither re-employed by the Supplier or any Sub-Contractor nor dismissed by the Replacement Supplier and/or Replacement Sub-Contractor within the time scales set out in Paragraphs 2.5 to 2.7, such person shall be treated as a Transferring Supplier Employee and the Replacement Supplier and/or Replacement Sub-Contractor shall comply with such obligations as may be imposed upon it under applicable Law.
- 2.11 The Supplier shall comply, and shall procure that each Sub-Contractor shall comply, with all its obligations under the Employment Regulations and shall perform and discharge, and shall procure that each Sub-Contractor shall perform and discharge, all its obligations in respect of the Transferring Supplier Employees before and on the Service Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions which in any case are attributable in whole or in part in respect of the period up to (and including) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between:
- 2.11.1 the Supplier and/or any Sub-Contractor; and
- 2.11.2 the Replacement Supplier and/or the Replacement Sub-Contractor.
- 2.12 The Supplier shall, and shall procure that each Sub-Contractor shall, promptly provide to the Authority and any Replacement Supplier and/or Replacement Sub-Contractor, in writing such information as is necessary to enable the Authority, the Replacement Supplier and/or Replacement Sub-Contractor to carry out their respective duties under regulation 13 of the Employment Regulations. The Authority shall procure that the Replacement Supplier and/or Replacement Sub-Contractor shall promptly provide to the Supplier and each Sub-Contractor in writing such information as is necessary to enable the Supplier and each Sub-Contractor to carry out their respective duties under regulation 13 of the Employment Regulations.
- 2.13 Subject to Paragraph 2.14, the Authority shall procure that the Replacement Supplier indemnifies the Supplier on its own behalf and on behalf of any Replacement Sub-Contractor and its sub-contractors against any Employee Liabilities in respect of each Transferring Supplier Employee (or, where applicable any employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee) arising from or as a result of:
- 2.13.1 any act or omission of the Replacement Supplier and/or Replacement Sub-Contractor;
- 2.13.2 the breach or non-observance by the Replacement Supplier and/or Replacement Sub-Contractor on or after the Service Transfer Date of:
- (a) any collective agreement applicable to the Transferring Supplier Employees; and/or
- (b) any custom or practice in respect of any Transferring Supplier Employees which the Replacement Supplier and/or Replacement Sub-Contractor is contractually bound to honour;

- 2.13.3 any claim by any trade union or other body or person representing any Transferring Supplier Employees arising from or connected with any failure by the Replacement Supplier and/or Replacement Sub-Contractor to comply with any legal obligation to such trade union, body or person arising on or after the Relevant Transfer Date;
- 2.13.4 any proposal by the Replacement Supplier and/or Replacement Sub-Contractor to change the terms and conditions of employment or working conditions of any Transferring Supplier Employees on or after their transfer to the Replacement Supplier or Replacement Sub-Contractor (as the case may be) on the Relevant Transfer Date, or to change the terms and conditions of employment or working conditions of any person who would have been a Transferring Supplier Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Relevant Transfer Date as a result of or for a reason connected to such proposed changes;
- 2.13.5 any statement communicated to or action undertaken by the Replacement Supplier or Replacement Sub-Contractor to, or in respect of, any Transferring Supplier Employee on or before the Relevant Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Supplier in writing;
- 2.13.6 any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:
 - (a) in relation to any Transferring Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising after the Service Transfer Date; and
 - (b) in relation to any employee who is not a Transferring Supplier Employee, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Supplier or Sub-Contractor, to the Replacement Supplier or Replacement Sub-Contractor to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising after the Service Transfer Date;
- 2.13.7 a failure of the Replacement Supplier or Replacement Sub-Contractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Supplier Employees in respect of the period from (and including) the Service Transfer Date; and
- 2.13.8 any claim made by or in respect of a Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee relating to any act or omission of the Replacement Supplier or Replacement Sub-Contractor in relation to obligations under regulation 13 of the Employment Regulations.
- 2.14 The indemnities in Paragraph 2.13 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Supplier and/or any Sub-Contractor (as applicable) whether occurring or having its origin before, on or after the Relevant Transfer Date, including any Employee Liabilities arising from the failure by the

Supplier and/or any Sub-Contractor (as applicable) to comply with its obligations under the Employment Regulations.

ANNEX TO SCHEDULE: LIST OF NOTIFIED SUB-CONTRACTORS

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SCHEDULE 12: DISPUTE RESOLUTION PROCEDURE

1. DEFINITIONS

1.1 In this Schedule 12, the following definitions shall apply:

“CEDR”	the Centre for Effective Dispute Resolution of International Dispute Resolution Centre, 70 Fleet Street, London, EC4Y 1EU;
“Counter Notice”	has the meaning given to it in paragraph 6.2 of this Schedule 12;
“Exception”	a deviation of project tolerances in accordance with PRINCE2 methodology in respect of this Contract or in the supply of the Goods and/or Services;
“Expert”	the person appointed by the Parties in accordance with paragraph 5.2 of this Schedule 12; and
“Mediation Notice”	has the meaning given to it in paragraph 3.2 of this Schedule 12;
“Mediator”	the independent third party appointed in accordance with paragraph 4.2 of this Schedule 12.

2. INTRODUCTION

2.1 If a Dispute arises then:

- 2.1.1 the representative of the Authority and the Supplier Representative shall attempt in good faith to resolve the Dispute; and
- 2.1.2 if such attempts are not successful within a reasonable time either Party may give to the other a Dispute Notice.

2.2 The Dispute Notice shall set out:

- 2.2.1 the material particulars of the Dispute;
- 2.2.2 the reasons why the Party serving the Dispute Notice believes that the Dispute has arisen; and
- 2.2.3 if the Party serving the Dispute Notice believes that the Dispute should be dealt with under the Expedited Dispute Timetable as set out in paragraph 2.6 of this Schedule 12, the reason why.

2.3 Unless agreed otherwise in writing, the Parties shall continue to comply with their respective obligations under this Contract regardless of the nature of the Dispute and notwithstanding the referral of the Dispute to the Dispute Resolution Procedure.

2.4 Subject to paragraph 3.2 of this Schedule 12, the Parties shall seek to resolve Disputes:

- 2.4.1 first by commercial negotiation (as prescribed in paragraph 3 of this Schedule 12);
- 2.4.2 then by mediation (as prescribed in paragraph 4 of this Schedule 12); and
- 2.4.3 lastly by recourse to arbitration (as prescribed in paragraph 6 of this Schedule 12) or litigation (in accordance with Clause 51 of this Contract (Governing Law and Jurisdiction)).

- 2.5 Specific issues shall be referred to Expert Determination (as prescribed in paragraph 5 of this Schedule) where specified under the provisions of this Contract and may also be referred to Expert Determination where otherwise appropriate as specified in paragraph 5 of this Schedule 12.
- 2.6 In exceptional circumstances where the use of the times in this Schedule 12 would be unreasonable, including (by way of example) where one Party would be materially disadvantaged by a delay in resolving the Dispute, the Parties may agree to use the Expedited Dispute Timetable. If the Parties are unable to reach agreement on whether to use of the Expedited Dispute Timetable within five (5) Working Days of the issue of the Dispute Notice, the use of the Expedited Dispute Timetable shall be at the sole discretion of the Authority.
- 2.7 If the use of the Expedited Dispute Timetable is determined in accordance with paragraph 2.5 or is otherwise specified under the provisions of this Contract, then the following periods of time shall apply in lieu of the time periods specified in the applicable paragraphs:
- 2.7.1 in paragraph 3.2.3, ten (10) Working Days;
 - 2.7.2 in paragraph 4.2, ten (10) Working Days;
 - 2.7.3 in paragraph 5.2, five (5) Working Days; and
 - 2.7.4 in paragraph 6.2, ten (10) Working Days.
- 2.8 If at any point it becomes clear that an applicable deadline cannot be met or has passed, the Parties may (but shall be under no obligation to) agree in writing to extend the deadline. Any agreed extension shall have the effect of delaying the start of the subsequent stages by the period agreed in the extension.

3. COMMERCIAL NEGOTIATIONS

- 3.1 Following the service of a Dispute Notice, the Authority and the Supplier shall use reasonable endeavours to resolve the Dispute as soon as possible, by discussion between the Authority Representative and the Supplier Representative.
- 3.2 If:
- 3.2.1 either Party is of the reasonable opinion that the resolution of a Dispute by commercial negotiation, or the continuance of commercial negotiations, will not result in an appropriate solution;
 - 3.2.2 the Parties have already held discussions of a nature and intent (or otherwise were conducted in the spirit) that would equate to the conduct of commercial negotiations in accordance with this paragraph 3 of this Schedule 12; or
 - 3.2.3 the Parties have not settled the Dispute in accordance with paragraph 3.1 of this Schedule 12 within thirty (30) Working Days of service of the Dispute Notice,
- either Party may serve a written notice to proceed to mediation (a “**Mediation Notice**”) in accordance with paragraph 4 of this Schedule 12.

4. MEDIATION

- 4.1 If a Mediation Notice is served, the Parties shall attempt to resolve the dispute in accordance with CEDR's Model Mediation Agreement which shall be deemed to be incorporated by reference into this Contract.

- 4.2 If the Parties are unable to agree on the joint appointment of a Mediator within thirty (30) Working Days from service of the Mediation Notice then either Party may apply to CEDR to nominate the Mediator.
- 4.3 If the Parties are unable to reach a settlement in the negotiations at the mediation, and only if the Parties so request and the Mediator agrees, the Mediator shall produce for the Parties a non-binding recommendation on terms of settlement. This shall not attempt to anticipate what a court might order but shall set out what the Mediator suggests are appropriate settlement terms in all of the circumstances.
- 4.4 Any settlement reached in the mediation shall not be legally binding until it has been reduced to writing and signed by, or on behalf of, the Parties (in accordance with the Variation Procedure where appropriate). The Mediator shall assist the Parties in recording the outcome of the mediation.

5. EXPERT DETERMINATION

- 5.1 If a Dispute relates to any aspect of the technology underlying the provision of the Goods and/or Services or otherwise relates to a financial technical or other aspect of a technical nature (as the Parties may agree) and the Dispute has not been resolved by discussion or mediation, then either Party may request (which request will not be unreasonably withheld or delayed) by written notice to the other that the Dispute is referred to an Expert for determination.
- 5.2 The Expert shall be appointed by agreement in writing between the Parties, but in the event of a failure to agree within ten (10) Working Days, or if the person appointed is unable or unwilling to act, the Expert shall be appointed on the instructions of the relevant professional body.
- 5.3 The Expert shall act on the following basis:
 - 5.3.1 he/she shall act as an expert and not as an arbitrator and shall act fairly and impartially;
 - 5.3.2 the Expert's determination shall (in the absence of a material failure to follow the agreed procedures) be final and binding on the Parties;
 - 5.3.3 the Expert shall decide the procedure to be followed in the determination and shall be requested to make his/her determination within thirty (30) Working Days of his appointment or as soon as reasonably practicable thereafter and the Parties shall assist and provide the documentation that the Expert requires for the purpose of the determination;
 - 5.3.4 any amount payable by one Party to another as a result of the Expert's determination shall be due and payable within twenty (20) Working Days of the Expert's determination being notified to the Parties;
 - 5.3.5 the process shall be conducted in private and shall be confidential; and
 - 5.3.6 the Expert shall determine how and by whom the costs of the determination, including his/her fees and expenses, are to be paid.

6. ARBITRATION

- 6.1 The Authority may at any time before court proceedings are commenced refer the Dispute to arbitration in accordance with the provisions of paragraph 6.4 of this Schedule 12.

- 6.2 Before the Supplier commences court proceedings or arbitration, it shall serve written notice on the Authority of its intentions and the Authority shall have fifteen (15) Working Days following receipt of such notice to serve a reply (a “**Counter Notice**”) on the Supplier requiring the Dispute to be referred to and resolved by arbitration in accordance with paragraph 6.4 of this Schedule 12 or be subject to the jurisdiction of the courts in accordance with Clause 51 of this Contract (Governing Law and Jurisdiction). The Supplier shall not commence any court proceedings or arbitration until the expiry of such fifteen (15) Working Day period.
- 6.3 If:
- 6.3.1 the Counter Notice requires the Dispute to be referred to arbitration, the provisions of paragraph 6.4 of this Schedule 12 shall apply;
 - 6.3.2 the Counter Notice requires the Dispute to be subject to the exclusive jurisdiction of the courts in accordance with Clause 61 of this Contract (Governing Law and Jurisdiction), the Dispute shall be so referred to the courts and the Supplier shall not commence arbitration proceedings;
 - 6.3.3 the Authority does not serve a Counter Notice within the fifteen (15) Working Days period referred to in paragraph 6.2 of this Schedule 12, the Supplier may either commence arbitration proceedings in accordance with paragraph 6.4 of this Schedule 12 or commence court proceedings in the courts in accordance with Clause 51 of this Contract (Governing Law and Jurisdiction) which shall (in those circumstances) have exclusive jurisdiction.
- 6.4 In the event that any arbitration proceedings are commenced pursuant to paragraphs 6.1 to 6.3 of this Schedule 12, the Parties hereby confirm that:
- 6.4.1 all disputes, issues or claims arising out of or in connection with this Contract (including as to its existence, validity or performance) shall be referred to and finally resolved by arbitration under the Rules of the London Court of International Arbitration (“**LCIA**”) (subject to paragraphs 6.4.5 to 6.4.7 of this Schedule 12);
 - 6.4.2 the arbitration shall be administered by the LCIA;
 - 6.4.3 the 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 into this Contract and the decision of the arbitrator shall be binding on the Parties in the absence of any material failure to comply with such rules;
 - 6.4.4 if the Parties fail to agree the appointment of the arbitrator within ten (10) days from the date on which arbitration proceedings are commenced or if the person appointed is unable or unwilling to act, the arbitrator shall be appointed by the LCIA;
 - 6.4.5 the chair of the arbitral tribunal shall be British;
 - 6.4.6 the arbitration proceedings shall take place in London and in the English language; and
 - 6.4.7 the seat of the arbitration shall be London.

7. URGENT RELIEF

- 7.1 Either Party may at any time take proceedings or seek remedies before any court or tribunal of competent jurisdiction:

- 7.1.1 for interim or interlocutory remedies in relation to this Contract or infringement by the other Party of that Party's Intellectual Property Rights; and/or
- 7.1.2 where compliance with paragraph 2.1 of this Schedule 12 and/or referring the Dispute to mediation may leave insufficient time for that Party to commence proceedings before the expiry of the limitation period.

SCHEDULE 13: VARIATION FORM

No of order being varied:

.....

Variation Form No:

.....

BETWEEN:

[insert name of Authority] ("**the Authority**")

and

[insert name of Supplier] ("**the Supplier**")

1. This Contract is varied as follows and shall take effect on the date signed by both Parties:

[]

[Guidance Note: Insert details of the Variation]

2. Words and expressions in this Variation shall have the meanings given to them in this Contract.
3. This Contract, including any previous Variations, shall remain effective and unaltered except as amended by this Variation.

Signed by an authorised signatory for and on behalf of the Authority

Signature

Date

Name (in Capitals)

Address

Signed by an authorised signatory to sign for and on behalf of the Supplier

Signature

Date

Name (in Capitals)

Address

SCHEDULE 14: COMMERCIALLY SENSITIVE INFORMATION

1. INTRODUCTION

- 1.1 In this Schedule 14 (Commercially Sensitive Information) the Parties have sought to identify the Supplier's Confidential Information which the Parties believe contains genuinely commercially sensitive and the disclosure of which commercially sensitive information would be the subject of an exemption under the FOIA.
- 1.2 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 14 applies.
- 1.3 Without prejudice to the Authority's obligation to disclose Information in accordance with FOIA or Clause 27.5 (Freedom of Information), the Authority will, in its sole discretion, acting reasonably, seek to apply the relevant exemption set out in the FOIA to the following Information:

No.	Date	Item(s)	Duration of Confidentiality
1	10 October 2016	P07508 - Management Agent for the Fleming Fund Commercial-Mott MacDonald- BAFO (sent on 31 st August 2016)	6 years after contract completion

SCHEDULE 15: INSURANCE REQUIREMENTS

1. OBLIGATION TO MAINTAIN INSURANCES

- 1.1 Without prejudice to its obligations to the Authority under this Contract, including its indemnity obligations, the Supplier shall for the periods specified in this Schedule 15 take out and maintain, or procure the taking out and maintenance of the insurances as set out in Annex 1 (Required Insurances) and any other insurances as may be required by applicable Law (together the “Insurances”). The Supplier shall ensure that each of the Insurances is effective no later than the Commencement Date.
- 1.2 The Insurances shall be maintained in accordance with Good Industry Practice and (so far as is reasonably practicable) on terms no less favourable than those generally available to a prudent contractor in respect of risks insured in the international insurance market from time to time.
- 1.3 The Insurances shall be taken out and maintained with insurers who are of good financial standing and of good repute in the international insurance market.
- 1.4 The Supplier shall ensure that the public and products liability policy shall contain an indemnity to principals clause under which the Authority shall be indemnified in respect of claims made against the Authority in respect of death or bodily injury or third party property damage arising out of or in connection with the Services and for which the Supplier is legally liable.

2. GENERAL OBLIGATIONS

- 2.1 Without limiting the other provisions of this Contract, the Supplier shall:
 - 2.1.1 take or procure the taking of all reasonable risk management and risk control measures in relation to the Services as it would be reasonable to expect of a prudent contractor acting in accordance with Good Industry Practice, including the investigation and reports of relevant claims to insurers;
 - 2.1.2 promptly notify the insurers in writing of any relevant material fact under any Insurances of which the Supplier is or becomes aware; and
 - 2.1.3 hold all policies in respect of the Insurances and cause any insurance broker effecting the Insurances to hold any insurance slips and other evidence of placing cover representing any of the Insurances to which it is a party.

3. FAILURE TO INSURE

- 3.1 The Supplier shall not take any action or fail to take any action or (insofar as is reasonably within its power) permit anything to occur in relation to it which would entitle any insurer to refuse to pay any claim under any of the Insurances.
- 3.2 Where the Supplier has failed to purchase any of the Insurances or maintain any of the Insurances in full force and effect, the Authority may elect (but shall not be obliged) following written notice to the Supplier to purchase the relevant Insurances, and the Authority shall be entitled to recover the reasonable premium and other reasonable costs incurred in connection therewith as a debt due from the Supplier.

4. EVIDENCE OF POLICIES

- 4.1 The Supplier shall upon the Commencement Date and within 15 Working Days after the renewal of each of the Insurances, provide evidence, in the form of a certificate of Insurance (or such additional particulars of insurance as the Authority may request and the Supplier shall exercise all reasonable endeavours to disclose with its insurer's consent), that the Insurances are in force and effect and meet in full the requirements of this Schedule 15. Receipt of such evidence by the Authority shall not in itself constitute acceptance by the Authority or relieve the Supplier of any of its liabilities and obligations under this Contract.

5. AGGREGATE LIMIT OF INDEMNITY

- 5.1 Where the minimum limit of indemnity required in relation to any of the Insurances is specified as being "in the aggregate":
- 5.1.1 if a claim or claims which do not relate to this Contract are notified to the insurers which, given the nature of the allegations and/or the quantum claimed by the third party(ies), is likely to result in a claim or claims being paid by the insurers which could reduce the level of cover available below that minimum, the Supplier shall immediately submit to the Authority:
- (a) details of the policy concerned; and
 - (b) its proposed solution for maintaining the minimum limit of indemnity specified; and
- 5.1.2 if and to the extent that the level of insurance cover available falls below that minimum because a claim or claims which do not relate to this Contract are paid by insurers, the Supplier shall:
- (a) ensure that the insurance cover is reinstated to maintain at all times the minimum limit of indemnity specified for claims relating to this Contract; or
 - (b) if the Supplier is or has reason to believe that it will be unable to ensure that insurance cover is reinstated to maintain at all times the minimum limit of indemnity specified, immediately submit to the Authority full details of the policy concerned and its proposed solution for maintaining the minimum limit of indemnity specified.

6. CANCELLATION

- 6.1 The Supplier shall notify the Authority in writing at least five (5) Working Days prior to the cancellation, suspension, termination or non-renewal of any of the Insurances.

7. INSURANCE CLAIMS

- 7.1 The Supplier shall promptly notify to insurers any matter arising from, or in relation to, the Services and/or this Contract for which it may be entitled to claim under any of the Insurances. In the event that the Authority receives a claim relating to or arising out of the Services or this Contract, the Supplier shall co-operate with the Authority and assist it in dealing with such claims including without limitation providing information and documentation in a timely manner.
- 7.2 Except where the Authority is the claimant party, the Supplier shall give the Authority notice within twenty (20) Working Days after any insurance claim in excess of **£1000** relating to or arising out of the provision of the Services or this Contract on any of the

Insurances or which, but for the application of the applicable policy excess, would be made on any of the Insurances and (if required by the Authority) full details of the incident giving rise to the claim.

- 7.3 Where any Insurance requires payment of a premium, the Supplier shall be liable for and shall promptly pay such premium.
- 7.4 Where any Insurance is subject to an excess or deductible below which the indemnity from insurers is excluded, the Supplier shall be liable for such excess or deductible. The Supplier shall not be entitled to recover from the Authority any sum paid by way of excess or deductible under the Insurances whether under the terms of this Contract or otherwise.

ANNEX 1: REQUIRED INSURANCES

1. The Supplier shall, during the Contract Period and for a period of one year thereafter, effect and maintain in force at least the following insurance policies with reputable insurance companies to cover its potential liabilities in connection with this Contract:
 - 1.1 professional indemnity insurance with a minimum limit of indemnity of ten million pounds sterling (£10,000,000) per claim;
 - 1.2 public liability insurance with a minimum limit of ten million pounds sterling (£10,000,000) per occurrence; and
 - 1.3 employers' liability insurance in respect of the Supplier's employees in accordance with the Employer's Liability (Compulsory Insurance) Act 1969 and any other applicable Law;
 - 1.4 employers' liability insurance in respect of the Supplier's employees based outside of England, Scotland or Wales in accordance with any applicable national law.

SCHEDULE 16: CONDUCT OF CLAIMS

1. GENERAL

- 1.1 This Schedule 16 shall apply to the conduct by a Party from whom an indemnity is sought under this Contract (the “**Indemnifier**”), of claims made by a third person against a party having (or claiming to have) the benefit of the indemnity (the “**Beneficiary**”).
- 1.2 If the Beneficiary receives any notice of any claim for which it appears that the Beneficiary is, or may become, entitled to indemnification under this Contract (a “**Claim**”), the Beneficiary shall give notice in writing to the Indemnifier as soon as reasonably practicable and in any event within 10 Working Days of receipt of the same.
- 1.3 Subject to Paragraph 1.9, on the giving of a notice by the Beneficiary, where it appears that the Beneficiary is or may be entitled to indemnification from the Indemnifier in respect of all (but not part only) of the liability arising out of the Claim, the Indemnifier shall (subject to providing the Beneficiary with a secured indemnity to its reasonable satisfaction against all costs and expenses that it may incur by reason of such action) be entitled to dispute the Claim in the name of the Beneficiary at the Indemnifier’s own expense and take conduct of any defence, dispute, compromise or appeal of the Claim and of any incidental negotiations relating to the Claim. If the Indemnifier does elect to conduct the Claim, the Beneficiary shall give the Indemnifier all reasonable cooperation, access and assistance for the purposes of such Claim, and the Beneficiary shall not make any admission which could be prejudicial to the defence or settlement of the Claim without the prior written consent of the Indemnifier.
- 1.4 With respect to any Claim conducted by the Indemnifier pursuant to Paragraph 1.3:
- 1.5 the Indemnifier shall keep the Beneficiary fully informed and consult with it about material elements of the conduct of the Claim;
- 1.6 the Indemnifier shall not bring the name of the Beneficiary into disrepute;
- 1.7 the Indemnifier shall not pay or settle such Claim without the prior written consent of the Beneficiary, such consent not to be unreasonably withheld or delayed; and
- 1.8 the Indemnifier shall conduct the Claim with all due diligence.
- 1.9 The Beneficiary shall be entitled to have conduct of the Claim and shall be free to pay or settle any Claim on such terms as it thinks fit and without prejudice to its rights and remedies under this Contract if:
 - 1.9.1 the Indemnifier is not entitled to take conduct of the Claim in accordance with Paragraph 1.3;
 - 1.9.2 the Indemnifier fails to notify the Beneficiary in writing of its intention to take conduct of the relevant Claim within 10 Working Days of the notice from the Beneficiary or if the Indemnifier notifies the Beneficiary in writing that it does not intend to take conduct of the Claim; or
 - 1.9.3 the Indemnifier fails to comply in any material respect with the provisions of Paragraph 1.4.

2. RECOVERY OF SUMS

- 2.1 If the Indemnifier pays to the Beneficiary an amount in respect of an indemnity and the Beneficiary subsequently recovers (whether by payment, discount, credit, saving, relief or other benefit or otherwise) a sum which is directly referable to the fact, matter, event or

circumstances giving rise to the Claim, the Beneficiary shall forthwith repay to the Indemnifier whichever the lesser is of:

- 2.1.1 an amount equal to the sum recovered (or the value of the discount, credit, saving, relief, other benefit or amount otherwise obtained) less any out-of-pocket costs and expenses properly incurred by the Beneficiary in recovering or obtaining the same; and
- 2.1.2 the amount paid to the Beneficiary by the Indemnifier in respect of the Claim under the relevant indemnity.

3. MITIGATION

- 3.1 Each of the Parties shall at all times take all reasonable steps to minimise and mitigate any loss for which the relevant Party is entitled to bring a claim against the other Party pursuant to the indemnities in this Schedule 16.

SCHEDULE 17: KEY SUB-CONTRACTORS

1. In accordance with Clause 24.2 (Appointment of Key Sub-Contractors), the Supplier is entitled to sub-contract its obligations under this Contract to the Key Sub-Contractors listed below.

Key Sub-Contractor	Address	Role
Ernst and Young	1 More London Place London SE1 2AF	Grant Management
IPA	Lammert Majoorlaan 50 1401 RP Bussum The Netherlands	Procurement
Massey University	Massey University, Tennent Drive, Palmerston North, New Zealand 4472	Technical
Open University	International Development Office, Jim Burrows Building, Walton Hall, Milton Keynes, MK7 6AA	Technical
PHDA	Geomaps Centre, 4th Floor Wing B, Matumbato Road, Upperhill, Nairobi. P.O Box 3737-00506, Nairobi, Kenya	Technical

SCHEDULE 18: GUARANTEE

[INSERT THE NAME OF THE GUARANTOR]

- AND -

[INSERT THE NAME OF THE BENEFICIARY]

DEED OF GUARANTEE

DEED OF GUARANTEE

THIS DEED OF GUARANTEE is made the day of 20[]

BETWEEN:

- (1) [Insert the name of the Guarantor] [a company incorporated in England and Wales] with number [insert company no.] whose registered office is at [insert details of the Guarantor's registered office here] [OR] [a company incorporated under the laws of [insert country], registered in [insert country] with number [insert number] at [insert place of registration], whose principal office is at [insert office details] ("**Guarantor**"); in favour of
- (2) [The Authority] whose principal office is at [] ("**Beneficiary**")

WHEREAS:

- (A) The Guarantor has agreed, in consideration of the Beneficiary entering into the Guaranteed Agreement with the Supplier, to guarantee all of the Supplier's obligations under the Guaranteed Agreement.
- (B) It is the intention of the Parties that this document be executed and take effect as a deed.
- (C) Now in consideration of the Beneficiary entering into the Guaranteed Agreement, the Guarantor hereby agrees with the Beneficiary as follows:

1. DEFINITIONS AND INTERPRETATION

In this Deed of Guarantee:

- 1.1 unless defined elsewhere in this Deed of Guarantee or the context requires otherwise, defined terms shall have the same meaning as they have for the purposes of the Guaranteed Agreement;
- 1.2 the words and phrases below shall have the following meanings:

[Guidance Note: Insert and/or settle Definitions, including from the following list]

["**Beneficiary**" means the Authority and "Beneficiaries" shall be construed accordingly;]

["**Contract**" means the agreement for the Goods and/or Services dated on or about the date hereof made between the Authority and the Supplier;]

["**Goods**" shall have the meaning given in the Contract;]

["**Guaranteed Agreement**" means Contract made between the Beneficiary and the Supplier on [insert date];]

["**Services**" has the meaning given in the Contract;]

"Guaranteed Obligations"	means all obligations and liabilities of the Supplier to the Beneficiary under the Guaranteed Agreement together with all obligations owed by the Supplier to the Beneficiary that are supplemental to, incurred under, ancillary to or calculated by reference to the Guaranteed Agreement;
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- 1.3 references to this Deed of Guarantee and any provisions of this Deed of Guarantee or to any other document or agreement (including to the Guaranteed Agreement) are to be construed as references to this Deed of Guarantee, those provisions or that document or agreement in force for the time being and as amended, varied, restated, supplemented, substituted or novated from time to time;
- 1.4 unless the context otherwise requires, words importing the singular are to include the plural and vice versa;
- 1.5 references to a person are to be construed to include that person's assignees or transferees or successors in title, whether direct or indirect;
- 1.6 the words "other" and "otherwise" are not to be construed as confining the meaning of any following words to the class of thing previously stated where a wider construction is possible;
- 1.7 unless the context otherwise requires, reference to a gender includes the other gender and the neuter;
- 1.8 unless the context otherwise requires, references to an Act of Parliament, statutory provision or statutory instrument include a reference to that Act of Parliament, statutory provision or statutory instrument as amended, extended or re-enacted from time to time and to any regulations made under it;
- 1.9 unless the context otherwise requires, any phrase introduced by the words "including", "includes", "in particular", "for example" or similar, shall be construed as illustrative and without limitation to the generality of the related general words;
- 1.10 references to Clauses and Schedules are, unless otherwise provided, references to Clauses of and Schedules to this Deed of Guarantee; and
- 1.11 references to liability are to include any liability whether actual, contingent, present or future.

2. GUARANTEE AND INDEMNITY

- 2.1 The Guarantor irrevocably and unconditionally guarantees and undertakes to the Beneficiary to procure that the Supplier duly and punctually performs all of the Guaranteed Obligations now or hereafter due, owing or incurred by the Supplier to the Beneficiary.
- 2.2 The Guarantor irrevocably and unconditionally undertakes upon demand to pay to the Beneficiary all monies and liabilities which are now or at any time hereafter shall have become payable by the Supplier to the Beneficiary under or in connection with the Guaranteed Agreement or in respect of the Guaranteed Obligations as if it were a primary obligor.
- 2.3 If at any time the Supplier shall fail to perform any of the Guaranteed Obligations, the Guarantor, as primary obligor, irrevocably and unconditionally undertakes to the Beneficiary that, upon first demand by the Beneficiary it shall, at the cost and expense of the Guarantor:
 - 2.3.1 fully, punctually and specifically perform such Guaranteed Obligations as if it were itself a direct and primary obligor to the Beneficiary in respect of the Guaranteed Obligations and liable as if the Guaranteed Agreement had been entered into directly by the Guarantor and the Beneficiary; and

- 2.3.2 as a separate and independent obligation and liability, indemnify and keep the Beneficiary indemnified against all losses, damages, costs and expenses (including VAT thereon, and including, without limitation, all court costs and all legal fees on a solicitor and own client basis, together with any disbursements,) of whatever nature which may result or which such Beneficiary may suffer, incur or sustain arising in any way whatsoever out of a failure by the Supplier to perform the Guaranteed Obligations save that, subject to the other provisions of this Deed of Guarantee, this shall not be construed as imposing greater obligations or liabilities on the Guarantor than are purported to be imposed on the Supplier under the Guaranteed Agreement.
- 2.4 As a separate and independent obligation and liability from its obligations and liabilities under Clauses 2.1 to 2.3 above, the Guarantor as a primary obligor irrevocably and unconditionally undertakes to indemnify and keep the Beneficiary indemnified on demand against all losses, damages, costs and expenses (including VAT thereon, and including, without limitation, all legal costs and expenses), of whatever nature, whether arising under statute, contract or at common law, which such Beneficiary may suffer or incur if any obligation guaranteed by the Guarantor is or becomes unenforceable, invalid or illegal as if the obligation guaranteed had not become unenforceable, invalid or illegal provided that the Guarantor's liability shall be no greater than the Supplier's liability would have been if the obligation guaranteed had not become unenforceable, invalid or illegal.

3. OBLIGATION TO ENTER INTO A NEW CONTRACT

- 3.1 If the Guaranteed Agreement is terminated for any reason, whether by the Beneficiary or the Supplier, or if the Guaranteed Agreement is disclaimed by a liquidator of the Supplier or the obligations of the Supplier are declared to be void or voidable for any reason, then the Guarantor will, at the request of the Beneficiary enter into a contract with the Beneficiary in terms mutatis mutandis the same as the Guaranteed Agreement and the obligations of the Guarantor under such substitute agreement shall be the same as if the Guarantor had been original obligor under the Guaranteed Agreement or under an agreement entered into on the same terms and at the same time as the Guaranteed Agreement with the Beneficiary.

4. DEMANDS AND NOTICES

- 4.1 Any demand or notice served by the Beneficiary on the Guarantor under this Deed of Guarantee shall be in writing, addressed to:
- 4.1.1 [Address of the Guarantor in England and Wales]
- 4.1.2 [Facsimile Number]
- 4.1.3 For the Attention of [insert details]
- or such other address in England and Wales or facsimile number as the Guarantor has from time to time notified to the Beneficiary in writing in accordance with the terms of this Deed of Guarantee as being an address or facsimile number for the receipt of such demands or notices.
- 4.2 Any notice or demand served on the Guarantor or the Beneficiary under this Deed of Guarantee shall be deemed to have been served:
- 4.2.1 if delivered by hand, at the time of delivery; or

- 4.2.2 if posted, at 10.00 a.m. on the second Working Day after it was put into the post; or
 - 4.2.3 if sent by facsimile, at the time of despatch, if despatched before 5.00 p.m. on any Working Day, and in any other case at 10.00 a.m. on the next Working Day.
- 4.3 In proving service of a notice or demand on the Guarantor or the Beneficiary it shall be sufficient to prove that delivery was made, or that the envelope containing the notice or demand was properly addressed and posted as a prepaid first class recorded delivery letter, or that the facsimile message was properly addressed and despatched, as the case may be.
- 4.4 Any notice purported to be served on the Beneficiary under this Deed of Guarantee shall only be valid when received in writing by the Beneficiary.

5. BENEFICIARY'S PROTECTIONS

- 5.1 The Guarantor shall not be discharged or released from this Deed of Guarantee by any arrangement made between the Supplier and the Beneficiary (whether or not such arrangement is made with or without the assent of the Guarantor) or by any amendment to or termination of the Guaranteed Agreement or by any forbearance or indulgence whether as to payment, time, performance or otherwise granted by the Beneficiary in relation thereto (whether or not such amendment, termination, forbearance or indulgence is made with or without the assent of the Guarantor) or by the Beneficiary doing (or omitting to do) any other matter or thing which but for this provision might exonerate the Guarantor.
- 5.2 This Deed of Guarantee shall be a continuing security for the Guaranteed Obligations and accordingly:
 - 5.2.1 it shall not be discharged, reduced or otherwise affected by any partial performance (except to the extent of such partial performance) by the Supplier of the Guaranteed Obligations or by any omission or delay on the part of the Beneficiary in exercising its rights under this Deed of Guarantee;
 - 5.2.2 it shall not be affected by any dissolution, amalgamation, reconstruction, reorganisation, change in status, function, control or ownership, insolvency, liquidation, administration, appointment of a receiver, voluntary arrangement, any legal limitation or other incapacity, of the Supplier, the Beneficiary, the Guarantor or any other person;
 - 5.2.3 if, for any reason, any of the Guaranteed Obligations shall prove to have been or shall become void or unenforceable against the Supplier for any reason whatsoever, the Guarantor shall nevertheless be liable in respect of that purported obligation or liability as if the same were fully valid and enforceable and the Guarantor were principal debtor in respect thereof; and
 - 5.2.4 the rights of the Beneficiary against the Guarantor under this Deed of Guarantee are in addition to, shall not be affected by and shall not prejudice, any other security, guarantee, indemnity or other rights or remedies available to the Beneficiary.
- 5.3 The Beneficiary shall be entitled to exercise its rights and to make demands on the Guarantor under this Deed of Guarantee as often as it wishes and the making of a demand (whether effective, partial or defective) in respect of the breach or non performance by the Supplier of any Guaranteed Obligation shall not preclude the

Beneficiary from making a further demand in respect of the same or some other default in respect of the same Guaranteed Obligation.

- 5.4 The Beneficiary shall not be obliged before taking steps to enforce this Deed of Guarantee against the Guarantor to obtain judgment against the Supplier or the Guarantor or any third party in any court, or to make or file any claim in a bankruptcy or liquidation of the Supplier or any third party, or to take any action whatsoever against the Supplier or the Guarantor or any third party or to resort to any other security or guarantee or other means of payment. No action (or inaction) by the Beneficiary in respect of any such security, guarantee or other means of payment shall prejudice or affect the liability of the Guarantor hereunder.
- 5.5 The Beneficiary's rights under this Deed of Guarantee are cumulative and not exclusive of any rights provided by law and may be exercised from time to time and as often as the Beneficiary deems expedient.
- 5.6 Any waiver by the Beneficiary of any terms of this Deed of Guarantee, or of any Guaranteed Obligations shall only be effective if given in writing and then only for the purpose and upon the terms and conditions, if any, on which it is given.
- 5.7 Any release, discharge or settlement between the Guarantor and the Beneficiary shall be conditional upon no security, disposition or payment to the Beneficiary by the Guarantor or any other person being void, set aside or ordered to be refunded pursuant to any enactment or law relating to liquidation, administration or insolvency or for any other reason whatsoever and if such condition shall not be fulfilled the Beneficiary shall be entitled to enforce this Deed of Guarantee subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made. The Beneficiary shall be entitled to retain this security after as well as before the payment, discharge or satisfaction of all monies, obligations and liabilities that are or may become due owing or incurred to the Beneficiary from the Guarantor for such period as the Beneficiary may determine.

6. GUARANTOR INTENT

- 6.1 Without prejudice to the generality of Clause 5 (Beneficiary's protections), the Guarantor expressly confirms that it intends that this Deed of Guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to the Guaranteed Agreement and any associated fees, costs and/or expenses.

7. RIGHTS OF SUBROGATION

- 7.1 The Guarantor shall, at any time when there is any default in the performance of any of the Guaranteed Obligations by the Supplier and/or any default by the Guarantor in the performance of any of its obligations under this Deed of Guarantee, exercise any rights it may have:
 - 7.1.1 of subrogation and indemnity;
 - 7.1.2 to take the benefit of, share in or enforce any security or other guarantee or indemnity for the Supplier's obligations; and
 - 7.1.3 to prove in the liquidation or insolvency of the Supplier,only in accordance with the Beneficiary's written instructions and shall hold any amount recovered as a result of the exercise of such rights on trust for the Beneficiary and pay the same to the Beneficiary on first demand. The Guarantor hereby acknowledges that

it has not taken any security from the Supplier and agrees not to do so until Beneficiary receives all moneys payable hereunder and will hold any security taken in breach of this Clause on trust for the Beneficiary.

8. DEFERRAL OF RIGHTS

- 8.1 Until all amounts which may be or become payable by the Supplier under or in connection with the Guaranteed Agreement have been irrevocably paid in full, the Guarantor agrees that, without the prior written consent of the Beneficiary, it will not:
- 8.1.1 exercise any rights it may have to be indemnified by the Supplier;
 - 8.1.2 claim any contribution from any other guarantor of the Supplier's obligations under the Guaranteed Agreement;
 - 8.1.3 take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Beneficiary under the Guaranteed Agreement or of any other guarantee or security taken pursuant to, or in connection with, the Guaranteed Agreement;
 - 8.1.4 demand or accept repayment in whole or in part of any indebtedness now or hereafter due from the Supplier; or
 - 8.1.5 claim any set-off or counterclaim against the Supplier;
- 8.2 If the Guarantor receives any payment or other benefit or exercises any set off or counterclaim or otherwise acts in breach of this Clause 8, anything so received and any benefit derived directly or indirectly by the Guarantor therefrom shall be held on trust for the Beneficiary and applied in or towards discharge of its obligations to the Beneficiary under this Deed of Guarantee.

9. REPRESENTATIONS AND WARRANTIES

- 9.1 The Guarantor hereby represents and warrants to the Beneficiary that:
- 9.1.1 the Guarantor is duly incorporated and is a validly existing company under the laws of its place of incorporation, has the capacity to sue or be sued in its own name and has power to carry on its business as now being conducted and to own its property and other assets;
 - 9.1.2 the Guarantor has full power and authority to execute, deliver and perform its obligations under this Deed of Guarantee and no limitation on the powers of the Guarantor will be exceeded as a result of the Guarantor entering into this Deed of Guarantee;
 - 9.1.3 the execution and delivery by the Guarantor of this Deed of Guarantee and the performance by the Guarantor of its obligations under this Deed of Guarantee including, without limitation entry into and performance of a contract pursuant to Clause 3) have been duly authorised by all necessary corporate action and do not contravene or conflict with:
 - (a) the Guarantor's memorandum and articles of association or other equivalent constitutional documents;
 - (b) any existing law, statute, rule or regulation or any judgment, decree or permit to which the Guarantor is subject; or

- (c) the terms of any agreement or other document to which the Guarantor is a Party or which is binding upon it or any of its assets;
- 9.1.4 all governmental and other authorisations, approvals, licences and consents, required or desirable, to enable it lawfully to enter into, exercise its rights and comply with its obligations under this Deed of Guarantee, and to make this Deed of Guarantee admissible in evidence in its jurisdiction of incorporation, have been obtained or effected and are in full force and effect; and
- 9.1.5 this Deed of Guarantee is the legal valid and binding obligation of the Guarantor and is enforceable against the Guarantor in accordance with its terms.

10. PAYMENTS AND SET-OFF

- 10.1 All sums payable by the Guarantor under this Deed of Guarantee shall be paid without any set-off, lien or counterclaim, deduction or withholding, howsoever arising, except for those required by law, and if any deduction or withholding must be made by law, the Guarantor will pay that additional amount which is necessary to ensure that the Beneficiary receives a net amount equal to the full amount which it would have received if the payment had been made without the deduction or withholding.
- 10.2 The Guarantor shall pay interest on any amount due under this Deed of Guarantee at the applicable rate under the Late Payment of Commercial Debts (Interest) Act 1998, accruing on a daily basis from the due date up to the date of actual payment, whether before or after judgment.
- 10.3 The Guarantor will reimburse the Beneficiary for all legal and other costs (including VAT) incurred by the Beneficiary in connection with the enforcement of this Deed of Guarantee.

11. GUARANTOR'S ACKNOWLEDGEMENT

- 11.1 The Guarantor warrants, acknowledges and confirms to the Beneficiary that it has not entered into this Deed of Guarantee in reliance upon, nor has it been induced to enter into this Deed of Guarantee by any representation, warranty or undertaking made by or on behalf of the Beneficiary (whether express or implied and whether pursuant to statute or otherwise) which is not set out in this Deed of Guarantee.

12. ASSIGNMENT

- 12.1 The Beneficiary shall be entitled to assign or transfer the benefit of this Deed of Guarantee at any time to any person without the consent of the Guarantor being required and any such assignment or transfer shall not release the Guarantor from its liability under this Guarantee.
- 12.2 The Guarantor may not assign or transfer any of its rights and/or obligations under this Deed of Guarantee.

13. SEVERANCE

- 13.1 If any provision of this Deed of Guarantee is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed and the remainder of the provisions hereof shall continue in full force and effect as if this Deed of Guarantee had been executed with the invalid, illegal or unenforceable provision eliminated.

14. THIRD PARTY RIGHTS

- 14.1 A person who is not a Party to this Deed of Guarantee shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed of Guarantee. This Clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

15. GOVERNING LAW

- 15.1 This Deed of Guarantee and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in all respects in accordance with English law.
- 15.2 The Guarantor irrevocably agrees for the benefit of the Beneficiary that the courts of England shall have jurisdiction to hear and determine any suit, action or proceedings and to settle any dispute which may arise out of or in connection with this Deed of Guarantee and for such purposes hereby irrevocably submits to the jurisdiction of such courts.
- 15.3 Nothing contained in this Clause shall limit the rights of the Beneficiary to take proceedings against the Guarantor in any other court of competent jurisdiction, nor shall the taking of any such proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not (unless precluded by applicable law).
- 15.4 The Guarantor irrevocably waives any objection which it may have now or in the future to the courts of England being nominated for the purpose of this Clause on the ground of venue or otherwise and agrees not to claim that any such court is not a convenient or appropriate forum.
- 15.5 [Guidance Note: Include the following provision when dealing with the appointment of English process agent by a non English incorporated Guarantor] [The Guarantor hereby irrevocably designates, appoints and empowers [the Supplier] [a suitable alternative to be agreed if the Supplier's registered office is not in England or Wales] either at its registered office or on facsimile number [insert fax no.] from time to time to act as its authorised agent to receive notices, demands, service of process and any other legal summons in England and Wales for the purposes of any legal action or proceeding brought or to be brought by the Beneficiary in respect of this Deed of Guarantee. The Guarantor hereby irrevocably consents to the service of notices and demands, service of process or any other legal summons served in such way.]

IN WITNESS whereof the Guarantor has caused this instrument to be executed and delivered as a Deed the day and year first before written.

EXECUTED as a DEED by

[Insert name of the Guarantor] acting by [Insert/print names]

Director

Director/Secretary

SCHEDULE 19: TRANSPARENCY REPORTS

1. GENERAL

- 1.1 The Supplier shall provide to the Authority for Approval (such Approval not to be unreasonably withheld or delayed) draft Transparency Reports consistent with the content and format requirements in Annex 1 of this Schedule 19 below within three (3) months of service, on the Supplier by the Authority, of a populated notice in the form set out at Annex 1.
- 1.2 If the Authority rejects any proposed Transparency Report submitted by the Supplier, the Supplier shall submit a revised version of the relevant report for Approval by the Authority within five (5) days of receipt of any notice of rejection, taking account of any recommendations for revision and improvement to the report provided by the Authority. This process shall be repeated until the parties have agreed versions of each Transparency Report.
- 1.3 The Supplier shall provide accurate and up-to-date versions of each Transparency Report to the Authority at the frequency referred to in Annex 1 of this Schedule 19 below.
- 1.4 Any Dispute in connection with the preparation and/or approval of Transparency Reports shall be resolved in accordance with the Dispute Resolution Procedure.
- 1.5 The requirements in this Schedule 19 are in addition to any other reporting requirements in this Framework Agreement.

ANNEX 1: LIST OF TRANSPARENCY REPORTS

TITLE OF REPORT	CONTENT	FORMAT	FREQUENCY
[HEADLINE SERVICE PERFORMANCE]	[]	[]	[]
[CHARGES]	[]	[]	[]
[KEY SUB-CONTRACTORS]	[]	[]	[]
[TECHNICAL]	[]	[]	[]
[PERFORMANCE MANAGEMENT ARRANGEMENTS]	[]	[]	[]

SCHEDULE 20: TENDER

1. GENERAL

- 1.1 This Schedule 20 sets out a copy of the Supplier's Tender including the Supplier's responses to the technical and commercial criteria in the ITN Vol 2 document.
- 1.2 In addition to any other obligations on the Supplier under this Contract, the Supplier shall provide the Goods and/or Services to the Authority in accordance with the Tender.

[redacted]