



Department
for Work &
Pensions



[REDACTED]

Senior Commercial Category Manager
Employment Category
Department for Work and Pensions
3rd Floor, Hartshead Square
Sheffield
S1 2FD

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21 July 2020

The Growth Company Ltd
Lee House
90 Great Bridgewater Street
Manchester
M1 5JW

Dear **[REDACTED]**

,

Various contracts as amended between the (1) Secretary of State for Work and Pensions (the “Authority”) and (2) The Growth Company Ltd (the “Contractor”) as set out in Schedule 1 (the “Contracts”)

Rescission of CV03

We refer to the contracts as amended between the Secretary of State for Work and Pensions (the “Authority”) and The Growth Company Ltd (the “Contractor”) set out in Table 1 at Schedule 1 to this letter (“the Contracts”). Terms used but not otherwise defined in this letter have the same meaning as set out in the Contracts and in CV03.

1. Due to the onset of the global pandemic Covid-19, the Contractor informed the Authority that it was experiencing Covid Related Hardship with respect to the Contracts. With a view to alleviating these difficulties, the Authority made various contractual modifications pursuant to CV03 and also agreed to make CV03 Interim Payments to the Contractor.
2. The contractual modifications implemented by CV03 were to be supplemented by a full package of changes designed to reduce the impact of the Covid Related Hardship.
3. Paragraph 3 of CV03 provides that in the event that a Contractor does not enter into CV04 with respect to any contract, then the CV03 relating to that contract would be automatically rescinded.

4. Paragraph 12.2 of CV03 states that if a Contractor does not enter into CV04 with respect to any contract, then all CV03 Interim Payments relating to that contract will be repayable immediately and in full to the Authority.
5. As the Contractor has not entered into CV04, the Authority is now seeking to recover all CV03 Interim Payments made in relation to the Contracts.

Payment Recovery

6. As detailed in CV03, the CV03 Interim Payments comprised two elements:
 - 6.1 CV03 Interim Payments are based on the average monthly value of Outcome Payments made between December 2019 – February 2020 inclusive, and
 - 6.2 A sum of 25% of the average monthly value of Outcome payments made between December 2019 – February 2020 inclusive, and 25% of the Service / Delivery Fee payable for the month in which the CV03 Interim Payment is made, is added to the CV03 Interim Payment.
7. Schedule 2 of this letter details the total CV03 Interim Payments made under each Contract, split into the two elements as detailed in paragraph 6 above.
8. The two elements of the CV03 Interim Payment will be recovered by means of an invoice to be raised by 31 August 2020. This invoice will be required to be settled in one lump sum unless paragraph 9 applies.
9. With respect to the repayment of the CV03 Interim Payments, the Authority would be willing to offer the option of a re-payment plan between July to December 2020 inclusive, to lessen the burden of repayment in one amount. The Contractor must confirm by 17:00 on 31 July 2020 whether repayment over five months is preferred. Additionally, the Contractor should detail the adverse consequences that would result if recovery in one lump sum was sought. If the Authority is willing to accept repayment over five months, the Authority will then raise the invoice by the 7 August 2020, rather than 31 August 2020.

Miscellaneous

12. This letter shall not constitute a waiver of any right or remedy of the Authority or the Contractor under the Contracts arising before, during or after this letter.
13. If there is an inconsistency between any of the provisions of this letter and the provisions of the Contracts, the provisions of this letter shall prevail.

Please confirm your receipt of this letter by countersigning this letter and uploading a scanned copy to Jaggaer (DWP e-portal) fileshare folder named [Commercial only – Covid 19 – The Growth Company](#).

If you have any queries, please contact the team on EMPLOYMENTCATEGORY.COVID19@DWP.GSI.GOV.UK

Yours sincerely,

[REDACTED]

[REDACTED]

Senior Commercial Category Manager
For and on behalf of the Authority

We hereby acknowledge receipt and accept the terms of this letter.

Signed: _____
For and on behalf of the Contractor

Name:

Position: [Director]/[Authorised Signatory]

Date:

Schedule 1: Relevant contracts

Contract Type	Contract Reference	Contract Name/Description	Contract Start
ESF2: Extended ESF 2014-20	ECM_3436	ESF 14-20 - Liverpool	10/10/2016

