

SCHEDULE 4 CHANGE AND CHANGE MANAGEMENT**PART 1 : DEFINITIONS**

1.1 Without prejudice to Schedule 1 (Definitions and Interpretations) for the purposes of this Schedule 4, the following terms shall have the following meanings:

Term	Definition
UOTR Change Register	Means the centrally held record maintained by the Contractor of all UOTR Change Requests, the status of such requests and the number of UOTR occurrences; and
UOTR Change Request	Means the change request issued by the Authority to the Contractor requesting an UOTR in accordance with paragraph 8.2 of this Schedule 4.

PART 2 :PREAMBLE

- 2.1 This Schedule sets out the process to be followed by the Parties in proposing and agreeing changes to the Training Services, which may give rise to an amendment to this Contract in accordance with clause 103 (Contract Amendments). This Schedule identifies the six categories of change and the mechanisms for agreeing any applicable changes to this Contract and the Contract Price, as appropriate, in relation to such changes.
- 2.2 Decisions on whether activities which may be proposed as changes to this Contract fall in or out of the scope of the original advert (Reference OJ/S 24620-2016) shall be at the sole discretion of the Authority.
- 2.3 Should requirements be identified which are outside the scope of the original advert (Reference OJ/S 24620-2016), the Authority shall decide on how to procure the requirement and shall not accept unsolicited bids by the Contractor exclusively.
- 2.4 In the event that the Contractor and the Authority cannot agree a change other than a Break of Task, the Parties shall escalate the matter in accordance with Schedule 3 (Governance and Contract Management).

PART 3 :ANNUAL CHANGE**3 Annual Change Overview**

- 3.1 An Annual Change is a change made pursuant to the Annual Change management process, in accordance with paragraph 4, arising from the Statement of Trained Requirement (SOTR) and the Statement of Training Task (SOTT), resulting in an amendment to Schedule 2 (Statement of Requirements) and the Annual Contract Price through the application of the Annual Change Pricing Mechanism detailed in Schedule 7 (Pricing of Change).

4 Annual Change Management Process

- 4.1 No later than 15 calendar months (31 December) prior to commencement of each Training Year, the Contractor shall obtain the Unit Establishment List (UEL) from the Authority in order to prepare the Military Manning Assumptions (MMAs) for agreement by the Establishments and production of the SOTT+.
- 4.2 No later than 13 calendar months (1 March) prior to commencement of each Training Year, the Authority shall issue to the Contractor an endorsed SOTR.
- 4.3 Within 2 calendar months (1 May) of receipt of the SOTR, the Contractor shall prepare and submit to the Authority a draft SOTT which shall include:
- 4.3.1 a statement explaining why the SOTT is the most efficient method of delivery of the SOTR;
 - 4.3.2 what spare capacity or resource shortfall the SOTT has created; and
 - 4.3.3 any assumptions made in the generation of the SOTT.
- 4.4 Within 1 month (1 June) of receipt of the SOTT by the Authority:
- 4.4.1 the Contractor shall use the Annual Change Pricing Mechanism detailed in paragraph 6 of Schedule 7 (Pricing of Change) to calculate, within defined thresholds, the change to the Annual Contract Price for the Training Year to which the SOTT relates; and
 - 4.4.2 the Contractor shall then submit to the Authority a draft Annual Change Report and SOTT+ which shall detail the agreed tasking of Military and Contractor Instructors and the price impact of the Annual Change.
- 4.5 The Parties shall work together in good faith in order to agree the final SOTT+ and Annual Change Report within 1 calendar month (1 July) of receipt by the Authority of the draft Annual Change Report.
- 4.6 In the event that the SOTT+ and Annual Change Report is not agreed the Parties shall escalate the matter in accordance with Schedule 3 (Governance and Change management).
- 4.7 Once agreed, the Contractor shall work with the Authority's Nominated Commercial

Officer to prepare the necessary amendment to this Contract and issue the Annual Change Pricing Mechanism in accordance with Schedule 7 (Pricing of Change).

- 4.8 The Authority's Nominated Commercial Officer shall issue an amendment to this Contract to implement the Annual Change no later than four calendar months (1 December) prior to the commencement of the Training Year in accordance with Clause 103 (Contract Amendments), such amendment to come into force no sooner than the first day of the Training Year to which the relevant SOTT+ relates. Upon receipt of the amendment to this Contract, the Contractor shall complete and return a DEFFORM 10B (as set out in Schedule 24 (DEFFORM 10B)) and proceed with the delivery of the SOTR as detailed in the SOTT+ with effect from the commencement of the relevant Training Year.

PART 4 : IN YEAR CHANGE**5 In Year Change Overview**

- 5.1 An In Year Change is a change requested by the Authority in accordance with paragraph 6 of this Schedule 4 by way of adjustment of the number of Course Starts and/or Contractor Delivery Periods and/or Type C Delivery Periods within the In Year Change Envelope, and which accordingly does not require a contract amendment or change to the Annual Contract Price.

6 In Year Change Management Process

- 6.1 The In Year Change process is a trading mechanism by which the Establishment can implement In Year Change.
- 6.2 The Principal Volumetrics for the relevant Training Year are the criteria against which the In Year Change Envelope shall be applied from the commencement of the relevant Training Year. For the avoidance of doubt, there shall be no carryover of any unused capacity in the In Year Change Envelope between Training Years.
- 6.3 The In Year Change Envelope shall be managed as follows:
- 6.3.1 Following the issue of the contract amendment pursuant to paragraph 4.8 above the Contractor shall plan for In Year Change Requests for that Training Year.
- 6.3.2 The Contractor shall maintain an In Year Change Register for each Training Year in order to document all In Year Change Requests made and implemented in respect of that Training Year, together with any capacity used to support the delivery of a UOTR pursuant to paragraph 7.1. The In-Year Change Register shall record the capacity remaining in the In Year Change Envelope at all times having consideration for planned or pending In Year Change.
- 6.3.3 The Authority shall, prior to the start and during the course of each Training Year, notify the Contractor of the allocation of the In Year Change Envelope to the Establishments, and the Contractor shall as soon as reasonably practicable adjust the In Year Change Register to reflect such allocations.
- 6.3.4 The Contractor shall action all In Year Change Requests made in the whole In Year Change Envelope in accordance with paragraph 6.3.7 except where any request made by an Establishment is outside the Establishment's allocation as notified to the Contractor, in which case the Contractor shall confirm such In Year Change Request with the Level 3 Change Manager prior to actioning it.

- 6.3.5 In the event that the whole In Year Change Envelope capacity is exceeded (either its upper or lower limits) no further In Year Changes shall take place unless such In Year Change is such that it creates capacity within the In Year Change Envelope during the relevant Training Year.
- 6.3.6 The Contractor shall provide the Authority with oversight of activities within the total In Year Change Envelope across all of the Establishments in accordance with Schedule 3 (Governance and Contract Management).
- 6.3.7 When managing In Year Change Requests, the Contractor shall use reasonable endeavours to achieve the timescales requested, being guided by the Authority's priority for each In Year Change Request.
- 6.3.8 In order to allow the Contractor to properly manage resources and scheduling within the SOTT, In Year Change Requests must be made no later than twenty (20) Business Days prior to the date of commencement of the course, whether a planned or new course, to which the In Year Change Request relates. In Year Change Requests received less than twenty (20) Business Days before the start date of the course shall not be accepted, unless the Contractor can implement with no detrimental effect on resource.
- 6.3.9 The Establishments shall issue an In Year Change Request to the Contractor. On receipt of an In Year Change Request from the Establishment, the Contractor shall allocate a unique reference number to the In Year Change Request and update the In Year Change Register.
- 6.3.10 The Contractor shall use reasonable endeavours to plan and deliver the In Year Change Request within the timescales requested. Where the Contractor is able to plan and deliver the In Year Change Request within the timescales requested, the Contractor shall plan and deliver the training accordingly and once the training is complete the Contractor shall record the event as such in the In Year Change Register. Where the Contractor is unable to plan and deliver the In Year Change Request within the timescales requested, the Contractor shall identify alternative dates and times when the training could be planned and delivered, and offer these to the requesting Establishment.
- 6.3.11 Where the Contractor has offered alternative dates and times to the Establishment, and one of these alternative dates or times is acceptable, the Establishment and Contractor shall agree the date and time in writing. The Contractor shall then plan and deliver the training required in the In Year Change Request in accordance with the alternative date and time agreed. When the training is complete, the Contractor shall record the event as such in the In Year Change Register. If the alternative dates and times are not acceptable, the Contractor and the Establishment shall determine whether the In Year Change can be accommodated in any other manner.

PART 5 : UOTR**7 UOTR Overview**

- 7.1 Urgent Operational Training Request (UOTR) is a change requested by the Authority that meets the criteria set out in paragraph 7.2, which requires immediate implementation in advance of the next Annual Change and may require an amendment to the Annual Contract Price where the UOTR Threshold has been exceeded or as otherwise may be required pursuant to paragraph 8.5.2.
- 7.2 A UOTR shall fulfil each of the following criteria:
- 7.2.1 the requirement is operationally urgent and the training must be delivered in a timely manner to meet an unforeseen and/or specific threat or one that has recently escalated for unforeseen reasons;
 - 7.2.2 the training cannot be met by the existing provision;
 - 7.2.3 the UOTR cannot be met through the redeployment of existing provisions;
 - 7.2.4 the capability required is theatre specific and the UOTR must be specific to a particular requirement and not a broad capability gap;
 - 7.2.5 the quantity is sufficient only to support the specific UOTR identified and the quantity of capability procured should only be that required for the specific UOTR identified; and
 - 7.2.6 the quantity is limited to that required to fill the gap until the next deliverable Annual Change, given the time constraints that this imposes, in the majority of cases this shall limit the provision to the use of the Contractor Instructors that are readily available, additional Contractor Instructors or revised use of Military Instructors.
- 7.3 UOTRs are not intended to be an enduring requirement and the provisions of resources for the design, planning, management and delivery of the UOTR shall be limited in scope to the minimum necessary to enable the UOTR to proceed until cessation of the requirement or incorporation into the next deliverable Annual Change.

8 UOTR Management Process

- 8.1 The decision on the declaration of a UOTR based on the criteria set out at paragraph 7.1 shall rest with the Level 2 Chairman.
- 8.2 The Authority shall then submit to the Contractor a UOTR Change Request.
- 8.3 The Contractor shall maintain a UOTR Change Register for each Training Year in order to document all UOTR Change Requests made and implemented in respect of that Training Year.

- 8.4 Training Support Services in relation to a UOTR shall be as follows:
- 8.4.1 The provision of Training Support Services up to the UOTR Threshold per Training Year shall be provided by the Contractor without adjustment of the Annual Contract Price.
 - 8.4.2 In the event that the UOTR Threshold is exceeded, the Authority's Nominated Commercial Officer may authorise the Contractor in writing to proceed with the Training Support Services to the UOTR in advance of an amendment to this Contract to adjust the Annual Contract Price in accordance with Schedule 7 (Pricing of Change) to reflect the additional Training Support Services required. The Contractor shall not be obliged to proceed with the Training Support Services unless and until such authorisation is received.
 - 8.4.3 Where a UOTR commences in a Training Year (year A) and the Training Support Services requirement in respect of such UOTR continues into a second Training Year (year B), this shall be counted as one occurrence in year A and shall not be counted as an occurrence in year B.
 - 8.4.4 There shall be no carryover of an unused element of a Training Year's UOTR Threshold into the next Training Year.
- 8.5 Training Delivery Support Services in relation to a UOTR shall be as follows:
- 8.5.1 In identifying the Training Delivery Support Services resources required to deliver the UOTR, the Contractor shall assess and make proposals from the following UOTR delivery options:
 - 8.5.1.1 seek to allocate Contractor Instructors from within the In Year Change Envelope and/or Military Instructors in order to deliver the UOTR;
 - 8.5.1.2 identify opportunities to cease or reschedule similar existing training to the UOTR requirement undertaken by Contractor Instructors and/or Military Instructors in order to deliver the UOTR;
 - 8.5.1.3 identify opportunities to provide non-SQEP Contractor Instructors suitable familiarisation training, provided by the Contractor or the Authority as appropriate, to bridge any SQEP requirement where the gap is minimal and UOTR required timescales permit, if no Contractor Instructors or Military Instructors can be utilised in accordance with paragraph 8.5.1.1 or 8.5.1.2 above;
 - 8.5.1.4 request the Authority waives the requirement to meet all SQEP competencies where an available Contractor Instructor is identified, if suitable familiarisation training in accordance with paragraph 8.5.1.3 is not available, or possible, within the relevant

timescales; and

- 8.5.1.5 identify the minimum external training delivery resources or requirement necessary to deliver the UOTR, in the unlikely event that no Contractor or Military Instructor resource is identifiable pursuant to any of paragraphs 8.5.1.1 to 8.5.1.4 inclusive.
 - 8.5.2 As soon as reasonably practicable following receipt of the Contractor's proposals made pursuant to paragraph 8.5.1, the Authority shall confirm to the Contractor which delivery option it wishes to pursue or the Authority may choose to utilise additional military resources in order to deliver the UOTR.
 - 8.5.3 The Authority shall inform the Authority's Nominated Commercial Officer of the preferred UOTR Training Delivery solution, and the Authority's Nominated Commercial Officer shall instruct, in writing, the Contractor to proceed.
 - 8.5.4 Upon receipt of the Authority's instruction to proceed, the Contractor shall implement the UOTR.
 - 8.5.5 For the avoidance of doubt, the Contractor shall not commence delivery of the UOTR until written instruction to proceed is received from the Authority's Nominated Commercial Officer.
- 8.6 Pricing in relation to a UOTR shall be as follows:
- 8.6.1 The price in respect of any UOTR shall be comprised of the aggregate of a Training Support Service element and a Training Delivery Support Services element.
 - 8.6.2 The Training Support Service element shall be at no additional price to the Authority up to the UOTR Threshold as referred to in paragraph 8.4. To the extent the UOTR Threshold has been reached, the firm price for the additional Training Support Services beyond the UOTR Threshold as an Exceptional Change in accordance with Schedule 7 (Pricing of Change). The Parties will work together in good faith to expedite the Exceptional Change Pricing process in recognition of the urgent nature of the UOTR. An amendment to this Contract shall be made by the Authority's Nominated Commercial Officer in accordance with Clause 103 (Contract Amendments) to reflect the necessary adjustment to the Annual Contract Price.
 - 8.6.3 The Training Delivery Support Service elements described at paragraphs 8.5.1.1 to 8.5.1.4 shall be at no additional charge. If the Authority's preferred option for delivery of the UOTR requires the use of Contractor Instructors in excess of the In Year Change Envelope (paragraph 8.5.1.1) or external training delivery resources (paragraph 8.5.1.5), the Authority may request that the Contractor procure these resources on its behalf

using the Exceptional Change process detailed at paragraph 14.

- 8.6.4 Notwithstanding the provisions of paragraph 7.3 where, an UOTR implemented in a Training Year (year A) is identified as being an enduring requirement before agreement of the SOTT+ for the following Training Year (year B), the Parties shall seek to include the UOTR as an Annual Change for inclusion in the SOTT+ for that following Training Year (year B). Where the UOTR is identified as an enduring requirement after agreement of the SOTT+ for the following Training Year (year B), the Parties shall continue the UOTR as a UOTR for that following Training Year (year B) and seek to include the UOTR in the SOTT+ for the subsequent Training Year (year C).

PART 6 Break of Task**9 Break of Task Overview**

- 9.1 A Break of Task is a change notified by the Authority in accordance with paragraph 10 requiring the permanent cessation of a Task or Tasks and for which there is no replacement or continuing requirement to be performed by the Contractor under this Contract for the remainder of the Contract Period. For the avoidance of doubt, this Break of Task does not constitute a break of the Contract as a whole as described in clause 67 (Break).

10 Break of Task Management Process

- 10.1 The Authority shall, in addition to its rights under any other provisions of this Contract, have the right to determine any Task, or Tasks, from the Statement of Requirements where the relevant Task or Tasks are no longer required by the Authority by giving to the Contractor not less than thirty (30) Business Days' notice in accordance with this paragraph 10.1 (the "Task Termination Notice").
- 10.2 The Contractor shall notify the Authority within ten (10) Business Days of receipt of the Task Termination Notice if it believes that the notice period referred to in paragraph 10.1 is insufficient to allow it to comply with the Law in conducting employee consultations, and shall provide evidence of this to the Authority's reasonable satisfaction. Upon receipt of the Contractor's request and satisfactory evidence, the Authority shall extend the notice period by a reasonable period of time, such extension to be at the sole discretion of the Authority, to enable the Contractor to conduct employee consultations in accordance with Law.
- 10.3 Upon the expiration of the notice period set out in the Task Termination Notice, the relevant Task, or Tasks, shall be determined without prejudice to the rights of the Parties already accrued as at the Task Termination Date, but subject to the operation of the provisions of paragraphs 10.3 to 10.10. For the avoidance of doubt, this paragraph 10 shall not apply in the event of the removal or deletion of a Task from the Statement of Requirements under the following types of Change:
- 10.3.1 an In Year Change within the In Year Change Envelope; or
- 10.3.2 an Annual Change within the limits of the Annual Change Pricing Mechanism.
- 10.4 In the event of a Task Termination Notice being given, the Authority shall, at any time before the expiration of the Task Termination Notice, be entitled to exercise and shall, as soon as may be reasonably practicable within that period, exercise such of the following powers as it considers expedient:
- 10.4.1 to direct the Contractor, where the Task has not commenced, to refrain from commencing the Task;
- 10.4.2 to direct the Contractor to complete in accordance with this Contract all of the Task, or any part or component thereof in the course of development or

delivery at the expiration of the Task Termination Notice and to deliver the same at such time, or times, as may be mutually agreed on, or, in absence of agreement, at any time or times specified for that Task in this Contract. All Tasks delivered by the Contractor in accordance with such directions shall be paid for at a fair and reasonable price; and

10.4.3 to direct that the Contractor shall, as soon as may be reasonably practicable after receipt of such Task Termination Notice:

10.4.3.1 take such steps as shall ensure that the delivery of the Task, including any elements or parts thereof, is reduced as rapidly as possible; and

10.4.3.2 determine on the best possible terms such Sub-Contracts and orders for materials or services sub-contracted as have not been completed, observing in connection with this any direction given under this paragraph 10.4 as far as may be possible.

10.5 In the event of such Task Termination Notice being given:

10.5.1 for Task Services, the Authority shall pay the Contractor fair and reasonable prices for each Task Service performed or partially performed in accordance with this Contract;

10.5.2 for Task Deliverables and Authority Property:

10.5.2.1 subject to Part 12 (Intellectual Property) of this Contract, the Authority shall take over from the Contractor, at a fair and reasonable price, all Task deliverables in the course of production and in the possession of the Contractor at the expiration of the Task Termination Notice, and properly provided by, or supplied to, the Contractor for the performance of this Contract except such items as the Contractor shall, with the concurrence of the Authority, elect to retain; and

10.5.2.2 the Contractor shall prepare and deliver to the Authority within an agreed period, or in default of agreement within such reasonable period as the Authority may specify, a list of all Authority Property or other loaned items liable to be taken over by, or previously belonging to, the Authority, and shall deliver such Authority Property and loaned items in accordance with the directions of the Authority who shall pay to the Contractor fair and reasonable handling and delivery charges incurred in complying with such directions; and

10.5.2.3 the Authority shall indemnify the Contractor against any commitments, liabilities or expenditure which are reasonably and properly chargeable by the Contractor in connection with this

Contract to the extent to which these commitments would otherwise represent an unavoidable loss by the determination of the Task, subject to the Contractor taking reasonable steps to mitigate such loss. Provided that, in the event of the Contractor not having observed any direction given to it under paragraph 10.4, the Authority shall not, under this paragraph, pay any sums in excess of those which the Authority would have paid, had the Contractor observed that direction.

- 10.6 If any particular case of hardship to the Contractor should arise from the operation of this paragraph 10, it shall be open to the Contractor to refer the circumstances to the Authority who, on being satisfied that such hardship exists, shall make such allowance, if any, as in its opinion is reasonable, and the discretion of the Authority on any matter or thing arising out of this paragraph 10.6 shall be final and conclusive.
- 10.7 The Authority shall not, in any case, be liable to pay under the provisions of this paragraph any sum which, when taken together with any sums paid or due or becoming due to the Contractor under this Contract, shall exceed the total price for the Task payable under this Contract.
- 10.8 The Contractor shall, in any Sub-Contract or order, the value of which is £10,000 or over, made or placed by it with any one Sub-Contractor or supplier, in connection with, or for the purpose of this Contract, ensure that it has the right to determine such Sub-Contract or order upon the terms of paragraph 10.1 to 10.7 save only that:
- 10.8.1 the name of the Contractor shall be substituted for the Authority throughout in paragraphs 10.5 and 10.6;
 - 10.8.2 the period of notice of determination shall be not less than twenty (20) Business Days;
 - 10.8.3 the Contractor shall not exercise its right to determine those Sub-Contracts until the Authority has exercised its rights under paragraph 10.1; and
 - 10.8.4 each of those Sub-Contracts shall restrict the Contractor's right to exercise the right to determine a Sub-Contract pursuant to this paragraph 10.8.4 by including in the Sub-Contract the following provision "Provided that this right is not exercised unless the main contract has been determined by the Secretary of State pursuant to the provisions of paragraph 10 to Schedule 4 (Change and Change Management) to the Contract".
- 10.9 Where the Authority wishes to exercise its right to determine a Task or Tasks in accordance with paragraph 10.1 but in such circumstances where any affected employee or Sub-Contractor employee's employment contract contains a notice period greater than the notice period set out in the Task Termination Notice, the Authority may, at its sole discretion, elect to make payment in lieu of the additional notice period for any affected employee or Sub-Contractor employee.

- 10.10 The Authority shall not be liable under this paragraph 10 to pay any sum which:
- 10.10.1 would be claimable under any insurance held (or required to be held) by the Contractor, but for the fact that the Contractor 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 has failed to take out or maintain any insurance that it is required to take out and/or maintain; or
 - 10.10.2 relates to, or arises from, the existence or termination of any Sub-Contract where the Contractor has not included the provisions at paragraph 10.8 in the Sub-Contract.
- 10.11 The Contractor shall, following receipt of a Task Termination Notice, produce an amendment to this Contract to reflect the Break of Task for agreement by the Authority, which amendment shall be made in accordance with clause 103 (Contract Amendments).

PART 7 TRAINING OPTIMISATION CHANGE**11 Training Optimisation Overview**

- 11.1 A Training Optimisation Change is a change arising from Authority approved Training Optimisation activities identified in accordance with clause 34, which requires the Parties to agree an amendment to this Contract in accordance with paragraph 12.

12 Training Optimisation Management Process

- 12.1 In accordance with clause 34, either Party may propose a Training Optimisation opportunity at the Performance and Change Working Group (PCWG (Schedule 3)) for inclusion in the Training Optimisation Programme.
- 12.2 If the opportunity is subsequently agreed by the PCWG, the following Training Optimisation management process shall apply:
- 12.2.1 the Contractor shall, with the input and support, as appropriate, of the Authority develop an Outline Proposal;
 - 12.2.2 any Outline Proposal developed pursuant to paragraph 12.1 shall be tabled by the Authority for consideration by the Project Optimus Project Board;
 - 12.2.3 the Project Optimus Project Board shall agree whether to proceed with development and submission of a Final Proposal pursuant to paragraph 12.1;
 - 12.2.4 if the Project Optimus Project Board agrees that the Outline Proposal should be developed into a Final Proposal, then the Contractor shall within ten (10) Business Days of such agreement, or such other period as may be agreed between the Parties, produce a Final Proposal and submit that Final Proposal to the Authority for final approval by the Level 1 Chairman.
 - 12.2.5 If at any point in the process described in paragraph 12.2 agreement cannot be reached, the decision shall be recorded by the Authority and no further action shall be taken.
- 12.3 The Parties shall work together in good faith to agree and implement an amendment to this Contract to reflect the Final Proposal. In the event that the Parties cannot agree, the Parties shall escalate the matter in accordance with Schedule 3 (Governance and Contract Management).
- 12.4 Upon receipt of the amendment to this Contract, the Contractor shall issue to the Authority's Nominated Commercial Officer in accordance with clause 103 (Contract Amendments) a completed and signed DEFFORM 10B (as set out in Schedule 24 (DEFFORM 10B)) and implement the Training Optimisation initiative.
- 12.5 The amendment to this Contract is to be made no later than three months following acceptance of the Final Proposal.

- 12.6 The Contractor shall not, unless otherwise agreed in writing by the Authority's Nominated Commercial Officer, commence implementation of the Authority Approved Training Optimisation initiative until the Authority's amendment to this Contract is received.

PART 8 : EXCEPTIONAL CHANGE**13 Exceptional Change Overview**

- 13.1 An Exceptional Change is a Change requested by the Authority in accordance with paragraph 14 which cannot be affected by any other change mechanism provided for within this Contract.

14 Exceptional Change Management Process

- 14.1 In the event of an Exceptional Change, the Authority may seek reasonable assistance from the Contractor in scoping such requirement in order to properly prepare a business case and Exceptional Change Request.
- 14.2 If an Exceptional Change is requested by the Authority or Contractor, the following Exceptional Change management process shall apply:
- 14.2.1 the Authority shall issue an Exceptional Change Request to the Contractor which shall include sufficient information for the Contractor to develop an Outline Proposal.
- 14.2.2 Within ten (10) Business Days of receipt of the Exceptional Change Request or such longer period as may be agreed by the Parties, the Contractor shall submit an Outline Proposal to the Authority, with a copy to the Authority's Nominated Commercial Officer. The Outline Proposal shall include the estimated price for the delivery of the Exceptional Change.
- 14.2.3 As soon as practicable after the Authority has received the Outline Proposal, the Contractor shall discuss and agree the Outline Proposal with the Authority and the Authority's Nominated Commercial Officer, if necessary through a series of iterations. Where an Outline Proposal is submitted by the Contractor in respect of an Exceptional Change identified by the Contractor, any such change is subject to the agreement of the Authority.
- 14.2.4 If at any point in the process described in paragraph 14.2.1 to 14.2.3 agreement cannot be reached, the decision shall be recorded and no further action shall be taken.
- 14.2.5 As soon as practicable after the Outline Proposal has been agreed, the Contractor shall submit a Final Proposal to the Authority's Nominated Commercial Officer who shall then confirm in writing to the Contractor that the Final Proposal has been approved by the Authority. The Final Proposal the firm Exceptional Change Price to be agreed in accordance with Schedule 7 (Pricing of Change).
- 14.2.6 The Parties shall work together in good faith to agree and implement an amendment to this Contract to reflect the Final Proposal. In the event that agreement cannot be reached, the Parties shall escalate the matter in accordance with Schedule 3 (Governance and Contract Management).

- 14.2.7 Upon receipt of the amendment to this Contract, the Contractor shall issue to the Authority's Nominated Commercial Officer in accordance with clause 103 (Contract Amendments) a completed and signed DEFFORM 10B (as set out in Schedule 24 (DEFFORM 10B)) and implement the Exceptional Change. The Annual Exceptional Change Price shall be amended in accordance with Schedule 6 (Pricing Mechanism).
- 14.3 The Contractor shall not commence implementation of the Exceptional Change until the Authority's amendment to this Contract is received.
- 14.4 In the event of the Contractor identifying an Exceptional Change, the Contractor shall be entitled to submit an Outline Proposal and the Parties shall then follow the Exceptional Change process accordingly.