

CCN Number: CQC.018.03/16

Title of Change	Contract Extension (FWA V2.20)
Service Line	F&A , ES and Direct Debit Service
Operations Lead	Stephen Sutcliffe, Tasy Warn
Originator	Andy Horsfield

Change Control Notice (CCN) to the following agreement:		
Agreement Name		Date of Agreement
Contract of Supply of Managed Services - Care Quality Commission – CQC – FWA v 2.20		1 st October 2011
Date Change Requested	Date CCN Raised	Expiry Date of CCN
9 th April 2016	30 th December 2016	31 st March 2020

Contact information for the proposed Change			
Originator		Other Party	
Name:	Andy Horsfield	Name:	Kate Harrison
Company:	NHS Shared Business Services Ltd	Company:	Care Quality Commission
Telephone:	██████████	Telephone:	██████████
Email:	████████████████████	Email:	████████████████████

Clauses and Schedules affected
Terms & Conditions – Definitions, Term, Break Option
Schedule B: Service Performance - Key Performance Indicators, Service Measures
Schedule G: Charges - Basic Service Charges, Supplementary Service Charges, Business Volumes

Associated Change Control Notices		
CCN No.	Name of Agreement	Date of Agreement

Reason for Change
<p>The initial term of the Authority's managed services contract expired on 31st March 2016. The Authority wishes to extend their contract for a period of four years by utilising the four optional 12-month Extension Periods available in their contract with a break option after 3 years.</p> <p>For the avoidance of doubt, the contract is extended to a total term of ten years until 31st March 2020 with an optional break point on the ninth anniversary (31st March 2019).</p>

Description of Change	
<u>Changes to Terms & Conditions</u>	
1)	The following will replace Clause 15 – Term:
15 Term	
15.1	The Contract shall commence on the date of signature of the Contract by both parties. The provision of Managed Services shall commence on the Service Commencement Date. The Contract shall continue in full force and effect for an initial period of ten years from the Service Commencement Date (the "Initial Term"), unless terminated by the Authority at its discretion after the first nine years in accordance with sub-clause 10.4. The Authority and the Contractor may mutually agree to add new service lines (Supplementary Services) at any point during the contract. The Term of the Contract for the new Supplementary Service will be for an initial period of six years from the Service Commencement Date of the Supplementary Service unless terminated by the Authority at its discretion after the first four years in accordance with sub-clause 10.4.
15.2	Not Used
15.3	Not Used
15.4	Not Used
2)	The following will replace Clause 10.4 – Break Option:
10.4 Break Option	
The Authority may terminate the Contract on the ninth anniversary of the Service Commencement Date by providing no less than 30 Business Days notice in writing in advance of the ninth anniversary of the Service Commencement Date.	
3)	The following will be added to Clause 1.1 – Definitions:
"Service Measures" means those performance standards as set out in Table B9 of Schedule B of the Agreement.	
<u>Changes to Schedule B: Service Performance</u>	
The changes to Schedule B are described in Annex A of this Change Control Note (CCN).	
<u>Changes to Schedule G: Charges</u>	
1)	The following will replace Paragraph 2.3:
2.3	The basic service charges shall be £326,988

Description of Change - Continued

Changes to Schedule G: Charges – Continued

- 2) The following will replace Paragraph 3.6:

- 3.6 The Supplementary Service Charges shall, in accordance with the foregoing principles, be
 - Employment Services - £336,730 per annum
 - Direct Debit service - £62,141 per annum

- 3) The following Table will replace Table G6: Baseline Business Volumes:

- 4) The following Table will be added into paragraph 6.10:

Rate Card for Payroll and HR ESR Admin. Services Transactions		
Service	Transactions	Rate per Transaction
[Redacted Content]		

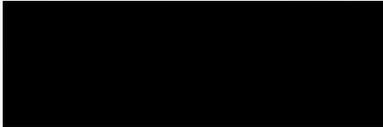
Description of Change - Continued
<p>Changes to Schedule G: Charges – Continued</p> <p>5) The following Table will replace Table G6: Baseline Business Volumes:</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p style="background-color: #cccccc; margin: 0;">Table G6: Baseline Business Volumes</p> <div style="background-color: black; height: 300px; width: 100%;"></div> </div>

Changes to contract charges and revised payment schedules
As described above in Description of Change.
The contract charges described in this CCN will be back dated to 1st April 2016.

Price to implement change
None

Impact of Change on other Agreement Provisions
<p>The Contractor agrees, upon request from the Authority, to review the service charges during April 2017.</p> <p>The Contractor agrees, upon request from the Authority, to schedule a workshop to review of the contract Key Performance Indicators and Service Measures during February 2017. As part of this workshop the Parties shall agree an additional Key Performance Indicator in relation to Debt Recovery.</p> <p>The additional KPI F9 included as part of this CCN shall be reported manually to the Authority. If the Authority wishes for the additional KPI to be reported through the existing Business Intelligence report, this shall incur an additional cost of change which will be submitted as part of a separate Minor Works Order.</p> <p>The Parties acknowledge at the time of execution of this CCN that there are open action plans in place for both the Basic Services and the Supplementary Services related to operational issues (the "Action Plans"). The Action Plans are living documents but are true as of the date specified in each Action Plan. Successful delivery of the Action Plans is dependent upon the actions required of both Parties and the Parties will work in partnership to complete the actions contained therein. The Action plans are incorporated into Annex B of this CCN.</p>

Timetable for Implementation
<p>This CCN will take effect from 1st April 2016.</p>

Acceptance	
<p>Signed for and on behalf of: Care Quality Commission</p>	<p>Signed: </p> <p>Print Name: DAVID BEHAN</p> <p>Title: CHIEF EXECUTIVE</p> <p>Date: 30/12/16</p>
<p>Signed for and on behalf of: NHS Shared Business Services Ltd</p>	<p>Signed: </p> <p>Print Name: Chris Ashburn</p> <p>Title: Chief Financial Officer</p> <p>Date: 30/12/2016</p>

Annex A: Changes to Schedule B: Service Performance

1) The following row will be added to Table B1: Key Performance Indicator:

Managed Service	Key Performance Indicator	Key Performance Indicator Definition
[Redacted Content]		

2) The following will be added to the Notes section below Table B1:

6. An Undisputed Invoice means an invoice where payment has not been withheld by a customer of the Authority's due to:
- De-registration or being in the process of de-registration (including mergers)
 - Bankruptcy or liquidation
 - Overcharging

The Debt Process means:

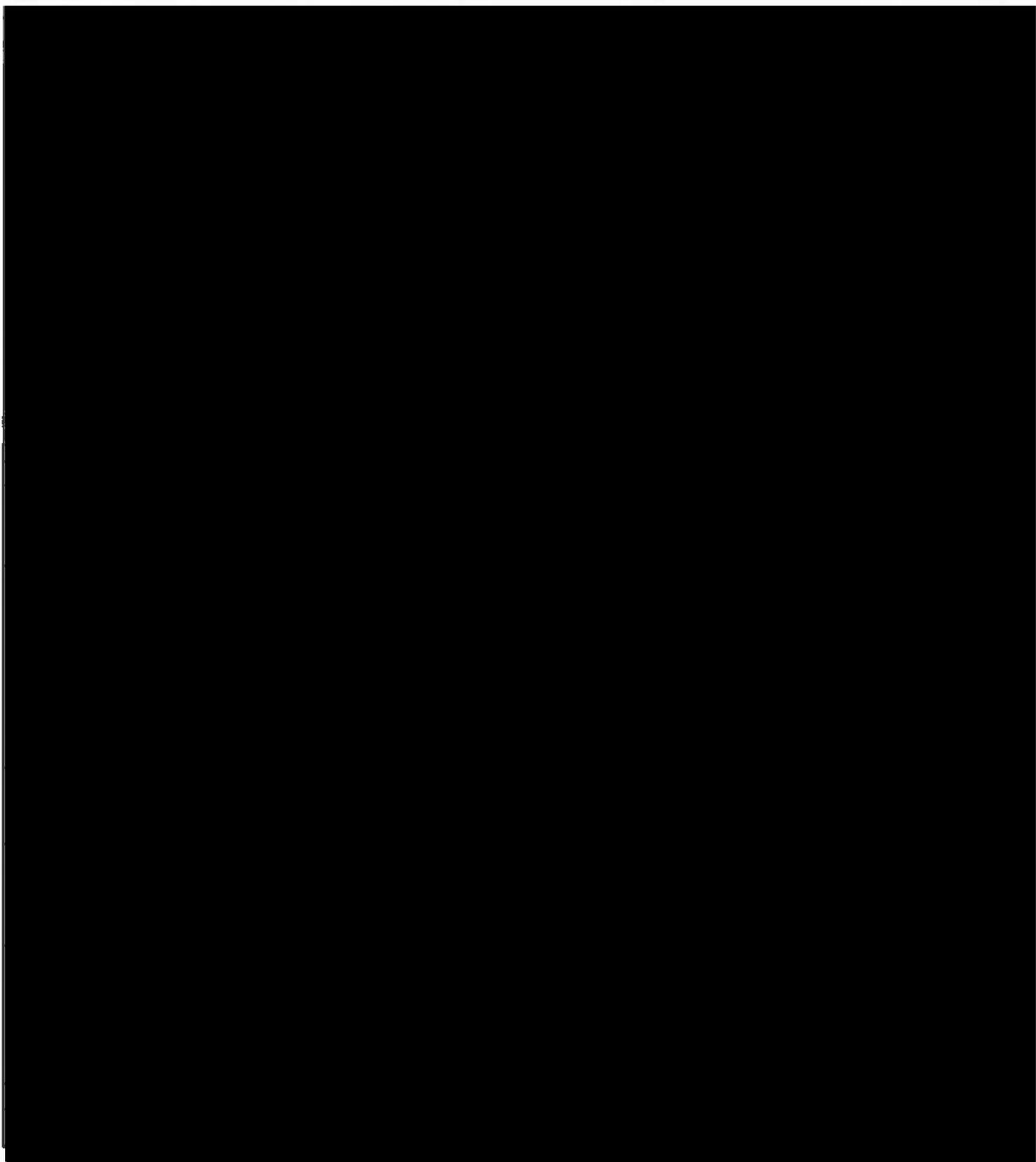
- For Commercial & Non-Commercial (Non-NHS) Debt :
 - o Dunning letters sent one (1), ten (10) and twenty (20) days after the Payment Due Date
 - o Chase calls made after the Payment Due Date
 - o Chase emails sent following each chase call where a Payment Promise has not been received (Note: 'Payment Promise' would need to be defined in the contract)
- For NHS Non-Contract Debt :
 - o Dunning letters sent one (1) and ten (10) days after the payment due date
 - o Chase calls made after the Payment Due Date
 - o Chase emails sent following each chase call where a Payment Promise has not been received (Note: 'Payment Promise' would need to be defined in the contract)

Payment Promise means when a debtor has confirmed that they will pay an invoice and specified the date which the invoice will be paid.

3) The following will replace the F&A section of Table B2: Target & Minimum Service Levels in its entirety:

F&A

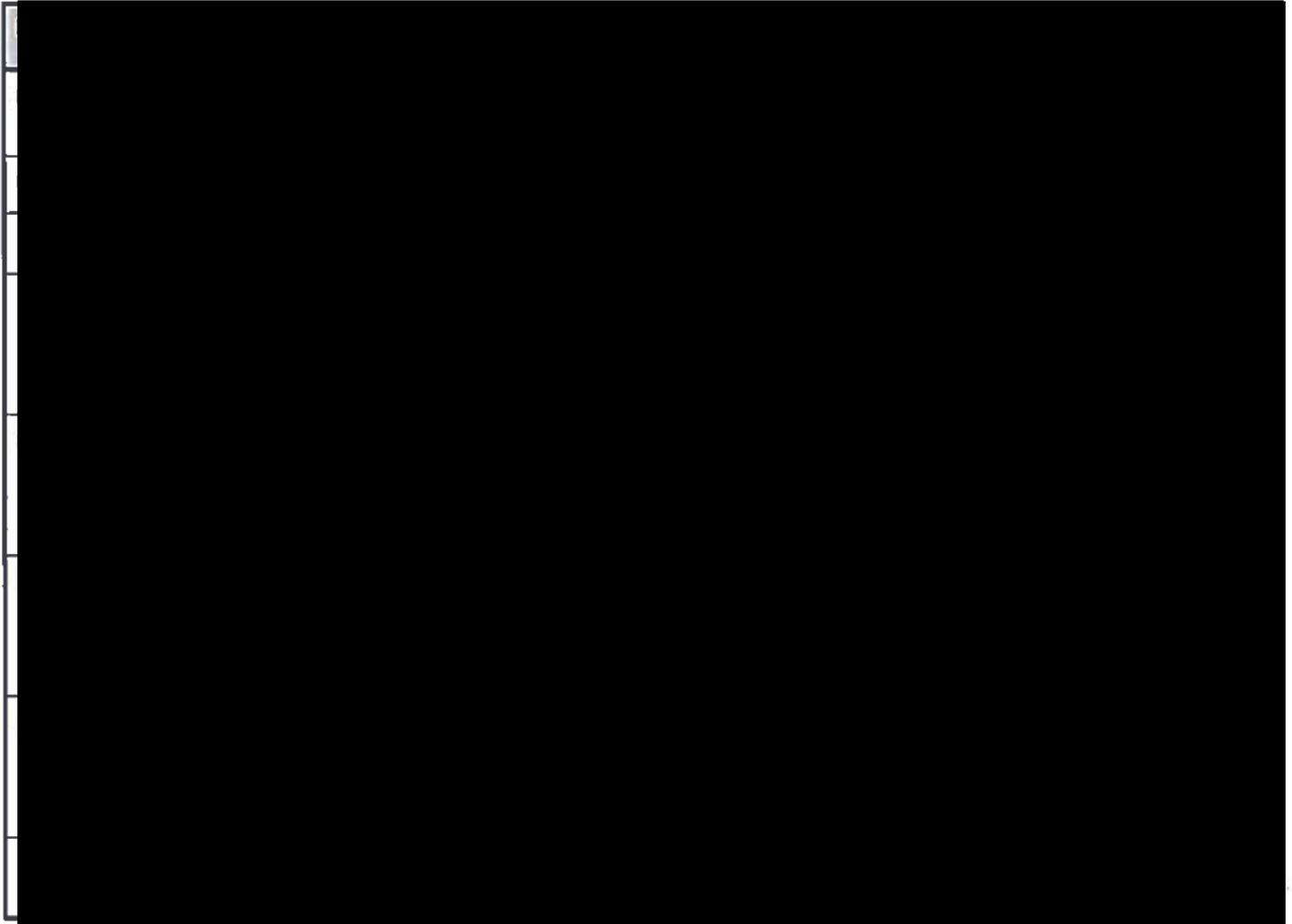
[Redacted Content]				
--------------------	--	--	--	--



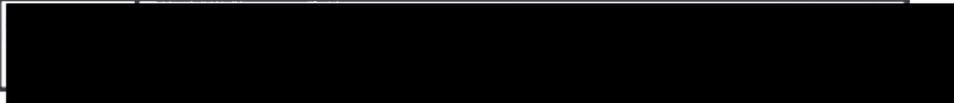
Annex A: Changes to Schedule B: Service Performance - Continued

4) The following will replace the Payroll section of Table B2: Target & Minimum Service Levels in its entirety:

Payroll



5) The following row will be added to Table B4: Performance below Minimum Service Level:

KPI	Calculation
	

Annex A: Changes to Schedule B: Service Performance - Continued

6) The following will be added as Paragraph 5

5. Service Measures

5.1 In addition to the KPIs described in Table B1, the Contractor shall monitor and report on relevant Service Measures described in Table B9 of this Schedule B.

5.2 For the avoidance of doubt, the Service Measures will not be reported as part of the Customer's standard KPI report nor be eligible for Service Credits in accordance with the Service Credits regime described in Paragraph 3 of this Schedule B.

7) The following will be added as Table B9

Table B9: Service Measures

F&A

Annex B:

- B1) Debt Management: Actions Log
- B2) NHS Shared Business Services (Employment Services) Complaints Action Plan

