



Department
for Work &
Pensions

AGREEMENT DOCUMENT

For

The Provision of Specialist Employability Support Services

Between

**THE SECRETARY OF STATE FOR WORK AND PENSIONS
(the “Authority”) acting as part of the Crown.**

And

[Insert]

AGREEMENT REFERENCE NUMBER: UI_DWP_101515

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This Agreement is made on [TextReq insert date of the last signature to this Contract]
the
between the Parties The Secretary of State for Work and Pensions

("the Authority") acting as part of the Crown.
[TextReq insert address of Authority's Representative or as a default use;]
of Caxton House,
Tothill Street
London
SW1H 9DA

and [TextReq insert name of Contractor]

with registered number [TextReq insert registered number (if applicable)]
having the main or [TextReq insert address of contractor]
registered office at

("the Contractor")

and hereinafter called "the Parties"

A.GENERAL PROVISIONS

A1 Definitions and Interpretation

A1.1 In this Contract the following provisions shall have the meanings given to them below:

"Accounting Year" means the 12 month period from 1 April to 31 March.

"Administration" means a rescue mechanism under the Insolvency Act 1986 where a company may be rescued or reorganised or its assets realised under the protection of a statutory moratorium. The company is put into Administration and an Administrator is appointed.

"Affiliate" means in relation to any company, any holding company or subsidiary of that company or any subsidiary of such holding company, and "holding company" and "subsidiary" shall have the meaning given to them in section 1159 of the Companies Act 2006.

"Approval" means the prior written consent of the Authority this includes email.

"Authority" means the Secretary of State for Work and Pensions.

"Authority Data" means

- a) the data, text, drawings, diagrams, images or sounds (together with any database made up of any of these) which are embodied in any electronic, magnetic, optical or tangible media, and which are:
 - i) supplied to the Contractor by or on behalf of the Authority; or
 - ii) which the Contractor 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 ICT System” means the Authority’s computing environment (consisting of hardware, software and/or telecommunications networks or equipment) used by the Authority or the Contractor in connection with the Contract which is owned by or licensed to the Authority by a third party and which interfaces with the Contractor ICT System or which is necessary for the Authority to receive the Services.

“Authority Software” means software which is owned by or licensed to the Authority, including software which is, or will be used by the Contractor for the purpose of providing the Services but excluding the Contractor Software.

“Breach of Security” means the occurrence of unauthorised access to or use of the Premises, the Services, the Contractor system or any ICT or data (including the Authority’s Data) used by the Authority or the Contractor in connection with this Contract.

“Bribery Act 2010” means the Bribery Act 2010 and any subordinate legislation made under that Act from time to time together with any guidance or codes of practice issued by the relevant government department concerning the legislation.

“Business Continuity Plan” means any plan prepared as directed in clause H5.6, as may be amended from time to time.

“Change Control Notice” means the notice referred to in clause F12 (Change Control)].

“Commencement Date” *1st September 2015*

“Commercially Sensitive Information” means the Information:

- (i) listed in the Commercially Sensitive Information Schedule;
- (ii) notified to the Authority in writing (prior to the commencement of this Contract) which has been clearly marked as Commercially Sensitive Information which is provided by the Contractor to the Authority in confidence; or

- (iii) which constitutes a trade secret.

“Commercially Sensitive Information Schedule” means the Schedule containing a list of the Commercially Sensitive Information.

“Confidential Information” means:

- a) any information which has been designated as confidential by either Party in writing or that ought reasonably to be considered as confidential (however it is conveyed or on whatever media it is stored) including information that relates to the business, affairs, developments, trade secrets, know-how, personnel and suppliers of the Contractor, including Intellectual Property Rights, together with all information derived from the above, and any other information clearly designated as being confidential (whether or not it is marked as “confidential”) or which ought reasonably to be considered to be confidential; and
- b) the Commercially Sensitive Information and does not include any information:
 - i) which was public knowledge at the time of disclosure (otherwise than by breach of clause E4 (Confidential Information));
 - ii) which was in the possession of the receiving Party, without restriction as to its disclosure, before receiving it from the disclosing Party;
 - iii) which is received from a third party (who lawfully acquired it) without restriction as to its disclosure; or
 - iv) is independently developed without access to the Confidential Information.

“Contract” means the written agreement between the Authority and the Contractor consisting of these clauses and any attached Schedules, and any document referred to in Schedule 1, including the Specification, the Tender and the Contractor Guidance.

“Contract Period” means the period from the Commencement Date to:

- a) the date of expiry set out in clause A2 (Initial Contract Period); or
- b) following an extension pursuant to clause F8 (Extension of Initial Contract Period), the date of expiry of the extended period; or

- c) such earlier date of termination or partial termination of the Contract in accordance with the Law or the provisions of the Contract.

“Contractor” means the person, partnership or company with whom the Authority enters into the Contract.

“Contract Price” means the price (exclusive of any applicable VAT), payable to the Contractor by the Authority under the Contract, as set out in the Prices and Rates Schedule, for the full and proper performance by the Contractor of its obligations under the Contract but before taking into account the effect of any adjustment of price in accordance with clause C4 (Price Adjustment on Extension of Initial Contract Period).

“Contractor Software” means software owned or licensed to the Contractor, including software which is or will be used by the Contractor for the purposes of providing the Services.

“Crown” means the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Government and The Welsh Government), including, but not limited to, government ministers, government departments, government and particular bodies, and government agencies. In this Agreement, the Authority is acting as part of the Crown.

“Data Controller” shall have the same meaning as set out in the DPA.

“Data Subject” shall have the same meaning as set out in the DPA.

“Data Processing” shall have the same meaning as set out in the DPA.

“Default” means any breach of the obligations of the relevant Party (including but not limited to fundamental breach or breach of a fundamental term) or any other default, act, omission, negligence or statement of the relevant Party or the Staff in connection with or in relation to the subject-matter of the Contract and in respect of which such Party is liable to the other.

“Directive” means EC Council Directive 2001/23/EC

“DPA” means the Data Protection Act 1998 and any subordinate legislation made under such 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.

“DWP Offshoring Policy” means the Authority’s policy and procedures in relation to hosting or accessing the Authority ICT System or official information outside of the UK including Landed

Resources as advised to the Contractor by the Authority from time to time.

“Effective Date” means [], being the date on which the Parties have entered into this Contract.

“Employment Liabilities” means liabilities arising from all employment-related claims, including claims for redundancy payments, unlawful deduction of wages, unfair, wrongful or constructive dismissal compensation, compensation for sex, race, religion/belief, age, sexual orientation or disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, discrimination, claims for equal pay, compensation for less favourable treatment of part-time, fixed-term or agency workers, and any claims (whether in tort, contract or statute or otherwise), demands, actions, proceedings and any award, compensation, damages, tribunal awards, fine, loss, order, penalty, reasonable disbursement, payment by way of settlement, and reasonable costs and expenses reasonably incurred in connection with a claim or investigation (including 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), and any reasonable legal costs and expenses.’

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

“Equipment” means the Contractor’s equipment, plant, materials and such other items supplied and used by the Contractor in the performance of its obligations under the Contract.

“FOIA” means the Freedom of Information Act 2000 and any subordinate legislation made under this 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.

“Former Contractor” a contractor 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);

“Fraud” means any offence under Law or common law creating offences in respect of fraudulent acts, fraudulent acts in relation to the Contract, defrauding or attempting to defraud or conspiring to defraud the Crown.

“Good Industry Practice” means standards, practices, methods and procedures conforming to the Law and the degree of skill and care,

diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person or body engaged in a similar type of undertaking under the same or similar circumstances.

“Government Apprenticeship Programme means training which is funded by the Government via the National Apprenticeship Service.

[Optional “Guarantee”] means the deed of guarantee in favour of the Authority entered into by the Guarantor on or about the date of the Contract (which is substantially in the form set out in Schedule 11(Parent Company Guarantee) or such similar form acceptable to the Authority from time to time)]. To be included in the final Contract documentation, if required.

[Optional “Guarantor”] means the body who has agreed to guarantee the due performance of the Contract by the Contractor as defined in Clause G4 and the deed at Schedule 11]. To be included in the final Contract documentation, if required.

“ICT” means information and communications technology.

“ICT Environment” means the Authority system and the Contractor system.

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

“Initial Contract Period” means the period from the **[Commencement Date]** to the date of expiry set out in clause A2 (Initial Contract Period), or such earlier date of termination or partial termination of the agreement in accordance with the Law or the provisions of the Contract.

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

“Key Personnel” means those persons named in Annex J (ITT)

“KPI” means a key performance indicator to which the Services are to be provided as set out in the Specification.

“Landed Resources” means when the Contractor or its Sub-contractor causes foreign nationals to be brought to the United Kingdom to provide the Services.

“Law” means any applicable Act of Parliament, subordinate legislation, exercise of the royal prerogative, enforceable European Community

right, regulatory policy, guidance or industry code, judgment of a relevant court of law, or directives or requirements or any Regulatory Body of which the Contractor is bound to comply.

“Liquidation” means the appointment of a Liquidator who collects in and distributes the company's assets and dissolves the company. The company can also be put into provisional Liquidation before a final winding up order is granted.

“Loss” means direct losses, liabilities, claims, damages, costs, charges, outgoings and expenses (including legal expenses) of every description, provided in each case that such losses are reasonable, direct, proper and mitigated.

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

“Merlin Standard” means the standard and accreditation process in respect of supply chain management as detailed in the Specification.

“Minimum Performance Levels” means in relation to the Contractor the minimum performance levels to which the Services must be provided as set out in Schedule 3 Appendix A

“Minimum Service Levels” means the set of service levels to which the Services must be provided as set out in Schedule 3 Appendix A and any other service levels as notified by the Authority to the Contractor from time to time.

“Monitoring Requirements Schedule” means the Schedule containing details of the monitoring arrangements.

“Month” means calendar month.

“Off Benefit” shall have the meaning ascribed in the Contractor Guidance.

“OJEU Notice” means the contract notice published in the Official Journal of the European Union.

“Open Book Data” means complete and accurate financial and non-financial information which is sufficient to enable the Authority to verify the [Charges] already paid or payable and [Charges] forecast to be paid during the remainder of the Contract Period, including details and all assumptions relating to:

(a) the Prime Contractor's costs broken down against each service category and/or deliverable under the Contract, including actual capital

expenditure (including capital replacement costs) and the unit cost and total actual costs of all hardware and software;

(b) operating expenditure relating to the provision of the Services including an analysis showing:

- (i) the unit costs and quantity of consumables and bought-in services;
 - (ii) manpower resources broken down into the number and grade/role of all Staff (free of any contingency) together with a list of agreed rates against each manpower grade;
 - (iii) a list of costs underpinning those rates for each manpower grade, being the agreed rate less the Prime Contractor's profit margin; and
 - (iv) reimbursable expenses (such as reasonable out of pocket travel and subsistence expenses properly and necessarily incurred in the performance of the Services) ;
- (c) overheads;
- (d) all interest, expenses and any other third party financing costs incurred in relation to the provision of the Services;
- (e) the Prime Contractor's profit achieved over the Contract Period and on an annual basis;
- (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 Prime Contractor; and

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.

“Outcome Payment” means the fee payable by the Authority to the Contractor on achievement of an Outcome and which shall be payable in accordance with the requirements of Schedule 2 (Administration Requirements) and Schedule 4 (Prices and Rates).

“Outcome” means a job outcome after the Start Date; and a Participant has been in employment and Off-Benefit each week; and there has been an either continuous or cumulative individual period of employment as detailed in the Specification for each Customer Group.

“Participant” means the person(s) directly receiving the Services provided by the Contractor as specified in this Contract.

“Participant's records” means the records prepared and maintained by the Contractor (in whatever form or storage media) concerning an individual Participant.

“Party” means a party to the Contract.

“Performance Improvement Plan” means the plan agreed in accordance with clause B15 for the resolution of a Contractor’s Default.

“Performance Improvement Notice” means a written notice given by the Authority to the Contractor pursuant to clause B15 to initiate the Performance Improvement Process.

“Performance Improvement Process” means the process for resolving certain of the Contractor’s Defaults as set out in clause B14.

“Performance Manager” means the Authority’s representative who will work with the Contractor to support delivery of the Minimum Performance Levels and the Minimum Services Levels.

“Performance Parameters” means the parameters that underpin the payment profile which shall include but not be limited to (a) customer volumes, (b) performance levels, (c) job outcome qualification criteria, (d) fees (unit prices)].

“Persistent Breach” means a Default which has occurred on three or more separate occasions with a continuous period of three (3) months.

“Personal Data” shall have the same meaning as set out in the DPA.

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

“Prices & Rates Schedule” means the Schedule containing details of the Contract Price.

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

“Provider Guidance” means the instructions and recommended practices, including any instructions of an operational nature, and/or relating to Sustainable Development and promotion of race equality and non-discrimination, copies of which have been provided by the Authority to the Contractor prior to the **Commencement Date / Effective Date** and any other instructions and recommended practices notified by the Authority to the Contractor from time to time.

(“Provider Referrals and Payments System” or “PRaP” means the Authority’s prescribed IT systems which will be used to refer Participants and pay the Prime Contractor.)

“Quality Standards” means the quality standards published by BSI British Standards, the National Standards Body of the United Kingdom, the International Organisation for Standardisation or other reputable or equivalent body, (and their successor bodies) that a skilled and experienced operator in the same type of industry or business sector

as the Contractor would reasonably and ordinarily be expected to comply with, and as may be further detailed in the Specification.

“Regulatory Bodies” means those government departments and regulatory, statutory and other entities, committees, ombudsmen and bodies which, whether under statute, rules, regulations, codes of practice or otherwise, are entitled to regulate, investigate, or influence the matters dealt with in the Contract or any other affairs of the Authority and “Regulatory Body” shall be construed accordingly.

“Relevant Employees” means the employees of the Contractor or any Sub-contractor who are wholly or mainly assigned to work in the provision of the Services and who are/will be the subject of a Relevant Transfer by virtue of the application of the TUPE Regulations.

“Relevant Transfer” means a transfer of employment to which the TUPE Regulations apply.

“Relevant Transfer Date” means in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place.

“Replacement Contractor” means any third party service provider appointed by the Authority to supply 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, termination or partial termination of the Contract.

“Request for Information” shall have the meaning set out in FOIA or the Environmental Information Regulations as relevant (where the meaning set out for the term “request” shall apply).

“Schedule” means a Schedule attached to, and forming part of, the Contract.

“Security Plan” means the Contractor’s security plan prepared as directed in paragraph 3 of Schedule (Security Requirements & Plan).

“Security Policy” means the Authority’s Security Policy annexed to Schedule (Security Requirements and Plan) as updated from time to time.

“Security Tests” means conduct tests of the processes and countermeasures contained in the Security Plan

“Services” means the services to be supplied as specified in the Specification.

“Service Failure” means a failure by the Contractor to deliver any part of the Services in accordance with:- (a) any of the Minimum Performance Levels; and/or (b) any of the Minimum Service Levels.

“Service Fee” means the non-outcome based fee payable to the Prime Contractor by the Authority for delivery of the (Provision)(Services) at the rates set out in Schedule 4 (Prices & Rates).

“Service Levels” means the service levels to which the Services are to be provided, as set out in the Specification and in Schedule 3, Monitoring Requirements.

“Short Job Outcome” means continuous employment or self-employment which:

- a) the Participant enters with or without the support of the Prime Contractor or one of its Sub-contractors;
- b) requires at least 16 hours of work per week;
- c) has lasted 13 weeks or more with no breaks in employment (or, in the case of a self-employed Participant, they are expected to trade independently for at least 13 weeks, as defined in Provider Guidance (and specifically Part 6 of the Authority’s published generic provider guidance) ; and
- d) started prior to the Participant leaving the Provision or within the Tracking Period.

“Short Job Outcome Payment” means the outcome based fee payable to the Prime Contractor by the Authority on achievement of each Short Job Outcome at the rates set out in Schedule 4 (Prices & Rates);

“Specification” means the description of the Services to be supplied under the Contract as referred to in Schedule 1, The Services., including, where appropriate, the Key Personnel, the Premises and the Quality Standards.

“Staff” mean all persons employed by the Contractor to perform its obligations under the Contract together with the Contractor’s servants, agents, suppliers and Sub-contractors used in the performance of its obligations under the Contract.

“Staff Vetting Procedures” means the Authority’s procedures for the vetting of personnel and as advised to the Contractor by the Authority.

“Start Date” shall have the meaning described in the Contractor Guidance.

“Sub-contractor” means any third party appointed by the Contractor which through its employees or agents directly delivers the Services.

“Sustained Job Outcome” means continuous employment or self-employment (independent trading) which:

- a) started whilst the Participant is on the Services, or after the Participant left the Services and began unsupported work within the Tracking Period;

- b) continues without the support of the Prime Contractor or its Sub-contractors;
- c) has lasted for at least 26 weeks out of 30, starting from the date that Specialist Employability support is withdrawn (i.e. when the Participant leaves the Services);
- d) requires at least 16 hours of work per week; and
- e) includes breaks in employment totalling no more than 4 weeks.

“Sustained Job Outcome Payment” means the outcome based fee payable to the Prime Contractor by the Authority on achievement of each Sustained Job Outcome at the rates set out in Schedule 4 (Prices & Rates)

“Tender” means the document(s) submitted by the Contractor to the Authority in response to the Authority’s invitation to suppliers for formal offers to supply it with the Services.

“Third Party Software” means software which is proprietary to any third party (other than an Affiliate of the Contractor) which is or will be used by the Contractor for the purposes of providing the Services.

“Tracking Period” means the six week period (or such other longer period as the Authority shall agree with the Prime Contractor from time to time) during which the Prime Contractor may track the destination to which the Participant leaves the Services and, if appropriate, make a claim in respect of a Job Outcome. This period starts on the date the relevant Participant leaves Services (as described in the Provider Guidance), or in relation to the final claim provisions of Schedule 4, the date on which the Contract expires or terminates.

“TUPE Regulations” means the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended or replaced or any other regulations implementing the EU Directive 77/187/EEC.

“Universal Credit”

a) As the Prime Contractor is aware, the Contracting Body is intending to alter the benefit system such that Universal Credit will replace a number of existing benefits.

The Prime Contractor is required to support the implementation of the Universal Credit insofar as it may impact on the provision of the Services, including without limit:

- i. Assisting in notifying Participants for which it is responsible how the changes to universal credits will impact the Services as applicable to those Participants;

ii. Notification to the Contracting Body of the data relevant to the impact of Universal Credit on the Services.

b) At any time, as a consequence of, or in connection with the implementation Universal Credit, the contracting Body reserves the right to:

i. review all systems and processes used and implemented by the Prime Contractor in connection with delivery of the Services, to ensure that such systems and processes are aligned and compatible with any legislative changes, any changes to the Contracting Body's systems and processes and any other changes arising out of or in connection with, the introduction or implementation of Universal Credit; and/or

ii. Require the Prime Contractor to make such changes to the Prime Contractor's systems and processes as the Contracting Body may determine.)

"Variation" has the meaning given to it in clause F3.1 (Variation).

"VAT" means value added tax in accordance with the provisions of the **Value Added Tax Act 1994**.

"Welfare to Employment Contracts" means contracts entered into between the Secretary of State for Work and Pensions and Contractors for the provision of employment related support services as part of the Department of Work and Pension's Welfare to Employment Programme.

"Working Day" means any day other than a Saturday, Sunday, or public holiday when banks in the United Kingdom are open for business.

A1.2 The interpretation and construction of this Contract shall be subject to the following provisions:

- a) Words importing the singular meaning include where the context so admits the plural meaning and vice versa;
- b) Reference to a clause is a reference to the whole of that clause unless stated otherwise;
- c) Reference to any statute, law, order, regulation or other similar instrument shall be construed as a reference to the statute, law, order, regulation or instrument as subsequently amended or re-enacted;
- d) Reference to any person shall include natural persons and partnerships, firms and other incorporated bodies and all other legal persons of whatever kind and however constituted and their successors and permitted assigns or transferees;

- e) The words “include”, “includes” and “including” are to be construed as if they were immediately followed by the words “without limitation”;

Headings are included in this Contract for ease of reference only and shall not affect the interpretation or construction of the Contract.

A2 Initial Contract Period

- A2.1 This Contract shall take effect on the Effective Date and the Contractor shall commence delivery of the Services on the Commencement Date.
- A2.2 This Contract shall expire automatically on 31 August 2017, unless it is otherwise terminated in accordance with the provisions of this Contract, or otherwise lawfully terminated, or extended under clause F9 (Extension of Initial Contract Period).
- A2.3 The Contractor shall process all Referrals so as to ensure that all Participants will have completed Services by 31st August 2017.

A3 Contractor's Status

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

A4 Authority's Obligations

Save as otherwise expressly provided, the obligations of the Authority under this Contract are obligations of the Authority in its capacity as a contracting counterparty and nothing in this Contract shall operate as an obligation upon, or in any other way constrain the Authority in any other capacity, nor shall the exercise by the Authority of its duties and powers in any other capacity lead to any liability, under this Contract (howsoever arising), on the part of the Authority to the Contractor.

A5 Notices

- A5.1 Except as otherwise expressly provided within this Contract, no notice or other communication from one Party to the other shall have any validity under this Contract unless made in writing by or on behalf of the Party concerned.
- A5.2 Any notice or other communication which is to be given by either Party to the other shall be given by electronic mail (confirmed in either case by letter), by letter (sent by hand, post, registered post or by the recorded delivery service) or by facsimile transmission. Provided the relevant communication is not returned as undelivered, the notice or communication shall be deemed to have been given two (2) Working Days after the day on which the letter was posted, or four (4) hours, in the case of electronic mail or facsimile transmission or sooner where

the other Party acknowledges receipt of such letters, facsimile transmission or item of electronic mail. Such letters shall be addressed to the other Party in the manner referred to in clause A5.3.

A5.3 For the purposes of clause A5.2, the address of each Party shall be:

- a) For the Authority:
Address: [Insert]
For the attention of: [Insert]
Tel: [Insert]
Fax: [Insert]
Email: [Insert]
- b) For the Contractor:
Address: [Insert]
For the attention of: [Insert]
Tel: [Insert]
Fax: [Insert]
Email: [Insert]

A5.4 Either Party may change its address for service by serving a notice in accordance with this clause.

A6 Mistakes in Information

The Contractor shall be responsible for the accuracy of all drawings, documentation and information supplied to the Authority by the Contractor in connection with the supply of the Services and shall pay the Authority any extra costs occasioned by the Authority by any discrepancies, errors or omissions therein except where such discrepancies, errors or omissions originate from documentation supplied by the Authority.

A7 Conflicts of Interest

A7.1 The Contractor shall take appropriate steps to ensure that neither the Contractor nor any Staff is placed in a position where, in the reasonable opinion of the Authority, there is or may be an actual conflict, or a potential conflict, between the financial or personal interests of the Contractor and the duties owed to the Authority under the provisions of this Contract. The Contractor will disclose to the Authority full particulars of any such conflict of interest which may arise.

A7.2 The Authority reserves the right to terminate this Contract immediately by notice in writing and/or to take such other steps it deems necessary where, in the reasonable opinion of the Authority, there is or may be an actual conflict, or a potential conflict, between the financial or personal interests of the Contractor and the duties owed to the Authority under the provisions of this Contract. The actions of the Authority pursuant to this clause shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to the Authority.

A7.3 This clause A7 shall apply during the continuance of this Contract and for a period of two (2) years after its termination.

A8 Prevention of Fraud

A8.1 The Authority places the utmost importance on the need to prevent fraud and irregularity in the delivery of this Contract. Contractors and Sub-contractors are required to:

- a) have an established system that enables Contractor and Sub-contractor staff to report inappropriate behaviour by colleagues in respect of contract performance claims;
- b) ensure that their performance management systems do not encourage individual staff to make false claims regarding achievement of contract performance targets;
- c) ensure a segregation of duties within the Contractor's or Sub-contractors operation between those employees directly involved in delivering the service/goods performance and those reporting achievement of contract performance to the Authority;
- d) ensure that an audit system is implemented to provide periodic checks, as a minimum at six (6) Monthly intervals, to ensure effective and accurate recording and reporting of contract performance.

A8.2 The Contractor shall use its best endeavours to safeguard the Authority's funding of the Contract against fraud generally and, in particular, fraud on the part of the Contractor's directors, employees or Sub-contractors. The Contractor shall pay the utmost regard to safeguarding public funds against misleading claims for payment and shall notify the Authority immediately if it has reason to suspect that any serious irregularity or fraud has occurred or is occurring.

A8.3 If the Contractor, its Staff or its Sub-contractors commits Fraud in relation to this or any other contract with the Crown (including the Authority) the Authority may:

- a) terminate the Contract and recover from the Contractor the amount of any loss suffered by the Authority resulting from the termination, including the cost reasonably incurred by the Authority of making other arrangements for the supply of the Services and any additional expenditure incurred by the Authority throughout the remainder of the Contract Period; or
- b) recover in full from the Contractor any other loss sustained by the Authority in consequence of any Default of this clause.

A8.4 Any act of fraud committed by the Contractor or its Sub-contractors (whether under this Contract or any other contract with any other Contracting Body) shall entitle the Authority to terminate this Contract,

and any other contract the Authority has with the Contractor, by serving written notice on the Contractor.

A8.5 If the Authority finds that the Contractor has deliberately submitted false claims for Contract payments with the knowledge of its senior officers the Authority will be entitled to terminate this Contract, or any other contract the Authority has with the Contractor, with immediate effect.

A8.6 The Contractor shall co-operate fully with the Authority and assist it in the identification of Participants who may be unlawfully claiming state benefits. The Authority may from time to time brief the Contractor as to the co-operation and assistance it reasonably requires including the provision of information regarding fraud by Participants. On receipt of the information, further evidence may be collected by the Authority or other department, office or agency of Her Majesty's Government with a view to prosecution.

A9 Volumes

The Contractor acknowledges and has submitted its Tender on the understanding that no guarantee is given by the Authority in respect of levels or values of Services referred to in the Schedules which are indicative only and shall not be binding on the Authority.

A10 Non-exclusivity

The Parties hereby expressly acknowledge and agree that the Prime Contractor shall not be the Authority's exclusive supplier or provider of the Services and the Authority shall be entitled at its discretion to procure any aspect of the Services from other suppliers or providers at any time during the Contract Period.

A11 Contract Price Cap

Without prejudice to clauses A9 and A10, the Authority reserves the right, on the giving of not less than 3 months' prior written notice to the Contractor, to apply a cap to the total Contract Price payable to the Contractor [for the delivery of the Services by the Contractor during the Initial Contract Period], such cap to be [not less than **£ Contract Value to be inserted**] or such other figure as may be agreed in good faith between the Parties. The Contractor shall only be obliged to deliver Services under the Contract up to a value equivalent to such cap subject to the Authority's right to lift the cap and require the Contractor to continue or resume delivery of Services to a value higher than the cap."

B.SUPPLY OF SERVICES

B1 The Services

B1.1 With effect from the Commencement Date, the Contractor shall supply the Services during the Contract Period in accordance with the Authority's requirements as set out in the Specification and the provisions of the Contract in consideration of the payment of the Contract Price. The Authority may inspect and examine the manner in

which the Contractor supplies the Services at the Premises during normal business hours on reasonable notice.

B1.2 If the Authority informs the Contractor in writing that the Authority reasonably believes that any part of the Services does not meet the requirements of the Contract or differ in any way from those requirements, and this is other than as a result of a Default by the Authority, the Contractor shall at its own expense re-schedule and carry out the Services in accordance with the requirements of the Contract within such reasonable time as may be specified by the Authority.

B1.3 Not Used

B2 Provision and Removal of Equipment

B2.1 The Contractor shall provide all the Equipment necessary for the supply of the Services.

B2.2 Not Used

B2.3 Not Used

B2.4 Not Used

B2.5 Not Used

B2.6 Not Used

B2.7 Not Used

B3 Manner of Carrying Out the Services

B3.1 The Contractor shall at all times comply with the Quality Standards, and where applicable shall maintain accreditation with the relevant Quality Standards authorisation body. To the extent that the standard of Services has not been specified in the Contract, the Contractor shall agree the relevant standard of the Services with the Authority prior to the supply of the Services and in any event, the Contractor shall perform its obligations under the Contract in accordance with the Law and Good Industry Practice.

B3.2 While not in anyway limiting any other provision of this Contract, in delivering the Services, the Contractor and any of its Sub-contractors, shall comply with the DWP Offshoring Policy. The DWP Offshoring Policy shall apply to Landed Resources.

B3.3 The Contractor shall ensure that all Staff supplying the Services shall do so with all due skill, care and diligence and shall possess such qualifications, skills and experience as are necessary for the proper supply of the Services.

B3.4 The Authority will conduct a review of the performance of this contract at least annually or at other frequently as set out by the Authority from time to time during the Contract Period. During this review, a performance report will be agreed.

B3.5 ICT Interface

(a) The Prime Contractor shall, at its own cost, ensure that the Prime Contractor System interfaces appropriately with the Authority ICT System.

(b) Without prejudice to the generality of clause B3.5(a), in respect of network, communications, computer or other Equipment provided by or used by the Prime Contractor and/or its Sub-Contractors in the provision of the Services that do or are required to interface with the Authority ICT System, the Contractor shall have primary management responsibility, at its own cost, for incident or problem resolution, including (without limitation):

(i) for ensuring that such requirement does not interfere with the provision of the Services in accordance with the Contract; and

(ii) for taking all necessary steps within its power, and in full consultation

with the Authority, to ensure that the interface is successfully achieved, including the provision of all necessary resources and personnel to rectify any incidents or problems.

B4 Participant Complaints

B4.1 The Contractor shall have an internal dispute resolution procedure for dealing with complaints from Participants about the Contractor (and/or any of its Sub-contractors).

B4.2 If the dispute between the Participant and the Contractor (and/or the Sub-contractor) cannot be resolved the dispute shall be referred to the **Independent Case Examiner ("ICE")** for mediation].

B4.3 If the dispute cannot be resolved by mediation, ICE will conduct a full investigation. The decision of ICE shall be final and binding upon the parties to the dispute. The ICE investigation shall carry a £5,000 (plus VAT) contribution to costs paid by the Contractor or the Sub-contractor who will also be liable for any financial redress recommended by ICE. In the event that the complaint against the Contractor or Sub-contractor is dismissed, no costs shall be payable. Any costs in respect of complaints that have been upheld against the Contractor or Sub-contractor and any financial redress due to the DWP Participant shall be paid within four (4) weeks of the date of the ICE final investigation report]

B4.4 Not Used

B4.5 Not Used

B.46 Not Used

B5 The Merlin Standard

B.5.1 The Prime Contractor shall apply for Merlin Standard accreditation within 6 months following the **Commencement Date** and to achieve full Merlin accreditation within 12 months of the **Commencement Date**. Any breach by the Prime contractor of this clause B5 shall be a material breach of the contract for the purposes of clause (X). The Contractor shall operate in accordance with the Merlin Standard and key values and principles of behaviour essential for creating healthy, high performing supply chains.

B5.2 Where the Authority has approved the appointment of a Sub-contractor, the Contractor shall, at its own expense, at all times comply with the Merlin Standard (including for the avoidance of doubt, but without limitation, any mediation and/or arbitration arising out of, or in connection with, the Merlin Standard) any other guidance and/or codes of practice issued by the Authority and, where applicable, shall maintain accreditation with the relevant Merlin Standard authorisation body. Any breach by the Contractor of this clause B5.10 shall be a Default for the purpose of this Contract].

B6 Key Personnel

B6.1 The Contractor acknowledges that the Key Personnel, as detailed in Annex J of the Invitation to Tender, are essential to the proper provision of the Services to the Authority.

B6.2 The Key Personnel shall not be released from supplying the Services without the prior written agreement of the Authority.

B6.3 Any replacements to the Key Personnel shall be subject to the prior written agreement of the Authority. Such replacements shall be of at least equal status or of equivalent experience and skills to the Key Personnel being replaced and be suitable for the responsibilities of that person in relation to the Services.

B6.4 The Authority shall not unreasonably withhold its agreement under clauses B6.2 or B6.3. Such agreement shall be conditional on appropriate arrangements being made by the Contractor to minimise any adverse impact on the Contract which could be caused by a change in Key Personnel.

B7 Contractor's Staff

B7.1 Not Used

B7.2 Not Used

B7.3 Not Used

B7.4 Not Used

B7.5 The Contractor shall comply with all applicable legislation relating to safeguarding and protecting vulnerable groups, including the

Safeguarding Vulnerable Groups Act 2006, the Safeguarding Vulnerable Groups Order (Northern Ireland) 2007 and the Protection of Vulnerable Groups (Scotland) Act 2007 or other relevant or equivalent legislation, or any statutory modification or re-enactment thereof.

- B7.6 The Contractor shall comply with Staff Vetting Procedures in respect of all persons employed or engaged in the provision of the Services. The Contractor confirms that all persons employed or engaged by the Contractor shall have complied with the Staff Vetting Procedures prior to commencing the Services and accessing the Premises.
- B7.7 The Contractor shall provide training on a continuing basis for all Contractor Staff employed or engaged in the provision of the Services in compliance with the Security Policy and Security Plan.
- B7.8 The Contractor shall further use all reasonable endeavours to ensure that its staff who are not EC nationals are legally entitled to be resident in the United Kingdom and have a work permit, where applicable. The Contractor shall promptly take all reasonable steps to ensure compliance with this clause.
- B7.9 If the Contractor, in the reasonable opinion of the Authority, fails to comply with clauses B7.5 and **B7.6** the Authority will be entitled to consider that failure a Material Breach of the Contract and may terminate the Contract in accordance with clause H2.

B8 Inspection of Premises

B8.1 Not Used

B9 Licence to Occupy Premises

B9.1 Not Used

B9.2 Not Used

B9.3 Not Used

B9.4 Not Used

B9.5 Not Used

B10 Property

B10.1 Not Used

B10.2 Not Used

B10.3 Not Used

B10.4 Not Used

B10.5 Not Used

B11 Offers of Employment

B11.1 For the duration of the Contract and for a period of twelve (12) Months thereafter neither the Authority nor the Contractor shall employ or offer employment to any of the other Party's staff who have been associated with the procurement and/or the contract management of the Services without that other Party's prior written consent.

B12 TUPE

Procedure in the Event of Transfer

B12.1 The Authority and the Contractor 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 Contractor.

B12.2 If any employee of the Authority and/or a Former Contractor claims, or it is determined in relation to any employee of the Authority and/or a Former Contractor, that his/her contract of employment has been transferred from the Authority and/or the Former Contractor to the Contractor and/or any Sub-contractor pursuant to the TUPE Regulations then:

- (a) the Contractor shall, and shall procure that the relevant Sub-contractor shall, within 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 Contractor; and
- (b) the Authority and/or the Former Contractor may offer (or may procure that a third party may offer) employment to such person within 15 Working Days of the notification by the Contractor or the Sub-contractor (as appropriate) or take such other reasonable steps as the Authority or Former Contractor (as the case may be) considers appropriate to deal with the matter provided always that such steps are in compliance with applicable Law.

B12.3 If an offer referred to in clause B12.2(b) is accepted (or if the situation has otherwise been resolved by the Authority and/or the Former Contractor), the Contractor shall, or shall procure that the Sub-contractor shall, immediately release the person from his/her employment or alleged employment.

B12.4 If by the end of the 15 Working Day period specified in clause B12.2(b):

- (a) no such offer of employment has been made;
- (b) such offer has been made but not accepted; or
- (c) the situation has not otherwise been resolved,

the Contractor and/or the Sub-contractor may within 5 Working Days give notice to the Authority that it will take steps to terminate the employment or alleged employment of such person at the earliest practicable date consistent with the statutory and contractual rights of that person.

B12.5 Subject to the Contractor and/or the relevant Sub-contractor acting in accordance with the provisions of clauses B12.2 to B12.4 and in accordance with all applicable employment procedures set out in applicable Law and subject also to clause B12.8, the Authority shall:

- (a) indemnify the Contractor 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 clause B12.2 made pursuant to the provisions of clause B12.4 provided that the Contractor takes, or shall procure that the relevant Sub-contractor takes, all reasonable steps to minimise any such Employee Liabilities; and
- (b) subject to clause B12.9, procure that the Former Contractor indemnifies the Contractor and/or any relevant Sub-contractor against all Employee Liabilities arising out of termination of the employment of the employees of the Former Contractor made pursuant to the provisions of clause B12.4 provided that the Contractor takes, or shall procure that the relevant Sub-contractor takes, all reasonable steps to minimise any such Employee Liabilities.
- (c) indemnify the Contractor and/or the relevant Sub-contractor against such Employee Liabilities arising out of the termination of the employment of any employees of the Former Contractor referred to in clause B12.2 made pursuant to the provisions of clause B12.4 as are not covered by the indemnity referred to Clause B12.5(b) above, provided that the Contractor takes, or shall procure that the relevant Sub-contractor takes, all reasonable steps to minimise any such Employee Liabilities;

B12.6 If any such person as is described in clause B12.2 is neither re employed by the Authority and/or the Former Contractor as appropriate within the 15 Working Day period referred to in clause B12.2(b) nor dismissed by the Contractor and/or any Sub-contractor by the earliest practicable date consistent with the statutory and contractual rights of that person pursuant to clause B12.4 (and in any event no later than [4] months following the expiry of the 5 Working Day period referred to in clause B12.4) then such person shall be treated as having transferred to the Contractor and/or the Sub-contractor (as appropriate) and the Contractor shall, or shall procure that the Sub-contractor shall, comply with such obligations as may be imposed upon it under Law.

B12.7 Where any person remains employed by the Contractor and/or any Sub-contractor pursuant to clause B12.6, all Employee Liabilities in

relation to such employee shall remain with the Contractor and/or the Sub-contractor and the Contractor shall indemnify the Authority and any Former Contractor, and shall procure that the Sub-contractor shall indemnify the Authority and any Former Contractor, against any Employee Liabilities that either of them may incur on or after the date of the Relevant Transfer in respect of any such employees of the Contractor and/or employees of the Sub-contractor.

B12.8 The indemnities in clause B12.5 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 fixed-term or agency workers ,in any case in relation to any alleged act or omission of the Contractor and/or any Sub-contractor; or
- (b) any claim that the termination of employment was unfair because the Contractor and/or any Sub-contractor neglected to follow a fair dismissal procedure or otherwise in breach of contract (including, without limitation, any legal costs and expenses incurred in defending any such claim whether successful or otherwise);
- (c) any payment made which exceeds an individual's contractual or statutory entitlement (whichever is higher) including, without limitation, any payments or enhanced payments of a discretionary nature;
- (d) any payment or award pursuant to section 188 of the Trade Union and Labour Relations Act 1992 or Regulation 15 of the TUPE Regulations;
- (e) any fine, penalty, payment by way of settlement (except with the prior written agreement of the Authority), and costs and expenses incurred in connection with a claim or investigation (including, without limitation, 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), and any legal costs and expenses

and shall apply only where the notification referred to in clause B12.2(a) is made by the Contractor and/or any Sub-contractor to the Authority and, if applicable, Former Contractor within 6 months of the Commencement Date.

B12.9 Where in this clause B12 the Authority accepts an obligation to procure that a Former Contractor 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 Contractor 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 Contractor does or does not act accordingly.

B13 Employee Provisions on Expiry or Termination

B13.1 During the six (6) Months preceding the expiry of this Contract or after the Authority has given notice to terminate this Contract or at any other time as directed by the Authority, and within fifteen (15) Working Days of the Authority's request the Contractor shall fully and accurately disclose to the Authority and shall ensure that any relevant Sub-contractor accurately discloses any and all information in relation to all personnel engaged in providing the Services, (whether engaged by the Contractor or any Sub-contractor). This shall include all Relevant Employees who are to transfer as a consequence of a Relevant Transfer as the Authority may request, in particular but not necessarily restricted to any of the following:

- a) a list of employees employed by the Contractor, or any Sub-contractor;
- b) a list of agency workers, agents and independent contractors engaged by the Contractor;
- c) the total payroll bill (i.e. total taxable pay and allowances including employer's contributions to pension schemes) of those personnel
- d) the terms and conditions of employment of the Relevant Employees, their age, salary, date continuous employment commenced and (if different) the commencement date, accrued holiday entitlement, pension details, location, enhancement rates, any other factors affecting their redundancy entitlement and any outstanding claims arising from employment;
- e) whether any employee is on maternity, paternity, parental or adoption leave, or extended sickness absence;
- f) details of any current disciplinary or grievance proceedings ongoing or circumstances likely to give rise to such proceedings and details of any claims current or threatened; or
- g) details of all collective agreements with a brief summary of the current state of negotiations with such bodies and with details of any current industrial disputes and claims for recognition by any trade union.

- B13.2 Where the Contractor provides information in accordance with clause B13.1 and the Contractor or Sub-contractor makes or becomes aware of any changes or discovers new information the Contractor shall notify the Authority within seven (7) days of any such change or discovery.
- B13.3 The Contractor warrants that all of the information provided to the Authority pursuant to clause B13.1 and B13.2 shall be accurate and complete. The Contractor authorises the Authority to use any and all the information as it considers necessary for the purposes of its businesses or for informing any tenderer for any services which are substantially the same as the Services (or any part thereof).
- B13.4 During the six (6) Months preceding the expiry of this Contract or where notice to terminate this Contract for whatever reason has been given, the Contractor shall allow the Authority or persons authorised by the Authority to communicate with and meet the Relevant Employees and their trade union or employee representatives as the Authority may reasonably request.
- B13.5 During the six (6) Months preceding the expiry of this Contract or where notice to terminate this Contract for whatever reason has been given, the Contractor shall not without the prior written consent of the Authority unless genuinely in the ordinary course of business:
- a) vary, purport or promise to vary the terms and conditions of employment of any employee employed in connection with the Services;
 - b) increase or decrease the number of employees employed in connection with the Services; or
 - c) assign or redeploy any employee employed in connection with the Services to other duties unconnected with the Services.
- B13.6 The Contractor confirms that it will comply fully with its obligations under the TUPE Regulations in respect of providing information to any subsequent Contractor. The Contractor warrants that any information provided in accordance with Regulation 11 shall be accurate and complete.

Indemnity

- B13.7 The Contractor shall indemnify the Authority and any Replacement Contractor and keep the Authority and any Replacement Contractor indemnified in full from and against all direct, indirect or consequential liability or Loss awarded against or incurred or paid by the Authority or any Replacement Contractor as a result of or in connection with:
- a) the employment or termination of employment of any Relevant Employee or employee of any Sub-contractor during any period prior to and including the date of expiry or termination of this Contract; and
 - b) any claim brought against the Authority or any Replacement Contractor as a result of the Contractors failure to comply with any of its obligations under the TUPE Regulations.

B13.8 Notwithstanding any other provisions of this Contract for the purposes of clauses B12 and B13 and in accordance with the Contracts (Rights of Third Parties) Act 1999, the Parties accept that any Replacement Contractor shall be entitled to enforce the benefits conferred by it in this Contract. If the Parties rescind this Contract or vary it in accordance with the relevant provisions of this Contract or terminate this Contract, the consent of any Replacement Contractor shall not be required for such rescission, variation or termination.

B13.9 Clause B12 and this Clause B13 shall apply during the Contract Period and indefinitely thereafter.

B14 Minimum Performance Levels and Minimum Service Levels

B14.1 The Contractor shall ensure that the Services meet or exceed the Minimum Performance Levels and the Minimum Service Levels at all times from the **Commencement Date**.

B14.2 The Authority shall monitor the Contractor's performance in respect of each of the Minimum Performance Levels and the Minimum Service Levels in accordance with the provisions of this Clause B.14 and any other requirements notified by the Authority to the Contractor from time to time.

B14.3 The Performance Managers shall have regular meetings to monitor and review the performance of the Contract, the achievement of the Minimum Performance Levels, the achievement of the Minimum Service Levels and the provision of the Services.

B14.4 If there is a Service Failure, the Contractor shall:-

- (a) take all reasonable steps to notify the Authority immediately of the Service Failure (and in any event as soon as the Contractor becomes aware that the Service Failure has occurred);
- (b) provide the Authority with a Performance Improvement Plan in accordance with Clause B15 (Performance Improvement Process);
- (c) deploy all additional resources and take all remedial action that is necessary to rectify or to prevent the Service Failure from recurring; and
- (d) carry out the actions identified in Performance Improvement Plan in accordance with its terms.

B14.5 The Authority shall review the Minimum Performance Levels throughout the Contract Period. The Authority may, at its sole discretion, elect to make changes to the Minimum Performance Levels from time to time. If the Authority elects to make changes to the Minimum Performance Levels, the Authority shall propose such variation by serving a Change Control Notice on the Contractor, and

the Contractor shall promptly comply with the Change Control procedure as detailed at Clause F12 (Change Control).

B15 Performance Improvement Process

- B15.1 If the Contractor fails to comply with its obligations under Clause B.14 (Minimum Performance Levels and Minimum Service Levels) and such default is capable of remedy, the Authority may not terminate the Contract without first operating the Performance Improvement Process as set out in this Clause B.15. If the Contractor commits such a default, the Authority may elect to give a Performance Improvement Notice to the Contractor which shall specify the default in outline and the actions the Contractor needs to take with respect to remedying the default.
- B15.2 For the avoidance of doubt, the Authority shall be under no obligation to initiate the Performance Improvement Process if it serves notice to terminate the Contract pursuant to any other termination rights under the Contract.
- B15.3 Within such timescales as notified by the Authority to the Contractor (taking into account all relevant circumstances in relation to the subject matter and nature of the default) but in any event no less than ten (10) Working Days following receipt of a Performance Improvement Notice the Contractor shall, following receipt of a Performance Improvement Notice, either:
- (a) submit a draft Performance Improvement Plan, or
 - (b) inform the Authority that it does not intend to submit a Performance Improvement Plan, in which event the Authority shall be entitled to terminate the Contract by giving written notice to the Contractor with immediate effect and without liability.
- B15.4 The Authority shall either approve the draft Performance Improvement Plan within ten (10) Working Days (or such other period as notified by the Authority to the Contractor) of its receipt pursuant to Clause B15.3 (a), or it shall inform the Contractor why it cannot accept the draft Performance Improvement Plan. In such circumstances, the Contractor shall address all such concerns in a revised Performance Improvement Plan, which it shall submit to the Authority within a minimum period of ten (10) Working Days (or such greater period as notified by the Authority to the Contractor) of its receipt of the Authority's comments. If no such notice is given, the Contractor's draft Performance Improvement Plan shall be deemed to be agreed.
- B15.5 Once agreed the Contractor shall immediately start work on the actions set out in the Performance Improvement Plan.
- B15.6 If, despite the measures taken under Clause B15.4 a Performance Improvement Plan cannot be agreed within the minimum period of ten (10) Working Days (or such greater period as notified by the Authority to the Contractor) then the Authority may elect to end the Performance Improvement Process and refer the matter for resolution by the dispute resolution procedure set out in cause I2 (Dispute

- Resolution) or terminate the Contract by giving written notice to the Contractor with immediate effect and without liability.
- B15.7 If a Performance Improvement Plan is agreed between the Parties, but the Contractor fails to implement the Performance Improvement Plan in accordance with its terms and by the required remedial plan completion date, the Authority may:
- (a) terminate the Contract by giving written notice to the Contractor with immediate effect and without liability;
 - (b) give the Contractor a further opportunity to resume full implementation of the Performance Improvement Plan; or
 - (c) escalate any issues arising out of the failure to implement the Performance Improvement Plan to the Contractor's finance director (or equivalent) under the dispute resolution procedure set out in clause I2 (Dispute Resolution).
- B15.8 If, despite the measures taken under Clause B15.7 (b) or B15.7(c), the Contractor fails to implement the Performance Improvement Plan in accordance with its terms, the Authority may elect to end the Performance Improvement Process and refer the matter for resolution by the dispute resolution procedure set out in clause I2 (Dispute Resolution) or terminate the Contract by giving written notice to the Contractor with immediate effect and without liability.
- B15.9 The Authority shall not be obliged to follow the Performance Improvement Process if there is a repetition of substantially the same default as had previously been addressed in two Performance Improvement Plans within a period of six (6) Months following the conclusion of such previous Performance Improvement Plans. In such event, the Authority may terminate the Contract by giving written notice to the Contractor with immediate effect and without liability.

C. PAYMENT AND CONTRACT PRICE

C1 Contract Price

C1.1 In consideration of the Contractor's performance of its obligations under the Contract, the Authority shall pay the Contract Price in accordance with clause C2 (Contract Price and Payment).

C1.2 Not Used

C2 Contract Price and Payment

C2.1 The Authority shall pay the Contract Price to the Contractor in accordance with the provisions of this Clause C2.1, Schedule 2 (Administration Requirements) and Schedule 4 (Prices and Rates) via a self-billing process approved by Her Majesty's Revenue and Customs.

C2.2 The Contractor shall input such information as specified by the Authority in the Contractor Guidance (including details of Outcomes) onto the IT System in the format also specified by the Authority in the Contractor Guidance. Subject to the Contractor inputting such information onto the IT System as the Authority specifies in the Contractor Guidance (and in the format specified) Contract Price will be generated in accordance with

the provisions of Schedule 2 (Administration Requirements) and Schedule 4 (Prices and Rates).

C2.3 The Contractor shall notify the Authority of an eligible Outcome under Clause C2.2 within two (2) Months of the date when the qualifying criteria for such Outcome have been met.

C2.4 Subject always to Schedule 2 (Administration Requirements), the Authority shall pay Outcome Payments within thirty (30) calendar days of an eligible Outcome being notified by the Contractor under Clause C2.3. Payment will be made at the rate prevailing for the contract year within which the Participant was first referred to the Contractor and in line with Schedule 2 (Administration Requirements) and Schedule 4 (Prices and Rates). The Authority may at its discretion require the Contractor to provide any appropriate supporting information it considers necessary before making payment.

C2.5 If the Contractor fails to input information onto the IT System in the prescribed manner or fails to submit the appropriate supporting information when necessary, the Authority shall not be in default of the Contract if it fails to make payment within thirty (30) calendar days of the payment becoming due provided that the Authority has not unnecessarily delayed payment of the relevant claim.

C2.6 Details of the Contractor's bank account and address must be notified to the Authority via the IT System. The Authority shall send notifications of payments to that address.

C2.7 At any time during the Contract Period (including, for the avoidance of doubt, at any time before and/or after payment by the Authority to the Contractor) the Authority shall be entitled to validate any claim for payment made by the Contractor. At all times the Contractor shall provide all necessary assistance as requested by the Authority (including, without limitation, procuring the consent of the Participant for the Authority to contact the Participant's employer) to enable the Authority to validate any claim for payment made by the Contractor.

C3 Outcome Validation & Extrapolation

C3.1 Before payment of any Outcome Payment by the Authority to the Contractor, the Authority shall undertake a check(s) to verify that the Participant is Off-Benefit.

C3.2 Where the check(s) undertaken by the Authority pursuant to Clause 3.1 confirm that the Participant is not Off-Benefit, the Authority may (but shall not be obliged to) contact the Participant and/or the Participant's employer to verify that the Participant is Off-Benefit and in employment. The Authority shall be entitled to reject any claims for payment made by the Contractor which fail the check(s) undertaken by the Authority pursuant to Clause 3.1 without undertaking any further check(s).

C3.3 Where the check(s) undertaken by the Authority pursuant to Clause 3.1 confirm that the Participant is not Off-Benefit, and the Authority elects to undertake the further check(s) as set out in Clause 3.2 but:-

- (a) the Authority is unable to contact the Participant and/or the Participant's employer for any reason; and/or
- (b) the Participant and/or the Participant's employer fail to provide sufficient evidence to satisfy the Authority that the Participant is Off-Benefit and in employment, the Authority shall reject the claim for payment made by the Contractor.

C3.4 After payment of any Outcome Payment by the Authority to the Contractor, and every six (6) Months during the Contract Period (or such other frequency as the Authority shall notify the Contractor from time to time), the Authority shall check a representative sample of (subject to Clause 3.5 one hundred (100) of the Outcome Payments claimed by the Contractor in the preceding two (2) Month period (which, for the avoidance of doubt, shall have passed the Off-Benefit check(s) undertaken by the Authority pursuant to Clause 3.1) to verify that the Participants which are the subject of such claims are in employment and that all of the relevant qualifying criteria and requirements have been satisfied.

C3.5 Where the number of Outcome Payments claimed by the Contractor in the preceding two (2) Month period (which, for the avoidance of doubt, shall have passed the Off-Benefit check(s) undertaken by the Authority pursuant to Clause 3.1) is less than one hundred (100), the Authority shall check all of the Outcome Payments claimed by the Contractor in the preceding two (2) Month period and the provisions of Clauses 3.6 to 3.8 (inclusive) will apply with the necessary changes.

C3.6 In carrying out a sample check pursuant to Clause 3.4, the Authority may (but shall not be obliged to):-

- (a) carry out checks of data pertaining to the Participant arising out of or in connection with the Contract against data held by Her Majesty's Revenue and Customs; and/or
- (b) contact the Participant; and/or
- (c) contact the Participant's employer.

The Contractor hereby agrees to ensure the written consent of the Participant for the Authority to contact the Participant's employer and the Contractor shall retain copies of such written consent as part of the Contractor's record keeping obligations under Clause 5.13 (Records and Audit Access). The Authority reserves the right to inspect such written consent from time to time.

- C3.7 For the avoidance of doubt, any sample of claims used by the Authority to undertake a sample check pursuant to Clause 3.4 shall be selected by the Authority on a random basis.
- C3.8 If, following a sample check undertaken by the Authority pursuant to Clause 3.4, (in the sole opinion of the Authority) the Authority finds an error or over-claim in the sample, the Authority shall be entitled to:-
- (a) recover in full from the Authority the amount or value of all such errors or over-claims;
 - (b) assume that the same percentage of monies overpaid have been made in respect of all of the Outcome Payments claimed by the Contractor in the preceding two (2) Month period (which, for the avoidance of doubt, shall have passed the Off-Benefit check(s) undertaken by the Authority pursuant to Clause 3.1.9) to produce an error rate (the "Error Rate");
 - (c) extrapolate the Error Rate across all of the Outcome Payments claimed by the Contractor in the preceding two (2) Month period (which for the avoidance of doubt shall have passed the Off-Benefit check(s) undertaken by the Authority pursuant to Clause 3.1) to produce an aggregate value of monies overpaid (the "Aggregate Error Amount");
 - (d) recover in full from the Contractor a sum equal to the Aggregate Error Amount less the sum of any monies recovered by the Authority pursuant to Clause 3.8 (a); and
 - (e) recover in full from the Contractor the amount or value of all other Outcome Payments claimed by the Contractor which relate to an Outcome Payment in respect of which (as a result of the sample check undertaken by the Authority pursuant to Clause 3.4) the Authority has identified an error or over-claim.
- C3.9 For the avoidance of doubt, the Authority's rights in this Clause C3 shall be without prejudice to any other rights or remedies that the Authority has under the Contract (including for the avoidance of doubt any rights of set-off pursuant to Clause C4 Recover of Sums Due).

C4 Recovery of Sums Due

- C4.1 Wherever under the Contract any sum of money is recoverable from or payable by the Contractor (including any sum which the Contractor is liable to pay to the Authority in respect of any default of the Contract), the Authority may unilaterally deduct that sum from any sum then due, or which at any later time may become due to the Contractor under the Contract or under any other agreement or contract with the Authority.
- C4.2 Any overpayment by either Party, whether of the Contract Price or of VAT or otherwise, shall be a sum of money recoverable by the Party who made the overpayment from the Party in receipt of the overpayment.

C4.3 The Contractor shall make any payments due to the Authority without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise unless the Contractor has a valid court order requiring an amount equal to such deduction to be paid by the Authority to the Contractor.

C4.4 All payments due shall be made within a reasonable time unless otherwise specified in the Contract, in cleared funds, to such bank or building society account as the recipient Party may from time to time direct.

C5 Price adjustment on extension of the Initial Contract Period

C5.1 The Contract Price shall apply for the Initial Contract Period. In the event that the Authority agrees to extend the Initial Contract Period pursuant to clause F8 (Extension of Initial Contract Period), the Authority may, where applicable, in the six (6) Month period prior to the expiry of the Initial Contract Period, enter into good faith negotiations with the Contractor (for a period of not more than thirty (30) Working Days) to agree to a variation in the Contract Price. For the avoidance of doubt both Parties accept and acknowledge that any Variation to the Contract Price shall not have the effect of altering the economic balance of the Contract during the period of extension in favour of the Contractor in a manner not provided for in the terms of the Contract.

C5.2 If the Parties are unable to agree a variation in the Contract Price (applicable to the period of extension) in accordance with clause C5.1, the Contract shall terminate at the end of the Initial Contract Period.

C5.3 If a variation in the Contract Price is agreed between the Authority and the Contractor, the revised Contract Price will take effect from the first day of any period of extension and shall apply during such period of extension.

C5.4 Any increase in the Contract Price pursuant to clause C5.1 shall not exceed the percentage change in the Office of National Statistics' Consumer Prices Index (CPI) (or another such index specified in the Prices & Rates Schedule) between the Commencement Date and the date six (6) Months before the end of the Initial Contract Period.

C6 Euro

6.1 Any requirement of Law to account for the Services in Euro (or to prepare for such accounting) instead of and/or in addition to sterling, shall be implemented by the Contractor free of charge to the Authority.

6.2 The Authority shall provide all reasonable assistance to facilitate compliance with Clause C4.1 by the Contractor.

C7 Third Party Revenue

7.1 The Contractor may not obtain any third party revenue, income or credit based on the Services and/or copyright works delivered under

this Contract without the express prior written agreement of the Authority.

C8 VAT

8.1 The Contractor shall add VAT to the Contract Price at the prevailing rate if applicable to your VAT circumstances and the Authority shall pay the VAT to the Contractor following an eligible claim for payment being notified by the Contractor in line with the provisions of Schedule 2 (Administration Requirements).

8.2 Without prejudice to Clause 2.6, for the avoidance of doubt, it shall at all times remain the sole responsibility of the Contractor to:

- (a) assess the VAT rate(s) and tax liability arising out of or in connection with the Contract; and
- (b) account for or pay any VAT (and any other tax liability) relating to payments made to the Contractor under the Contract to HM Revenue & Customs ("HMRC").

The Contractor acknowledges that the Authority has advised the Contractor that the Contractor should seek specialist VAT advice in relation to the Contract and, in the event of any uncertainty following specialist advice, the Contractor should seek clarification of the Contract's VAT status with HMRC.

8.3 The Authority shall not be liable to the Contractor in any way whatsoever for any error or failure made by the Contractor (or the Authority) in relation to VAT, including without limitation:

- (a) where the Contractor is subject to a VAT ruling(s) by HMRC (or such other relevant authority) in connection with the Contract;
- (b) where the Contractor has assumed that it can recover input VAT and (for whatever reason) this assumption is subsequently held by HMRC (or such other relevant authority) to be incorrect or invalid; and/or
- (c) where the Contractor's treatment of VAT in respect of any claim for payment made under the Contract is subsequently held by HMRC (or such other relevant authority) for whatever reason to be incorrect or invalid.

8.4 The Contractor 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 in respect of the Contractor's failure to account for or to pay any VAT relating to payments made to the Contractor under the Contract. Any amounts due under this clause C8 shall be paid by the Contractor 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.

- 8.5 The Contractor should provide, at least annually or upon any change of VAT treatment by the Contractor, a statement of the VAT rate to be applied by DWP on the Self Billing system. Failure to do so, and if the DWP charge VAT incorrectly, shall not leave DWP to liability and the Contractor shall be liable for any costs and or penalties arising. However, should the DWP be notified and we fail to apply VAT correctly then we shall be liable to costs and penalties arising. Failure of DWP to apply such VAT treatment correctly shall not negate the Contractor of informing us immediately they notice said change.

C9 Methods of Payment

- C9.1 The Authority reserves the right to set and/or alter, at its absolute discretion, the method of payment. All payment of Fees are conditional upon the Contractor providing the Services in accordance with the terms of the Contract
- C9.2 Payments are made on the condition that the Contractor's entitlement to such payments can be verified on request by the production of the records required under this Contract **(including as specified in the Contractor Guidance)**. The Authority shall, acting reasonably, be entitled to assume, in the absence of such records, or of any evidence which the Authority may reasonably decide to accept in substitution, that no delivery of Services has taken place and that any such purported delivery of Services constitutes "Unsupported Services". The Authority shall be entitled to recover any and all sums paid in respect of such Unsupported Services from the Contractor and the Contractor shall repay such sums on demand.

D. STATUTORY OBLIGATIONS AND REGULATIONS

D1 Prevention of Bribery and Corruption

- D1.1 The Contractor shall not, and shall ensure that any Staff shall not, commit any of the prohibited acts listed in this clause D1. For the purposes of this clause D1, a prohibited act is committed when the Contractor or any Staff:
- a) directly or indirectly offers, promises or gives any person working for or engaged by the Authority a financial or other advantage to:
 - (i) induce that person to perform improperly a relevant function or activity; or
 - (ii) reward that person for improper performance of a relevant function or activity;
 - b) directly or indirectly requests, agrees to receive or accepts any financial or other advantage as an inducement or a reward for

improper performance of a relevant function or activity in connection with the Contract;

c) commits any offence:

- (i) under the Bribery Act 2010;
- (ii) under legislation creating offences concerning fraudulent acts;
- (iii) at common law concerning fraudulent acts relating to the Contract or any other contract with the Authority; or
- (iv) defrauding, attempting to defraud or conspiring to defraud the Authority

D1.2 The Contractor warrants, represents and undertakes that it is not aware of any financial or other advantage being given to any person working for or engaged by the Authority, or that an agreement has been reached to that effect, in connection with the execution of the Contract, excluding any arrangement of which full details have been disclosed in writing to the Authority before execution of the Contract.

D1.3 The Contractor shall if requested, provide the Authority with any reasonable assistance, at the Authority's reasonable cost, to enable the Authority to perform any activity required by any relevant government or agency in any relevant jurisdiction for the purpose of compliance with the Bribery Act 2010.

D1.4 The Contractor shall have an anti-bribery policy which prevents any Staff from committing any prohibited acts as set out in clause D1.1 and a copy of this shall be provided to the Authority upon request.

D1.5 The Contractor shall immediately notify the Authority in writing if it becomes aware of or suspects any Default of clauses D1.1 or D1.2, or has reason to believe that it has or any Staff has:

- a) been subject to an investigation or prosecution which relates to an alleged prohibited act in Clauses D1.1 or D1.2;
- b) been listed by any government department or agency as being debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for participation in government procurement programmes or contracts on the grounds of a Prohibited Act; or
- c) received a request or demand for any undue financial or other advantage of any kind in connection with the performance of this Agreement or otherwise suspects that any person or party directly or indirectly connected with this Agreement has committed or attempted to commit a prohibited act in clauses D1.1 or D1.2.

D1.6 If the Contractor notifies the Authority that it suspects or knows that there may be a Default of clauses D1.1 or D1.2, the Contractor must

respond promptly to the Authority's enquiries, co-operate with any investigation, and allow the Authority to audit books, records and any other relevant documentation.

D1.7 If the Contractor, its Staff or anyone acting on the Contractor's behalf engages in conduct prohibited by clauses D1.1 or D1.2, the Authority may;

- a) terminate the Contract and recover from the Contractor the amount of any Loss suffered by the Authority resulting from the termination, including the cost reasonably incurred by the Authority of making other arrangements for the supply of the Services and any additional expenditure incurred by the Authority throughout the remainder of the Contract Period; and
- b) recover in full from the Contractor any other Loss sustained by the Authority in consequence of any Default of those clauses.

D1.8 Despite clause I (Disputes and Law), any dispute relating to:

- a) the interpretation of clause D1; or
- b) the amount or value of any gift, consideration or commission,

shall be determined by the Authority, acting reasonably having given due consideration to all relevant factors, and its decision shall be final and conclusive.

D1.9 Any termination under clause D1.7 will be without prejudice to any right or remedy which has already accrued or subsequently accrues to the Authority.

D1.10 In exercising its rights or remedies under clause D1.7, the Authority shall act in a reasonable and proportionate manner having regard to such matters as the gravity of the conduct prohibited by clauses D1.1 or D1.2 and the identity of, the person performing that prohibited conduct.

D2 Discrimination

D2.1 The Contractor shall not unlawfully discriminate either directly or indirectly on such grounds as age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex or sexual orientation and without prejudice to the generality of the foregoing the Contractor shall not unlawfully discriminate within the meaning and scope of the Equality Act 2010 or other relevant or equivalent legislation, or any statutory modification or re-enactment thereof.

D2.2 The Contractor shall take all reasonable steps to secure the observance of clause D2.1 by all Staff.

D2.3 The Contractor shall comply with the provisions of the Human Rights Act 1998.

D3 The Contracts (Rights of Third Parties) Act 1999

A person who is not a party to the Contract shall have no right to enforce any of its provisions which, expressly or by implication, confer a benefit on him, without the prior written agreement of both Parties. This clause does not affect any right or remedy of any person which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999 and does not apply to the Crown.

D4 Environmental Requirements

D4.1 In delivering the Services, the Contractor shall comply at all times with the requirements set out in Schedule 7 (Sustainable Development Requirements) or such other requirements as notified by the Authority to the Contractor from time to time].

D4.2 If the Contractor purchases new products partially or wholly to provide the Services, the Contractor must ensure that:

- (a) any purchase of products or goods listed in Schedule 1 to the Energy Information Regulations 2011 (products with energy labels) has the highest energy efficiency class possible;
- (b) any purchase of products listed in Schedule 1 to the Energy Information Regulations 2011, which is not a product with energy labels within the meaning of clause D4.3(a), complies with the relevant energy efficiency benchmark for that product in paragraph 4 to Schedule 1 of the Eco-Design for Energy-Related Products Regulations 2010;
- (c) any purchase of products listed in Annex C of 2006/1005/EC (Council Decision of 18 December 2006 concerning the conclusion of the agreement between the government of the United States of America and the European Community on the Coordination of the energy efficiency labelling programme for office equipment) complies with energy efficiency requirements not less demanding than those listed in Annex C of that Council Decision; and
- (d) any purchase of tyres carrying a label as specified in Annex II to Regulation (EC) Number 1222/2009 of the European Parliament and of the Council of 25 November 2009 (on the labelling of tyres with respect to fuel efficiencies and other parameters) has the highest fuel energy efficiency class (as defined by that Regulation).

D4.3 The new purchases that the Contractor makes in clause D4.2 should be cost-effective and technically suited to the Services. For the avoidance of doubt, the Contractor is not required to purchase products under clause D4.2 where those products are not cost-effective or are not technically suited to the provision of the Services.

D5 Health and Safety

D5.1 The Contractor shall promptly notify the Authority of any health and safety hazards which may arise in connection with the performance of its obligations under the Contract.

D5.2 Not Used

D5.3 Not Used

D5.4 The Contractor shall notify the Authority immediately in the event of any incident occurring in the performance of its obligations under the Contract on the Premises where that incident causes any personal injury or damage to property which could give rise to personal injury.

D5.5 The Contractor shall comply with the requirements of the Health and Safety at Work Act etc.1974 and any other acts, orders, regulations and codes of practice relating to health and safety, which may apply to Staff and other persons working on the Premises in the performance of its obligations under the Contract.

D5.6 The Contractor shall ensure that its health and safety policy statement (as required by the Health and Safety at Work Act etc.1974) is made available to the Authority on request.

D6 Not Used

D6.1 No Used

D7 Not Used

D7.1 Not Used

D7.2 Not Used

D8 Not Used

D8.1 Not Used

E.PROTECTION OF INFORMATION**E1 Authority Data**

E1.1 The Contractor shall not delete or remove any proprietary notices contained within or relating to the Authority Data.

E1.2 The Contractor shall not store, copy, disclose, or use the Authority Data except as necessary for the performance by the Contractor of its obligations under this Contract or as otherwise expressly authorised in writing by the Authority.

E1.3 To the extent that Authority Data is held and/or processed by the Contractor, the Contractor shall supply that data to the Authority as requested.

- E1.4 The Contractor shall take responsibility for preserving the integrity of Authority Data and preventing the corruption or loss of that data.
- E1.5 The Contractor shall perform secure back-ups of all Authority Data and shall ensure that up-to-date back-ups are stored off-site in accordance with the Contractor's Business Continuity Plan. The Contractor shall ensure that such back-ups are available to the Authority at all times upon request and are delivered to the Authority at no less than [three] Monthly intervals.
- E1.6 The Contractor shall ensure that any system or media on which the Contractor holds any Authority Data, including back-up data, is a secure system that complies with the Security Policy detailed in Schedule 6 Appendix A.
- E1.7 If the Authority Data is corrupted, lost or sufficiently degraded as a result of the Contractor's default so as to be unusable, the Authority may:
- a) require the Contractor (at the Contractor's expense) to restore or provide for the restoration of the Authority Data or Personal Data and the Contractor shall do so as soon as practicable but not later than [10 days]; and/or;
 - b) itself restore or provide for the restoration of the Authority Data or Personal Data, and shall be repaid by the Contractor any reasonable expenses incurred in doing so.
- E1.8 If at any time the Contractor suspects or has reason to believe that the Authority Data or Personal Data has or may become corrupted, lost or sufficiently degraded in any way for any reason, then the Contractor shall notify the Authority immediately and inform the Authority of the remedial action the Contractor proposes to take.
- E1.9 In accordance with the DWP Offshoring Policy and while not in any way limiting any other provision of this Contract, the Contractor and any of its Sub-contractors, shall not offshore Authority Data (as described in the DWP Offshoring Policy) outside the United Kingdom without the prior written consent of the Authority, and where the Authority gives consent, the Contractor shall comply with any reasonable instructions notified to it by the Authority in relation to the Authority Data in question.
- E1.10 Where the Authority has given its prior written consent to the Contractor to process, host or access Authority Data from premises outside the United Kingdom (in accordance with E1.9 of the Contract):
- a) the Contractor must notify the Authority (in so far as they are not prohibited by Law) where any Regulatory Bodies seek to gain or has gained access to such Authority Data;

- b) the Contractor shall take all necessary steps in order to prevent any access to, or disclosure of, any Authority Data to any Regulatory Bodies outside the United Kingdom unless required by Law without any applicable exception or exemption.”

E1.11 Any breach by the Contractor of this clause E1 shall be a material breach for the purposes of clause H2 (Termination on Default) and shall entitle the Authority (at its absolute discretion) to exercise its rights under the corresponding provisions of clause H2 (Termination on Default).]

E1.12 In the event the Contractor is put into Liquidation as outlined in clause H1.1(b) and H1.1(c) or the Contract is terminated by the Authority pursuant to the provisions of the Contract relating to termination on insolvency in accordance with clause H1.1, the Contractor (or a liquidator or provisional liquidator acting on behalf of the Contractor) shall at its own cost and at no cost to the Authority;

- a) conduct a full and thorough search for any electronic and paper records held by the Contractor which contain Authority Data/Information and Participant Personal Data/Information; in accordance with the Authority instructions;
- b) return all such records to the Authority in accordance with their instructions;
- c) permanently destroy all copies of any relevant electronic records; and
- d) provide written confirmation to the Authority that the actions outlined above in this paragraph have been completed.

E1.13 In the event of a Sub-contractor of the Contractor being in liquidation (in accordance with clause F1.2) then it is the responsibility of the Contractor to recover records held by the Sub-contractor and provide assurance to the Authority that they have been recovered.

E1.14 In the event the Contractor is put into Administration as outlined in clause H1.1(a) the Authority will work closely with the Administrator to ensure the Contractor is able to maintain Authority, Participant and other records they have created and held in accordance with clause E1 of this contract and maintain these standards in the safekeeping of Authority information, i.e. these records must be stored in accordance with Authority information assurance and HMG Cabinet Office information security standards.

E1.15 Whilst in Administration the duty of the Administrator is to help the Contractor trade. This may involve the Administrator seeking an organisation to buy up the Contractor. The assignment or novation of this contract to new ownership is not automatic and the Authority must be consulted (in accordance with clause F1.1) and prior approval obtained. Where the contract is assigned or novated with the

Authority's prior approval, the contractor must provide the Authority with all the relevant information and records necessary for the assigned or novated contract to continue to be performed.

E2 Protection of Personal Data (Authority is Data Controller)

E2.1 With respect to the Parties' rights and obligations under this Contract, the Parties agree that the Authority is the Data Controller and that the Contractor is the Data Processor.

E2.2 The Contractor shall:

- a) process the Personal Data only in accordance with instructions from the Authority (which may be specific instructions or instructions of a general nature as set out in this Contract as otherwise notified by the Authority to the Contractor during the Contract Period);
- b) process the Personal Data only to the extent, and in such manner, as is necessary for the provision of the Services or as is required by Law or any Regulatory Body;
- c) implement appropriate technical and organisational measures to protect the Personal Data against unauthorised or unlawful processing and against accidental loss, destruction, damage, alteration or disclosure. These measures shall be appropriate to the harm which might result from any of the above, having regard to the nature of the Personal Data which is to be protected.
- d) take reasonable steps to ensure the competence of any Staff who have access to the Personal Data;
- e) obtain prior written consent from the Authority in order to transfer the Personal Data to any Sub-contractors or agents for the provision of the Services;
- f) ensure that all Staff required to access the Personal Data are informed of the confidential nature of the Personal Data and comply with the obligations set out in this clause;
- g) ensure that none of the Staff publish, disclose or divulge any of the Personal Data to any third party unless directed in writing to do so by the Authority;
- h) notify the Authority (within five (5) Working Days) if it receives;
 - i) a request from a Data Subject to have access to that person's Personal Data; or
 - ii) a complaint or request relating to the Authority's obligations under the DPA;

- i) provide the Authority with full cooperation and assistance in relation to any complaint or request made, including by;
 - i) providing the Authority with full details of the complaint or request;
 - ii) complying with a data access request within the relevant timescales set out in the DPA and in accordance with the Authority's instructions;
 - iii) providing the Authority with any Personal Data it holds in relation to a Data Subject within the timescales required by the Authority; and
 - iv) providing the Authority with any other information requested by the Authority;
- j) permit the Authority or the Authority's representative (subject to reasonable and appropriate confidentiality undertakings), to inspect and audit the Contractor's Data Processing activities (and/or those of its agents, subsidiaries and Sub-contractors) and comply with all reasonable requests or directions by the Authority to enable the Authority to verify and/or procure that the Contractor is in full compliance with its obligations under this Contract;
- k) provide a written description of the technical and organisational methods employed by the Contractor for processing Personal Data within the timescales required by the Authority; and

E2.3 The Contractor shall comply at all times with the DPA and shall not perform its obligations under this Contract in such a way as to cause the Authority to breach any of its applicable obligations under the DPA.

E2.4 The Contractor shall indemnify and keep indemnified the Authority in full from and against all claims, proceedings, actions, damages, losses, penalties, fines, levies, costs and expenses and all loss of profits, business revenue or goodwill (whether direct or indirect) and all consequential or indirect loss howsoever arising out of, in respect of or in connection with, any breach by the Contractor (or any Sub-contractor) of this clause E2.

E3 Official Secrets Acts 1911 to 1989, Section 182 of the Finance Act 1989

E3.1 The Contractor shall comply with, and shall ensure that it's Staff comply with, the provisions of:

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

E3.2 Any breach by the contractor of this clause E3 shall be a material breach for the purposes of clause H2 (Termination on Default) and shall entitle the Authority (at its absolute discretion) to exercise its rights under the corresponding provisions of clause H2 (Termination on Default).

E4 Confidential Information

E4.1 Except to the extent set out in this clause or where disclosure is expressly permitted elsewhere in this Contract, each Party shall:

- a) treat the other Party's Confidential Information as confidential and safeguard it accordingly; and
- b) not disclose the other Party's Confidential Information to any other person without the owner's prior written consent.

E4.2 Clause E4 shall not apply to the extent that;

- a) such disclosure is a requirement of Law placed upon the Party making the disclosure, including any requirements for disclosure under the FOIA or the Environmental Information Regulations pursuant to clause E5 (Freedom of Information);
- b) such information was in the possession of the Party making the disclosure without obligation of confidentiality prior to its disclosure by the information owner;
- c) such information was obtained from a third party without obligation of confidentiality;
- d) such information was already in the public domain at the time of disclosure otherwise than by a breach of this Contract; or
- e) it is independently developed without access to the other Party's Confidential Information.

E4.3 The Contractor may only disclose the Authority's Confidential Information to the Staff who are directly involved in the provision of the Services and who need to know the information, and shall ensure that such Staff are aware of and shall comply with these obligations as to confidentiality.

E4.4 The Contractor shall not, and shall procure that the Staff do not, use any of the Authority's Confidential Information received otherwise than for the purposes of this Contract.

E4.5 At the written request of the Authority, the Contractor shall procure that members of Staff or such professional advisors or consultants identified by the Authority give a confidentiality undertaking before commencing any work in accordance with this Contract.

E4.6 Nothing in this Contract shall prevent the Authority from disclosing the Contractor's Confidential Information:

- a) to any government department, any part of the Crown, or any other Contracting Body. All government departments, any part of the Crown or Contracting Bodies receiving such Confidential Information shall be entitled to further disclose the Confidential Information to other government departments, other parts of the Crown or other Contracting Bodies on the basis that the information is confidential and is not to be disclosed to a third party which is not part of any government department, the Crown or any Contracting Body;
- b) to Parliament and Parliamentary Committees or if required by any 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) to any consultant, professional adviser, contractor, supplier or other person engaged by the Authority or any person conducting a Cabinet Office gateway review;
- e) on a confidential basis for the purpose of the exercise of its rights under the agreement, including (but not limited to) for auditing purposes (Clause E9), to a body to novate, assign or dispose of its rights under the Agreement (Clause F1.8), to a replacement Contractor (Clause H6.2) and for the purpose of the examination and certification of the Authority's accounts; or
- f) for any examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority has used its resources.

E4.7 The Authority shall use all reasonable endeavours to ensure that any government department, part of the Crown, Contracting Body, employee, third party or Sub-contractor to whom the Contractor's Confidential Information is disclosed pursuant to clause E4 is made aware of the Authority's obligations of confidentiality.

E4.8 Nothing in this clause E4 shall prevent either Party from using any techniques, ideas or know-how gained during the performance of the Contract in the course of its normal business to the extent that this use does not result in a disclosure of the other Party's Confidential Information or an infringement of Intellectual Property Rights.

E4.9 Any breach by the Contractor of clauses E4,1-3 shall be a material breach for the purposes of clause H2 (Termination on Default) and shall entitle the Authority (at its absolute discretion) to exercise its rights under the corresponding provisions of clause H2 (Termination on Default).

E4.10 Clauses E4.1-6 are without prejudice to the application of the Official Secrets Acts 1911 to 1989 to any Confidential Information.

E4.11 The Parties acknowledge that, except for any information which is exempt from disclosure in accordance with the provisions of the FOIA, the content of this Contract is not Confidential Information. The Authority shall be responsible for determining in its absolute discretion whether any of the content of the Contract is exempt from disclosure in accordance with the provisions of the FOIA.

E4.12 Notwithstanding any other term of this Contract, the Contractor hereby gives consent for the Authority to publish the Contract in its entirety (but with any information which is exempt from disclosure in accordance with the provisions of the FOIA redacted), including from time to time agreed changes to the Contract, to the general public.

E4.13 Not Used

E4.14 Not Used

E4.15 Not Used

E5 Freedom of Information

E5.1 The Contractor acknowledges that the Authority is subject to the requirements of the FOIA and the Environmental Information Regulations. The Contractor shall assist and cooperate with the Authority to enable the Authority to comply with its Information disclosure obligations.

E5.2 The Contractor shall and shall procure that its Sub-contractors shall;

- a) transfer to the Authority all Requests for Information that it receives as soon as practicable and in any event within two (2) Working Days of receiving a Request for Information;
- b) provide the Authority with a copy of all Information in its possession or power in the form that the Authority requires within five (5) Working Days (or such other period as the Authority may specify) of the Authority's request; and
- c) provide all necessary assistance as reasonably requested by the Authority to enable the Authority to respond to the Request for Information within the time for compliance set out in section 10 of the FOIA or regulation 5 of the Environmental Information Regulations.

E5.3 The Authority shall be responsible for determining in its absolute discretion and notwithstanding any other provision in this Contract or any other agreement whether the Commercially Sensitive Information and/or any other Information is exempt from disclosure in accordance

with the provisions of the FOIA or the Environmental Information Regulations.

- E5.4 In no event shall the Contractor respond directly to a Request for Information unless expressly authorised in writing to do so by the Authority.
- E5.5 The Contractor acknowledges that (notwithstanding the provisions of clause E5) the Authority may, acting in accordance with the Department for Constitutional Affairs' Code of Practice on the Discharge of the Functions of Public Authorities under section 45 of FOIA ("the Code"), be obliged under the FOIA, or the Environmental Information Regulations to disclose information concerning the Contractor or the Services;
- a) in certain circumstances without consulting the Contractor; or
 - b) following consultation with the Contractor and having taken their views into account;
- E5.6 Where E5.5 (a) applies the Authority shall, in accordance with any recommendations of the Code, take reasonable steps, where appropriate, to give the Contractor advanced notice, or failing that, to draw the disclosure to the Contractor's attention after any such disclosure.
- E5.7 The Contractor shall ensure that all Information is retained for disclosure and shall permit the Authority to inspect such records as requested from time to time.
- E5.8 The Contractor acknowledges that the Commercially Sensitive Information listed in the Commercially Sensitive Information Schedule is of indicative value only and that the Authority may be obliged to disclose it in accordance with clause E5.5.

E6 Publicity, Media and Official Enquiries

E6.1 The Contractor shall not:

- a) make any press announcements or publicise this Contract or its contents in any way; or
- b) use the Authority's name or brand in any promotion or marketing or announcement of orders;

without the written consent of the Authority, which shall not be unreasonably withheld or delayed.

E6.2 Both Parties shall take reasonable steps to ensure that their employees, agents, Sub-contractors, suppliers, professional advisors and consultants comply with clause E6.1.

E6.3 Where applicable, each Party shall give the other advance notice of proposed visits to the Contractor's premises or any premises of its Sub-contractors (including Members of Parliament, members of the press and media) to observe the delivery of the Service(s) by the Contractor or its Sub-contractors.

E6.4 If so requested by the Authority the notepaper and other written material of the Contractor and Sub-contractors relating to the delivery of the Services(s) shall carry only logos and markings approved by the Authority. This may include, but shall not be limited to, such banner or logo as the Authority shall use to identify the Service(s) from time to time. All publicity and marketing material produced by the Contractor (or its Sub-contractors) in relation to this Contract shall be submitted to the Authority for approval, and no such items shall be printed (other than for approval purposes) until such approval is received.

E7 Security

E7.1 The Authority shall be responsible for maintaining the security of the Authority premises in accordance with its standard security requirements. The Contractor shall comply with all security requirements of the Authority while on the Authority premises, and shall ensure that all Staff comply with such requirements.

E7.2 The Contractor shall ensure that the Security Plan produced by the Contractor fully complies with the Security Policy.

E7.3 The Contractor shall comply, and shall procure the compliance of its Staff, with the Security Plan and the Security Policy.

E7.4 The Authority shall notify the Contractor of any changes or proposed changes to the Security Policy. Any changes shall be agreed in accordance with the procedure in clause F3.

E7.5 Until and/or unless a change to the Contract Price is agreed by the Authority pursuant to clause E7.4 the Contractor shall continue to perform the Services in accordance with its existing obligations.

E8 Intellectual Property Rights

E8.1 Save as granted under the Contract, neither the Authority nor the Contractor shall acquire any right, title or interest in the other's pre-existing Intellectual Property Rights. The Contractor acknowledges that the Authority Data is the property of the Authority and the Authority hereby reserves all Intellectual Property Rights which may exist in the Authority Data.

E8.2 The Authority shall grant the Contractor a non-exclusive, revocable, free licence from the Effective Date to the Final Claim being made to use the Authority's Intellectual Property Rights where it is necessary for the Contractor to supply the Services. The Contractor shall have the right to sub license the Sub- Contractor's use of the Authority's Intellectual Property Rights. At the end of the Final Claim being made

the Contractor shall cease use, and shall ensure that any Sub-Contractor ceases use of the Authority's Intellectual Property Rights.

E8.3 The Contractor shall grant the Authority a non-exclusive, revocable, free licence from the Effective Date to Final Claim being made to use the Contractor's Intellectual Property Rights where it is necessary for the Authority in the provision of the Services. At the end of the Contract Period the Authority shall cease use of the Contractor's Intellectual Property Rights.

E8.4 All Intellectual Property Rights in any guidance, specifications, instructions, toolkits, plans, data, drawings, databases, patents, patterns, models, designs or other material:

- a) furnished to or made available to the Contractor by or on behalf of the Authority shall remain the property of the Authority; or
- b) prepared by or for the Contractor on behalf of the Authority for use, or intended use, in relation to the performance by the Contractor of its obligations under the Contract shall belong to the Authority;

and the Contractor shall not, and shall ensure that the Staff shall not, (except when necessary for the performance of the Contract) without prior Approval, use or disclose any such Intellectual Property Rights.

E8.5 The Contractor shall obtain approval before using any material, in relation to the performance of its obligations under the Contract which is or may be subject to any third party Intellectual Property Rights. The Contractor shall ensure that the owner of those rights grants to the Authority a non-exclusive licence, or if itself a licensee of those rights, shall grant to the Authority an authorised sub-licence, to use, reproduce, modify, develop and maintain the material. Such licence or sub-licence shall be non-exclusive, perpetual, royalty-free and irrevocable. That licence or sub-licence shall also include the right for the Authority to sub-license, transfer, novate or assign to other Contracting Bodies, the Replacement Contractor or to any other third party supplying services to the Authority.

E8.6 The Contractor shall not infringe any Intellectual Property Rights of any third party in supplying the Services. The Contractor shall, during and after the Contract Period, indemnify and keep indemnified and hold the Authority and the Crown harmless from and against all actions, suits, claims, demands, losses, charges, damages, costs and expenses and other liabilities which the Authority or the Crown may suffer or incur as a result of or in connection with any breach of this clause, except where any such claim arises from;

- a) items or materials based upon designs supplied by the Authority; or

- b) the use of data supplied by the Authority which is not required to be verified by the Contractor under any provision of the Contract.

E8.7 The Authority shall notify the Contractor in writing of any claim or demand brought against the Authority for infringement or alleged infringement of any Intellectual Property Right in materials supplied or licensed by the Contractor. The Contractor shall at its own expense conduct all negotiations and any litigation arising in connection with any claim for breach of Intellectual Property Rights in materials supplied or licensed by the Contractor, provided always that the Contractor:

- a) shall consult the Authority on all substantive issues which arise during the conduct of such litigation and negotiations;
- b) shall take due and proper account of the interests of the Authority; and
- c) shall not settle or compromise any claim without the Authority's prior written consent (not to be unreasonably withheld or delayed).

E8.8 The Authority shall at the request of the Contractor provide to the Contractor all reasonable assistance for the purpose of contesting any claim or demand made or action brought against the Authority or the Contractor for infringement or alleged infringement of any Intellectual Property Right in connection with the performance of the Contractor's obligations under the Contract. The Contractor shall indemnify the Authority for all costs and expenses (including, but not limited to, legal costs and disbursements) incurred in doing so. Such costs and expenses shall not be repaid where they are incurred in relation to a claim, demand or action which relates to the matters in clause E8.4 (a) or (b).

E8.9 The Authority shall not make any admissions which may be prejudicial to the defence or settlement of any claim, demand or action for infringement or alleged infringement of any Intellectual Property Right by the Authority or the Contractor in connection with the performance of its obligations under the Contract.

E8.10 If a claim, demand or action for infringement or alleged infringement of any Intellectual Property Right is made in connection with the Contract or in the reasonable opinion of the Contractor is likely to be made, the Contractor shall notify the Authority and, at its own expense and subject to the consent of the Authority (not to be unreasonably withheld or delayed), use its best endeavours to:

- a) modify any or all of the Services without reducing the performance or functionality, or substitute alternative Services of equivalent performance and functionality, so as to avoid the infringement or the alleged infringement, provided that the

provisions herein shall apply with any necessary changes to such modified Services or to the substitute Services; or

- b) procure a licence to use and supply the Services, which are the subject of the alleged infringement, on Terms which are acceptable to the Authority;

and in the event that the Contractor is unable to comply with clauses E8.8 (a) or (b) within twenty (20) Working Days of receipt of the Contractor's notification the Authority may terminate the Contract with immediate effect by notice in writing.

E9 Audit, the National Audit Office and Open Book

E9.1 The Contractor shall, and shall procure that each Sub-contractor shall, at all times keep and maintain until six (6) years after the end of the Contract Period, or as long a period as may be agreed between the Parties, full and accurate records, information, documents, accounts and the like, in the possession of, or available to, the Contractor relating to the Contract, including information, documents and full and accurate records of all expenditure reimbursed by the Authority, all payments made by the Authority and all costs incurred and payments made by the Contractor while carrying out the Services showing in detail:

- a) administrative overheads; and
- b) payments made or received from Sub-contractors; and
- c) capital and revenue expenditure; and
- d) the Contractor's consolidated income statement and audited financial statements for each of its annual financial periods; and
- e) such other items as the Authority may reasonably require from time to time to monitor the amount of profit made or being made by the Contractor and/or to conduct cost audits for verification of cost expenditure or estimated expenditure for the purposes of this Contract

(together the "**Financial Records**").

The Contractor shall on request afford the Authority or the Authority's representatives such access to those records as may be requested by the Authority in connection with the Contract.

E9.2 Without prejudice to the generality of the foregoing, the Contractor shall, at all times, upon written request by the Authority, provide written confirmation of a summary of any of the Financial Records, including details of any funds held by the Contractor specifically to cover its ongoing costs, in such other form and detail as the Authority may reasonably require, to enable the Authority to monitor the performance by the Contractor of its obligations under this Contract, its solvency, and the level of profit it is making from its performance of the Services.

E9.3 The Contractor (and its agents) shall permit the Comptroller, Auditor General (and his appointed representatives) and other party including the Authority or representatives of the Authority access free of charge during normal business

hours on reasonable notice to all such documents (including computerised documents and data) and other information as the Comptroller, Auditor General and other party including the Authority or representatives of the Authority may reasonably require for the purpose of his financial audit of the Authority and for carrying out examinations into the economy, efficiency and effectiveness with which the authority has used its resources. The Contractor shall provide such explanations as are reasonably required for these purposes. This clause does not constitute a requirement or agreement for the examination, certification or inspection of the accounts of the Contractor under Section 6(3) (d) and (5) of the National Audit Act 1983.

E9.4 Except where an audit is imposed on the Authority by a Regulatory body, the Authority may at any time during the Contract Period and for a period of 12 months after the Contract Period, conduct an audit for the following purposes:

- a) to verify the accuracy of any charges that become due and payable by the Authority to the Contractor in respect of the Services (and proposed or actual variations to them in accordance with the Contract), or the costs of all suppliers (including Sub-contractors) of the Services;
- b) to review the integrity, confidentiality and security of the Authority Data;
- c) to review the Contractor's compliance with the DPA, FOIA and other Law applicable to the Services;
- d) to review the Contractor's compliance with its obligations under the Contract;
- e) to review any records created during the provision of the Services;
- f) to review any books of account kept by the Contractor in connection with the provision of the Services;
- g) to carry out the audit and certification of the Authority's accounts;
- h) 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; and
- i) to verify the accuracy and completeness of any management information delivered or required by this agreement.

E9.5 The Authority shall use its reasonable endeavours to ensure that the conduct of each audit does not unreasonably disrupt the Contractor or delay the provision of the Services.

E9.6 Subject to the Authority's obligations of confidentiality, the Contractor shall on demand provide the Authority, the Comptroller and Auditor General and any relevant Regulatory Body (and/or their agents or representatives) with all reasonable co-operation, access and assistance in relation to each audit, including:

- a) all Information requested within the permitted scope of the audit;

- b) reasonable access to any Premises or sites controlled by the Contractor and to any equipment used (whether exclusively or non-exclusively) in the performance of the Services;
- c) access to the Staff;
- d) access to the Contractor Software and ICT Environment; and
- e) accommodation (including desks) at the Premises as reasonably required to conduct the audit.

E9.6 The Authority shall endeavour to (but is not obliged to) provide at least fifteen (15) calendar days notice of its intention to conduct an audit.

E9.7 If an audit identifies that:

- a) the Contractor has committed a Material Default; the Contractor shall correct such Default as soon as reasonably practicable and implement a remedial plan;
- b) the Authority has overpaid any charges that become due and payable by the Authority to the Contractor in respect of the Services, the Contractor shall pay to the Authority the amount overpaid within twenty (20) Working Days. The Authority may deduct the relevant amount from the charges if the Contractor fails to make this payment; and
- c) the Authority has underpaid any charges that become due and payable by the Authority to the Contractor in respect of the Services, the Authority shall pay to the Contractor the amount of the underpayment less the cost of audit incurred by the Authority if this was due to a Default by the Contractor within twenty (20) Working Days.

E9.8 Without prejudice to clause E9.1, where the Authority funds the delivery of this Contract using European Social Fund (ESF) funds or in its role as a Co-financing Organisation uses this contract as a match for ESF provision, either at the outset of the contract or at any point during the life of the contract, the Contractor and any Sub-contractors appointed by it shall be bound by the corresponding additional requirements detailed within relevant Contractor Guidance, including the maintaining of records until at least 31 August 2023.

E9.10 With regard to Section E9 the contractor shall work with the Authority to specify the requirement and mechanism to be adopted during Post Contract Negotiations and before contract signature.

E9.11 During the Contract Period and for a period of 7 years following the end of the Contract Period the Prime Contractor shall

- a) maintain and retain the Open Book Data; and
- b) Disclose and allow the Authority and /or any auditor access to the Open Book Data.

E10 Not Used

E11 Exceptional Audits

E11.1 The Contractor shall permit the Authority and/or its appointed representative's access to conduct an audit (an "Exceptional Audit") of the Contractor in any of the following circumstances:

- a) actual or suspected impropriety or Fraud;
 - b) there are reasonable grounds to suspect that:
 - (i) the Contractor is in Default under the Contract;
 - (ii) the Guarantor may be in default of the Guarantee;
 - (iii) the Contractor is in financial distress or at risk of insolvency or bankruptcy, or any fact, circumstance or matter which is reasonably likely to cause the Contractor financial distress and result in a risk of the Contractor becoming insolvent or bankrupt has occurred; or
 - (iv) a breach of the Security Policy or the Security Plan has occurred under the Contract,
- (each an "Exceptional Circumstance").

E11.2 If the Authority notifies the **Contractor** of an Exceptional Circumstance and that it wishes to conduct an Exceptional Audit, the Contractor shall provide access in accordance with Clause E9.5 as soon as reasonably practicable after such request and in any event within forty eight (48) hours.

E12 Audit Costs

E12.1 The Parties agree that they shall bear their own respective costs and expenses incurred in respect of compliance with their obligations under Clauses E9.3 to E11.2, unless an audit identifies a material Default by the Contractor in which case the Contractor shall reimburse:

- a) the Authority for all the Authority's identifiable, reasonable costs and expenses properly incurred in the course of the audit; and
- b) where the Authority, a Regulatory Body, or the Comptroller and Auditor General appoint another Contracting Body to conduct an audit under this Clause, the Authority shall be able to recover on demand from the Contractor the identifiable, reasonable and properly incurred costs and expenses of the relevant Contracting Body.

E13 Malicious Software

E13.1 The Contractor shall ensure anti-virus software is updated as frequently as is necessary in order to provide protection against the latest threats and delete Malicious Software from the ICT Environment.

E13.2 Notwithstanding clause E13.1, if Malicious Software is found, the Parties shall co-operate to reduce the effect of the Malicious Software

and, particularly if Malicious Software causes loss of operational efficiency or loss or corruption of Authority Data, assist each other to mitigate any losses and to restore the Services to their desired operating efficiency.

E13.3 Any cost arising out of the actions of the Parties taken in compliance with the provisions of clause E13.2 shall be borne by the Parties as follows:

- a) by the Contractor where the Malicious Software originates from the Contractor Software, the Third Party Software or the Authority Data (whilst the Authority Data was under the control of the Contractor); and
- b) by the Authority if the Malicious Software originates from the Authority Software, the Third Party Software or the Authority Data (whilst the Authority Data was under the control of the Authority).

F.CONTROL OF THE CONTRACT

F1 Transfer and Sub-Contracting

F1.1 Except where F1.4 and F1.5 applies, the Contractor shall not assign, sub-contract or in any other way dispose of the Contract or any part of it without prior Approval. Sub-contracting any part of the Contract shall not relieve the Contractor of any of its obligations or duties under the Contract.

F1.2 The Contractor shall be responsible for the acts and omissions of its Sub-contractors as though they are its own.

F1.3 Where the Authority has consented to the placing of sub-contracts, copies of each sub-contract shall, at the request of the Authority, be sent by the Contractor to the Authority or as soon as reasonably practicable if requested within ten (10) Working Days.

F1.4 Notwithstanding clause F1.1, the Contractor may assign to a third party ("**the Assignee**") the right to receive payment of the Contract Price or any part thereof due to the Contractor under this Contract. Any assignment under this clause F1.4 shall be subject to:

- a) reduction of any sums in respect of which the Authority exercises its right of recovery under clause C4 Recovery of Sums Due (Welfare to Employment);
- b) all related rights of the Authority under the Contract in relation to the recovery of sums due but unpaid; and
- c) the Authority receiving notification under both clauses F1.5 and F1.6.

- F1.5 In the event that the Contractor assigns the right to receive the Contract Price under clause F1.4, the Contractor or the Assignee shall notify the Authority in writing of the assignment and the date upon which the assignment becomes effective.
- F1.6 The Contractor shall ensure that the Assignee notifies the Authority of the Assignee's contact information and bank account details to which the Authority shall make payment at least 5 Working Days prior to submission of the relevant invoice.
- F1.7 The provisions of clause C2 (Payment and Contract Price) shall continue to apply in all other respects after the assignment and shall not be amended without the Approval of the Authority.
- F1.8 Subject to clause F1.10, the Authority may assign, novate or otherwise dispose of its rights and obligations under the Contract or any part thereof to:
- a) any Contracting Body;
 - b) 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
 - c) any private sector body which substantially performs the functions of the Authority,
- provided that any such assignment, novation or other disposal shall not increase the burden of the Contractor's obligations under the Contract.
- F1.9 Any change in the legal status of the Authority such that it ceases to be a Contracting Body shall not, subject to clause F1.8, affect the validity of the Contract. In such circumstances, the Contract shall continue in full force and effect for bind and inure to the benefit of any successor body to the Authority.
- F1.10 If the rights and obligations under the Contract are assigned, novated or otherwise disposed of pursuant to clause F1.8 to a body which is not a Contracting Body or if there is a change in the legal status of the Authority such that it ceases to be a Contracting Body (in the remainder of this clause both such bodies being referred to as the "**Transferee**"):
- a) the rights of termination of the Authority in clauses H1 (Termination on Insolvency and Change of Control) and H2 (Termination on Default) shall be available to the Contractor in the event of respectively, the bankruptcy or insolvency, or Default of the Transferee; and

- b) the Transferee shall only be able to assign, novate or otherwise dispose of its rights and obligations under the Contract or any part thereof with the prior consent in writing of the Contractor.

F1.11 The Authority may disclose to any Transferee any Confidential Information of the Contractor which relates to the performance of the Contractor's obligations under the Contract. In such circumstances the Authority shall authorise the Transferee to use such Confidential Information only for purposes relating to the performance of the Contractor's obligations under the Contract and for no other purpose and shall take all reasonable steps to ensure that the Transferee gives a confidentiality undertaking in relation to such Confidential Information.

F1.12 Each Party shall at its own cost and expense carry out, or use all reasonable endeavours to ensure it carries out whatever further actions (including the execution of further documents) the other Party reasonably requires from time to time for the purpose of giving that other party the full benefit of the provisions of the Contract.

F2 Waiver

F2.1 The failure of either Party to insist upon strict performance of any provision of the Contract, or the failure of either Party to exercise, or any delay in exercising, any right or remedy shall not constitute a waiver of that right or remedy and shall not diminish or affect any other cause a diminution of the obligations established by the Contract.

F2.2 No waiver shall be effective unless it is expressly stated to be a waiver and communicated to the other Party in writing in accordance with clause A5 (Notices).

F2.3 A waiver of any right or remedy arising from a breach of the Contract shall not constitute a waiver of any right or remedy arising from any other or subsequent breach of the Contract.

F3 Variation

F3.1 The Authority may from time to time during the Contract Period, by written notice to the Contractor, request a variation of the Contract provided that such variation does not amount to a material change to it. Such a change is hereinafter called a "Variation".

F3.2 Following such notice, the Authority and the Contractor shall enter into good faith negotiations to agree the Variation and any variation in the Contract Price. Any variation in the contract price shall, in all the circumstances, properly and fairly reflect the nature and extent of the proposed Variation. The Parties shall negotiate for:

- a) Not more than thirty (30) Working Days from the date of the written notice to the Contractor; or
- b) Such shorter period as the Authority directs where, in the reasonable opinion of the Authority, the Variation is necessary as a matter of urgency.

F3.3 If the Parties are unable to agree such matters within the relevant period set out in clause F3.2, the Authority shall by written notice to the Contractor:

- a) agree that the Parties shall continue to perform their obligations under the Contract without the Variation; or
- b) if the Parties, acting reasonably, are unable to agree the Variation in the Contract Price referred to in clause F3.3, the matter shall be referred to dispute resolution under clause I.2. Pending resolution of the matter the Contractor shall nonetheless implement and comply with the Variation.
- c) terminate the Contract with immediate effect, except where the Contractor has already delivered all or part of the Services or where the Contractor can show evidence of substantial work being carried out to fulfil the requirements of the specification; and in such case the Parties shall attempt to agree upon a resolution to the matter. Where a resolution cannot be reached, the matter shall be dealt with under the Dispute Resolution Procedure detailed at clause I2

F3.4 If the Parties agree the Variation and any variation in the Contract Price within the relevant period set out in clause F3.2, the Contractor shall carry out such Variation and be bound by the same provisions so far as is applicable, as though such Variation was stated in the Contract.

F3.5 Any such Variation shall be communicated in writing by the Authority to the Contractor in accordance with clause A5 (Notices). All Variations shall form an addendum to the Contract.

F4 Severability

If any provision of the Contract 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 of the Contract shall continue in full force and effect as if the Contract had been executed with the invalid, illegal or unenforceable provision eliminated.

F5 Remedies in the Event of Inadequate Performance

F5.1 Without prejudice to clauses B4.1-B4.4, the Authority shall take all reasonable steps to investigate any complaint it receives regarding:

- a) the standard of Services;
- b) the manner in which any Services have been supplied,
- c) the manner in which work has been performed,
- d) the materials or procedures the Contractor uses; or

- e) any other matter connected with the performance of the Contractor's obligations under the Contract.
- F5.2 Without prejudice to its other rights and remedies under the Contract, the Authority may, in its sole discretion, uphold the complaint and take further action in accordance with clause F5.23 or clause H2 (Termination on Default) of the Contract.
- F5.3 In the event that the Authority reasonably believes that there has been a Default which is a material breach of the Contract by the Contractor, then the Authority may, without prejudice to its rights and remedies under the Contract including under clause H2 (Termination on Default), do any of the following:
- a) require the Contractor to submit a performance improvement plan detailing why the breach has occurred and how it will be remedied within ten (10) Working Days or such other period of time as the Authority may direct;
 - b) without terminating the Contract, itself supply or procure the supply of all or part of the Services until such time as the Contractor has demonstrated to the reasonable satisfaction of the Authority that the Contractor can once more be able to supply all or such part of the Services in accordance with the Contract;
 - c) without terminating the whole of the Contract, terminate the Contract in respect of part of the Services only (whereupon a corresponding reduction in the Contract Price shall be made) and thereafter itself supply or procure a third party to supply such part of the Services; or
 - d) terminate, in accordance with clause H2 (Termination on Default), the whole of the Contract.
- F5.4 Without prejudice to its rights under clause C4 Recovery of Sums Due (Welfare to Employment) the Authority may charge the Contractor for any costs reasonably incurred and any reasonable administration costs in respect of the supply of any part of the Services by the Authority or a third party to the extent that such costs exceed the payment which would otherwise have been payable to the Contractor for such part of the Services and provided that the Authority uses its reasonable endeavours to mitigate any additional expenditure in obtaining replacement Services.
- F5.5 If the Contractor fails to supply any of the Services in accordance with the provisions of the Contract and such failure is capable of remedy, then the Authority shall instruct the Contractor to remedy the failure and the Contractor shall at its own cost and expense remedy such failure (and any damage resulting from such failure) within ten (10) Working Days or such other period of time as the Authority may direct.

F5.6 In the event that:

- a) the Contractor fails to comply with clause F5.5 above and the failure is materially adverse to the interests of the Authority or prevents the Authority from discharging a statutory duty; or
- b) the Contractor persistently fails to comply with clause F5.5,

the Authority may terminate the Contract with immediate effect by notice in writing.

F5.7 Notwithstanding the provisions of clauses F5.3-F5.6, where the Default of the Prime Contractor is a Service Failure, the matter shall be dealt with in accordance with clauses B14 and B15.

F5.8 [Without prejudice to clauses A9 [and A10], and notwithstanding clauses B14, B15, this clause F5 and clause H2, in the event of the Contractor committing a Default or Service Failure, the Authority may at its discretion reduce or suspend the number of [Referrals] made to the Contractor pending the Contractor taking such measures to improve its performance of the Services (and providing such assurances to the Authority) as the Authority, acting reasonably, considers necessary.]

F6 Remedies Cumulative

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

F7 Monitoring of Contract Performance

The Contractor shall comply with the monitoring arrangements set out in the Monitoring Requirements Schedule including, but not limited to, providing such data and information as the Contractor may be required to produce under the Contract.

F8 Financial Assurance

F8.1 The Contractor is required to disclose immediately to the Authority any material changes to the organisation that impacts on its ongoing financial viability including details of the revenue replacement strategy and impact awareness on the organisation's profitability and stability where significant contracts are due to end.

F8.2 The Contractor is required to notify the Authority immediately of proposed changes to the organisational control or group structure, proposed mergers or acquisitions or proposed changes to the Contractor's financial viability.

F8.3 The Contractor is required to provide any financial information which could include but is not limited to a copy of the Annual Accounts and

Annual Returns each year following approval and provide other information as required by the Authority.

- F8.4 If requested by The Authority, where a Parent Company Guarantee has been provided, the Contractor is required to provide the documents detailed in clause F8.3 for the Parent Company, including a translation and conversion (Profit and Loss, Balance Sheet and key Balance Sheet Notes) into £GB, stating the conversion rate used.

F9 Extension of Initial Contract Period

- F9.1 The Authority may, by giving written notice to the Contractor not less than **[Insert - value (TBC)]** 6 Month(s) prior to the last day of the Initial Contract Period, extend the Contract for a further period of up to **[Insert – value (TBC)] 12 Months**. The provisions of the Contract will apply (subject to any Variation or adjustment to the Contract Price pursuant to clause C5 (Welfare to Employment) Price adjustment on extension of the Initial Contract Period] throughout any such extended period.

F10 Entire Agreement

- F10.1 The Contract constitutes the entire agreement between the Parties in respect of the matters dealt with therein. The Contract supersedes all prior negotiations between the Parties and all representations and undertakings made by one Party to the other, whether written or oral, with the exception that this clause shall not exclude liability in respect of any Fraud or fraudulent misrepresentation.
- F10.2 Each of the Parties acknowledges and agrees that in entering into the Contract it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or undertaking (whether negligently or innocently made) other than as expressly set out in the Contract. The only remedy available to either Party for any such statements, representation, warranty or understanding shall be for breach of contract under the terms of the Contract.
- F10.3 In the event of, and only to the extent of, any conflict between the clauses of the Contract, any document referred to in those clauses and the Schedules, the conflict shall be resolved in accordance with the following order of precedence:
- 1) the clauses of the Contract;
 - 2) the Schedules; and
 - 3) any other document(s) referred to in the clauses of the Contract.

F11 Counterparts

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

F12 Change Control

F12.1 The Authority has the right to propose variations to the Contract (including a request by the Authority for the Contractor to cease any part of the Services) in accordance with this Clause F12. Where the Authority proposes to vary any part of the Contract the Authority shall serve a Change Control Notice on the Contractor, and the Contractor shall promptly comply with such Change Control procedure as detailed in this Clause F12.

F12.2 Without prejudice to the generality of Authority's right to vary the Contract, such variations may include the following:-

- (a) cessation of any part of the Services
- (b) additions to any part of the Services;
- (c) change of the Authority's business or policies imposed by Her Majesty's Government;
- (d) quality of the Services; and/or
- (e) change or addition to any Contractor Guidance, the Staff Vetting Procedures or any other guidance and/or codes of practice issued by the Contracting Body.

F12.3 Without prejudice to the generality of the Authority's rights under Clause F12.1, following:-

- (a) a review(s) and/or the monitoring of the Contract by the Authority at any time during the Contract Period; and/or
- (b) (at the sole discretion of the Authority), a request by the Contractor,

the Authority may determine that it is necessary to change any of the Performance Parameters that underpin the Contract and may propose a variation to the Contract. The Authority shall propose such variation by serving a Change Control Notice on the Contractor, and the Contractor shall promptly comply with such Change Control procedure as detailed in this Clause F12. Any changes in the Performance Parameters may apply at a national level or at Contract Package Area level, and will be applied consistently to all Welfare to Work contracts within the impacted Contract Package Area(s).

F12.4 The Change Control Notice shall:-

- (a) set out the change to the Contract required by the Authority in sufficient detail to enable the Contractor to provide an estimate; and
- (b) require the Contractor to provide the Authority with an estimate ("the Estimate") in accordance with Clause F12.5 below.

F12.5 The Contractor shall provide the Authority with the Estimate within ten (10) Working Days of the receipt of the Change Control Notice or such longer period as is appropriate as determined by the Authority acting reasonably. The Estimate shall be consistent with all changes (including changes to Performance Parameters) specified by the Authority in its Change Control Notice, and shall include:-

- (a) a statement of opinion of the Contractor on the impact of the proposed change on the delivery of the Services;
- (b) a description of any amendment required to the Contract or the Appendices to accommodate the proposed change including, without limitation, any changes to the labour requirements, delivery plans, performance targets and key performance indicators;
- (c) an overview (including reference to how the Contractor has discharged its general duty of cost efficiency under the Contract) of the net costs of, or savings from, implementing the proposed change as the case may be;
- (d) any other information reasonably requested by the Authority or appearing to the Contractor to be relevant; and
- (e) an updated financial model, reflecting changes to all projected performance, revenues and input costs from the scheduled date of implementation of the variation, and a reconciliation of the updated financial model to its predecessor.

F12.6 In developing the Estimate, the Contractor shall provide the Authority with financial information on a transparent basis.

F12.7 As soon as practicable after the Contractor provides the Authority with the Estimate, the Authority and the Contractor shall meet to discuss any issues arising from the Change Control Notice or from the Estimate provided by the Contractor. For the avoidance of doubt, any discussions held between the Authority and the Contractor pursuant to this Clause F12.7 shall be without prejudice and subject to contract.

F12.8 As soon as practicable after any part of the contents of the Estimate have been discussed in accordance with Clause F12 the Authority shall confirm in writing that it wishes:-

- (a) to proceed with the Change Control Notice (or that part of it which has been agreed or determined as above); or
- (b) to withdraw the Change Control Notice (or the relevant part).

F12.9 If the Authority confirms that it wishes to proceed with the Change Control Notice, the Contract shall be deemed to have been amended accordingly and an updated financial model, reflecting changes to all

revenues, input costs and savings from the scheduled date of implementation of the variation shall be appended to the Contract.

F12.10 The Contractor shall comply with any proposed variation to the Contract. If the Contractor fails to implement or successfully comply with the variation by the required date, the Authority may:-

- (a) give the Contractor a further opportunity to implement or comply with the variation; or
- (b) escalate any issues arising out of the failure to implement or comply with the variation to the Contractor's finance director (or equivalent) under the dispute resolution procedure set out in Clause I2 (Dispute Resolution).

F12.11 If, despite the measures taken under Clause F12.10 (a), the Contractor fails to implement or comply with the variation, the Authority may elect to refer the matter for resolution by the dispute resolution procedure set out in clause I2 (Dispute Resolution).

F12.12 If the Authority has not confirmed that it wishes to proceed with the Change Control Notice within thirty (30) calendar days of the date of the discussion in Clause F12.7 above or has not withdrawn the Change Control Notice within thirty (30) calendar days of the date of the discussion in Clause F12.7 above then the Change Control Notice (or the relevant part) shall be deemed to have been withdrawn.

F12.13 The Authority shall not be liable for any costs incurred by the Contractor in implementing the procedures pursuant to this clause 12.13, save that the Authority shall be liable for any reasonable, proportionate and proven costs incurred by the Contractor in implementing the procedures pursuant to this clause F12 where the Authority withdraws the Change Control Notice in accordance with Clause F12.8. The Authority reserves the right to access all records to validate a claim under this Clause F12.13.

F12.14 Variations of a minor or temporary nature may be required to the Contract from time to time and, where such variations are requested, they shall be evidenced in writing. Without prejudice to the foregoing, the Contractor shall accommodate such minor or temporary variations at no extra cost to the Authority, provided they do not involve additional cost to the Contractor.

F12.15 Notwithstanding the service of a Change Control Notice in accordance with the Change Control procedure as detailed in this Clause F12, the Contractor shall continue to fulfil its obligations under the Contract until such time as the Authority confirms to the Contractor that the Authority wishes to proceed with the Change Control Notice.

F12.16 Without prejudice to any of the other rights of the Contractor, the Contractor may propose variations to the Contract which shall be referred to the Authority for consideration. Such variations shall be

detailed in a Change Control Notice between the Authority and the Contractor and the Contract may be varied in accordance with the Change Control procedure as detailed in this Clause F12.

G1 Liability, Indemnity and Insurance

G1.1 Neither Party excludes or limits its liability for:

- a) death or personal injury caused by its negligence;
- b) fraud or fraudulent misrepresentation; or
- c) any Default of any obligations implied by Section 2 of the Supply of Goods and Services Act 1982; or
- d) any liability to the extent it cannot be limited or excluded by Law.

G1.2 The Contractor's liability in respect of any breach of its obligations under clauses [B12 (TUPE), B13 (Employee Provisions on Expiry or Termination),] E2 (Protection of Personal Data) and in respect of the indemnities in clause C8.2 (VAT), clause E8.6 (Intellectual Property Rights), clause J5 (ESF) and Schedule 12 and its Annexes (Staff Transfer) shall be unlimited.

G1.3 Subject to clause G1.4, the Contractor shall indemnify the Authority and keep the Authority indemnified fully:

- a) against all claims, proceedings, actions, damages, costs, expenses (including but not limited to legal costs and disbursements on a solicitor and client basis) in respect of any personal injury or loss of or damage to property real or personal incurred by the Authority or its employees and agents to the extent that such personal injury or loss or damage is directly caused by any Default of the Contractor, its employees, agents or Sub-contractors or by circumstances within its or their control in connection with the performance or purported performance of the Contract; and
- b) against all claims, proceedings, actions, damages, costs, expenses (including but not limited to legal costs and disbursements on a solicitor and client basis) and any other liabilities in respect of any personal injury or any loss or damage arising from or incurred by reason of the use of the Services by any Participant.

G1.4 The Contractor shall not be responsible for any injury, loss, damage, cost or expense if and to the extent that it is caused by the negligence or wilful misconduct of the Authority or by Default by the Authority of its obligations under the Contract.

- G1.5 Subject to clause G1.4, responsibility for the control, management and supervision of all Participants shall rest entirely with the Contractor subject to the Participant complying with all reasonable instructions and directions which the Contractor may issue to the Participant from time to time. The Authority shall not be liable for any personal injury, disease or death, or loss or damage whatsoever or however caused, by any act or omission of a Participant.
- G1.6 Subject always to clauses G1.1 – G1.3, and without prejudice to clause H2, the liability of either Party for Defaults shall be subject to the following financial limit:
- a) the annual aggregate liability under the Contract of either Party for all Defaults shall in no event exceed the greater of [Insert - words] [Insert – figures – TBC] or [one hundred and twenty five] per cent [125]% of the Contract Price paid or payable by the Authority to the Contractor in the year in which the liability arises].
- G1.7 Subject to clause G1.1 - G1.3 and G1.8, in no event shall either Party be liable to the other for any:
- a) loss of profits, business, revenue or goodwill; and
 - b) indirect or consequential loss or damage.
- G1.8 Notwithstanding clause G1.8, and without prejudice to clause H2, the Contractor acknowledges that the Authority may, amongst other things, recover from the Contractor the following losses, damages, costs and/or expenses incurred by the Authority to the extent that they arise as a result of a Default by the Contractor:
- 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) the additional cost of procuring replacement services, which shall include any incremental costs associated with such replacement services above those which would have been payable under this Agreement;
 - c) any compensation or interest paid to a third party by the Authority;
 - d) any fine or penalty incurred by the Authority pursuant to Law and any costs incurred by the Authority in defending any proceedings which result in such fine or penalty.
- G1.9 The Contractor shall effect and maintain with a reputable insurance company a policy or policies of insurance providing an adequate level of cover in respect of all risks which may be incurred by the Contractor, arising out of the Contractor's performance of its obligations under the

Contract, including death or personal injury, loss of or damage to property or any other loss. Such policies shall include cover in respect of any financial loss arising from any advice given or omitted to be given by the Contractor. Such insurance shall be maintained for the duration of the Contract Period and for a minimum of six (6) years following the expiration or earlier termination of the Contract.

G1.10 The Contractor shall hold employer's liability insurance in respect of Staff in accordance with any legal requirement from time to time in force.

G1.11 The Contractor shall give the Authority, on request, copies of all insurance policies referred to in this clause or a broker's verification of insurance to demonstrate that the appropriate cover is in place, together with receipts or other evidence of payment of the latest premiums due under those policies.

G1.12 If, for whatever reason, the Contractor fails to give effect to and maintain the insurances required by the provisions of the Contract the Authority may make alternative arrangements to protect its interests and may recover the costs of such arrangements from the Contractor.

G1.13 The provisions of any insurance or the amount of cover shall not relieve the Contractor of any liabilities under the Contract. It shall be the responsibility of the Contractor to determine the amount of insurance cover that will be adequate to enable the Contractor to satisfy any liability referred to in this clause G1.

G2 Professional Indemnity

G2.1 The Contractor shall maintain appropriate professional indemnity insurance cover during the Contract Period and shall ensure that all agents, professional consultants and Sub-contractors involved in the supply of the Services do the same. To comply with its obligations under this clause and as a minimum, the Contractor shall ensure professional indemnity insurance held by the Contractor and by any agent, Sub-contractor or consultant involved in the supply of the Services has a limit of indemnity of not less than [Insert - amount] for each individual claim (or such higher limit as the Authority may reasonably require, and as required by law, from time to time). Such insurance shall be maintained for a minimum of six (6) years following the expiration or earlier termination of the Contract.

G2.2 Any excess or deductibles under the insurance referred to in clause G2.1 shall be the sole and exclusive responsibility of the Contractor or the Contractor's agents, professional consultants or sub-Contractors, as applicable.

G2.3 The terms of any insurance or the amount of insurance cover shall not relieve the Contractor of any liabilities arising under the Contract.

G2.4 The Contractor shall, on request, provide the Authority with copies of all insurance policies referred to in clause G2.1 or a broker's

verification of insurance to demonstrate that the appropriate cover is in place, together with receipts or other evidence of payment of the latest premiums due under those policies.

- G2.5 If, for whatever reason, the Contractor fails to give effect to and maintain the insurances required by this clause then the Authority may make alternative arrangements to protect its interests and may recover the costs of such arrangements from the Contractor.

G3 Warranties and Representations

G3.1 The Contractor warrants and represents that:

- a) it has full capacity and authority and all necessary consents (including where its procedures so require, the consent of its parent company) to enter into and perform its obligations under the Contract and that the Contract is executed by a duly authorised representative of the Contractor;
- b) in entering the Contract it has not committed any Fraud;
- c) as at the Effective Date, all information contained in the Tender remains true, accurate and not misleading, save as may have been specifically disclosed in writing to the Authority prior to execution of the Contract;
- d) no claim is being asserted and no litigation, arbitration or administrative proceeding is presently in progress or, to the best of its knowledge and belief, pending or threatened against it or any of its assets which will or might have a material adverse effect on its ability to perform its obligations under the Contract;
- e) it is not subject to any contractual obligation, compliance with which is likely to have a material adverse effect on its ability to perform its obligations under the Contract;
- f) no proceedings or other steps have been taken and not discharged (nor, to the best of its knowledge, are threatened) for the winding up of the Contractor 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 Contractor's assets or revenue;
- g) it owns, has obtained or is able to obtain, valid licences for all Intellectual Property Rights that are necessary for the performance of its obligations under the Contract;
- h) in the three (3) years prior to the date of the Contract:
 - (i) it has conducted all financial accounting and reporting activities in compliance in all material respects with the generally accepted accounting principles that apply to it in any country where it files accounts;

- (ii) it has been in full compliance with all applicable securities and tax laws and regulations in the jurisdiction in which it is established; and
- (iii) it has not done or omitted to do anything which could have a material adverse effect on its assets, financial condition or position as an ongoing business concern or its ability to fulfil its obligations under the Contract.

G4 Deed of Guarantee

G4.1 This Contract is conditional upon the Contractor procuring that the Guarantor shall:

- a) execute and deliver to the Authority the Guarantee; and
- b) deliver to the Authority a certified copy of the board minutes of the Guarantor approving the execution of the Guarantee.

G4.2 On satisfaction of clause G4.1, the Authority shall promptly notify the Contractor that those conditions have been satisfied.

G4.3 The conditions specified in this clause G4 are inserted solely for the Authority's benefit. The Authority may waive them, in whole or in part and with or without conditions, without prejudicing the Authority's right to require subsequent fulfilment of such conditions.

G4.4 For the avoidance of doubt, if clause G4.1 has not been satisfied, on or before [Insert - date] this Contract shall not take effect].

H.DEFAULT, DISRUPTION AND TERMINATION

H1 Termination on Insolvency and Change of Control

H1.1 The Authority may terminate the Contract with immediate effect by notice in writing where the **Contractor is a company** and in respect of the Contractor:

- a) a proposal is made for a voluntary arrangement within Part I of the Insolvency Act 1986 or of any other composition scheme or arrangement with, or assignment for the benefit of, its creditors;
- b) a shareholders' meeting is convened for the purpose of considering a resolution that it be wound up or a resolution for its winding-up is passed (other than as part of, and exclusively for the purpose of, a bona fide reconstruction or amalgamation);
- c) a petition is presented for its winding up (which is not dismissed within fourteen (14) days of its service) or an application is made for the appointment of a provisional liquidator or a creditors' meeting is convened pursuant to section 98 of the Insolvency Act 1986;

- d) a receiver, administrative receiver or similar officer is appointed over the whole or any part of its business or assets;
- e) an application order is made either for the appointment of an administrator or for an administration order, an administrator is appointed, or notice of intention to appoint an administrator is given;
- f) it is or becomes insolvent within the meaning of section 123 of the Insolvency Act 1986;
- g) 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) any event similar to those listed in H1.1 (a)-(g) occurs under the law of any other jurisdiction.

H1.2 The Contractor shall notify the Authority immediately if the Contractor undergoes a change of control within the meaning of section 1124 of the Corporation Tax Act 2010 ("Change of Control"). The Authority may terminate the Contract by notice in writing with immediate effect within six (6) Months of:

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

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

H1.3 The Authority may terminate the Contract with immediate effect by notice in writing where the **Contractor is an individual** and:

- a) an application for an interim order is made pursuant to Sections 252-253 of the Insolvency Act 1986 or a proposal is made for any composition scheme or arrangement with, or assignment for the benefit of, the Contractor's creditors;
- b) a petition is presented and not dismissed within fourteen (14) days or order made for the Contractor's bankruptcy;
- c) a receiver, or similar officer is appointed over the whole or any part of the Contractor's assets or a person becomes entitled to appoint a receiver or similar officer over the whole or any part of his assets;
- d) the Contractor is unable to pay his debts or has no reasonable prospect of doing so, in either case within the meaning of section 268 of the Insolvency Act 1986;

- e) a creditor or encumbrancer attaches or takes possession of, or a distress, execution, seizure or other such process is levied or enforced on or sued against, the whole or any part of the Contractor's assets and such attachment or process is not discharged within fourteen (14) days;
- f) he dies or is adjudged incapable of managing his affairs within the meaning of Part VII of the Mental Health Act 1983; or
- g) he suspends or ceases, or threatens to suspend or cease, to carry on all or a substantial part of the business.

H1.4 The Authority may terminate the Contract with immediate effect by notice in writing where the **Contractor is a partnership** and:

- a) a proposal is made for a voluntary arrangement within Article 4 of the Insolvent Partnerships Order 1994 or a proposal is made for any other composition, scheme or arrangement with, or assignment for the benefit of, its creditors;
- b) it is for any reason dissolved;
- c) a petition is presented for its winding up or for the making of any administration order, or an application is made for the appointment of a provisional liquidator;
- d) a receiver, or similar officer is appointed over the whole or any part of its assets;
- e) the partnership is deemed unable to pay its debts within the meaning of section 222 or 223 of the Insolvency Act 1986 as applied and modified by the Insolvent Partnerships Order 1994; or
- f) any of the following occurs in relation to any of its partners:
 - (i) an application for an interim order is made pursuant to Section 252-253 of the Insolvency Act 1986 or a proposal is made for any composition scheme or arrangement with, or assignment for the benefit of, his creditors;
 - (ii) a petition is presented for his bankruptcy; or
 - (iii) a receiver, or similar officer is appointed over the whole or any part of his assets.

H1.5 The Authority may terminate the Contract with immediate effect by notice in writing where the **Contractor is a limited liability partnership** and:

- a) a proposal is made for a voluntary arrangement within Part I of the Insolvency Act 1986 or a proposal is made for any other composition, scheme or arrangement with, or assignment for the benefit of, its creditors;
- b) it is for any reason dissolved;
- c) an application is made either for the appointment of an administrator or for an administration order, an administrator is appointed, or notice of intention to appoint an administrator is given within Part II of the Insolvency Act 1986;
- d) any step is taken with a view to it being determined that it be wound up (other than as part of, and exclusively for the purpose

of, a bona fide reconstruction or amalgamation) within Part IV of the Insolvency Act 1986;

- e) a petition is presented for its winding up (which is not dismissed within 14 days of its service) or an application is made for the appointment of a provisional liquidator within Part IV of the Insolvency Act 1986;
- f) a receiver, or similar officer is appointed over the whole or any part of its assets;
- g) it is or becomes unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986; or
- h) a moratorium comes into force pursuant to Schedule A1 of the Insolvency Act 1986.

H1.6 References to the Insolvency Act 1986 in clause H1.5 shall be construed as being references to that Act as applied under the Limited Liability Partnerships Act 2000 subordinate legislation.

H2 Termination on Default

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

- a) the Contractor has not remedied the Default to the satisfaction of the Authority within twenty five (25) Working Days, or such other period as may be specified by the Authority, after issue of a written notice specifying the Default and requesting it to be remedied;
- b) the Default is not, in the opinion of the Authority, capable of remedy; or
- c) the Default is a Material Breach of the contract.

H2.2 Without prejudice to any other rights or remedies that the Authority has under the Contract (including without limitation clause B14 Minimum Performance Levels and Minimum Service Levels and the provisions of clause H1 or H2.1, where the Authority considers that the Contractor has committed a Persistent Breach in relation to the Contract or any part thereof (including any part of the Services), the Authority shall be entitled to serve a written notice (a **“Formal Warning Notice”**) on the Contractor:

- a) specifying that it is a Formal Warning Notice;
- b) giving details of the Persistent Breach; and
- c) stating that if the Persistent Breach recurs two or more times within a three (3) Month period after the date of service of the Formal Warning Notice, this may result in a termination of the Contract or that part of the Services affected by such Persistent Breach.

H2.3 If:

- a) twenty (20) Working Days after service of a Formal Warning Notice, the Contractor has failed to demonstrate to the the Authority's satisfaction that the Persistent Breach specified has not continued and that the Contractor has put in place measures to ensure that such Persistent Breach does not recur; or
- b) within a three (3) Month period after the date of service of the Formal Warning Notice, the Contractor has failed to demonstrate to the satisfaction of the Authority that the Persistent Breach specified has not recurred [two] or more times within such three (3) month period and that the Contractor has put in place measures to ensure that such Persistent Breach does not recur;

then the Authority may deem such failure shall be a Default which is a Material Breach of the Contract not capable of remedy for the purposes of clause H2.1 (b).

H2.4 In the event that through any Default of the Contractor, data transmitted or processed in connection with the Contract is either lost or sufficiently degraded as to be unusable, the Contractor shall be liable for the cost of reconstitution of that data. The Contractor shall reimburse the Authority in respect of any charge levied for its transmission and any other costs charged in connection with such Default.

H2.5 If the Authority fails to pay the Contractor undisputed sums of money when due, the Contractor shall notify the Authority in writing of such failure to pay. If the Authority fails to pay such undisputed sums within ninety (90) Working Days of the date of such written notice, the Contractor may terminate the Contract in writing with immediate effect, save that such right of termination shall not apply where the failure to pay is due to the Authority exercising its rights under clause C4 Recovery of Sums Due (Welfare to Employment).

H3 Break

H3.1 The Authority shall have the right to terminate the Contract at any time by giving six (6) Months' written notice to the Contractor. The Authority may extend the period of notice at any time before it expires, subject to agreement on the level of Services to be provided by the Contractor during the period of extension.

H3.2 On the expiry or termination of this Contract or any part thereof:

- a) the Contractor shall repay forthwith to the Authority any moneys paid up to and including such date of termination other than moneys in respect of the Service(s) or part thereof properly performed in accordance with this Contract;
- b) the Contractor shall cease all use of all the Authority's Intellectual Property Rights and shall return or destroy as the

Authority requires, all documents and materials (including those in electronic format) incorporating or referring to the same.

H4 Consequences of Expiry or Termination

H4.1 Where the Authority terminates the Contract under clause F5 (Remedies in the Event of Inadequate Performance) or clause H2 (Termination on Default) and then makes other arrangements for the supply of Services, the Authority may recover from the Contractor the cost reasonably incurred of making those other arrangements and any additional expenditure incurred by the Authority throughout the remainder of the Contract Period. The Authority shall take all reasonable steps to mitigate such additional expenditure. Where the Contract is terminated under clause F5 or clause H2, no further payments shall be payable by the Authority to the Contractor until the Authority has established the final cost of making those other arrangements.

H4.2 Subject to clause H4.3, where the Authority terminates the Contract under clause H3 (Break), the Authority shall indemnify the Contractor against any commitments, liabilities or expenditure which would otherwise represent an unavoidable loss by the Contractor by reason of the termination of the Contract, provided that the Contractor takes all reasonable steps to mitigate such loss. Where the Contractor holds insurance, the Contractor shall reduce its unavoidable costs by any insurance sums available. The Contractor shall submit a fully itemised and costed list of such Loss, with supporting evidence, of losses reasonably and actually incurred by the Contractor as a result of termination under clause H3. Any payment paid by the Authority in accordance with this clause H4.2 shall be in full and final settlement of any claim, demand and/or proceedings of the Contractor in relation to any termination by the Authority pursuant to clause H3. The Contractor shall be excluded from all other rights and remedies it would otherwise have been in respect of any such termination.

H4.3 The Authority shall not be liable under clause H4.2 to pay any sum which:

- a) was claimable under insurance held by the Contractor, and 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;
- b) when added to any sums paid or due to the Contractor under the Contract, exceeds the total sum that would have been payable to the Contractor if the Contract had not been terminated prior to the expiry of the Contract Period; or
- c) is a claim by the Contractor for loss of profit, due to early termination of the Contract.

H4.4 On the expiry or termination of this Contract or any part thereof:

- a) the Contractor shall repay at once to the Authority any moneys paid up to and including such date of termination other than moneys in respect of the Service(s) or part thereof properly performed in accordance with this Contract; and
- b) the Contractor shall cease all use of all the Authority's Intellectual Property Rights, generated Intellectual Property Rights, and any trade mark and shall return or destroy as the Authority requires, all documents and materials (including those in electronic format) incorporating or referring to the same.

H4.5 Unless otherwise expressly provided in the Contract:

- a) termination or expiry of the Contract shall be without prejudice to any rights, remedies or obligations accrued under the Contract prior to termination or expiration. Nothing in the Contract shall prejudice the right of either Party to recover any amount outstanding at such termination or expiry; and
- b) termination of the Contract shall not affect the continuing rights, remedies or obligations of the Authority or the Contractor under clauses C2 (Payment and Contract Price), C4 Recovery of Sums Due (Welfare to Employment], D1 (Prevention of Bribery and Corruption), E1 (Authority Data), E2 (Protection of Personal Data), E3 (Official Secrets Acts 1911 to 1989, Section 182 of the Finance Act 1989), E4 (Confidential Information), E5 (Freedom of Information), E8 (Intellectual Property Rights), E9 (Audit and National Audit Office), F6 Remedies Cumulative), G1 (Liability, Indemnity and Insurance), G2 (Professional Indemnity), H4 (Consequences of Expiry or Termination), H6 (Recovery upon Termination) and I1 (Governing Law and Jurisdiction).

H5 Disruption

- H5.1 The Contractor shall take reasonable care to ensure that in performing of its obligations under the Contract it does not disrupt the operations of the Authority, its employees or any other contractor employed by the Authority.
- H5.2 The Contractor shall immediately inform the Authority of any actual or potential industrial action, whether such action is by their own employees or others, which affects or might affect its ability at any time to perform its obligations under the Contract.
- H5.3 In the event of industrial action by the Staff, the Contractor shall seek Approval to its proposals to continue to perform its obligations under the Contract.
- H5.4 If the Contractor's proposals referred to in clause H5.3 are considered insufficient or unacceptable by the Authority (acting reasonably), the Authority may terminate the Contract with immediate effect by notice in writing.

H5.5 If the Contractor is temporarily unable to fulfil the requirements of the Contract owing to disruption of normal business by direction of the Authority, an appropriate allowance by way of extension of time will be approved by the Authority. In addition, the Authority will reimburse any additional expense reasonably incurred by the Contractor as a direct result of such disruption.

H5.6 Not later than one Month following the Commencement/Effective Date, the Contractor shall supply for the Authority's Approval a draft Business Continuity and Disaster Recovery ("BCDR") Plan [to meet the requirements set out in paragraph [] of the Specification] [to ensure that the Service to the Authority will be maintained in the event of disruption (including, but not limited to, disruption to ICT systems) to the Prime Contractor's and any Sub-contractor's operations, however caused].

H5.7 Following receipt of the draft BCDR Plan from the Contractor, the Authority shall:

(a) review and comment on the draft BCDR Plan as soon as reasonably practicable; and

(b) notify the Contractor in writing that it approves or rejects the draft BCDR Plan no later than one Month after the date on which the draft BCDR Plan is first delivered to the Authority.

H5.8 If the Authority rejects the draft BCDR Plan:

(a) the Authority shall inform the Contractor in writing of its reasons for its rejection; and

(b) the Contractor shall then revise the draft BCDR Plan (taking reasonable account of the Authority's comments) and shall re-submit a revised draft BCDR Plan to the Authority for the Authority's Approval within 15 Working Days of the date of the Authority's notice of rejection. The provisions of clause H5.7 and this clause H5.8 shall apply again to any resubmitted draft BCDR Plan, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

H5.9 Once approved by the Authority, the Contractor shall keep the BCDR Plan available for the Authority to inspect and to practically test at any reasonable time, and shall keep it updated [in accordance with the requirements of paragraph [] of the Specification].

H6 Recovery upon Termination

H6.1 At the expiry or earlier termination of the Contract Period (howsoever arising) the Contractor shall immediately deliver to the Authority or as directed upon request all Property (including materials, documents, information and access keys) used in the performance of its obligations under the Contract in its possession or under its control or in the possession or under the control of any permitted suppliers or Sub-contractors. In the event the Contractor fails to do so, the Authority may recover possession thereof and the Contractor grants a

licence to the Authority or its appointed agents to enter (for the purposes of such recovery) any premises of the Contractor or its permitted suppliers or Sub-contractors where any such items may be held.

- H6.2 At the expiry or early termination of the Contract Period (howsoever arising) or after the Contract Period the Contractor shall provide assistance to the Authority and the Replacement Contractor in order to ensure an effective handover of all work then in progress. Where the end of the Contract Period arises due to the Contractor's Default, the Contractor shall provide such assistance at nil charge. Where the contract ends for other reasons the Authority shall pay the Contractor's reasonable costs of providing the assistance and the Contractor shall take all reasonable steps to mitigate such costs.

I.DISPUTES AND LAW

I 1 Governing Law and Jurisdiction

The Contract shall be governed by and interpreted in accordance with English law and the Parties submit to the jurisdiction of the English courts. Each Party irrevocably waives any objection which it might at any time have to the courts of England being nominated as the forum to hear and decide any proceedings and to settle any disputes and agrees not to claim that the courts of England are not a convenient or appropriate forum.

I 2 Dispute Resolution

- I 2.1 The Parties shall attempt in good faith to negotiate a settlement to any dispute between them arising out of or in connection with the Contract within twenty (20) Working Days of either Party notifying the other of the dispute. Such efforts shall involve the escalation of the dispute ultimately to the Commercial Director (or such other person as he may direct) of each Party.
- I 2.2 Nothing in this dispute resolution procedure shall prevent the Parties from seeking from any court of competent jurisdiction an interim order restraining the other Party from doing any act or compelling the other Party to do any act.
- I 2.3 If the dispute cannot be resolved by the Parties pursuant to clause I 2.1 the Parties shall refer it to mediation pursuant to the procedure set out in clause I 2.5 unless (a) the Authority considers that the dispute is not suitable for resolution by mediation; or (b) the Contractor does not agree to mediation.
- I 2.4 The obligations of the Parties under the Contract shall not cease, or be suspended or delayed by the reference of a dispute to mediation (or arbitration) and the Contractor and its Staff shall comply fully with the requirements of the Contract at all times.
- I 2.5 The procedure for mediation and consequential provisions relating to mediation are as follows:

- a) a neutral adviser or mediator (the “Mediator”) shall be chosen by agreement between the Parties, or if they are unable to agree upon a Mediator within ten (10) Working Days after a request by one Party to the other or if the Mediator agreed upon is unable or unwilling to act, either Party shall within ten (10) Working Days from the date of the proposal to appoint a Mediator, or within ten (10) Working Days of notice to either Party that he is unable or unwilling to act, apply to a mediation provider to appoint a Mediator.
- b) The Parties shall within ten (10) Working Days of the appointment of the Mediator meet with him in order to agree a programme for the exchange of all relevant information and the structure to be adopted for negotiations to be held. If considered appropriate, the Parties may at any stage seek assistance from a mediation provider to provide guidance on a suitable procedure.
- c) Unless otherwise agreed, all negotiations connected with the dispute and any settlement agreement relating to it shall be conducted in confidence and without prejudice to the rights of the Parties in any future proceedings.
- d) If the Parties reach agreement on the resolution of the dispute, the agreement shall be recorded in writing and shall be binding on the Parties once it is signed by their duly authorised representatives.
- e) Failing agreement, either of the Parties may invite the Mediator to provide a non-binding but informative written opinion. Such an opinion shall be provided on a without prejudice basis and shall not be used in evidence in any proceedings relating to the Contract without the prior written consent of both Parties.
- f) If the Parties fail to reach agreement in the structured negotiations within sixty (60) Working Days of the Mediator being appointed, or such longer period as may be agreed by the Parties, then any dispute or difference between them may be referred to the Courts

I 2.6 Subject to clause I 2.2, the Parties shall not initiate court proceedings until the procedures set out in clauses I 2.1 and I 2.3 have been completed save that:

- a) the Authority may at any time before court proceedings are commenced, serve a notice on the Contractor requiring the dispute to be referred to and resolved by arbitration in accordance with clause I 2.7

- b) if the Contractor intends to commence court proceedings, it shall serve written notice on the Authority of its intentions and the Authority shall have twenty one (21) days following receipt of such notice to serve a reply on the Contractor requiring the dispute to be referred to and resolved by arbitration in accordance with clause I 2.7
- c) the Contractor may request by notice in writing to the Authority that any dispute be referred and resolved by arbitration in accordance with clause I 2.7, to which the Authority may consent as it sees fit].

I 2.7 In the event that any arbitration proceedings are commenced pursuant to clause I 2.6:

- a) the arbitration shall be governed by the provisions of the Arbitration Act 1996;
- b) the Authority shall give a written notice of arbitration to the Contractor (the “**Arbitration Notice**”) stating:
 - (i) that the dispute is referred to arbitration; and
 - (ii) providing details of the issues to be resolved;
- c) the London Court of International Arbitration (“LCIA”) procedural rules in force at the date that the dispute was referred to arbitration in accordance with I 2.7 (b) shall be applied and are deemed to be incorporated by reference to the 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;
- d) the tribunal shall consist of a sole arbitrator to be agreed by the Parties;
- e) if the Parties fail to agree the appointment of the arbitrator within ten (10) days of the Arbitration Notice being issued by the Authority under clause I 2.7 (b) or if the person appointed is unable or unwilling to act, the arbitrator shall be appointed by the LCIA;
- f) the arbitration proceedings shall take place in London and in the English language; and
- g) the arbitration proceedings shall be governed by, and interpreted in accordance with, English law.

J1 ESF Funding

Where the Authority notifies the Contractor that it will fund the delivery of this Contract using ESF funds or in its role as a Co-financing Organisation uses this contract as a match for ESF provision, either at the outset of the contract or at any point during the life of the contract,

the Contractor and any Sub-contractors appointed by it shall be bound by the corresponding additional requirements detailed within relevant Provider Guidance, including maintain records until at least [31 December 2023].

J2 Publicity

The Contractor shall observe the European Commission's and the Secretary of State for Work and Pensions' publicity requirements and regulations regarding ESF projects, as amended from time to time. The Contractor shall ensure that sufficient publicity is given to all ESF supported activity so that Participants and the general public are made aware of ESF and what it has achieved. This requirement applies to both domestic provision funded by ESF and to provision used as a match for ESF purposes. Upon request by the Authority, the Contractor shall provide a copy of its formal publicity policy clearly setting out the publicity arrangements used by the Contractor and its Sub-contractors (if any). Whether or not a copy of the foregoing policy is requested by the Authority, the Contractor shall retain copies of its policy (as revised from time to time) as part of the Contractor's record keeping obligations under clause E9.1.

J3 Evaluation Requirements

J3.1 Where the Authority funds this Contract using ESF funds the Contractor shall within four (4) weeks of expiry or termination of this Contract provide evaluation information to the Authority which:

- a) summarises the project, focusing on how it has helped to achieve the project objectives set out in the specification;
- b) is concise, being no more than one A4 page in length; and
- c) indicates whether the objectives have been fully achieved or only partly achieved and sets out any other relevant issues in this context.

J3.2 The Contractor acknowledges the obligation the Authority has to evaluate all ESF projects by ESF priorities and to submit, within strict timescales, a final claim to Government Office including an assessment of performance in each of the priorities. Accordingly, the Contractor agrees that time shall be of the essence in relation to its obligation under clause J3.1.

J3.3 The Contractor understands and shall comply with the regular ESF MI reporting obligations set out in Schedule 3 (Monitoring Requirements). The Contractor acknowledges that the Authority depends on timely provision of this information in order to claim and receive ESF funds from the Government Office.

J4 Records

The Contractor and any Sub-contractors appointed by it shall maintain the records referred to in clause E9.1 and such other documents as the Authority may reasonably require throughout the period of this Contract; and the Contractor and any Sub-contractors appointed by it shall maintain such records and documents until at least 31 August 2023.

J5 Indemnity

The Contractor shall indemnify and keep indemnified the Authority against all claims, demands, actions, costs (including legal costs and disbursements) and losses howsoever incurred resulting from any Default by the Contractor of this clause J. The Contractor's liability under this indemnity is not limited under clauses G1.5 and G1.6.]

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FORM OF AGREEMENT

This agreement has been entered into on the Effective Date defined in clause A1.1.

SIGNED for and on behalf of

SIGNED for and on behalf of

The Secretary of State for Work and Pensions (the Authority) acting as part of the Crown

[Insert - Contractor]

Name **[Insert]**

Name **[Insert]**

Position **[Insert or leave further space to write]**

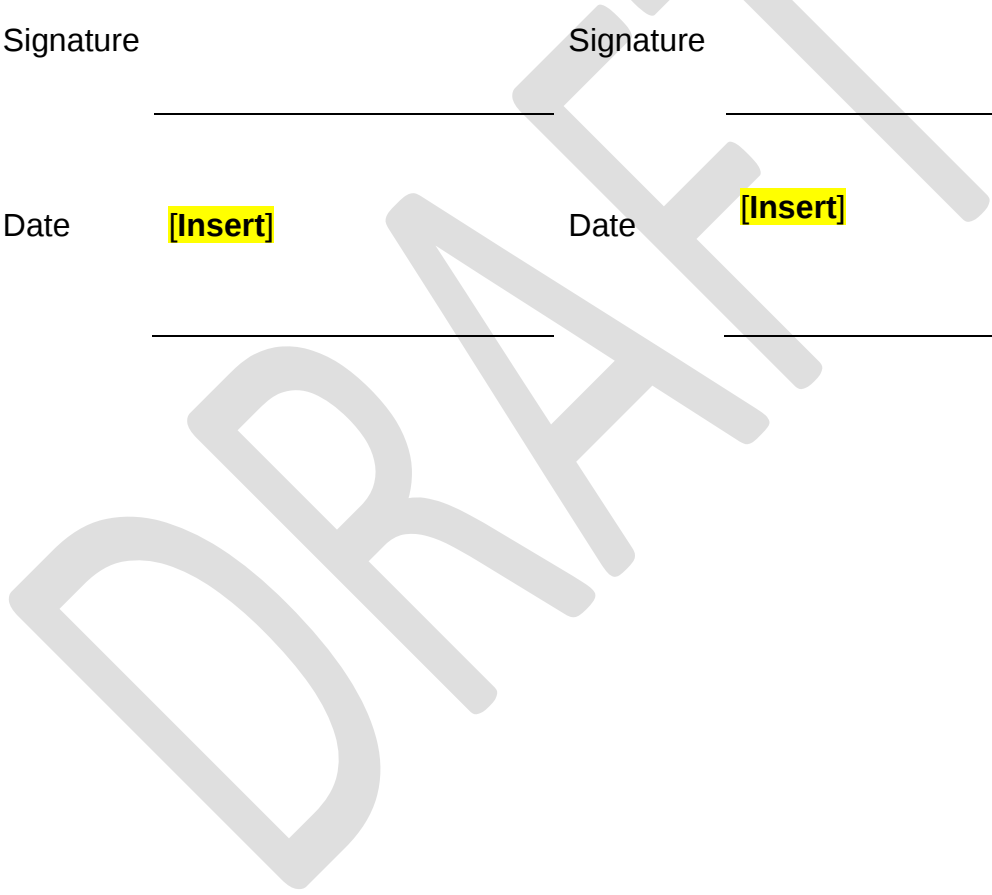
Position **[Insert or leave further space to write]**

Signature

Signature

Date **[Insert]**

Date **[Insert]**



SCHEDULE 1 – THE SERVICES

1 General

The following additional documents shall be deemed to be incorporated into this Contract;

Document	Dated
Specification	
Contractors Tender	
Bid Clarification	
Provider Guidance	
Service Requirements	
Delivery Plan	

2 Plan to Set Up and Mobilise Operations

In order to commence full operations the Contractor must complete the following activities by the required dates;

Activity	Date

3 Working Hours

3.1 The Services shall be carried out at the following times;

xxxx

3.2 The Contractor [Insert shall/shall not] provide the Services on the following bank /public holidays or the stipulated ad-hoc Government holiday;

New Year's Day	Spring Bank Holiday
Good Friday	August Bank Holiday
Easter Monday	Christmas Day
May Day	Boxing Day
The Friday or the Tuesday immediately preceding or succeeding the Spring Bank Holiday.	A day other than a Saturday or Sunday which falls within the Christmas holiday period.

4 Recruitment Through Jobcentre Plus

4.1 One of the key objectives of the Department for Work and Pensions is to move people from welfare into employment. DWP has a Great Britain-wide network of Jobcentre Plus offices that provide job broking services for unemployed people. The Contractor is therefore required to notify Jobcentre Plus when recruiting staff for any entry-level job vacancies located within Great Britain, which may arise from the delivery of their contract to the Authority.

- 4.2 The Contractor is also encouraged to notify Jobcentre Plus of any other vacancies that may arise. The Contractor may in addition use other recruitment methods.

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SCHEDULE 2 – ADMINISTRATION REQUIREMENTS

1 Authority's Authorisation

- 1.1 The following person is the Authority's Representative and is authorised to act on behalf of the Secretary of State for Work and Pensions on all matters relating to the Contract. Contact details are shown in clause A5.3.

Name: **[Insert]**

Title: Authority's Representative

- 1.2 The Authority's Representative may approve deputy Authority's Representatives to exercise on his/her behalf such powers as are contained in this Contract.

2 Contractor's Authorisation

- 2.1 The following person is the Contractor's Representative and is authorised to act on behalf of the Contractor on all matters relating to the Contract. Contact details are shown in clause A5.3.

Name: **[Insert]**

Title: Contractor's Representative

3 Payment Solution Information

- 3.1 The Authority and the Contractor shall exchange payment via electronic methods using Payment Referral and Payment (PRaP).

FEES

- 3.2 The Authority shall pay the Prime Contractor for the delivery of the Provision in accordance with the Payment Schedule in Schedule 6, details from which are derived from the Pricing Proposal submitted at the tender stage in Schedule 4 The Service Fees, Short Job Outcome Payments and Sustained Job Outcome Payments shall be payable at the rates shown in Schedule 4.

3.3 CHARGES ON PARTICIPANTS

The Prime Contractor, or its agents and Sub-contractors, shall not levy any charge on Participants in respect of goods or services provided under this Contract except as expressly permitted in advance and in writing by the Authority.

3.4 ADDITIONAL COSTS

Subject to the provisions of this Contract (including without limitation Schedule 4, the price for the delivery of the Provision is fixed and unless otherwise agreed in accordance with Clause x any additional or unforeseen costs incurred by the Prime Contractor in delivering the Provision shall be borne solely by the Prime Contractor.

TYPES OF PAYMENT

SERVICE FEE PAYMENT

- 3.5 The Service Fee refers to the non outcome based fee payable to the Contractor by the Authority for the delivery of the Services, at the rates set out in Schedule 4. The Authority shall pay the Service Fee over the duration of the contract at the rates provided for in Schedule 4. The Service Fee payment shall be paid by the Authority monthly in arrears, in accordance with the provisions set out in Schedule 4.

SHORT JOB OUTCOME PAYMENT

- 3.6 Short Job Outcome Payment refers to the outcome based fee payable to the Prime Contractor by the Authority on achievement of each Short Job Outcome, at the rates set out in Schedule 4.
Only one Short Job Outcome Payment shall be payable in respect of each Participant for each period he or she spends on the Provision. A period starts when the "start provision" date is notified on the PRaP System and ends when the "end provision" date is notified on the PRaP System.

SUSTAINED JOB OUTCOME PAYMENT

- 3.7 Sustained Job Outcome Payment refers to the outcome based fee payable to the Contractor by the Authority on achievement of each Sustained Job Outcome, at the rates set out in Schedule 4.
Only one Sustained Job Outcome Payment shall be payable in respect of each Participant for each period he or she spends on the Provision. A period starts when the "start provision" date is notified on the PRaP System and ends when the "end provision" date is notified on the PRaP System.

METHODS OF PAYMENT

- 3.8 Subject to the provisions of Clause C9, the Authority reserves the right to set and/or alter, at its absolute discretion, the method of payment. All payments made by the Authority to the Contractor are conditional upon the Contractor providing the Services in accordance with the terms of this Contract. Further, payments are made on the assumption that the Contractor's entitlement to such payments can be verified on request by the production of the records required under this Contract (including under Schedule 2). The Authority shall, acting reasonably, be entitled to assume, in the absence of such records, or of any evidence which the Authority may reasonably decide to accept in substitution, that such delivery of the Services ("Unsupported Services") has not taken place. The Authority shall be entitled to recover any and all sums paid in respect of such Unsupported Services from the Contractor.

VOLUMES

- 3.9 The Contractor acknowledges and has submitted its Tender on the understanding that no guarantee is given by the Authority in respect of levels or values of Services referred to in the Schedules which are indicative only and shall not be binding on the Authority.

NON-EXCLUSIVITY

- 3.10 The Parties hereby expressly acknowledge and agree that the Contractor shall not be the Authority's exclusive supplier or provider of the Services and the Authority shall be entitled at its discretion to procure any aspect of the Services from other suppliers or providers at any time during the Contract Period.

RECOVERY OF SUMS

- 3.11 Either Party to this Contract can recover any monies paid by them to the other Party, which are found not to be due by deducting sums from any subsequent payment due to the other. Where there remain payments outstanding to the Authority, the Authority shall invoice the Contractor detailing payment due. The right of deduction extends to any agreement between any part of Her Majesty's Government and the Contractor. Where either Party intends to make such a deduction, they shall inform the other Party before making any deductions.

CONTRACTOR'S RECORDS

- 3.12 In accordance with Clause **TBC**, the Contractor and any Sub-contractors appointed by it shall retain comprehensive records to verify the services provided. Such records shall include (without limitation) the information specified in Schedule 3, copy invoices with all supporting information and any such other information as the Authority may reasonably require from time to time.

INTERRUPTION OF SERVICE

- 3.13 If there is at any time an interruption (set out under Section H1) in the delivery of the Programme as a result of a Default on the part of the Contractor the Authority shall not be liable for payment of the amount payable under this Contract to the extent that such payment relates to the interruption caused by Default by the Contractor.

WORKING CAPITAL

- 3.14 Prior to the Commencement Date, the Contractor shall provide appropriate guarantees from the providers of its finance and its Executive Board, that confirm the availability of finance throughout the Term of this Contract. If anything changes during the course of the contract that will change the availability of this funding, the Prime Contractor must inform the Authority immediately.

4 Disputed Claims

- 4.1 Notwithstanding paragraph 4.5 of this Schedule, payment by the Authority of all or any part of any Contract Price rendered or other claim for payment by the Contractor shall not signify approval. The Authority reserves the right to verify Contract Price after the date of payment and subsequently to recover any sums which have been overpaid.
- 4.2 If any part of a claim rendered by the Contractor is disputed or subject to question by the Authority either before or after payment then the Authority may call for the Contractor to provide such further documentary and oral evidence as it may reasonably require to verify its liability to pay the amount which is disputed or subject to question and the Contractor shall promptly provide such evidence in a form satisfactory to the Authority.

- 4.3 If any part of a claim rendered by the Contractor is disputed or subject to question by the Authority, the Authority shall not withhold payment of the remainder.
- 4.4 If any fee rendered by the Contractor is paid but any part of it is disputed or subject to question by the Authority and such part is subsequently agreed or determined not to have been properly payable then the Contractor shall forthwith repay such part to the Authority.
- 4.5 The Authority shall be entitled to deduct from sums due to the Contractor by way of set-off any amounts owed to it or which are in dispute or subject to question either in respect of the fee for which payment is being made or any previous fee.
- 5 Final Claims**
- 5.1 Provided all previous claims have been paid, the authority shall have no further liability to make payment of any kind to the contractor once the final claims have been paid.
- 5.2 Contractors shall be entitled to Short Job Outcome and Sustained Job Outcomes claims up to 71 weeks following completion of Specialist Employability Support Start Back. Claims must be submitted within 4 weeks of this claim entitlement.
- 5.3 Contractors shall be entitled to Short Job Outcome and Sustained Job Outcomes claims up to 6 weeks following completion of Specialist Employability Support. Claims must be submitted within 4 weeks of this claim entitlement.

SCHEDULE 3 – MONITORING REQUIREMENTS

This Schedule sets out the contract management requirements which are applicable to the delivery of the Services.

1 Reviewing Contract Performance

- 1.1 The Contractor shall work with the Authority to establish and maintain an effective and beneficial working relationship to ensure the Contract is delivered to at least the minimum required standard as specified.
- 1.2 The Contractor shall work with the Authority to establish suitable administrative arrangements for the effective management and performance monitoring of the Contract and shall provide information as requested to monitor and evaluate the success of the Contract and the Contractor's management and delivery of it.
- 1.3 The Contractor shall supply information requested relevant to the delivery of the Services to the Authority, using formats and to timescales specified by the Authority in this Schedule.
- 1.4 The Authority intends, wherever it can, to capture and collate information through its IT system(s). However, the Authority does reserve the right to make reasonable requests for information (at no additional charge) from the Contractor including ad-hoc requests for information from time to time.
- 1.5 Any additional requests for information shall be considered in consultation with the Contractor as shall the process of defining the methods of collection.
- 1.6 Where an ongoing, short-term or one-off requirement is agreed, both Parties agree that it shall be included, or deemed to be included within this Schedule.
- 1.7 Review meetings between the Authority and the Contractor shall also cover, as appropriate, resolving disputes and/or dealing with contractual breaches in accordance with the terms and conditions of this Contract. Roles and responsibilities will be documented and the personnel involved in managing the relationship identified and suitably empowered. Review meetings will be notified from time to time with a formal review at least or at any other time as notified by the Authority.
- 1.8 The Authority may undertake spot checks at any time to ensure that the Contractor is complying with its obligations under this Contract and the Contractor shall co-operate fully, at its own cost, with the Authority.
- 1.9 The Contractor will be responsible for managing and reporting on any sub-contractual arrangements. Arrangements shall include mechanisms for the provision of management information, including feedback to and from customers, stakeholders and employers; change control procedures and the prompt resolution of any problems. The Contractor will be required to submit a schedule of sub-contractors at

least every 3 months, or as otherwise notified from time to time detailing performance, management and financial information. [TBC]
The Authority will agree with the Contractor day-to-day relationship management, contact points, communication flows and escalation procedures.

- 1.10 The Contractor will be expected to continuously improve the quality of the provision including that delivered by Sub-contractors. Where quality falls below acceptable levels (see 1.1 - minimum standard) the Contractor will be expected to have suitable escalation procedures in place and, in respect of sub-contracted provision, take action where necessary to terminate the contract.
- 1.11 The Authority will regularly monitor Contractor performance. The initial contract review will be informed by the award of contract process and reviewed thereafter.
- 1.12 The Contract will be managed using the DWP account management and performance management structure. DWP has moved away from a basic contract compliance model towards an approach where it will be able to share future thinking and insights from other delivery/management experience, jointly identifying opportunities for efficiency gains or better outcomes.
- 1.13 Account management is the strategic relationship management between the supplier (across all DWP contracts) and DWP. Account Managers are responsible for developing the supplier base to meet current and future needs. They take the lead with key contractors, developing strategic partnerships to understand the commercial and business drivers and the market in which the supplier operates. They develop long term strategic partnerships with these key contractors to maximise performance, quality, delivery of contractual service and value for money. The Authority will be looking to Contractors to signal changes they are experiencing in participant characteristics so that it can factor those changes into policy development.
- 1.14 Contract performance will be managed by performance teams. These teams are based in regional hubs and are responsible for developing the Contract Package Area to ensure the required level of performance is achieved.
- 1.15 The Contractor will be required to appoint a named Supplier Manager, as notified in writing from time to time, who will cooperate with the DWP Performance Manager to ensure that the Contract is delivered as specified in the Contract and that required standards and performance levels are met.
- 1.16 The purpose of the Contractor performance reviews is to encourage an open and regular dialogue between the Parties with the purpose of ensuring that the Services, including the standards and outputs specified, are being delivered appropriately and to drive up the performance and quality of the Services. They will encourage the

Parties to review performance, discuss opportunities for continuous improvement and raise and address any complaints or persistent problems encountered with the Contract. Where issues cannot be immediately addressed, the Authority and the Contractor will follow the dispute resolution process detailed in the Dispute Resolution clause.

1.17 Contractor performance reviews must be formally undertaken and documented. The Contractor will be expected to provide any additional management information required by the Authority to facilitate the reviews and arrange where necessary access to any of its delivery locations, including those operated by Sub-contractors.

1.18 Any improvements or actions agreed between the Parties will form part of the continuous improvement activity recorded in the performance improvement plan. It will be the Contractor's responsibility to develop the performance improvement plan which will be discussed and agreed with the Performance Manager.

2 Assuring Contractors' Systems

2.1 The primary purpose of the Provider Assurance Team (PAT) is to provide the Authority with an assurance that payments to contracted employment provision contractors are in accordance with DWP and Treasury requirements that public funds and DWP data are protected and that value for money has been obtained.

2.2 The Provider Assurance Team

- a) operates at a national level enabling it to present contractors operating across regions with a single view of the effectiveness of their systems. Each contractor will have a nominated Senior Assurance Manager and therefore a single point of contact in DWP for management of assurance related issues and concerns;
- b) conduct's its work primarily by visiting contractors to review the systems of internal control in place to manage the risks to DWP in relation to contracted employment programme expenditure and protection of DWP data. This will include the arrangements contractors have in place for sub-contractors;
- c) visits take account of a number of different factors and at the conclusion of their visit the PAT will discuss their findings with contractors and subsequently produce a report which will include an assurance rating for the overall system and an action plan detailing areas where control could be improved if necessary.

2.3 Contractors shall have suitable systems in place to:

- a) detect and prevent duplicate claims;
- b) prepare and submit accurate, valid, supported, timely claims;

- c) monitor, record and manage lateness and all absences;
 - d) support claims for payments through an effective participant attendance recording procedure;
 - e) ensure that all the required evidence is collected (and submitted, where appropriate) to support the claim;
 - f) identify participants who have left the Services early to prevent over-claiming;
 - g) carry out effective monitoring of Sub-contractors; and
 - h) respond to financial appraisal and monitoring reports with an appropriate action plan.
- 2.4 The Authority shall be entitled to treat ongoing or repeated failures on the part of the Contractor to comply with and implement the PAT's reasonable requirements as set out in an action plan issued under paragraph 2.2 of this Schedule 3 as a material Default for the purposes of clause H2 (Termination on Default)."

3 Access

- 3.1 In all instances, the Contractor shall co-operate and provide such reasonable assistance as may be necessary to facilitate such monitoring. Failure to provide such reasonable assistance shall be deemed a Material Default for the purposes of clause H2 (Termination on Default).

4 Health and Safety Responsibilities of the Authority Visiting Officers

- 4.1 The Authority representatives visit Contractors and its Sub-contractors for a variety of reasons. In the course of their normal duties such representatives of the Authority shall adopt an 'eyes and ears' approach to monitoring health and safety. In doing this the Authority representatives shall not be conducting a health and safety inspection, nor shall they be in a position to offer advice on whether something is safe or not. Instead they shall approach this from the position of any lay person. If, however, the Authority representative does notice something on which they require assurance or clarification, they shall raise this with the Contractor or the Contractor's Sub-contractor's representative at the location where they are visiting. In no event are the Authority representatives to be seen as offering professional advice on health and safety matters and as such, shall not be liable for any advice or comments or otherwise given to the Contractor or its Sub-contractors or any omission to give such advice, comments or otherwise.

5 Contractor Information (MI) Requirements

5.1 The Contractor shall supply information listed below relevant to the delivery of the Services to the Authority, using formats and to timescales as specified. This includes but is not limited to;

Contractor Information Required	Frequency or Date Required by
[Submit copy of Board Minutes for Parent Company where PCG has been signed][	Date as outlined in clause G4
Full and final Security Plan in accordance with Schedule 6	Within twenty (20) Working Days after the [Effective Date] [Commencement Date] and reviewed at least annually thereafter.
[Sustainable Development Policy Statement & Sustainable Development Plan in accordance with Schedule 7	Within six (6) Months of contract start date and at least annually thereafter.
Diversity & Equality Delivery Plan in accordance with Schedule 8	Within six (6) Months of contract start date and at least annually thereafter.
Workforce Monitoring Data Template – Appendix 3 of the Diversity and Equality Guidance for Contractors document, in accordance with Schedule 8	Within six (6) Months of contract start date and at least annually thereafter.
Apprenticeships & Skills Report in accordance with Schedule 10	Within six (6) Months of the contract start date and written updates on a quarterly basis thereafter.
HMG Baseline Personnel Security Standard - Contractor's Declaration see HMG Baseline Personnel Security Standard - A Guide for DWP Contractors	Within four (4) weeks of contract start date and submitted for each calendar year thereafter within one Month of the end of each calendar year (i.e. by 31 st January for year ending 31 st December)
Supply chain expenditure with SMEs (Quarterly return)	The contractor, and where applicable, its sub-contractors shall identify the volume of expenditure they undertake with SMEs/VCO in the delivery of this contract and submit this information to the Authority on a quarterly basis.
Customer Feedback and Complaints	The contractor, and where applicable its sub-contractors shall provide volumes, type and nature of customer feedback and complaints every 6 months.

Appendix A – Contract Performance Targets/ [Service Levels]

[Insert - details of Key Performance Indicators, Contract Performance Targets and/or Service Levels]

KPI's/Performance Requirements/Service Level

1. In delivering the Services the Contractor acknowledges that it is under an obligation to meet the following performance targets/service levels and furthermore that failure to meet all or any of the defined such targets/service levels, shall entitle the Authority to serve notice to terminate on the Contractor.
2. The following performance targets/service levels have been agreed between the parties.

Insert performance offer from successful bidder

“Service Levels” means the service levels to which the Services are to be provided, as set out in the Specification.

“Service Failure” means a failure by the Contractor to provide the Services in accordance with any individual service level described above (measured on a monthly/quarterly/annual basis)

“Target Performance Level” means the minimum level of performance for a KPI which is required by the Authority, as set out against the relevant KPI in the Specification

Appendix B – Performance Review Table for Contract Management

1. The following definitions shall be used to determine the standard **Performance Rating** in the Contractor's Performance Review Table: -

4	High Standard	• Sometimes exceed and consistently achieves the required standard • Very few weaknesses • Limited management support needed.
3	Acceptable Standard	• Meets required standard • Few weaknesses • Some management support needed
2	Below Standard	• Usually meets, but sometimes fails to meet required standard • Some weaknesses • Considerable management support needed
1	Failure	• Cannot meet required standard without excessive management support • Many weaknesses

2. **Example of a Contractor's Performance Review Table:-**

<i>Date of Review</i>		
<i>Description</i>	<i>Score</i>	<i>Remarks</i>
<i>Total</i>		
<i>Comments</i>		
<i>Signed for the Authority</i>	<i>Date</i>	
<i>Signed for the Contractor</i>	<i>Date</i>	

SCHEDULE 4 – PRICES AND RATES

1.DEFINITIONS

In this Schedule, the following terms shall have the meanings set out below:

“Appendix” means an appendix to this Schedule 4 unless expressly indicated to the contrary;

“Pan Disability” as described in the Specialist Employability Support Specification, sections 2.22 – 2.24.

“Paragraph” means a paragraph of this Schedule 4 unless expressly indicated to the contrary;

“Pricing Proposal” means the Pricing Schedule submitted by the Contractor with its Tender in response to the requirements for the same set out in the Invitation to Tender;

“SES Start Back” as described in the Specialist Employability Support Specification, sections 2.14 – 2.20.

“Sensory Impairment” as described in the Specialist Employability Support Specification, section 2.21.

“Service Fee” means the non-outcome based fee payable to the Prime Contractor by the Authority for delivery of the (Provision)(Services) at the rates set out in Schedule 4 (Prices & Rates).

“Specialist Employability Support (SES)” as described in the Specialist Employability Support Specification, sections 2.07 – 2.13.

“Short Job Outcome Payment” means the outcome based fee payable to the Prime Contractor by the Authority on achievement of each Short Job Outcome at the rates set out in Schedule 4 (Prices & Rates);

“Sustained Job Outcome Payment” means the outcome based fee payable to the Prime Contractor by the Authority on achievement of each Sustained Job Outcome at the rates set out in Schedule 4 (Prices & Rates).

2.Applicable Pricing Methodology

2.1General

For the performance of the Services, the Contractor shall be paid the Service Fee and unit prices and rates entered in this Schedule 4.

There are five elements to the Charges payable to the Contractor by the Authority, and these shall consist of:

2.1.1 the Service Fee;

2.1.2 the SES Start Back Short Job Outcome Fee;

2.1.3 the SES Start Back Sustained Job Outcome Fee;

2.1.4 the SES Short Job Outcome Fee, and

2.1.5 the SES Sustained Job Outcome Fee.

all subject to, and in accordance with, the provisions of this Contract.

2.2 The Service Fee

The monthly Service Fee is payable to the Contractor, at the rate included in Table 1 at Paragraph 6 of this Schedule ("Table 1"). The Service Fee will be paid monthly in arrears and the first instalment of the Service Fee will be payable by the Authority one month after commencement of delivery.

The Service Fee will be a fixed amount each month. The maximum amount of Service Fee that will be paid each Month is as follows:

- 50% of Contract Price divided by 24 Months

The final Service Fee is claimable in the last month of the Initial Contract Period, no service fees are claimable after the end of the Initial Contract Period of August 2017.

2.3 SES Start Back & SES Short Job Outcome Fees

The Short Job Outcome Fee is payable to the Contractor, at the rate included in Table 1, for each outcome. The Contractor will be eligible to claim the Short Job Outcome Fee on achievement of a Short Job Outcome as defined in Clause A1.1.

The final Short Job Outcome Fee payable under this Contract will be 4 weeks after the last Job outcome can be claimed.

2.4 SES Start Back & SES Sustained Job Outcome Fees

The Sustained Job Outcome Fee is payable to the Contractor, at the rate included in Table 1 for each outcome. The Contractor will be eligible to claim the Sustained Job Outcome Fee on achievement of a Sustained Job Outcome as defined in Clause A1.1.

The final Sustained Job Outcome Fee payable under this contract will be 4 weeks after the last job outcome can be claimed.

3.CHANGE CONTROL

With regard to change control as outlined in Clause F12 Change Control, the Contractor shall use the Authority's Finance Template at Appendix 1 (the **"Finance Template for Changes to the Charges"**) to demonstrate and justify any claim for additional or reduced Charges and/or proposed revisions to the Outcome Prices on which the Charges are based arising as a result of any proposed Change.

The calculation of charges on extension of the Contract period is defined in Clause C5.1 and the Contractor shall use the Authority's Finance Template for this purpose.

Open Book

The Contractor acknowledges that the provisions of this paragraph 3, in accordance with Clause E9, are designed to facilitate - and the Contractor shall at its own cost and co-operate with the Authority in order to achieve - transparency, certainty and value for money in addressing the pricing and cost implications of any Change.

Without prejudice to any other provision of this Contract regarding the financial records to be kept by the Contractor and the Authority's (or any auditor's) access to such records, and in accordance with Clause E9, the Contractor shall maintain and disclose and make available to the Authority (or its auditors) on request the Open Book Data in respect of any Change or proposed Change.

4.INDEXATION

Indexation shall not apply to the Charges under this Contract, subject to Clause C5 – Price Adjustment on extension of the Initial Contract Period.

5. FINAL CLAIMS

Provided all previous claims have been paid, the Authority shall have no further liability to make payment of any kind to the Contractor once the final claims have been paid.

6. Table 1

The following Unit Prices shall apply during the Contract: **(Insert information supplied by the Contractor within their pricing proposal).**

Rates Payable		Unit Price Payable
	Service Fee (per month)	£
Start Back	Short Job Outcome	£
	Sustained Job Outcome	£
SES	Short Job Outcome	£
	Sustained Job Outcome	£

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Appendix 1 – Finance Template for Changes to the Charges



Finance
Template.xlsx

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Appendix Two -

Insert pricing proposal from successful bidder

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SCHEDULE 5 – COMMERCIALLY SENSITIVE INFORMATION

1. The Authority acknowledges that the Contractor has requested that the following information be treated as Commercially Sensitive Information;

Document	Page Number	Section	Condition or Paragraph Number	Explanation of harm which may result from disclosure and time period applicable to sensitivity.

2. The Authority will consult with the Contractor on any request for information, identified as Commercially Sensitive, under the FOIA.
3. The Authority reserves the right to disclose any Commercially Sensitive Information held within this Contract in response to a request under the FOIA as set out at clause E5 of this Contract.
4. The Authority will automatically publish all information provided by the Contractor **not** identified in this Schedule as constituting Commercially Sensitive Information provided that it satisfies the requirements of the FOIA.
5. The Authority reserves the right to determine whether any information provided in this Schedule does constitute Commercially Sensitive Information prior to publication.

SCHEDULE 6 – SECURITY REQUIREMENTS AND PLAN

1 Introduction

1.1 This schedule covers;

- a) Principles of security for the Contractor ICT System, derived from the Security Policy, including without limitation principles of physical and information security;
- b) The creation of the Security Plan;
- c) Audit and testing of the Security Plan;
- d) Conformance to ISO/IEC:27002 (Information Security Code of Practice) and ISO/IEC 27001 (Information Security Requirements Specification) (Standard Specification); and
- e) Breaches of Security.

2 Principles of Security

2.1 The Contractor acknowledges that the Authority places great emphasis on confidentiality, integrity and availability of information and consequently on the security of the Premises and the security for the Contractor System. The Contractor also acknowledges the confidentiality of the Authority's Data.

2.2 The Contractor shall be responsible for the security of the Contractor System and shall at all times provide a level of security which;

- a) is in accordance with Good Industry Practice and Law;
- b) complies with the Security Policy;
- c) meets any specific security threats to the Contractor System; and
- d) complies with ISO/IEC27002 and ISO/IEC27001 in accordance with paragraph 5 of this Schedule;
- e) meets the requirements of the Cyber Essentials Scheme, unless deemed out of scope for this requirement.

2.3 Without limiting paragraph 2.2, the Contractor shall at all times ensure that the level of security employed in the provision of the Services is appropriate to minimise the following risks:

- a) loss of integrity of Authority Data;
- b) loss of confidentiality of Authority Data;

- c) unauthorised access to, use of, or interference with Authority Data by any person or organisation;
- d) unauthorised access to network elements and buildings;
- e) use of the Contractor System or Services by any third party in order to gain unauthorised access to any computer resource or Authority Data; and
- f) loss of availability of Authority Data due to any failure or compromise of the Services.
- g) Loss of confidentiality, integrity and availability of Authority Data through Cyber/internet threats

3 Security Plan Introduction

- 3.1 The Contractor shall develop, implement and maintain a Security Plan to apply during the Contract Period [Optional and after the end of the Contract Period in accordance with the Exit Management Strategy], which will be approved by the Authority, tested, periodically updated and audited in accordance with this Schedule.
- 3.2 A draft Security Plan provided by the Contractor as part of its bid is set out in Appendix B.

Development

- 3.3 Within twenty (20) Working Days after the [Effective Date] [Commencement Date] and in accordance with paragraphs 3.10 to 3.12 (Amendment and Revision), the Contractor will prepare and deliver to the Authority for approval the full and final Security Plan which will be based on the draft Security Plan set out in Appendix B.
- 3.4 If the Security Plan is approved by the Authority it will be adopted immediately. If the Security Plan is not approved by the Authority the Contractor shall amend it within ten (10) Working Days 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 Plan following its resubmission, the matter will be resolved in accordance with clause 12 Dispute Resolution. No approval to be given by the Authority pursuant to this paragraph 3.4 of this schedule may be unreasonably withheld or delayed. However any failure to approve the Security Plan on the grounds that it does not comply with the requirements set out in paragraphs 3.1 to 3.9 shall be deemed to be reasonable.

Content

- 3.5 The Security Plan will set out the security measures to be implemented and maintained by the Contractor in relation to all aspects of the

Services and all processes associated with the delivery 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:

- a) the provisions of this contract; this schedule (including the principles set out in paragraph 2);
- b) the provisions of Schedule 1 relating to security;
- c) ISO/IEC27002 and ISO/IEC27001;
- d) the data protection compliance guidance produced by the Authority.

3.6 The references to standards, guidance and policies set out in paragraph 3.5 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, from time to time.

3.7 In the event of any inconsistency in the provisions of the above standards, guidance and policies, the Contractor 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 Contractor which provision the Contractor shall be required to comply with.

3.8 The Security Plan will be structured in accordance with ISO/IEC27002 and ISO/IEC27001.

3.9 Where the Security Plan references any document which is not in the possession of the Authority, a copy of the document will be made available to the Authority upon request. The Security Plan shall be written in plain English in language which is readily comprehensible to the staff of the Contractor and the Authority engaged in the Services and shall not reference any other documents which are not either in the possession of the Authority or otherwise specified in this schedule.

Amendment and Revision

3.10 The Security Plan will be fully reviewed and updated by the Contractor annually, or from time to time to reflect:

- a) emerging changes in Good Industry Practice;
- b) any change or proposed change to the Contractor ICT System, the Services and/or associated processes; and
- c) any new perceived or changed threats to the Contractor ICT System.
- d) a reasonable request by the Authority.

3.11 The Contractor will provide the Authority with the results of such reviews as soon as reasonably practicable after their completion and amend the Security Plan at no additional cost to the Authority.

3.12 Any change or amendment which the Contractor proposes to make to the Security Plan as a result of an Authority request or change to the Schedule 1 or otherwise shall be subject to the change control procedure and shall not be implemented until approved in writing by the Authority.

4 Audit and Testing

4.1 The Contractor shall conduct tests of the processes and countermeasures contained in the Security Plan ("Security Tests") on an **[Insert - annual]** basis or as otherwise agreed by the Parties. The date, timing, content and conduct of such Security Tests shall be agreed in advance with the Authority.

4.2 The Authority shall be entitled to send a representative to witness the conduct of the Security Tests. The Contractor shall provide the Authority with the results of such tests (in a form approved by the Authority in advance) as soon as practicable after completion of each Security Test.

4.3 Without prejudice to any other right of audit or access granted to the Authority pursuant to this Contract, the Authority shall be entitled at any time and without giving notice to the Contractor to carry out such tests (including penetration tests) as it may deem necessary in relation to the Security Plan and the Contractor's compliance with and implementation of the Security Plan. The Authority may notify the Contractor of the results of such tests after completion of each such test. Security Tests shall be designed and implemented so as to minimise the impact on the delivery Services. If such tests impact adversely on its ability to deliver the Services to the agreed Service Levels, the Contractor shall be granted relief against any resultant under-performance for the period of the tests.

4.4 Where any Security Test carried out pursuant to paragraphs 4.2 or 4.3 above reveals any actual or potential security failure or weaknesses, the Contractor shall promptly notify the Authority of any changes to the Security Plan (and the implementation thereof) which the Contractor proposes to make in order to correct such failure or weakness. Subject to the Authority's approval in accordance with paragraph 3.12, the Contractor shall implement such changes to the Security Plan in accordance with the timetable agreed with the Authority or, otherwise, as soon as reasonably possible. For the avoidance of doubt, where the change to the Security Plan to address a non-compliance with the Security Policy or security requirements, the change to the Security Plan shall be at no additional cost to the Authority. For the purposes of this paragraph 4, a weakness means a vulnerability in security and a potential security failure means a possible breach of the Security Plan or security requirements.

5 Compliance with ISO/IEC 27001

5.1 Not Used

5.2 Not Used

5.3 The Contractor shall carry out such regular security audits as may be required by the British Standards Institute in order to maintain delivery of the Services in compliance with security aspects of ISO 27001 and shall promptly provide to the Authority any associated security audit reports and shall otherwise notify the Authority of the results of such security audits.

5.4 If it is the Authority's reasonable opinion that compliance with the principles and practices of ISO 27001 is not being achieved by the Contractor, then the Authority shall notify the Contractor of the same and give the Contractor a reasonable time (having regard to the extent of any non-compliance and any other relevant circumstances) to become compliant with the principles and practices of ISO 27001. If the Contractor does not become compliant within the required time then the Authority has the right to obtain an independent audit against these standards in whole or in part.

5.5 If, as a result of any such independent audit as described in paragraph 5.4 the Contractor is found to be non-compliant with the principles and practices of ISO 27001 then the Contractor shall, at its own expense, undertake those actions required in order to achieve the necessary compliance and shall reimburse in full the costs incurred by the Authority in obtaining such audit.

6 Breach of Security

6.1 Either party shall notify the other immediately upon becoming aware of any Breach of Security including, but not limited to an actual, potential or attempted breach, or threat to, the Security Plan.

6.2 Upon becoming aware of any of the circumstances referred to in paragraph 6.1, the Contractor shall;

- a) immediately take all reasonable steps necessary to;
 - (i) remedy such breach or protect the Contractor ICT System against any such potential or attempted breach or threat; and
 - (ii) prevent an equivalent breach in the future.

Such steps shall include any action or changes reasonably required by the Authority. In the event that such action is taken in response to a breach that is determined by the Authority acting reasonably not to be covered by the obligations of the Contractor under this Contract, then the Contractor shall be

entitled to refer the matter to the change control procedure in clause F3 (Variation).

- b) as soon as reasonably practicable provide to the Authority full details (using such reporting mechanism as may be specified by the Authority from time to time) of such actual, potential or attempted breach and of the steps taken in respect thereof.

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Appendix A – Security Policy for Contractors

1. The Department for Work and Pensions treats its information as a valuable asset and considers that it is essential that information must be protected, together with the systems, equipment and processes which support its use. These information assets may include data, text, drawings, diagrams, images or sounds in electronic, magnetic, optical or tangible media, together with any Personal Data for which the Department for Work and Pensions is the Data Controller.
2. In order to protect Departmental information appropriately, our Contractors must provide the security measures and safeguards appropriate to the nature and use of the information. All Contractors of services to the Department for Work and Pensions must comply, and be able to demonstrate compliance, with the Department's relevant policies and standards.
3. The Chief Executive or other suitable senior official of each supplier must agree in writing to comply with these policies and standards. Each Contractor must also appoint a named officer who will act as a first point of contact with the Department for security issues. In addition all staff working for the Contractor and where relevant Sub-contractors, with access to Departmental IT Systems, Services or Departmental information must be made aware of these requirements and must comply with them.
4. All Contractors must comply with the relevant DWP Security standards and policies. The Standards are based on and follow the same format as International Standard 27001, but with specific reference to the Department's use.
5. The following are key requirements and all Contractors must comply with relevant DWP policies concerning:
 6. **Personnel Security**
 - 6.1 Staff recruitment in accordance with government requirements for pre-employment checks;
 - 6.2 Staff training and awareness of Departmental security and any specific contract requirements.
 7. **Secure Information Handling and Transfers**
 - 7.1 Physical and electronic handling, processing and transferring of DWP Data, including secure access to systems and the use of encryption where appropriate.
 8. **Portable Media**
 - 8.1 The use of encrypted laptops and encrypted storage devices and other removable media when handling Departmental information.

9. Offshoring

- 9.1 The Department's Data must not be processed outside the United Kingdom without the prior written consent of DWP and must at all times comply with the Data Protection Act 1998.

10. Premises Security

- 10.1 Security of premises and control of access.

11. Security Incidents

- 11.1 Includes identification, managing and agreed reporting procedures for actual or suspected security breaches.

- 11.2 All Contractors must implement appropriate arrangements which ensure that the Department's information and any other Departmental assets are protected in accordance with prevailing statutory and central government requirements. These arrangements will clearly vary according to the size of the organisation.

- 11.3 It is the Contractor's responsibility to monitor compliance of any Sub-contractors and provide assurance to DWP.

- 11.4 Failure to comply with any of these Policies or Standards could result in termination of current contract.

Appendix B – Draft Security Plan

Include here the draft security plan supplied by the tenderer as part of their bid].

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SCHEDULE 7 – SUSTAINABLE DEVELOPMENT REQUIREMENTS

This schedule sets out the Sustainable Development Requirements which are applicable to the provision of the Services.

1 General

- 1.1 The Contractor acknowledges that the Authority must at all times be seen to be actively promoting Sustainable Development through its environmental, social and economic responsibilities.
- 1.2 In delivering the Services, the Contractor shall and shall ensure that its Sub-contractors assist and cooperate with the Authority, by fully complying with the requirements of this Schedule

2 Compliance

- 2.1 The Contractor shall produce a Sustainable Development Policy Statement and Sustainable Development Plan in accordance with paragraphs 2.2 and 2.3 of this Schedule, within 6 (six) months of the [Effective Date] [Commencement Date] and annually thereafter. The Sustainable Development Policy Statement and Sustainable Development Plan must be specific to the Contract and include all Sub-contractors involved in delivery of the Contract. The Contractor must obtain the required information from Sub-contractors and then collate and submit as stated above.
- 2.2 In delivering the Services, the Contractor shall prepare a Sustainable Development Policy Statement giving, for each organisation involved in delivery of the contract an overarching commitment to:
 - a) dispose of contract waste in a legal manner (i.e. waste is disposed of via a registered waste collector, the Waste Electrical and Electronic Equipment (WEEE) regulations are adhered to where relevant);
 - b) reduce energy consumption;
 - c) promote waste management including recycling;
 - d) promote green or public transport;
 - e) promote Corporate Social Responsibility (CSR);
 - f) the Sustainable Development Policy and that of continuous improvement which should be signed and dated by senior management.
- 2.3 In delivering the Services, the Contractor shall prepare and deliver a Sustainable Development Plan which should be used to turn the commitment shown in the Sustainable Development Policy into action and which as a minimum, detail how each organisation involved in delivery of the contract will:
 - a) reduce their **Environmental** footprint of this contract through:
 - (i) minimising the use of energy, water and materials;
 - (ii) minimising waste and increasing recycling levels;
 - (iii) utilising recycled goods within operations;

- (iv) providing efficient low carbon delivery methods;
- (v) promoting the use of green or public transport.

b) contribute to **Social** sustainability of this contract through:

- (i) purchasing goods and services that are produced and delivered in line with International Labour Organisation principles in respect to human rights and conditions of employment;
- (ii) supporting a diverse supply chain by cultivating opportunities for Minority Owned Businesses;
- (iii) providing adequate training opportunities for all employees.

c) drive **Economic** sustainability of this contract through:

- (i) supporting job creation both locally and nationally;
- (ii) facilitating opportunities for Minority Owned Businesses and Small and Medium-sized Enterprises.

2.4 To aid the department in monitoring the progress of each organisation the following information should also be included in your plan:

- a) a baseline assessment of current position in terms of waste minimisation, recycling and energy consumption (energy consumption only required if current energy usage is available to organisations);
- b) annual estimates of the progress of Sustainable Development actions;
- c) details of how Staff awareness of Sustainability will be increased in line with the Sustainable Development Plan.

SCHEDULE 8 – DIVERSITY AND EQUALITY REQUIREMENTS

1 General

- 1.1 The Contractor acknowledges that the Authority has a 'duty to promote' equality and must at all times be seen to be actively promoting equality of opportunity for, and good relations between, all persons from the protected characteristic groups covered by the Equality Act: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation. The Contractor must ensure that each of its Sub-contractors involved in delivery of the contract are aware of, and acknowledge, that the Authority has a 'duty to promote' equality.
- 1.2 In delivering the Services, the Contractor shall, and shall ensure that its Sub-contractors, assist and cooperate with the Authority in satisfying Equality duties by fully complying with the requirements of this Schedule.

2 Compliance

- 2.1 The Contractor acknowledges the provisions of the equality legislation set out in clause D2 (Discrimination).
- 2.2 The Contractor shall produce a Diversity and Equality Delivery Plan in accordance with paragraph 2.5 (and sub paragraphs) and paragraph 2.6 (and sub paragraphs) of this Schedule, within six (6) Months of the [Effective Date] [Commencement Date], and annually thereafter. The Diversity and Equality Delivery Plan must be specific to the Contract and include details for all Sub-contractors involved in delivery of the Contract.
- 2.3 The Contractor will provide workforce monitoring data in accordance with paragraph 3 (and sub paragraphs) of this Schedule, within six (6) Months of the [Effective Date] [Commencement Date] and annually thereafter.
- 2.4 The Authority will consider and agree the submissions made by the Contractor when complying with paragraph 2 (and sub paragraphs of paragraph 2) and paragraph 3 (and sub paragraphs of paragraph 3) of this Schedule. Any issues will be raised with the Contractor by the Contract Manager acting on behalf of the Authority. If an issue relates to a Sub-contractor, the Contractor must raise and resolve the issue with the Sub-contractor. Once submissions are agreed by the Authority the Contractor will formally review, revise and resubmit all information required in paragraph 2.2 and paragraph 2.3 on an annual basis. Diversity and Equality aspects will also be discussed jointly by the Authority and the Contractor as an ongoing item at the Contract review meetings.
- 2.5 In delivering the Services, the Contractor shall prepare the Diversity and Equality Delivery Plan which as a minimum includes:
- a) an overview of Contractor and any Sub-contractor's policy/policies and procedures for preventing unlawful

discrimination and promoting equality of opportunity in respect of:

- i) age;
- ii) disability;
- iii) gender reassignment;
- iv) marriage and civil partnership;
- v) pregnancy and maternity;
- vi) race;
- vii) religion or belief;
- viii) sex; and
- ix) sexual orientation.

- b) an overview of Contractor and any Sub-contractor's policy/policies and procedures covering:
 - i) harassment
 - ii) bullying
 - iii) victimisation
 - iv) recruitment procedures
 - v) staff training and development

Full policy documents must be made available to the Authority on request.

- c) Details of the way in which the above policy/policies and procedures are, or will be (and by when), communicated to the Staff;
- d) Details of what general diversity and equality related training has been, or will be delivered (and by when), to Staff;
- e) Details of what structure is already in place, or will be in place (and by when) and what resources are, or will be (and by when), directed towards diversity and equality within the Contractor and any Sub-contractor's organisation; and
- f) Details of any diversity and equality cases and tribunals (including volumes and outcomes) relating to the Contractor and any Sub-contractors.

2.6 In delivering the Services, the Contractor shall provide evidence, as required below, within the Diversity and Equality Delivery Plan as detailed at paragraph 2.2 of this Schedule:

- a) Where a Contractor is delivering Services to customers on behalf of the Authority or Services to the Authority's staff, the Contractor must provide written evidence that:
 - i) Equality Analysis has been carried out in conjunction with the Authority prior to the Services being delivered and will be carried out in the event of any changes to the Services, in accordance with equality legislation;
 - ii) reasonable adjustments are made, as required by equality legislation to make those Services accessible to disabled

people and that in the case of Information Technology services, those services are in accordance with the Authority's standards;

- iii) all Staff have had appropriate training so that they understand the duties required by equality legislation, and where Services are being delivered on behalf of the Authority, the Contractor shall provide evidence that Staff understand the duties not to discriminate and to promote equality, in accordance with equality legislation.

- 2.7 The Authority may request further information and assurance relating to Diversity & Equality at any point during the duration of the Contract.

3 Monitoring and Reporting

- 3.1 The Contractor shall provide workforce monitoring data as detailed in Appendix 3 (Workforce Monitoring Data Template) of the Diversity and Equality Guidance for Contractors document which is a supporting document to this ITT, or can be provided by the Authority on request. Completed templates for the Contractor and each Sub-contractor will be submitted by the Contractor with the Diversity and Equality Delivery Plan within six (6) Months of the [Effective Date] [Commencement Date] and annually thereafter. Contractors are required to provide workforce monitoring data for the workforce involved in delivery of the Contract. Data relating to the wider Contractor workforce and wider Sub-contractors workforce would however be well received by the Authority. Contractors and any Sub-contractors are required to submit percentage figures only in response to paragraphs (a), (b) and (c) of the template.
- 3.2 The Contractor and any Sub-contractors will compare their figures, in all categories listed in paragraphs (a) & (b) of the template, and provide (where possible) comparisons against any official national/regional statistics that are publicly available. (In the Diversity & Equality guidance for contractor's document there are links to a number of data collection sources but it must be stressed this is not a full exhaustive list and other sources will be available). The Department acknowledges that there are regional variations in terms of population demographics and some data categories and coverage may not be complete or fully align, however, it should enable high level analysis and identification of trends.
- 3.3 The Contractor and any Sub-contractors will provide evidence of activities undertaken, or planned, in order to try and improve their current position in the categories detailed in paragraphs (a) & (b) of the template.
- 3.4 The Contractor shall, and shall ensure that its Sub-contractors will ensure at all times that they comply with the requirements of the DPA in the collection and reporting of the information to the Authority.

SCHEDULE 9 – WELSH LANGUAGE SCHEME

This Schedule sets out the Contractor's obligations which are applicable to the provision of the Services in Wales.

1 General

- 1.1 The Contractor acknowledges that in relation to the operation of its Services which are delivered in Wales, the Authority must at all times be seen to be actively promoting the equality of the English and Welsh languages, in accordance with the Welsh Language Act 1993.
- 1.2 In the performance of the Contract, the Contractor shall ensure that it cooperates with the Authority in satisfying this duty, by fully complying with the requirements of this Schedule.

2 The DWP Welsh Language Scheme

- 2.1 The DWP Welsh Language Scheme can be found at:

<https://www.gov.uk/government/organisations/department-for-work-pensions/about/welsh-language-scheme>

- 2.2 The Contractor shall, in the delivery of the Services, ensure that it complies with the Department for Work and Pensions Welsh Language Scheme and such instructions as the Authority may issue from time to time in respect of promoting the equality of the English and Welsh languages.

3 Delivery of Services Through the Medium of Welsh

- 3.1 The Contractor undertakes that those who have dealings with them are able to do so in English or Welsh, whichever is their preference.
- 3.2 The Contractor will ensure that:
 - a) those who want, or are required, to correspond with the Contractor will be able to do so in English or Welsh;
 - b) those who are known to prefer corresponding through the medium of Welsh will have correspondence initiated in Welsh;
 - c) any correspondence received in Welsh will be answered in Welsh within the same timescales and standards as those written in English;
 - d) staff who are in Wales will greet any telephone callers in English and Welsh until the caller's preferred language can be ascertained;
 - e) any help lines set up to deliver the service must offer a Welsh or English option and sufficient Welsh language speakers must be available to deal with callers through the medium of Welsh, if they select the Welsh option;

- f) any answer phones in the Contractor's offices in Wales will have a pre-recorded bilingual message;
- g) all people who participate in the Services are able to contribute through the medium of English or Welsh;
- h) all material published and printed for use in Wales shall be available in English and Welsh, and available for use within the same timescales. The standard of bilingual or Welsh material shall be of equal quality to those produced solely in English;
- i) all forms and explanatory material be available in both English and Welsh and available for use within the same timescales; and
- j) any complaints or grievance procedure should be provided in both English and Welsh.
- k) any websites, including any interactive pages, set up to support the delivery of the service must be available in both Welsh and English;
- l) where DWP has notified the contractor or the participant has identified that Welsh is their preferred language this should be recorded, ensuring all future dealings with that participant will be in Welsh.

SCHEDULE 10 – APPRENTICESHIPS AND SKILLS REQUIREMENTS

1 General

- 1.1 Government is committed to addressing skills issues and promoting training opportunities through procurement, to maximise the potential for improvements provided by its considerable spend.
- 1.2 Supporting apprenticeships, skills and the fight against youth unemployment will support and drive economic growth.
- 1.3 The Contractor acknowledges that the Authority is required to support the apprenticeships and skills aims and targets.
- 1.4 In delivering the Services, the Contractor shall, and shall ensure that its Sub-contractors assist and cooperate with the Authority by fully complying with the requirements of this Schedule.

2 Compliance

During the delivery of the Services:

- 2.1 The Contractor shall and shall ensure that its Sub-contractors take all reasonable steps to employ apprentices, and report to the Authority the numbers of apprentices employed and wider skills training provided.
- 2.2 The Contractor shall and shall ensure that its Sub-contractors shall take all reasonable steps to ensure that five percent (5%) of their employees are on a formal apprenticeship programme. This can include administration and support staff.
- 2.3 The Contractor shall and shall ensure that its Sub-contractors make available to employees information about the Government's Apprenticeship Programme and wider skills opportunities.
- 2.4 The Contractor shall and shall ensure that its Sub-contractors provide any appropriate further skills training opportunities for employees.

3 Monitoring and reporting

- 3.1 The Contractor shall provide an Apprenticeships and Skills Report within six (6) Months of the [Effective Date] [Commencement Date] and annually thereafter. The Apprenticeships and Skills Report must be specific to the Contract and include details for all Sub-contractors. The Contractor must obtain the required information from Sub-contractors and collate and submit an Apprenticeships and Skills Report.

In the delivery of the contract, the Apprenticeships and Skills Report will include:

- a) the number of Staff during the reporting period, including administration and support staff;
- b) the number of existing apprentices involved;

- c) the number of new starts on apprenticeships initiated as a result of delivering the Contract;
- d) if applicable, a robust explanation as to why it is not possible to meet the five percent (5%) target. (It may be that use of apprentices is not possible or appropriate in delivery of the Services);
- e) action being taken to improve the take up of apprenticeships. These could include issuing leaflets on apprenticeships to eligible existing staff, advertising apprenticeship vacancies with local Jobcentre Plus, schools and colleges, offering apprenticeships in administration/support roles or seeking advice from the National Apprenticeship Service; and
- f) other training/skills development being undertaken by staff:
 - i) Work experience placements for 14 to 16 year olds
 - ii) Work experience/work trial placements for other ages
 - iii) Student sandwich/gap year placements
 - iv) Graduate placements
 - v) Vocational training
 - vi) Basic skills training
 - vii) On site training provision/facilities.

3.2 The Contractor shall, and shall ensure that its Sub-contractors will ensure at all times that they comply with the requirements of the DPA in the collection and reporting of the information to the Authority.

SCHEDULE 11 – PARENT COMPANY GUARANTEE

DATED

PARENT COMPANY GUARANTEE

between

THE SECRETARY OF STATE FOR WORK AND PENSIONS

and

[INSERT NAME OF PARENT COMPANY]

THIS DEED is dated

[DATE]

PARTIES

- (1) **THE SECRETARY OF STATE FOR WORK AND PENSIONS** whose address is Caxton House, Tothill Street, Greater London, SW1H 9NA (“the **Authority**”); and
- (2) **[INSERT NAME OF PARENT COMPANY]** incorporated and registered in England and Wales with company number **[NUMBER]** whose registered office is at **[REGISTERED OFFICE ADDRESS]** (“the **Guarantor**”).

BACKGROUND

- (1) By an agreement dated on or about the date of this guarantee (“the **Contract**”, which term includes all amendments to, variations of, or supplements to such agreement, from time to time in force), the Authority has agreed to engage **[INSERT NAME]** (“the **Contractor**”) to deliver **[INSERT DETAILS]**.
- (2) It is a condition of the Contract **[being awarded to the Contractor]** that the Contractor ensures the execution and delivery to the Authority of a parent company guarantee substantially in the form of this guarantee.
- (3) The Guarantor has agreed to guarantee the due performance of the Contract by the Contractor.
- (4) It is the intention of the Parties that this document be executed as a deed.

AGREED TERMS

1 Interpretation

- 1.1 Unless the context requires otherwise, the definitions and rules of interpretation in the Contract shall apply in this guarantee.
- 1.2 A reference in this deed to this guarantee shall be construed as a reference to this deed of guarantee.

2 Obligations of The Guarantor

- 2.1 In consideration of the Authority entering into the Contract with the Contractor, the Guarantor agrees:
 - 2.1.1 as primary obligor, to guarantee to the Authority the due and punctual performance by the Contractor of each and all of the obligations, representations, warranties, duties and undertakings of the Contractor under and pursuant to the Contract when and if such obligations, representations, warranties, duties and undertakings shall become due and performable according to the terms of the Contract;

- 2.1.2 in addition to its obligations set out in clause 2.1.1, to indemnify the Authority against all losses which may be awarded against the Authority or which the Authority may otherwise incur arising out of, under or otherwise in connection with the Contract whether arising under statute, contract or at common law including without limitation by reason of any default by the Contractor of its obligations, representations, warranties, duties and undertakings under and/or pursuant to the Contract save that, subject to the other provisions of this guarantee (including without limitation clause 2.1.3), this shall not be construed as imposing greater obligations or liabilities on the Guarantor than are imposed on the Contractor under the Contract; and
- 2.1.3 to indemnify the Authority against all losses whether arising under statute, contract or at common law which may be awarded against the Authority or which the Authority may otherwise incur if any obligation guaranteed by the Guarantor is or becomes totally or partially 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 Contractor's liability would have been if the obligation guaranteed had not become unenforceable, invalid or illegal.

3 Liability

3.1 The Guarantor agrees that it shall not in any way be released from liability under this guarantee by any act, omission, matter or other thing whereby (in absence of this provision) the Guarantor would or might be released in whole or in part from liability under this guarantee including, without limitation and whether or not known to the Guarantor:

- 3.1.1 any arrangement made between the Contractor and the Authority;
- 3.1.2 any alteration in the obligations undertaken by the Contractor whether by way of any addendum or variation referred to in clause 4 or otherwise;
- 3.1.3 any waiver or forbearance by the Authority whether as to payment, time, performance or otherwise;
- 3.1.4 the taking, variation, renewal or release of, the enforcement or neglect to perfect or enforce any right, guarantee, remedy or security from or against the Contractor or any other person;
- 3.1.5 any unenforceability, illegality or invalidity of any of the provisions of the Contract or any of the Contractor's obligations under the Contract, so that this guarantee shall be construed as if there were no such unenforceability, illegality or invalidity;

- 3.1.6 any legal limitation, disability, incapacity or other circumstances relating to the Contractor, or any other person; or
- 3.1.7 the dissolution, amalgamation, reconstruction, reorganisation, change in status, function, control or ownership, insolvency, liquidation or the appointment of an administrator or receiver of the Contractor or any other person.

4 Addendum Or Variation

The Guarantor by this guarantee authorises the Contractor and the Authority to make any addendum or variation to the Contract, the due and punctual performance of which addendum and variation shall be likewise guaranteed by the Guarantor in accordance with the terms of this guarantee.

5 Guarantee

- 5.1 This guarantee shall be a primary obligation of the Guarantor and accordingly the Authority shall not be obliged before enforcing this guarantee to take any action in any court or arbitral proceedings against the Contractor, to make any claim against or any demand of the Contractor, to enforce any other security held by it in respect of the obligations of the Contractor under the Contract or to exercise, levy or enforce any distress, diligence or other process of execution against the Contractor. In the event that the Authority brings proceedings against the Contractor, the Guarantor shall be bound by any findings of fact, interim or final award or judgment made by an arbitrator or the court in such proceedings.
- 5.2 This guarantee is a continuing guarantee and accordingly shall remain in full force and effect (notwithstanding any intermediate satisfaction by the Contractor, the Guarantor or any other person) until all obligations, warranties, duties and undertakings now or hereafter to be carried out or performed by the Contractor under the Contract have been satisfied or performed in full and is not revocable and is in addition to and not in substitution for and shall not merge with any other right, remedy, guarantee or security which the Authority may at any time hold for the performance of such obligations and may be enforced without first having recourse to any such security.

6 Outstanding Payments

- 6.1 Until all amounts which may be or become payable under the Contract or this guarantee have been irrevocably paid in full, the Guarantor shall not as a result of this guarantee or any payment or performance under this guarantee be subrogated to any right or security of the Authority or claim or prove in competition with the Authority against the Contractor or any other person or demand or accept repayment of any monies or claim any right of contribution, set-off or indemnity and any sums received by the Guarantor or the amount of any set-off exercised by the Guarantor in default of this provision shall be held by the Guarantor in trust for and shall be promptly paid to the Authority.

6.2 The Guarantor shall not hold any security from the Contractor in respect of this guarantee and any such security which is held in default of this provision shall be held by the Guarantor in trust for and shall promptly be transferred to the Authority.

6.3 Until all amounts which may be or become payable under the Contract or this guarantee have been irrevocably paid in full, if (notwithstanding the provisions of clause 6.1 and clause 6.2) the Guarantor has any rights of subrogation against the Contractor or any rights to prove in a liquidation of the Contractor, the Guarantor agrees to exercise such rights in accordance with the directions of the Authority.

7 Change of Control

The Guarantor shall not be discharged of its obligations under this Guarantee in the event there is a change of control of the Contractor within the meaning of section 1124 of the Corporation Tax Act 2010, save unless the Authority gives its prior written consent to an assignment of the guarantee by the Guarantor to another entity of comparable financial standing.

8 Payment And Expenses

8.1 Each payment to be made by the Guarantor under this guarantee shall be made in pounds sterling, free and clear of all deductions or withholdings of any kind, except for those required by law, and if any deduction or withholding must be made by law, the Guarantor shall pay that additional amount which is necessary to ensure that the Authority 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.

8.2 The Guarantor shall pay interest on any amount due under this guarantee from the day after the date on which payment was due up to and including the date of payment in full (whether before or after judgment) in accordance with the Late Payment of Commercial Debts (Interest) Act 1998.

8.3 The Guarantor shall reimburse the Authority for all legal and other costs (including VAT) incurred by the Authority in connection with the enforcement of this guarantee.

9 Settlement

Any settlement or discharge between the Authority and the Contractor and/or the Guarantor shall be conditional upon no settlement with security or payment to the Authority by the Contractor or the Guarantor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any provision or law relating to bankruptcy, insolvency or liquidation for the time being in force and accordingly (but without limiting the Authority's other rights hereunder) the Authority shall be entitled to recover from the Guarantor, as if such settlement or discharge had not occurred, the value which the Authority has placed upon such settlement or security or the amount of any such payment.

10 Warranties

- 10.1 The Guarantor warrants and confirms to the Authority that:
- 10.1.1 it is duly incorporated with limited liability and validly existing under the laws of England;
 - 10.1.2 it has full power under its memorandum and articles of association or equivalent constitutional documents in the jurisdiction in which it is established to enter into this guarantee;
 - 10.1.3 it has full power to perform the obligations expressed to be assumed by it or contemplated by this guarantee;
 - 10.1.4 it has been duly authorised to enter into this guarantee;
 - 10.1.5 it has taken all necessary corporate action to authorise the execution, delivery and performance of this guarantee;
 - 10.1.6 this guarantee when executed and delivered will constitute a legally binding obligation on it enforceable in accordance with its terms;
 - 10.1.7 all necessary consents and authorisations for the giving and implementation of this guarantee have been obtained; and
 - 10.1.8 it has not received any notice, nor to the best of its knowledge is there pending or threatened any notice of any violation of any applicable laws, ordinances, regulations, rules, decrees, awards, permits or orders which may affect its ability to perform under this guarantee.
- 10.2 The Guarantor warrants and undertakes to the Authority that it will take all necessary action directly or indirectly to perform the obligations expressed to be assumed by it or contemplated by this guarantee and to implement the provisions of this guarantee.
- 10.3 The Guarantor warrants and confirms to the Authority that it has not entered into this guarantee in reliance upon, nor has it been induced to enter into this guarantee by any representation, warranty or undertaking made by or on behalf of the Authority (whether express or implied and whether pursuant to statute or otherwise) which is not set out in this guarantee.

11 Assignment

The Authority shall be entitled by notice in writing to the Guarantor to assign the benefit of this guarantee at any time to any person without the consent of the Guarantor being required and any such assignment shall not release the Guarantor from liability under this guarantee.

12 Notices

- 12.1 Any notice to or demand on the Guarantor to be served under this guarantee may be by letter (sent by hand, post, registered post or by the recorded delivery service) or by facsimile transmission or electronic

mail (confirmed in either case by letter) to the Guarantor at its address appearing in this guarantee or at such other address as it may have notified to the Authority in accordance with this clause 12.

- 12.2 Provided the relevant communication is not returned as undelivered, the notice or communication shall be deemed to have been given two (2) Working Days after the day on which the letter was posted, or four (4) hours, in the case of electronic mail or facsimile transmission or sooner where the other Party acknowledges receipt of such letters, facsimile transmission or item of electronic mail.

13 Waiver

- 13.1 No delay or omission of the Authority in exercising any right, power or privilege under this guarantee shall impair or be construed as a waiver of such right, power or privilege nor shall any single or partial exercise of any such right, power or privilege preclude any further exercise of such right, power or privilege or the exercise of any other right, power or privilege. The rights and remedies of the Authority provided for in this guarantee are cumulative and not exclusive of any rights or remedies provided by law.
- 13.2 A waiver given or consent granted by the Authority under this guarantee will be effective only if given in writing and then only in the instance and for the purpose for which it is given.
- 13.3 A waiver by the Authority shall not constitute a continuing waiver and shall not prevent the Authority from subsequently enforcing any of the provisions of this guarantee.

14 Severability

The invalidity, illegality or unenforceability in whole or in part of any of the provisions of this guarantee shall not affect the validity, legality and enforceability of the remaining part or provisions of this guarantee.

15 Contracts (Rights of Third Parties) Act 1999

It is agreed for the purposes of the Contracts (Rights of Third Parties) Act 1999 that this guarantee is not intended to, and does not, give to any person who is not a party to this guarantee any rights to enforce any provisions contained in this guarantee except for any person to whom the benefit of this guarantee is assigned or transferred in accordance with clause 11.

16 Governing Law

- 16.1 This guarantee and any disputes or claims arising out of or in connection with it, its subject matter or formation (including non-contractual disputes or claims) is governed by and shall be construed in accordance with English law.
- 16.2 The Guarantor submits to the exclusive jurisdiction of the English courts for all purposes relating to this guarantee and any disputes or claims arising out of, or in connection with, its subject matter or formation (including non-contractual disputes or claims) [and the

Guarantor irrevocably appoints [INSERT NAME] as its agent for service of process.

17 Entire Agreement

17.1 This guarantee contains the whole agreement between the Parties relating to the transactions contemplated by this guarantee and supersedes all previous agreements between the Parties relating to the transactions.

17.2 Each party acknowledges that in entering into this guarantee it has not relied on any representation, warranty, collateral contract or other assurance (except those set out in this guarantee and the documents referred to in it) made by or on behalf of any other party before the date of this guarantee. Each party waives all rights and remedies which, but for this clause 17.2, might otherwise be available to it in respect of any such representation, warranty, collateral contract or other assurance.

17.3 Nothing in clause 17.2 limits or excludes any liability for fraud.

This deed has been entered into on the date stated at the beginning of it.

Executed as a Deed for and on behalf of:

(1) [Insert Name of Contractor]	
Signed by:- Director Name: Director Signature: Date of Signature:	Witnessed in the presence of:- Witness Name: Witness Signature: Date of Signature:
AND	
(2) The Secretary of State for Work and Pensions, for and on behalf of the Authority.	
Signed by:- Name: Signature: Date of Signature: Position in Organisation:	Witnessed in the presence of:- Name: Signature: Date of Signature: Position in Organisation: