MODEL SERVICES CONTRACT

DATED **Nineth November 2023**

(1) THE LORD CHANCELLOR

and

(2) VODAFONE LIMITED

CONTRACT

relating to

PROVISION OF VIDEO HEARINGS SERVICE

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THIS CONTRACT is made

BETWEEN:

(1) **The Lord Chancellor,** acting as part of the Crown, of 102, Petty France, London, SW1H 9AJ (the "**Authority**" or "**MOJ**"); and

(2) **Vodafone Limited** a company registered in England and Wales under company number 01471587 whose registered office is at Vodafone House, The Connection, Newbury, Berkshire RG14 2FN (the "**Supplier**")

(each a "**Party**" and together the "**Parties**").

INTRODUCTION

(A) The Authority is responsible for the administration of criminal, civil and family courts and tribunals in England and Wales and a number of tribunals in Scotland and has developed a video hearings service to enable hearings to be held remotely or with some of the participants joining remotely (**"Existing Service"**).

(B) The Authority intends to develop and expand the Existing Service and requires a supplier to provide services to support this.

(C) On 16 May 2023 the Authority advertised on Contracts Finder (reference 2023/S 000-014113), inviting prospective suppliers to submit proposals for the provision of services in relation to the Video Hearings Service.

(D) The Supplier has experience in the provision of services in relation to video hearings similar to the Video Hearings Service.

(E) On the basis of the Supplier's response to the advertisement and a subsequent tender process, the Authority selected the Supplier as its preferred supplier.

(F) The Authority has procured services on behalf of itself and the Service Recipient. The Authority will therefore receive services for itself and facilitate services for the Service Recipient under this Contract. HMCTS as Service Recipient and Contract Manager will have responsibility for the day-to-day management of this Contract on behalf of the Authority.

(G) The Parties have agreed to contract with each other in accordance with the terms and conditions set out below.

IT IS AGREED as follows:

SECTION A – PRELIMINARIES

1 DEFINITIONS AND INTERPRETATION

1.1 In this Contract, unless otherwise provided or the context otherwise requires, capitalised expressions shall have the meanings set out in Schedule 1 (Definitions) or the relevant Schedule in which that capitalised expression appears.

1.2 Interpretation is as set out in Schedule 1 (Definitions).

1.3 If there is any conflict between the Clauses and the Schedules and/or any Annexes to the Schedules, the conflict shall be resolved in accordance with the following order of precedence:

(a) the Clauses and Schedule 1 (Definitions);

(b) Schedules 2 (Services Description) and 3 (Performance Levels) and their Annexes;

(c) any other Schedules and their Annexes (other than Schedule 8 (Supplier Solution) and its Annexes); and

(d) Schedule 8 (Supplier Solution) and its Annexes (if any).

1.4 The Schedules and their Annexes form part of this Contract.

1.5 In entering into this Contract the Authority is acting as part of the Crown.

2 DUE DILIGENCE

2.1 The Supplier acknowledges that:

(a) the Authority has delivered or made available to the Supplier all of the information and documents that the Supplier considers necessary or relevant for the performance of its obligations under this Contract;

(b) it has made its own enquiries to satisfy itself as to the accuracy and adequacy of the Due Diligence Information;

(c) it has satisfied itself (whether by inspection or having raised all relevant due diligence questions with the Authority before the Effective Date) of all relevant details relating to:

(i) the Authority Requirements;

(ii) the suitability of the existing and (to the extent that it is defined or reasonably foreseeable at the Effective Date) future Operating Environment;

(iii) the operating processes and procedures and the working methods of the Authority;

(iv) the ownership, functionality, capacity, condition and suitability for use in the Services of the Authority Assets; and

(v) the existing contracts (including any licences, support, maintenance and other agreements relating to the Operating Environment) referred to in the Due Diligence Information which may be novated to, assigned to or managed by the Supplier under this Contract and/or which the Supplier will require the benefit of for the provision of the Services; and

(d) it has advised the Authority in writing of:

(i) each aspect, if any, of the Operating Environment that is not suitable for the provision of the Services;

(ii) the actions needed to remedy each such unsuitable aspect; and

(iii) a timetable for and, to the extent that such costs are to be payable to the Supplier, the costs of those actions,

and such actions, timetable and costs are fully reflected in this Contract, including the Services Description and/or Authority Responsibilities as applicable.

2.2 The Supplier shall not be excused from the performance of any of its obligations under this Contract on the grounds of, nor shall the Supplier be entitled to recover any additional costs or charges, arising as a result of:

(a) any unsuitable aspects of the Operating Environment;

(b) any misinterpretation of the Authority Requirements; and/or

(c) any failure by the Supplier to satisfy itself as to the accuracy and/or adequacy of the Due Diligence Information.

3 WARRANTIES

3.1 The Authority represents and warrants that:

(a) it has full capacity and authority to enter into and to perform this Contract;

(b) this Contract is executed by its duly authorised representative;

(c) there are no actions, suits or proceedings or regulatory investigations before any court or administrative body or arbitration tribunal pending or, to its knowledge, threatened against it that might affect its ability to perform its obligations under this Contract; and

(d) its obligations under this Contract constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms subject to applicable bankruptcy, reorganisation, insolvency, moratorium or similar Laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or law).

3.2 The Supplier represents and warrants that:

(a) it is validly incorporated, organised and subsisting in accordance with the Laws of its place of incorporation;

(b) it has full capacity and authority to enter into and to perform this Contract;

(c) this Contract is executed by its duly authorised representative;

(d) it has all necessary consents and regulatory approvals to enter into this Contract;

(e) it has notified the Authority in writing of any actions, suits or proceedings or regulatory investigations before any court or administrative body or arbitration tribunal pending or, to its knowledge, any threatened against it or any of its Affiliates that might affect its ability to perform its obligations under this Contract;

(f) its execution, delivery and performance of its obligations under this Contract will not constitute a breach of any Law or obligation applicable to it and will not cause or result in a default under any agreement by which it is bound;

(g) its obligations under this Contract constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms subject to applicable bankruptcy, reorganisation, insolvency, moratorium or similar Laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or law);

(h) all written statements and representations in any written submissions made by the Supplier as part of the procurement process, including without limitation its response to the selection questionnaire and ITT (if applicable), its tender and any other documents submitted remain true and accurate except to the extent that such statements and representations have been superseded or varied by this Contract or to the extent that the Supplier has otherwise disclosed to the Authority in writing prior to the date of this Contract;

(i) the Services will be provided in accordance with Good Industry Practice;

(j) the Services and Deliverables shall be provided in accordance with and shall at all times comply with the Law;

(k) the Supplier Solution for the performance of the Services shall conform to the Services Description;

(l) the Services and Deliverables will conform to the Supplier Solution and be delivered to the Authority's satisfaction;

(m) all Software, Deliverables and equipment will be free from defects in design, materials, workmanship, delivery and installation. For these purposes, defect in the context of software means any issue, error

or defect resulting in or contributing to a severity 1 or severity 2 rated issue, error or defect;

(n) all Software and other Deliverables and equipment (if any) provided by the Supplier shall be free from errors in operation and performance, shall provide the functions and features and operate in compliance with the applicable documentation and other specifications agreed by the Parties;

(o) the Authority and Service Recipient are authorised to use the Services (including all equipment, tools, processes and Intellectual Property Rights which are used by or on behalf of the Supplier as part of the Services);

(p) the Deliverables and the Services (including all equipment, tools, processes and Intellectual Property Rights which are used by or on behalf of the Supplier as part of the Services and including their receipt and use by the Authority and Service Recipient) directly provided by the Supplier do not and shall not infringe the Intellectual Property Rights of any third party;

(q) it is authorised to grant the licences referred to in Schedule 32 and each additional licence which it may grant from time to time;

(r) it has notified the Authority in writing of any Occasions of Tax Non-Compliance and any litigation in which it is involved that is in connection with any Occasion of Tax Non-Compliance;

(s) it has all necessary rights in and to the Licensed Software, the Third Party IPRs, the Supplier Background IPRs and any other materials made available by the Supplier (and/or any Sub-contractor) to the Authority which are necessary for the performance of the Supplier's obligations under this Contract and/or the receipt of the Services by the Authority;

(t) it is not subject to any contractual obligation, compliance with which is likely to have a material adverse effect on its ability to perform its obligations under this Contract;

(u) no proceedings or other steps have been taken and not discharged (nor, to the best of its knowledge, are threatened) for the winding up of the Supplier or for its dissolution or for the appointment of a receiver, administrative receiver, liquidator, manager, administrator or similar officer in relation to any of the Supplier's assets or revenue;

(v) within the previous 12 months, no Financial Distress Events have occurred or are subsisting (or any events that would be deemed to be Financial Distress Events under this Contract had this Contract been in force) and there are currently no matters that it is aware of that could cause a Financial Distress Event to occur or subsist; and

(w) to the best of its knowledge that any Intellectual Property Rights used or embedded within the Deliverables and the Services (including all equipment, tools, processes and Intellectual Property Rights which are used by or on behalf of the Supplier as part of the Services and including their receipt and use by the Authority and Service Recipient) do not and shall not infringe the Intellectual Property Rights of any third party.

3.3 The Supplier shall:

(a) promptly correct any defect referred to in Clause 3.2(m) at no charge to the Authority through repair or replacement;

(b) make such correction as expeditiously as possible (and based on the agreed service levels, where applicable); and

(c) to the extent that such defect is not promptly corrected, implement appropriate temporary workarounds at no charge and without increasing the Authority's retained work efforts or costs.

3.4 If the Supplier is unable to comply with its obligations under Clause 3.3:

(a) the Supplier shall provide the Authority with a refund of the costs attributable to the relevant deliverable or equipment, to other impacted items and for the associated services; and

(b) the Authority may exercise any other rights and remedies available to it under this Contract.

3.5 The representations and warranties set out in Clause 3.2 shall be deemed to be repeated by the Supplier on the Effective Date (if later than the date of signature of this Contract) by reference to the facts then existing.

3.6 Each of the representations and warranties set out in Clauses 3.1 and 3.2 shall be construed as a separate representation and warranty and shall not be limited or restricted by reference to, or inference from, the terms of any other representation, warranty or any other undertaking in this Contract.

3.7 If at any time a Party becomes aware that a representation or warranty given by it under Clause 3.1 or 3.2 has been breached, is untrue or is misleading, it shall immediately notify the other Party of the relevant occurrence in sufficient detail to enable the other Party to make an accurate assessment of the situation.

3.8 For the avoidance of doubt, the fact that any provision within this Contract is expressed as a warranty shall not preclude any right of termination which the Authority may have in respect of breach of that provision by the Supplier.

3.9 Except as expressly stated in this Contract, all warranties and conditions whether express or implied by statute, common law or otherwise are hereby excluded to the extent permitted by Law.

SECTION B – THE SERVICES

4 TERM

4.1 This Contract shall:

(a) come into force on the Effective Date, save for Clauses 1 (*Definitions and Interpretation*), 3 (*Warranties*), 4 (*Term*), 19 (*Confidentiality*), 20 (*Transparency and Freedom of Information*), 22 (*Publicity and Branding*), 23 (*Limitations on Liability*), 34 (*Waiver and Cumulative Remedies*), 35 (*Relationship of the Parties*), 37 (*Severance*), 39 (*Entire Agreement*), 40 (*Third Party Rights*), 41 (*Notices*), 42 (*Disputes*) and 43 (*Governing Law and Jurisdiction*), which shall be binding and enforceable as between the Parties from the date of signature; and

(b) unless terminated at an earlier date by operation of Law or in accordance with Clause 30 (*Termination Rights*), terminate:

(i) at the end of the Initial Term;

(ii) if the Authority elects to extend the Initial Term by giving the Supplier at least 60 Working Days' notice before the end of the Initial Term, at the end of the First Extension Period; or

(iii) if the Authority elects to extend the Extension Period by giving the Supplier at least 60 Working Days' notice before the end of the First Extension Period, at the end of the Second Extension Period.

Condition Precedent

4.2 Save for Clauses 1 (*Definitions and Interpretation*), 3 (*Warranties*), 4 (*Term*), 19 (*Confidentiality*), 20 (*Transparency and Freedom of Information*), 22 (*Publicity and Branding*), 23 (*Limitations on Liability*), 34 (*Waiver and Cumulative Remedies*), 35 (*Relationship of the Parties*), 37 (*Severance*), 39 (*Entire Agreement*), 40 (*Third Party Rights*), 41 (*Notices*), 42 (*Disputes*) and 43 (*Governing Law and Jurisdiction*), this Contract is conditional upon the valid execution and delivery to the Authority of the Guarantee (the "**Condition Precedent**"). The Authority may in its sole discretion at any time agree to waive compliance with the Condition Precedent by giving the Supplier notice in writing.

4.2A Where the Authority waives the Condition Precedent under Clause 4.2, the Supplier agrees that the Authority may (at its sole discretion) request a Guarantee at any time during the Term.

4.3 The Supplier shall satisfy, or procure the satisfaction of, the Condition Precedent as soon as possible. In the event that the Condition Precedent is not satisfied within 20 Working Days after the date of this Contract then, unless the Condition Precedent is waived by the Authority in accordance with Clause 4.2:

(a) this Contract shall automatically cease and shall not come into effect; and

(b) neither Party shall have any obligation to pay any compensation to the other Party as a result of such cessation.

4.4 The Supplier shall consult with the Authority in relation to the steps it takes to satisfy the condition set out in Clause 4.2 and shall keep the Authority fully informed of its progress in satisfying the condition and of any circumstances which are likely to result in the condition not being satisfied by the date set out in Clause 4.3.

5 SERVICES

Standard of Services

5.1 The Supplier shall provide:

(a) the Implementation Services from (and including) the Implementation Services Commencement Date; and

(b) the Operational Services in each case from (and including) the relevant Operational Service Commencement Date,

in each case for the benefit of the Authority and the Service Recipient.

5.2 The Supplier acknowledges that the Services are provided on a non-exclusive basis and that nothing shall prevent the Authority from receiving services that are the same as or similar to the Services from any third party.

5.3 The Supplier shall ensure that the Services:

(a) comply in all respects with the Services Description; and

(b) are supplied in accordance with the Supplier Solution and the provisions of this Contract.

5.4 The Supplier shall:

(a) provide any services, functions and responsibilities (including any incidental services, functions and responsibilities) not expressly specified in this Contract as being within the scope of the Supplier's responsibilities but which are reasonably and necessarily required for, or necessarily and/or reasonably related to, the proper performance and provision of the Services and Deliverables;

(b) perform its obligations under this Contract, including in relation to the supply of the Services in accordance with:

(i) all applicable Law;

(ii) Good Industry Practice;

(iii) the Standards;

(iv) the Baseline Security Requirements; and

(v) the Authority IT Strategy; and

(vi) the Supplier's own established procedures and practices to the extent the same do not conflict with the requirements of Clauses 5.4(b)(i) to 5.4(b)(v); and

(c) deliver the Services using efficient business processes and ways of working having regard to the Authority's obligation to ensure value for money.

5.5 In the event that the Supplier becomes aware of any inconsistency between the requirements of Clauses 5.4(b)(i) to 5.4(b)(v), the Supplier shall immediately notify the Authority Representative in writing of such inconsistency and the Authority Representative shall, as soon as practicable, notify the Supplier which requirement the Supplier shall comply with.

Supplier covenants

5.6 The Supplier shall:

(a) at all times allocate sufficient resources with the appropriate technical expertise to supply the Deliverables and to provide the Services in accordance with this Contract;

(b) save to the extent that obtaining and maintaining the same are Authority Responsibilities and subject to Clause 13 (*Change*), obtain, and maintain throughout the duration of this Contract, all the consents, approvals, licences and permissions (statutory, regulatory contractual or otherwise) it may require and which are necessary for the provision of the Services;

(c) ensure that:

(i) it shall continue to have all necessary rights in and to the Licensed Software, the Third Party IPRs, the Supplier Background IPRs and any other materials made available by the Supplier (and/or any Sub-contractor) to the Authority which are necessary for the performance of the Supplier's obligations under this Contract and/or the receipt of the Services by the Authority;

(ii) the release of any new Software or upgrade to any Software complies with the interface requirements in the Services Description and (except in relation to new Software or upgrades which are released to address Malicious Software or to comply with the requirements of Schedule 5 (*Security Management*)) shall notify the Authority 3 months before the release of any new Software or Upgrade;

(iii) all Software including Upgrades, Updates and New Releases used by or on behalf of the Supplier are currently supported

versions of that Software and perform in all material respects in accordance with the relevant specification;

(iv) any products or services recommended or otherwise specified by the Supplier for use by the Authority in conjunction with the Deliverables and/or the Services shall enable the Deliverables and/or Services to meet the Authority Requirements; and

(v) the Supplier System and Assets used in the performance of the Services will be free of all encumbrances (except as agreed in writing with the Authority);

(d) minimise any disruption to the Services, the IT Environment and/or the Authority's operations when carrying out its obligations under this Contract;

(e) ensure that any Documentation and training provided by the Supplier to the Authority are comprehensive, accurate and prepared in accordance with Good Industry Practice;

(f) co-operate with any Other Supplier notified to the Supplier by the Authority from time to time by providing:

(i) reasonable information (including any Documentation);

(ii) advice; and

(iii) reasonable assistance,

in connection with the Services to any such Other Supplier to enable such Other Supplier to create and maintain technical or organisational interfaces with the Services and, on the expiry or termination of this Contract for any reason, to enable the timely transition of the Services (or any of them) to the Authority and/or to any Replacement Supplier in accordance with the following collaborative working principles:

(A) proactively leading on, mitigating and contributing to the resolution of problems or issues irrespective of its contractual obligations, acting in accordance with the principle of "fix first, settle later";

(B) being open, transparent and responsive in sharing relevant and accurate information with such Other Suppliers;

(C) where reasonable, adopting common working practices, terminology, standards and technology and a collaborative approach to service development and resourcing with such Other Suppliers;

(D) providing reasonable cooperation, support, information and assistance to such Other Suppliers in a proactive,

transparent and open way and in a spirit of trust and mutual confidence; and

(E) identifying, implementing and capitalising on opportunities to improve deliverables and deliver better solutions and performance throughout the relationship lifecycle;

(g) to the extent it is legally able to do so, hold on trust for the sole benefit of the Authority, all warranties and indemnities provided by third parties or any Sub-contractor in respect of any Deliverables and/or the Services and, where any such warranties are held on trust, at its cost enforce such warranties in accordance with any reasonable directions that the Authority may notify from time to time to the Supplier;

(h) unless it is unable to do so, assign to the Authority on the Authority's written request and at the cost of the Supplier any such warranties and/or indemnities as are referred to in Clause 5.6(g);

(i) provide the Authority, the Service Recipient and/or their provider(s) of goods and/or services with such assistance as they may reasonably require in respect of the supply of the Services;

(j) gather, collate and provide such information and co-operation as the Authority may reasonably request for the purposes of ascertaining the Supplier's compliance with its obligations under this Contract;

(k) notify the Authority in writing as soon as reasonably possible and in any event within 1 month of any change of Control taking place;

(l) notify the Authority in writing within 10 Working Days of their occurrence, of any actions, suits or proceedings or regulatory investigations before any court or administrative body or arbitration tribunal pending or, to its knowledge, threatened against it that might affect its ability to perform its obligations under this Contract;

(m) ensure that neither it, nor any of its Affiliates, embarrasses the Authority or otherwise brings the Authority into disrepute by engaging in any act or omission in relation to this Contract which is reasonably likely to diminish the trust that the public places in the Authority; and

(n) manage closure or termination of Services to take account of the Authority's disposal requirements, including recycling and scope for re-use, and all applicable Standards.

5.7 An obligation on the Supplier to do, or to refrain from doing, any act or thing shall include an obligation upon the Supplier to procure that all Sub-contractors and Supplier Personnel also do, or refrain from doing, such act or thing, including a responsibility to mitigate losses.

5.8 Without prejudice to Clauses 17.2 and 17.3 (*IPRs Indemnity*) and any other rights and remedies of the Authority howsoever arising, the Supplier shall:

(a) remedy any breach of its obligations in Clauses 5.6(b) to 5.6(d) inclusive within 3 Working Days of becoming aware of the breach or being notified of the breach by the Authority where practicable or within such other time period as may be agreed with the Authority (taking into account the nature of the breach that has occurred);

(b) remedy any breach of its obligations in Clause 5.6(a) and Clauses 5.6(e) to 5.6(j) inclusive within 20 Working Days of becoming aware of the breach or being notified of the breach by the Authority; and

(c) meet all the costs of, and incidental to, the performance of such remedial work,

and any failure of the Supplier to comply with its obligations under Clause 5.8(a) or Clause 5.8(b) within the specified or agreed timeframe shall constitute a Notifiable Default.

Specially Written Software warranty

5.9 Without prejudice to Clauses 5.6 (*Supplier Covenants*) and 5.8 (*Services*) and any other rights and remedies of the Authority howsoever arising, the Supplier warrants to the Authority that all components of the Specially Written Software shall:

(a) be free from material design and programming errors;

(b) perform in all material respects in accordance with the relevant specifications contained in the Supplier Solution and Documentation; and

(c) not infringe any Intellectual Property Rights.

Continuing obligation to provide the Services

5.10 The Supplier shall continue to perform all of its obligations under this Contract and shall not suspend the supply of the Services, notwithstanding:

(a) any withholding of the Service Charges by the Authority pursuant to Clause 7.2(d)(ii) (*Performance Failures*);

(b) the existence of an unresolved Dispute; and/or

(c) any failure by the Authority to pay any Charges,

unless the Supplier is entitled to terminate this Contract under Clause 30.3(a) (*Termination by the Supplier*) for failure to pay undisputed Charges.

5.11 Not used.

5.12 Not used.

5.13 Not used.

Power of attorney

5.14 By way of security for the performance of its obligations under Clauses 5.6(g) and 5.6(h) (*Supplier covenants*) the Supplier hereby irrevocably appoints the Authority as its agent and attorney to act with full power and authority in the Supplier's name and on its behalf to do all such acts and execute all such documents as may be necessary or desirable to enforce any such warranties and/or effect any such assignment as are referred to in such Clauses and to delegate one or more of the powers conferred on it by this Clause 5.14 (other than the power to delegate) to officer(s) appointed for that purpose by the Authority and may vary or revoke such delegation at any time.

Authority Responsibilities

5.15 The Authority shall comply with its responsibilities set out in Schedule 7 (*Authority Responsibilities*).

Service Recipient

5.16 The Supplier will deliver Services to the Service Recipient from time to time as directed by the Authority.

5.17 In this Contract, unless the context requires otherwise or where expressly stated otherwise:

(a) references to the Authority receiving the Services will include, to the extent that they are receiving the Services, the Service Recipient;

(b) references to the Authority's:

(i) Assets, Equipment, data, systems, premises, operations and the like; and

(ii) suppliers, contractors, advisors and other similar third parties,

will include, to the extent that they are receiving the Services, those of the Service Recipient;

(c) references to the Authority providing or receiving an item (including data or information) pursuant to this Contract will include items provided by or to the Service Recipient;

(d) for the purposes of the following clauses references to the Authority shall be construed as references to the Authority and/or the Service Recipient as the context requires: 5.6(m), 14.1(a), 14.1(b)(iii), 14.1(c), 14.2, 20.7, 20.8 and 35, and Paragraph 3.1(b) of Schedule 32 (*Intellectual Property Rights*); and

(e) other references to the Authority will include the Service Recipient where such reference relates to a right of the Authority which the Service Recipient also requires the benefit of in order to receive equivalent benefit in relation to the Services.

Contract Manager

5.18 The Authority appoints His Majesty's Courts and Tribunals Service (HMCTS) to act as its contract manager for this Contract (**"Contract Manager"**) and to be the Supplier's first point of contact for day to day issues relating to this Contract.

5.19 In this Contract, a reference to the Authority includes HMCTS. HMCTS is entitled to exercise all rights of the Authority under, and to enforce all provisions of, this Contract.

6 IMPLEMENTATION

Implementation Plan and Delays

6.1 The Parties shall comply with the provisions of Schedule 13 (*Implementation Plan*) in relation to the agreement and maintenance of the Detailed Implementation Plan.

6.2 The Supplier shall:

(a) comply with the Implementation Plan; and

(b) ensure that each Milestone is Achieved on or before its Milestone Date.

6.3 If the Supplier becomes aware that there is, or there is reasonably likely to be, a Delay:

(a) it shall:

(i) notify the Authority in accordance with Clause 25.1 (*Rectification Plan Process*); and

(ii) comply with the Rectification Plan Process in order to address the impact of the Delay or anticipated Delay; and

(iii) use all reasonable endeavours to eliminate or mitigate the consequences of any Delay or anticipated Delay, including but not limited to employing any additional resource as may be required, at its own cost; and

(b) if the Delay or anticipated Delay relates to a Key Milestone, the provisions of Clause 26 (*Delay Payments*) shall apply.

6.4 In the event of a Delay, the Supplier shall reimburse the Authority in respect of any Losses that are incurred by the Authority as a direct result of such Delay. Any such reimbursement shall be in addition to any payments which may be due to the Authority under the provisions of clauses 6.3(b) and 26.

Testing and Achievement of Milestones

6.5 The Parties shall comply with the provisions of Schedule 14 (*Testing Procedures*) in relation to the procedures to determine whether a Milestone or Test has been Achieved.

7 PERFORMANCE INDICATORS

7.1 The Supplier shall:

(a) provide the Operational Services in such a manner so as to meet or exceed the Target Performance Level for each Performance Indicator from the Milestone Date for each relevant CPP Milestone; and

(b) comply with the provisions of Schedule 3 (*Performance Levels*) in relation to the monitoring and reporting on its performance against the Performance Indicators.

Performance Failures

7.2 If in any Service Period:

(a) a KPI Failure occurs, Service Credits shall be deducted from the Service Charges in accordance with Paragraph 10 of Schedule 15 (*Charges and Invoicing*);

(b) a Material KPI Failure occurs, the Supplier shall comply with the Rectification Plan Process (in addition to Service Credits accruing in accordance with Clause 7.2(a));

(c) a PI Failure occurs, the Supplier shall notify the Authority of the action (if any) it will take to rectify the PI Failure and/or to prevent the PI Failure from recurring; and/or

(d) a Material PI Failure occurs:

(i) the Supplier shall comply with the Rectification Plan Process; and

(ii) the Authority may withhold a proportionate amount of the Service Charges in accordance with the process set out in Clause 10.8 (*Set Off and Withholding*) until the relevant Material PI Failure is rectified to the reasonable satisfaction of the Authority, at which point the Authority shall pay the amount withheld.

7.3 Service Credits shall be the Authority's exclusive financial remedy for a KPI Failure except where:

(a) the Supplier has:

(i) over a Service Period accrued Service Credits in excess of the Monthly Service Credit Cap;

(ii) over the previous 12 month period accrued Service Credits in excess of the Annual Service Credit Cap;

(b) the KPI Failure:

(i) breaches the relevant KPI Service Threshold;

(ii) has arisen due to the wilful default by the Supplier or any Supplier Personnel; or

(iii) results in:

(A) the corruption or loss of any Authority Data (in which case the remedies under Clause 18.7 (*Authority Data and Security Requirements*) shall also be available); and/or

(B) the Authority being required to make a compensation payment to one or more third parties;

(c) the Supplier has fraudulently misreported its performance against any Performance Indicator; and/or

(d) the Authority is otherwise entitled to or does terminate the relevant Services or this Contract pursuant to Clause 30.1(b) (*Termination by the Authority*),

in which circumstances the Authority may seek to recover any additional loss and damage.

Unacceptable KPI Failure

7.4 If in any Service Period an Unacceptable KPI Failure occurs:

(a) the Authority shall (subject to the Service Credit Caps set out in Clause 23.5(b) (*Financial and other limits*)) be entitled to withhold and retain as compensation for the Unacceptable KPI Failure a sum equal to any Service Charges which would otherwise have been due to the Supplier in respect of that Service Period (such sum being "**Compensation for Unacceptable KPI Failure**"); and

(b) if the Authority withholds and retains such Compensation for Unacceptable KPI Failure, any Service Points and Service Credits that would otherwise have accrued during the relevant Service Period shall not accrue,

provided that the operation of this Clause 7.4 shall be without prejudice to any right which the Authority may have to terminate this Contract and/or to claim damages from the Supplier as a result of such Unacceptable KPI Failure.

7.5 The Supplier:

(a) agrees that the application of Clause 7.4 is commercially justifiable where an Unacceptable KPI Failure occurs; and

(b) acknowledges that it has taken legal advice on the application of Clause 7.4 and has had the opportunity to price for that risk when calculating the Service Charges.

Critical Performance Failure

7.6 If a Critical Performance Failure occurs, the Authority may exercise its rights to terminate this Contract in whole or in part pursuant to Clause 30.1 or 30.2 (*Termination by the Authority*).

Changes to Performance Indicators and Service Credits

7.7 Not more than once in each Contract Year (unless otherwise agreed by the Parties), the Authority may, on giving the Supplier at least 3 months' notice:

(a) change the weighting that applies in respect of one or more specific Key Performance Indicators; and/or

(b) convert one or more:

(i) Key Performance Indicators into a Subsidiary Performance Indicator; and/or

(ii) Subsidiary Performance Indicators into a Key Performance Indicator (in which event the Authority shall also set out in the notice details of what will constitute a Minor KPI Failure, a Serious KPI Failure and a Severe KPI Failure for the new Key Performance Indicator).

7.8 The Supplier shall not be entitled to object to any changes made by the Authority under Clause 7.7, or increase the Service Charges as a result of such changes provided that:

(a) the total number of Key Performance Indicators does not exceed 10;

(b) the principal purpose of the change is to reflect changes in the Authority's business requirements and/or priorities or to reflect changing industry standards; and

(c) there is no change to the Service Credit Caps.

8 SERVICES IMPROVEMENT

8.1 The Supplier shall have an ongoing obligation throughout the Term to identify new or potential improvements to the Services in accordance with this Clause 8. As part of this obligation the Supplier shall identify and report to the Board once every 6 months on:

(a) the emergence of new and evolving relevant technologies which could improve the IT Environment and/or the Services, and those technological advances potentially available to the Supplier and the Authority which the Parties may wish to adopt;

(b) new or potential improvements to the Services including the quality, responsiveness, procedures, benchmarking methods, likely performance mechanisms and customer support services in relation to the Services;

(c) new or potential improvements to the interfaces or integration of the Services with other services provided by third parties or the Authority which might result in efficiency or productivity gains or reduction of operational risk;

(d) changes in business processes and ways of working that would enable the Services to be delivered at lower cost and/or with greater benefits to the Authority; and/or

(e) changes to the IT Environment, business processes and ways of working that would enable reductions in the total energy consumed in the delivery of Services.

8.2 The Supplier shall ensure that the information that it provides to the Authority shall be sufficient for the Authority to decide whether any improvement should be implemented, including any potential costs of implementation. The Supplier shall provide any further information that the Authority requests.

8.3 If the Authority wishes to incorporate any improvement identified by the Supplier the Authority shall send the Supplier a Change Request in accordance with the Change Control Procedure.

9 EQUIPMENT AND MAINTENANCE

Supplier Equipment

9.1 The Supplier shall be solely responsible for the cost of carriage of Supplier Equipment to the Sites and to the Authority Premises, including its off-loading, removal of all packaging and all other associated costs. Likewise on termination or expiry of this Contract the Supplier shall be responsible for the removal and safe disposal of all relevant Supplier Equipment from the Sites and the Authority Premises, including the cost of packing, carriage and making good the Sites and/or the Authority Premises following removal, and taking account of any sustainability requirements, including safe removal of data and recycling requirements.

9.2 All the Supplier's property, including Supplier Equipment, shall remain at the sole risk and responsibility of the Supplier, except that the Authority shall be liable for loss of or damage to any of the Supplier's property located on Authority Premises which is due to the negligent act or omission of the Authority.

9.3 Subject to any express provision of the IT Service Continuity Management Plan to the contrary, the loss or destruction for any reason of any Supplier Equipment shall not relieve the Supplier of its obligation to supply the Services in accordance with this Contract, including the Target Performance Levels.

Maintenance

9.4 The Supplier shall create and maintain a rolling schedule of planned maintenance to the IT Environment (the "**Maintenance Schedule**") which shall be agreed with the Authority. Once the Maintenance Schedule has been agreed with the Authority Representative, the Supplier shall only undertake

such planned maintenance (which shall be known as "**Permitted Maintenance**") in accordance with the Maintenance Schedule.

9.5 The Supplier shall give as much notice as is reasonably practicable to the Authority Representative prior to carrying out any Emergency Maintenance.

9.6 The Supplier shall carry out any necessary maintenance (whether Permitted Maintenance or Emergency Maintenance) where it reasonably suspects that the IT Environment or the Services or any part thereof has or may have developed a fault. Any such maintenance shall be carried out in such a manner and at such times so as to avoid (or where this is not possible so as to minimise) disruption to the IT Environment and the Services.

SECTION C – PAYMENT, TAXATION AND VALUE FOR MONEY PROVISIONS

10 FINANCIAL AND TAXATION MATTERS

Charges and Invoicing

10.1 In consideration of the Supplier carrying out its obligations under this Contract, including the provision of the Services, the Authority shall pay the Charges to the Supplier in accordance with the pricing and payment profile and the invoicing procedure specified in Schedule 15 (*Charges and Invoicing*).

10.2 Except as otherwise provided, each Party shall each bear its own costs and expenses incurred in respect of compliance with its obligations under Clauses 6.5 (*Testing and Achievement of Milestones*), 12 (*Records, Reports and Audits*), 20 (*Transparency and Freedom of Information*), 21 (*Protection of Personal Data*) and, to the extent specified therein, Clause 27 (*Step-In Rights*).

10.3 If the Authority fails to pay any undisputed Charges properly invoiced under this Contract, the Supplier shall have the right to charge interest on the overdue amount at the applicable rate under the Late Payment of Commercial Debts (Interest) Act 1998, accruing on a daily basis from the due date up to the date of actual payment, whether before or after judgment.

10.4 The Supplier shall remain responsible for the payment of all taxes imposed on it, resulting from the supply of the Services under or in connection with the Contract, including interest and penalties thereon and additions thereto.

VAT

10.5 The Charges are stated exclusive of VAT, which shall be added at the prevailing rate as applicable and paid by the Authority following delivery of a valid VAT invoice.

10.6 The Supplier shall indemnify the Authority on a continuing basis against any liability, including any interest, penalties or costs incurred, that is levied, demanded or assessed on the Authority at any time in respect of the Supplier's failure to account for or to pay any VAT relating to payments made to the Supplier under this Contract. Any amounts due under this Clause 10.6 shall be paid in cleared funds by the Supplier to the Authority not less than 5 Working Days before the date upon which the tax or other liability is payable by the Authority.

Set-off and Withholding

10.7 The Authority may set off any amount owed by the Supplier to the Crown or any part of the Crown (including the Authority) against any amount due to the Supplier under this Contract or under any other agreement between the Supplier and the Authority.

10.8 If the Authority wishes to:

(a) set off any amount owed by the Supplier to the Crown or any part of the Crown (including the Authority) against any amount due to the Supplier pursuant to Clause 10.7; or

(b) exercise its right pursuant to Clause 7.2(d)(ii) (*Performance Failures*) to withhold payment of a proportion of the Service Charges,

it shall give notice to the Supplier within 30 days of receipt of the relevant invoice, setting out the Authority's reasons for withholding or retaining the relevant Charges.

Financial Distress

10.9 The Parties shall comply with the provisions of Schedule 18 (*Financial Distress*) in relation to the assessment of the financial standing of the Supplier and other specified entities and the consequences of a change to that financial standing.

Promoting Tax Compliance

10.10 If, at any point during the Term, an Occasion of Tax Non-Compliance occurs, the Supplier shall:

(a) notify the Authority in writing of such fact within 5 Working Days of its occurrence; and

(b) promptly provide to the Authority:

(i) details of the steps which the Supplier is taking to address the Occasion of Tax Non-Compliance and to prevent the same from recurring, together with any mitigating factors that it considers relevant; and

(ii) such other information in relation to the Occasion of Tax Non-Compliance as the Authority may reasonably require.

SECTION D – CONTRACT GOVERNANCE

11 GOVERNANCE

11.1 The Parties shall comply with the provisions of Schedule 21 (*Governance*) in relation to the management and governance of this Contract.

Representatives

11.2 Each Party shall have a representative for the duration of this Contract who shall have the authority to act on behalf of their respective Party on the matters set out in, or in connection with, this Contract.

11.3 The initial Supplier Representative shall be the person named as such in Schedule 29 (*Key Personnel*). Any change to the Supplier Representative shall be agreed in accordance with Clause 14 (*Supplier Personnel*).

11.4 The Authority shall notify the Supplier of the identity of the initial Authority Representative within 5 Working Days of the Effective Date. The Authority may, by written notice to the Supplier, revoke or amend the authority of the Authority Representative or appoint a new Authority Representative.

12 RECORDS, REPORTS AND AUDITS

12.1 The Supplier shall comply with the provisions of Schedule 24 (*Reports and Records Provisions*) in relation to the maintenance and retention of Records.

12.2 The Parties shall comply with the provisions of:

(a) Part A of Schedule 19 (*Financial Reports and Audit Rights*) in relation to the maintenance of Open Book Data;

(b) Part B of Schedule 19 (*Financial Reports and Audit Rights*) in relation to the provision of the Financial Reports; and

(c) Part C of Schedule 19 (*Financial Reports and Audit Rights*) in relation to the exercise of the Audit Rights by the Authority or any Audit Agents.

13 CHANGE

Change Control Procedure

13.1 Any requirement for a Change shall be subject to the Change Control Procedure.

Change in Law

13.2 The Supplier shall neither be relieved of its obligations to supply the Services in accordance with the terms and conditions of this Contract nor be entitled to an increase in the Charges as the result of:

(a) a General Change in Law; or

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

13.3 If a Specific Change in Law occurs or will occur during the Term (other than as referred to in Clause 13.2(b)), the Supplier shall:

(a) notify the Authority as soon as reasonably practicable of the likely effects of that change, including:

(i) whether any Change is required to the Services, the Charges or this Contract; and

(ii) whether any relief from compliance with the Supplier's obligations is required, including any obligation to Achieve a Milestone and/or to meet the Target Performance Levels; and

(b) provide the Authority with evidence:

(i) that the Supplier has minimised any increase in costs or maximised any reduction in costs, including in respect of the costs of its Sub-contractors;

(ii) as to how the Specific Change in Law has affected the cost of providing the Services; and

(iii) demonstrating that any expenditure that has been avoided, for example which would have been required under the provisions of Clause 8 (*Services Improvement*), has been taken into account in amending the Charges.

13.4 Any variation in the Charges or relief from the Supplier's obligations resulting from a Specific Change in Law (other than as referred to in Clause 13.2(b)) shall be implemented in accordance with the Change Control Procedure.

SECTION E – SUPPLIER PERSONNEL AND SUPPLY CHAIN

14 SUPPLIER PERSONNEL

14.1 The Supplier shall:

(a) provide in advance of any admission to Authority Premises a list of the names of all Supplier Personnel requiring such admission, specifying the capacity in which they require admission and giving such other particulars as the Authority may reasonably require;

(b) ensure that all Supplier Personnel:

(i) are appropriately qualified, trained and experienced to provide the Services with all reasonable skill, care and diligence;

(ii) are vetted (prior to their engagement in delivering the Services) in accordance with Good Industry Practice and, where applicable, the security requirements set out in Schedule 2 (*Services Description*) and Schedule 5 (*Security Management*); and

(iii) comply with all reasonable requirements of the Authority concerning conduct at the Authority Premises, including the security requirements as set out in Schedule 5 (*Security Management*);

(c) subject to Schedule 28 (*Staff Transfer*), retain overall control of the Supplier Personnel at all times so that the Supplier Personnel shall not be deemed to be employees, agents or contractors of the Authority;

(d) be liable at all times for all acts or omissions of Supplier Personnel, so that any act or omission of a member of any Supplier Personnel which results in a Default under this Contract shall be a Default by the Supplier;

(e) use all reasonable endeavours to minimise the number of changes in Supplier Personnel;

(f) replace (temporarily or permanently, as appropriate) any Supplier Personnel as soon as practicable if any Supplier Personnel have been removed or are unavailable for any reason whatsoever;

(g) bear the programme familiarisation and other costs associated with any replacement of any Supplier Personnel; and

(h) procure that the Supplier Personnel shall vacate the Authority Premises immediately upon the termination or expiry of this Contract.

14.2 If the Authority reasonably believes that any of the Supplier Personnel are unsuitable to undertake work in respect of this Contract, it may:

(a) refuse admission to the relevant person(s) to the Authority Premises; and/or

(b) direct the Supplier to end the involvement in the provision of the Services of the relevant person(s).

Key Personnel

14.3 The Supplier shall ensure that the Key Personnel fulfil the Key Roles at all times during the Term. Schedule 29 (*Key Personnel*) lists the Key Roles and names of the persons who the Supplier shall appoint to fill those Key Roles at the Effective Date.

14.4 The Authority may identify any further roles as being Key Roles and, following agreement to the same by the Supplier, the relevant person selected to fill those Key Roles shall be included on the list of Key Personnel.

14.5 The Authority may, acting reasonably, require the removal of any member of Key Personnel it considers to be performing their role in respect of the delivery of the Services in an unsatisfactory manner.

14.6 The Supplier shall not remove or replace any Key Personnel (including when carrying out Exit Management) unless:

(a) requested to do so by the Authority;

(b) required by the Authority pursuant to clause 14.5;

(c) the person concerned resigns, retires or dies or is on maternity leave, paternity leave or shared parental leave or long-term sick leave;

(d) the person's employment or contractual arrangement with the Supplier or a Sub-contractor is terminated for material breach of contract by the employee; or

(e) the Supplier obtains the Authority's prior written consent (such consent not to be unreasonably withheld or delayed).

14.7 The Supplier shall:

(a) notify the Authority promptly of the absence of any Key Personnel (other than for short-term sickness or holidays of 2 weeks or less, in which case the Supplier shall ensure appropriate temporary cover for that Key Role);

(b) ensure that any Key Role is not vacant for any longer than 10 Working Days;

(c) give as much notice as is reasonably practicable of its intention to remove or replace any member of Key Personnel and, except in the

cases of death, unexpected ill health or a material breach of the Key Personnel's employment contract, this will mean at least 60 Working Days' notice;

(d) ensure that all arrangements for planned changes in Key Personnel provide adequate periods during which incoming and outgoing personnel work together to transfer responsibilities and ensure that such change does not have an adverse impact on the performance of the Services; and

(e) ensure that any replacement for a Key Role:

(i) has a level of qualifications and experience appropriate to the relevant Key Role; and

(ii) is fully competent to carry out the tasks assigned to the Key Personnel whom he or she has replaced.

Employment Indemnity

14.8 The Parties agree that:

(a) the Supplier shall both during and after the Term indemnify the Authority against all Employee Liabilities that may arise as a result of any claims brought against the Authority by any person where such claim arises from any act or omission of the Supplier or any Supplier Personnel; and

(b) the Authority shall both during and after the Term indemnify the Supplier against all Employee Liabilities that may arise as a result of any claims brought against the Supplier by any person where such claim arises from any act or omission of the Authority or any of the Authority's employees, agents, consultants and contractors.

Income Tax and National Insurance Contributions

14.9 Where the Supplier or any Supplier Personnel are liable to be taxed in the UK or to pay national insurance contributions in respect of consideration received under this Contract, the Supplier shall:

(a) at all times comply with the Income Tax (Earnings and Pensions) Act 2003 and all other statutes and regulations relating to income tax, and the Social Security Contributions and Benefits Act 1992 and all other statutes and regulations relating to national insurance contributions, in respect of that consideration; and

(b) indemnify the Authority against any income tax, national insurance and social security contributions and any other liability, deduction, contribution, assessment or claim arising from or made in connection with the provision of the Services by the Supplier or any Supplier Personnel.

Staff Transfer

14.10 The Parties shall comply with the provisions of Schedule 28 (*Staff Transfer*) in relation to its subject matter.

15 SUPPLY CHAIN RIGHTS AND PROTECTIONS

Advertising Sub-contract Opportunities

15.1 The Supplier shall:

(a) subject to Clauses 15.3 and 15.4, advertise on Contracts Finder all Sub-contract opportunities arising from or in connection with the provision of the Services above a minimum threshold [redacted] that arise during the Term;

(b) within 30 days of awarding a Sub-contract to a Sub-contractor, update the notice on Contracts Finder with details of the successful Sub-contractor;

(c) monitor the number, type and value of the Sub-contract opportunities placed on Contracts Finder advertised and awarded in its supply chain during the Term;

(d) provide reports on the information at Clause 15.1(c) to the Authority in the format and frequency as reasonably specified by the Authority; and

(e) promote Contracts Finder to its suppliers and encourage those organisations to register on Contracts Finder.

15.2 Each advert referred to in Clause 15.1 above shall provide a full and detailed description of the Sub-contract opportunity with each of the mandatory fields being completed on Contracts Finder by the Supplier.

15.3 The obligation at Clause 15.1 shall only apply in respect of Sub-contract opportunities arising after the Effective Date.

15.4 Notwithstanding Clause 15.1 the Authority may, by giving its prior written approval, agree that a Sub-contract opportunity is not required to be advertised on Contracts Finder.

Appointment of Sub-contractors

15.5 The Supplier shall exercise due skill and care in the selection and appointment of any Sub-contractors to ensure that the Supplier is able to:

(a) manage any Sub-contractors in accordance with Good Industry Practice;

(b) comply with its obligations under this Contract in the delivery of the Services; and

(c) assign, novate or otherwise transfer to the Authority or any Replacement Supplier any of its rights and/or obligations under each Sub-contract that relates exclusively to this Contract.

15.6 Prior to sub-contracting any of its obligations under this Contract, the Supplier shall notify the Authority in writing of:

(a) the proposed Sub-contractor's name, registered office and company registration number;

(b) the scope of any Services to be provided by the proposed Sub-contractor; and

(c) where the proposed Sub-contractor is an Affiliate of the Supplier, evidence that demonstrates to the reasonable satisfaction of the Authority that the proposed Sub-contract has been agreed on "arm's-length" terms.

15.7 If requested by the Authority within 10 Working Days of receipt of the Supplier's notice issued pursuant to Clause 15.6, the Supplier shall also provide:

(a) a copy of the proposed Sub-contract; and

(b) any further information reasonably requested by the Authority.

15.8 The Authority may, within 10 Working Days of receipt of the Supplier's notice issued pursuant to Clause 15.6 (or, if later, receipt of any further information requested pursuant to Clause 15.7), object to the appointment of the relevant Sub-contractor if it considers that:

(a) the appointment of a proposed Sub-contractor may prejudice the provision of the Services and/or may be contrary to the interests of the Authority;

(b) the proposed Sub-contractor is unreliable and/or has not provided reasonable services to its other customers;

(c) the proposed Sub-contractor employs unfit persons; and/or

(d) the proposed Sub-contractor should be excluded in accordance with Clause 15.23 (*Termination of sub-contracts*);

in which case, the Supplier shall not proceed with the proposed appointment.

15.9 If:

(a) the Authority has not notified the Supplier that it objects to the proposed Sub-contractor's appointment by the later of 10 Working Days of receipt of:

(i) the Supplier's notice issued pursuant to Clause 15.6; and

(ii) any further information requested by the Authority pursuant to Clause 15.7; and

(b) the proposed Sub-contract is not a Key Sub-contract (which shall require the written consent of the Authority in accordance with Clause 15.10 (*Appointment of Key Sub-contractors*),

the Supplier may proceed with the proposed appointment and, where the Sub-contract is entered into exclusively for the purpose of delivery of the Services, may notify the Authority that the relevant Sub-contract shall constitute a Third Party Contract for the purposes of Schedule 11 (*Third Party Contracts*).

Appointment of Key Sub-contractors

15.10 Where the Supplier wishes to enter into a Key Sub-contract or replace a Key Sub-contractor, it must obtain the prior written consent of the Authority, such consent not to be unreasonably withheld or delayed. For these purposes, the Authority may withhold its consent to the appointment of a Key Sub-contractor if it reasonably considers that:

(a) the appointment of a proposed Key Sub-contractor may prejudice the provision of the Services or may be contrary to the interests of the Authority;

(b) the proposed Key Sub-contractor is unreliable and/or has not provided reasonable services to its other customers; and/or

(c) the proposed Key Sub-contractor employs unfit persons; and/or

(d) the proposed Key Sub-contractor should be excluded in accordance with Clause 15.23 (*Termination of sub-contracts*).

15.11 The Authority consents to the appointment of the Key Sub-contractors listed in Schedule 10 (*Notified Key Sub-contractors*).

15.12 Except where the Authority has given its prior written consent, the Supplier shall ensure that each Key Sub-contract shall include:

(a) provisions which will enable the Supplier to discharge its obligations under this Contract;

(b) a right under CRTPA for the Authority to enforce any provisions under the Key Sub-contract which are capable of conferring a benefit upon the Authority;

(c) a provision enabling the Authority to enforce the Key Sub-contract as if it were the Supplier;

(d) a provision enabling the Supplier to assign, novate or otherwise transfer any of its rights and/or obligations under the Key Sub-contract to the Authority or any Replacement Supplier without restriction (including any need to obtain any consent or approval) or payment by the Authority;

(e) obligations no less onerous on the Key Sub-contractor than those imposed on the Supplier under this Contract in respect of:

(i) data protection requirements set out in Clauses 18 (Authority *Data and Security Requirements*) and 21 (*Protection of Personal Data*);

(ii) FOIA requirements set out in Clause 20 (*Transparency and Freedom of Information*);

(iii) the obligation not to embarrass the Authority or otherwise bring the Authority into disrepute set out in Clause 5.6(m) (*Services*);

(iv) the keeping of records in respect of the services being provided under the Key Sub-contract, including the maintenance of Open Book Data; and

(v) the conduct of Audits set out in Part C of Schedule 19 (*Financial Reports and Audit Rights*);

(f) provisions enabling the Supplier to terminate the Key Sub-contract on notice on terms no more onerous on the Supplier than those imposed on the Authority under Clauses 30.1(a) (*Termination by the Authority*) and 31.5 (*Payments by the Authority*) of this Contract;

(g) a provision restricting the ability of the Key Sub-contractor to sub-contract all or any part of the services provided to the Supplier under the Key Sub-contract without first seeking the written consent of the Authority;

(h) a provision enabling the Supplier, the Authority or any other person on behalf of the Authority to step-in on substantially the same terms as are set out in Clause 27 (*Step-in Rights*);

(i) a provision requiring the Key Sub-contractor to participate in, and if required by the Authority in the relevant Multi-Party Procedure Initiation Notice to procure the participation of all or any of its Sub-contractors in, the Multi-Party Dispute Resolution Procedure; and

(j) a provision requiring the Key Sub-contractor to:

(i) promptly notify the Supplier and the Authority in writing of any of the following of which it is, or ought to be, aware:

(A) the occurrence of a Financial Distress Event in relation to the Key Sub-contractor; or

(B) any fact, circumstance or matter of which it is aware which could cause the occurrence of a Financial Distress Event in relation to the Key Sub-contractor,

and in any event, provide such notification within 10 Working Days of the date on which the Key Sub-contractor first becomes aware of such); and

(ii) co-operate with the Supplier and the Authority in order to give full effect to the provisions of Schedule 18 (*Financial Distress*), including meeting with the Supplier and the Authority to discuss and review the effect of the Financial Distress Event on the continued performance and delivery of the Services, and contributing to and complying with the Financial Distress Remediation Plan, and providing the information specified at Paragraph 4.3(b)(ii) of Schedule 18 (*Financial Distress*).

15.13 The Supplier shall not terminate or materially amend the terms of any Key Sub-contract without the Authority's prior written consent, which shall not be unreasonably withheld or delayed.

Supply chain protection

15.14 The Supplier shall ensure that all Sub-contracts (which in this Sub-Clause means any contract in the Supplier's supply chain entered into after the Effective Date made wholly or substantially for the purpose of performing or contributing to the performance of the whole or any part of this Contract) contain provisions:

(a) giving the Supplier a right to terminate the Sub-contract if the Sub-contractor fails to comply in the performance of the Sub-contract with legal obligations in the fields of environmental, social or labour Law;

(b) requiring the Supplier or other party receiving goods or services under the contract to consider and verify invoices under that contract in a timely fashion;

(c) that if the Supplier or other party fails to consider and verify an invoice in accordance with Clause 15.14(b), the invoice shall be regarded as valid and undisputed for the purpose of Clause 15.14(d) after a reasonable time has passed;

(d) requiring the Supplier or other party to pay any undisputed sums which are due from it to the Sub-contractor within a specified period not exceeding 30 days of verifying that the invoice is valid and undisputed;

(e) giving the Authority a right to publish the Supplier's compliance with its obligation to pay undisputed invoices within the specified payment period; and

(f) requiring the Sub-contractor to include a clause to the same effect as this Clause 15.14 in any contracts it enters into wholly or substantially for the purpose of performing or contributing to the performance of the whole or any part of this Contract.

15.15 The Supplier shall take reasonable endeavours to ensure that all Sub-contracts (which in this Sub-Clause means any contract in the Supplier's supply chain entered into before the Effective Date made wholly or

substantially for the purpose of performing or contributing to the performance of the whole or any part of this Contract) contain provisions:

(a) giving the Supplier a right to terminate the Sub-contract if the Sub-contractor fails to comply in the performance of the Sub-contract with legal obligations in the fields of environmental, social or labour Law;

(b) requiring the Supplier or other party receiving goods or services under the contract to consider and verify invoices under that contract in a timely fashion;

(c) that if the Supplier or other party fails to consider and verify an invoice in accordance with Clause 15.15(b), the invoice shall be regarded as valid and undisputed for the purpose of Clause 15.15(d) after a reasonable time has passed;

(d) requiring the Supplier or other party to pay any undisputed sums which are due from it to the Sub-contractor within a specified period not exceeding 30 days of verifying that the invoice is valid and undisputed;

(e) giving the Authority a right to publish the Supplier's compliance with its obligation to pay undisputed invoices within the specified payment period; and

(f) requiring the Sub-contractor to include a clause to the same effect as this Clause 15.15 in any contracts it enters into wholly or substantially for the purpose of performing or contributing to the performance of the whole or any part of this Contract.

15.16 The Supplier shall:

(a) pay any undisputed sums which are due from it to a Sub-contractor within 30 days of verifying that the invoice is valid and undisputed;

(b) include within the Balanced Scorecard Report produced by it pursuant to Schedule 3 (*Performance Levels*) a summary of its compliance with Clause 15.16(a), such data to be certified each Quarter by a director of the Supplier as being accurate and not misleading.

15.17 Without prejudice to Clause 15.16(a), the Supplier shall:

(a) pay any sums which are due from it to any Sub-contractor or Unconnected Sub-contractor pursuant to any invoice (or other notice of an amount for payment) on the earlier of:

(i) the date set out for payment in the relevant Sub-contract or Unconnected Sub-contract; or

(ii) the date that falls 60 days after the day on which the Supplier receives an invoice (or otherwise has notice of an amount for payment); and

(b) include within the Balanced Scorecard Report produced by it pursuant to Schedule 3 (Performance Levels) a summary of its compliance with Clause 15.17(a), such data to be certified every 6 months by a director of the Supplier as being accurate and not misleading.

15.18 If any Balanced Scorecard Report shows that in either of the last two 6 month periods the Supplier failed to pay 95% or above of all Sub-contractor or Unconnected Sub-contractor invoices (or other notice of an amount for payment) within 60 days of receipt, the Supplier shall upload to the Virtual Library within 15 Working Days of submission of the latest Balanced Scorecard Report an action plan (the "**Action Plan**") for improvement. The Action Plan shall include, but not be limited to, the following:

(a) identification of the primary causes of failure to pay 95% or above of all Sub-contractor or Unconnected Sub-contractor invoices (or other notice of an amount for payment) within 60 days of receipt;

(b) actions to address each of the causes set out in Clause 15.18(a); and

(c) mechanism for and commitment to regular reporting on progress to the Supplier's Board.

15.19 The Action Plan shall be certificated by a director of the Supplier.

15.20 Where the Supplier fails to pay any sums due to any Sub-contractor or Unconnected Sub-contractor in accordance with the terms set out in the relevant Sub-contract or Unconnected Sub-contract, the Action Plan shall include details of the steps the Supplier will take to address this.

15.21 The Supplier shall comply with the Action Plan or any similar action plan connected to the payment of Sub-contractors or Unconnected Sub-contractors which is required to be submitted to the Authority as part of the procurement process and such action plan shall be included as part of the Supplier's Solution (to the extent it is not already included).

15.22 Notwithstanding any provision of Clauses 19 (*Confidentiality*) and 22 (*Publicity and Branding*), if the Supplier notifies the Authority (whether in a Balanced Scorecard Report or otherwise) that the Supplier has failed to pay a Sub-contractor's undisputed invoice within 30 days of receipt or that it has failed to pay 95% or above of its Sub-Contractors or Unconnected Sub-contractors within 60 days after the day on which the Supplier receives an invoice or otherwise has notice of an amount for payment, or the Authority otherwise discovers the same, the Authority shall be entitled to publish the details of the late or non-payment (including on government websites and in the press).

Termination of Sub-contracts

15.23 The Authority may require the Supplier to terminate:

(a) a Sub-contract where:

(i) the acts or omissions of the relevant Sub-contractor have caused or materially contributed to the Authority's right of termination pursuant to Clause 30.1(b) (*Termination by the Authority*);

(ii) the relevant Sub-contractor or any of its Affiliates have embarrassed the Authority or otherwise brought the Authority into disrepute by engaging in any act or omission which is reasonably likely to diminish the trust that the public places in the Authority, regardless of whether or not such act or omission is related to the Sub-contractor's obligations in relation to the Services or otherwise;

(iii) the relevant Sub-contractor has failed to comply in the performance of its Sub-contract with legal obligations in the fields of environmental, social or labour law; and/or

(iv) the Authority has found grounds for exclusion of the Sub-contractor in accordance with Clause 15.27; and

(b) a Key Sub-contract where there is a change of Control of the relevant Key Sub-contractor, unless:

(i) the Authority has given its prior written consent to the particular change of Control, which subsequently takes place as proposed; or

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

Competitive Terms

15.24 If the Authority is able to obtain from any Sub-contractor or any other third party (on a like-for-like basis) more favourable commercial terms with respect to the supply of any goods, software or services used by the Supplier or the Supplier Personnel in the supply of the Services, then the Authority may require the Supplier to replace its existing commercial terms with that person with the more favourable commercial terms obtained by the Authority in respect of the relevant item.

15.25 If the Authority exercises its option pursuant to Clause 15.24, then the Charges shall be reduced by an amount that is agreed in accordance with the Change Control Procedure.

Retention of Legal Obligations

15.26 Notwithstanding the Supplier's right to sub-contract pursuant to this Clause 15, the Supplier shall remain responsible for all acts and omissions of its Sub-contractors and the acts and omissions of those employed or engaged by the Sub-contractors as if they were its own. In respect of any element of the Services delivered by Supplier Personnel and/or which are sub-contracted by

the Supplier, an obligation on the Supplier to do or to refrain from doing any act or thing under this Contract, shall include an obligation on the Supplier to procure that the Supplier Personnel and the Sub-contractor also do or refrain from doing such act or thing in their delivery of those elements of the Services.

Exclusion of Sub-contractors

15.27 Where the Authority considers whether there are grounds for the exclusion of a Sub-contractor under Regulation 57 of the Public Contracts Regulations 2015, then:

(a) if the Authority finds there are compulsory grounds for exclusion, the Supplier shall replace or shall not appoint the Sub-contractor;

(b) if the Authority finds there are non-compulsory grounds for exclusion, the Authority may require the Supplier to replace or not to appoint the Sub-contractor and the Supplier shall comply with such a requirement.

Reporting SME/VCSE Sub-contracts

15.28 In addition to any other Management Information requirements set out in this Contract, the Supplier agrees that it shall, at no charge, provide timely, full, accurate and complete Supply Chain Transparency Reports to the Authority 30 days prior to the of the end of each financial year by providing all of the information described in the Supply Chain Transparency Information Template in the format set out in the Schedule 24 (*Reports and Records Provisions*) Annex 4 and in accordance with any guidance issued by the Authority from time to time.

15.29 The Authority may update the Supply Chain Transparency Information Template from time to time (including the data required and/or format) by issuing a replacement version with at least 30 days' notice and specifying the date from which it must be used.

SECTION F – INTELLECTUAL PROPERTY, DATA AND CONFIDENTIALITY

16 INTELLECTUAL PROPERTY RIGHTS

16.1 The Parties agree that the terms set out in Schedule 32 (*Intellectual Property Rights*) shall apply to this Contract.

17 IPRs INDEMNITY

17.1 The Supplier shall at all times, during and after the Term, on written demand indemnify the Authority and each other Indemnified Person, and keep the Authority and each other Indemnified Person indemnified, against all Losses incurred by, awarded against or agreed to be paid by an Indemnified Person arising from an IPRs Claim.

17.2 If an IPRs Claim is made, or the Supplier anticipates that an IPRs Claim might be made, the Supplier may, at its own expense and sole option, either:

(a) procure for the Authority or other relevant Indemnified Person the right to continue using the relevant item which is subject to the IPRs Claim; or

(b) replace or modify the relevant item with non-infringing substitutes provided that:

(i) the performance and functionality of the replaced or modified item is at least equivalent to the performance and functionality of the original item;

(ii) the replaced or modified item does not have an adverse effect on any other services or the IT Environment;

(iii) there is no additional cost to the Authority or relevant Indemnified Person (as the case may be); and

(iv) the terms and conditions of this Contract shall apply to the replaced or modified Services.

17.3 If the Supplier elects to procure a licence in accordance with Clause 17.2(a) or to modify or replace an item pursuant to Clause 17.2(b), but this has not avoided or resolved the IPRs Claim, then:

(a) the Authority may terminate this Contract (if subsisting) with immediate effect by written notice to the Supplier; and

(b) without prejudice to the indemnity set out in Clause 17.1, the Supplier shall be liable for all reasonable and unavoidable costs of the substitute items and/or services including the additional costs of procuring, implementing and maintaining the substitute items.

18 AUTHORITY DATA AND SECURITY REQUIREMENTS

18.1 The Supplier shall not delete or remove any proprietary notices contained within or relating to the Authority Data.

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

18.3 To the extent that Authority Data is held and/or processed by the Supplier, the Supplier shall supply that Authority Data to the Authority as requested by the Authority in the format requested by the Authority.

18.4 The Supplier shall preserve the integrity of Authority Data and prevent the corruption or loss of Authority Data at all times that the relevant Authority Data is under its control or the control of any Sub-contractor.

18.5 The Supplier shall perform secure back-ups of all Authority Data and shall ensure that up-to-date back-ups are stored off-site in accordance with the IT Service Continuity Management Plan. The Supplier shall ensure that such back-ups are available to the Authority (or to such other person as the Authority may direct) at all times upon request and are delivered to the Authority at no less than 6 monthly intervals (or such other intervals as may be agreed in writing between the Parties).

18.6 The Supplier shall ensure that any system on which the Supplier holds any Authority Data, including back-up data, is a secure system that complies with the Security Requirements.

18.7 If the Authority Data is corrupted, lost or sufficiently degraded as a result of the Supplier's Default so as to be unusable, the Authority may:

(a) Require the Supplier (at the Supplier's expense) to restore or procure the restoration of Authority Data to the extent and in accordance with the requirements specified in Schedule 26 (*IT Service Continuity Management Plan and Corporate Resolution Planning*) and the Supplier shall do so as soon as practicable but not later than 5 Working Days from the date of receipt of the Authority's notice; and/or

(b) Itself restore or procure the restoration of Authority Data, and shall be repaid by the Supplier any reasonable expenses incurred in doing so to the extent and in accordance with the requirements specified in Schedule 26 (*IT Service Continuity Management Plan and Corporate Resolution Planning*).

18.8 If at any time the Supplier suspects or has reason to believe that Authority Data has or may become corrupted, lost or sufficiently degraded in any way for any reason, then the Supplier shall notify the Authority immediately and inform the Authority of the remedial action the Supplier proposes to take.

18.9 The Supplier shall comply with the requirements of Schedule 5 (*Security Management*).

18.10 The Authority shall notify the Supplier of any changes or proposed changes to the Baseline Security Requirements.

18.11 If the Supplier believes that a change or proposed change to the Baseline Security Requirements will have a material and unavoidable cost implication to the Services it may submit a Change Request. In doing so, the Supplier must support its request by providing evidence of the cause of any increased costs and the steps that it has taken to mitigate those costs. Any change to the Charges shall then be agreed in accordance with the Change Control Procedure.

18.12 Until and/or unless a change to the Charges is agreed by the Authority pursuant to Clause 18.11 the Supplier shall continue to perform the Services in accordance with its existing obligations.

19 CONFIDENTIALITY

19.1 For the purposes of this Clause 19, the term "**Disclosing Party**" shall mean a Party which discloses or makes available directly or indirectly its Confidential Information and "**Recipient**" shall mean the Party which receives or obtains directly or indirectly Confidential Information.

19.2 Except to the extent set out in this Clause 19 or where disclosure is expressly permitted elsewhere in this Contract, the Recipient shall:

(a) treat the Disclosing Party's Confidential Information as confidential and keep it in secure custody (which is appropriate depending upon the form in which such materials are stored and the nature of the Confidential Information contained in those materials);

(b) not disclose the Disclosing Party's Confidential Information to any other person except as expressly set out in this Contract or without obtaining the owner's prior written consent;

(c) not use or exploit the Disclosing Party's Confidential Information in any way except for the purposes anticipated under this Contract; and

(d) immediately notify the Disclosing Party if it suspects or becomes aware of any unauthorised access, copying, use or disclosure in any form of any of the Disclosing Party's Confidential Information.

19.3 The Recipient shall be entitled to disclose the Confidential Information of the Disclosing Party where:

(a) the Recipient is required to disclose the Confidential Information by Law, provided that Clause 20 (*Transparency and Freedom of Information*) shall apply to disclosures required under the FOIA or the EIRs;

(b) the need for such disclosure arises out of or in connection with:

(i) any legal challenge or potential legal challenge against the Authority arising out of or in connection with this Contract;

(ii) the examination and certification of the Authority's accounts (provided that the disclosure is made on a confidential basis)

or for any examination pursuant to section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority is making use of any Services provided under this Contract; or

(iii) the conduct of a Central Government Body review in respect of this Contract; or

(c) the Recipient has reasonable grounds to believe that the Disclosing Party is involved in activity that may constitute a criminal offence under the Bribery Act 2010 and the disclosure is being made to the Serious Fraud Office.

19.4 If the Recipient is required by Law to make a disclosure of Confidential Information, the Recipient shall as soon as reasonably practicable and to the extent permitted by Law notify the Disclosing Party of the full circumstances of the required disclosure including the relevant Law and/or regulatory body requiring such disclosure and the Confidential Information to which such disclosure would apply.

19.5 The Supplier may disclose the Confidential Information of the Authority on a confidential basis only to:

(a) Supplier Personnel who are directly involved in the provision of the Services and need to know the Confidential Information to enable performance of the Supplier's obligations under this Contract;

(b) its auditors; and

(c) its professional advisers for the purposes of obtaining advice in relation to this Contract.

Where the Supplier discloses Confidential Information of the Authority pursuant to this Clause 19.5, it shall remain responsible at all times for compliance with the confidentiality obligations set out in this Contract by the persons to whom disclosure has been made.

19.6 The Authority may disclose the Confidential Information of the Supplier:

(a) on a confidential basis to any Central Government Body for any proper purpose of the Authority or of the relevant Central Government 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) on a confidential basis to a professional adviser, consultant, supplier or other person engaged by any of the entities described in Clause 19.6(a) (including any benchmarking organisation) for any purpose relating to or connected with this Contract;

(e) on a confidential basis for the purpose of the exercise of its rights under this Contract, including the Audit Rights, its step-in rights pursuant to Clause 27 (*Step-In Rights*), and its Exit Management rights; or

(f) on a confidential basis to a proposed Successor Body in connection with any assignment, novation or disposal of any of its rights, obligations or liabilities under this Contract,

and for the purposes of the foregoing, references to disclosure on a confidential basis shall mean disclosure subject to a confidentiality agreement or arrangement containing terms no less stringent than those placed on the Authority under this Clause 19.

19.7 Nothing in this Clause 19 shall prevent a Recipient from using any techniques, ideas or know-how gained during the performance of this Contract in the course of its normal business to the extent that this use does not result in a disclosure of the Disclosing Party's Confidential Information or an infringement of Intellectual Property Rights.

20 TRANSPARENCY AND FREEDOM OF INFORMATION

20.1 The Parties acknowledge that:

(a) the Transparency Reports;

(b) the content of this Contract, including any changes to this Contract agreed from time to time, except for –

(i) any information which is exempt from disclosure in accordance with the provisions of the FOIA, which shall be determined by the Authority; and

(ii) Commercially Sensitive Information; and

(c) the Publishable Performance Information,

(together the "**Transparency Information**") are not Confidential Information.

20.2 Notwithstanding any other provision of this Contract, the Supplier hereby gives its consent for the Authority to publish to the general public the Transparency Information in its entirety (but with any information which is exempt from disclosure in accordance with the provisions of the FOIA redacted). The Authority shall, prior to publication, consult with the Supplier on the manner and format of publication and to inform its decision regarding any redactions but shall have the final decision in its absolute discretion.

20.3 The Supplier shall assist and co-operate with the Authority to enable the Authority to publish the Transparency Information, including the preparation of the Transparency Reports in accordance with Paragraph 1 of Schedule 24 (*Reports and Records Provisions*).

20.4 If the Authority believes that publication of any element of the Transparency Information would be contrary to the public interest, the Authority shall be

entitled to exclude such information from publication. The Authority acknowledges that it would expect the public interest by default to be best served by publication of the Transparency Information in its entirety. Accordingly, the Authority acknowledges that it will only exclude Transparency Information from publication in exceptional circumstances and agrees that where it decides to exclude information from publication it will provide a clear explanation to the Supplier.

20.5 The Authority shall publish the Transparency Information in a format that assists the general public in understanding the relevance and completeness of the information being published to ensure the public obtain a fair view on how the Contract is being performed, having regard to the context of the wider commercial relationship with the Supplier.

20.6 The Supplier agrees that any Information it holds that is not included in the Transparency Reports but is reasonably relevant to or that arises from the provision of the Services shall be provided to the Authority on request unless the cost of doing so would exceed the appropriate limit prescribed under section 12 of the FOIA. The Authority may disclose such information under the FOIA and the EIRs and may (except for Commercially Sensitive Information, Confidential Information (subject to Clause 19.6(c)) and Open Book Data) publish such Information. The Supplier shall provide to the Authority within 5 Working Days (or such other period as the Authority may reasonably specify) any such Information requested by the Authority.

20.7 The Supplier acknowledges that the Authority is subject to the requirements of the FOIA and the EIRs. The Supplier shall:

(a) provide all necessary assistance and cooperation as reasonably requested by the Authority to enable the Authority to comply with its obligations under the FOIA and EIRs;

(b) transfer to the Authority all Requests For Information relating to this Contract that it receives as soon as practicable and in any event within 2 Working Days of receipt;

(c) provide the Authority with a copy of all Information held on behalf of the Authority which is requested in a Request For Information and which is in its possession or control in the form that the Authority requires within 5 Working Days (or such other period as the Authority may reasonably specify) of the Authority's request for such Information; and

(d) not respond directly to a Request For Information addressed to the Authority unless authorised in writing to do so by the Authority.

20.8 The Supplier acknowledges that the Authority may be required under the FOIA and EIRs to disclose Information (including Commercially Sensitive Information) without consulting or obtaining consent from the Supplier. The Authority shall take reasonable steps to notify the Supplier of a Request For Information (in accordance with the Secretary of State's section 45 Code of Practice on the Discharge of the Functions of Public Authorities under Part 1

of the FOIA) to the extent that it is permissible and reasonably practical for it to do so but (notwithstanding any other provision in this Contract) the Authority shall be responsible for determining in its absolute discretion whether any Commercially Sensitive Information and/or any other information is exempt from disclosure in accordance with the FOIA and EIRs.

21 PROTECTION OF PERSONAL DATA

Status of the Controller

21.1 The Parties acknowledge that for the purposes of the Data Protection Legislation, the nature of the activity carried out by each of them in relation to their respective obligations under this Contract will determine the status of each Party under the Data Protection Legislation. A Party may act as:

(a) "Controller" (where the other Party acts as the "Processor");

(b) "Processor" (where the other Party acts as the "Controller");

(c) "Joint Controller" (where both Parties are considered to jointly control the same Personal Data);

(d) "Independent Controller" of the Personal Data where the other Party is also "Controller" of the same Personal Data in its own right (but there is no element of joint control);

and the Parties shall set out in Schedule 31 (*Processing Personal Data*) which scenario or scenarios are intended to apply under this Contract.

Where one Party is Controller and the other Party its Processor

21.2 Where a Party is a Processor, the only processing that it is authorised to do is listed in Schedule 31 (*Processing Personal Data*) by the Controller.

21.3 The Processor shall notify the Controller immediately if it considers that any of the Controller's instructions infringe the Data Protection Legislation.

21.4 The Processor shall provide all reasonable assistance to the Controller in the preparation of any Data Protection Impact Assessment prior to commencing any processing. Such assistance may, at the discretion of the Controller, include:

(a) a systematic description of the envisaged processing operations and the purpose of the processing;

(b) an assessment of the necessity and proportionality of the processing operations in relation to the Services;

(c) an assessment of the risks to the rights and freedoms of Data Subjects; and

(d) the measures envisaged to address the risks, including safeguards, security measures and mechanisms to ensure the protection of Personal Data.

21.5 The Processor shall, in relation to any Personal Data processed in connection with its obligations under this Contract:

(a) process that Personal Data only in accordance with Schedule 31 (*Processing Personal Data*), unless the Processor is required to do otherwise by Law. If it is so required the Processor shall promptly notify the Authority before processing the Personal Data unless prohibited by Law;

(b) ensure that it has in place Protective Measures, including in the case of the Supplier the measures set out in Clause 18 (*Authority Data and Security Requirements*), which the Controller may reasonably reject (but failure to reject shall not amount to approval by the Controller of the adequacy of the Protective Measures) having taken account of the:

(i) nature of the data to be protected;

(ii) harm that might result from a Data Loss Event;

(iii) state of technological development; and

(iv) cost of implementing any measures;

(c) ensure that:

(i) the Processor Personnel do not process Personal Data except in accordance with this Contract (and in particular Schedule 31 (*Processing Personal Data*));

(ii) it takes all reasonable steps to ensure the reliability and integrity of any Processor Personnel who have access to the Personal Data and ensure that they:

(A) are aware of and comply with the Processor's duties under this Clause 21, Clauses 19 (*Confidentiality*) and 18 (*Authority Data and Security Requirements*);

(B) are subject to appropriate confidentiality undertakings with the Processor or any Sub-processor;

(C) are informed of the confidential nature of the Personal Data and do not publish, disclose or divulge any of the Personal Data to any third party unless directed in writing to do so by the Controller or as otherwise permitted by this Contract; and

(D) have undergone adequate training in the use, care, protection and handling of Personal Data;

(d) where the Personal Data is subject to UK GDPR, not transfer such Personal Data outside of the UK unless the prior written consent of the Controller has been obtained and the following conditions are fulfilled:

(i) the transfer is in accordance with Article 45 of the UK GDPR (or section 73 of DPA 2018); or

(ii) the Controller or the Processor has provided appropriate safeguards in relation to the transfer (whether in accordance with Article 46 of the UK GDPR or DPA 2018 Section 75) as determined by the Controller which could include relevant parties entering into the International Data Transfer Agreement or International Data Transfer Agreement Addendum to the European Commission's SCCs as published by the Information Commissioner's Office, as well as any additional measures determined by the Controller;

(iii) the Data Subject has enforceable rights and effective legal remedies;

(iv) the Processor complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the Controller in meeting its obligations); and

(v) the Processor complies with any reasonable instructions notified to it in advance by the Controller with respect to the processing of the Personal Data.

(e) where the Personal Data is subject to EU GDPR, not transfer such Personal Data outside of the EU unless the prior written consent of the Controller has been obtained and the following conditions are fulfilled:

(i) the transfer is in accordance with Article 45 of the EU GDPR; or

(ii) the Controller or the Processor has provided appropriate safeguards in relation to the transfer in accordance with Article 46 of the EU GDPR as determined by the Controller which could include relevant parties entering into Standard Contractual Clauses in the European Commission's decision 2021/914/EU or such updated version of such Standard Contractual Clauses as are published by the European Commission from time to time as well as any additional measures determined by the Controller;

(iii) the Data Subject has enforceable rights and effective legal remedies;

(iv) the Processor complies with its obligations under the EU GDPR by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the Controller in meeting its obligations); and

(v) the Processor complies with any reasonable instructions notified to it in advance by the Controller with respect to the processing of the Personal Data; and

(f) at the written direction of the Controller, delete or return Personal Data (and any copies of it) to the Controller on termination of the Contract unless the Processor is required by Law to retain the Personal Data.

21.6 Subject to Clause 21.7, the Processor shall notify the Controller immediately if it:

(a) receives a Data Subject Request (or purported Data Subject Request);

(b) receives a request to rectify, block or erase any Personal Data;

(c) receives any other request, complaint or communication relating to either Party's obligations under the Data Protection Legislation;

(d) receives any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data processed under this Contract;

(e) receives a request from any third Party for disclosure of Personal Data where compliance with such request is required or purported to be required by Law; or

(f) becomes aware of a Data Loss Event.

21.7 The Processor's obligation to notify under Clause 21.6 shall include the provision of further information to the Controller in phases, as details become available.

21.8 Taking into account the nature of the processing, the Processor shall provide the Controller with reasonable assistance in relation to either Party's obligations under Data Protection Legislation and any complaint, communication or request made under Clause 21.6 (and insofar as possible within the timescales reasonably required by the Controller) including by promptly providing:

(a) the Controller with full details and copies of the complaint, communication or request;

(b) such assistance as is reasonably requested by the Controller to enable it to comply with a Data Subject Request within the relevant timescales set out in the Data Protection Legislation;

(c) the Controller, at its request, with any Personal Data it holds in relation to a Data Subject;

(d) assistance as requested by the Controller following any Data Loss Event; and/or

(e) assistance as requested by the Controller with respect to any request from the Information Commissioner's Office or any other regulatory authority, or any consultation by the Controller with the Information Commissioner's Office or any other regulatory authority.

21.9 The Processor shall maintain complete and accurate records and information to demonstrate its compliance with this Clause 21. This requirement does not apply where the Processor employs fewer than 250 staff, unless:

(a) the Controller determines that the processing is not occasional;

(b) the Controller determines the processing includes special categories of data as referred to in Article 9(1) of the UK GDPR or Personal Data relating to criminal convictions and offences referred to in Article 10 of the UK GDPR; or

(c) the Controller determines that the processing is likely to result in a risk to the rights and freedoms of Data Subjects.

21.10 The Processor shall allow for audits of its Data Processing activity by the Controller or the Controller's designated auditor.

21.11 The Parties shall designate a Data Protection Officer if required by the Data Protection Legislation.

21.12 Before allowing any Sub-processor to process any Personal Data related to this Contract, the Processor must:

(a) notify the Controller in writing of the intended Sub-processor and processing;

(b) obtain the written consent of the Controller;

(c) enter into a written agreement with the Sub-processor which give effect to the terms set out in this Clause 21 such that they apply to the Sub-processor; and

(d) provide the Controller with such information regarding the Sub-processor as the Controller may reasonably require.

21.13 The Processor shall remain fully liable for all acts or omissions of any of its Sub-processors.

21.14 The Authority may, at any time on not less than 30 Working Days' notice, revise this Clause 21 by replacing it with any applicable controller to processor standard clauses or similar terms forming part of an applicable certification scheme (which shall apply when incorporated by attachment to this Contract).

21.15 The Parties agree to take account of any guidance issued by the Information Commissioner's Office. The Authority may on not less than 30 Working Days' notice to the Supplier amend this Contract to ensure that it complies with any guidance issued by the Information Commissioner's Office.

21.16 Subject to Clause 23, the Processor shall indemnify and hold harmless the Controller against all Losses arising from or incurred by reason of any wrongful Processing of any Personal Data by the Processor or breach of the Processor's obligations under this Contract.

Where the Parties are Joint Controllers of Personal Data

21.17 In the event that the Parties are Joint Controllers in respect of Personal Data under this Contract, the Parties shall implement Clauses that are necessary to comply with Article 26 of the UK GDPR based on the terms set out in Annex 1 to Schedule 31 (*Processing Personal Data*).

Where the Parties are Independent Controllers of Personal Data

21.18 With respect to Personal Data provided by one Party to another Party for which each Party acts as Controller but which is not under the Joint Control of the Parties, each Party undertakes to comply with the applicable Data Protection Legislation in respect of their processing of such Personal Data as Controller.

21.19 Each Party shall process the Personal Data in compliance with its obligations under the Data Protection Legislation and not do anything to cause the other Party to be in breach of it.

21.20 Where a Party has provided Personal Data to the other Party in accordance with Clause 21.18, the recipient of the Personal Data will provide all such relevant documents and information relating to its data protection policies and procedures as the other Party may reasonably require.

21.21 The Parties shall be responsible for their own compliance with Articles 13 and 14 of the UK GDPR in respect of the processing of Personal Data for the purposes of this Contract.

21.22 The Parties shall only provide Personal Data to each other:

(a) to the extent necessary to perform the respective obligations under this Contract;

(b) in compliance with the Data Protection Legislation (including by ensuring all required fair processing information has been given to affected Data Subjects);

(c) where the Personal Data is subject to UK GDPR and where the provision of Personal Data from one Party to another involves transfer of such data to outside the UK, if the prior written consent of the non-transferring Party has been obtained and the following conditions are fulfilled:

(i) the transfer is in accordance with Article 45 of the UK GDPR or DPA 2018 Section 73; or

(ii) the transferring Party has provided appropriate safeguards in relation to the transfer (whether in accordance with Article 46 of the UK GDPR or DPA 2018 Section 75) as determined by

the non-transferring Party which could include the International Data Transfer Agreement or International Data Transfer Agreement Addendum to the European Commission's SCCs as published by the Information Commissioner's Office, as well as any additional measures determined by the non-transferring Party;

(iii) the Data Subject has enforceable rights and effective legal remedies;

(iv) the transferring Party complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the non-transferring Party in meeting its obligations); and

(v) the transferring Party complies with any reasonable instructions notified to it in advance by the non-transferring Party with respect to the processing of the Personal Data;

(d) where the Personal Data is subject to EU GDPR and where the provision of Personal Data from one Party to another involves transfer of such data to outside the EU, if the prior written consent of the non-transferring Party has been obtained and the following conditions are fulfilled:

(i) the transfer is in accordance with Article 45 of the EU GDPR; or

(ii) the transferring Party has provided appropriate safeguards in relation to the transfer in accordance with Article 46 of the EU GDPR as determined by the non-transferring Party which could include relevant parties entering into Standard Contractual Clauses in the European Commission's decision 2021/914/EU or such updated version of such Standard Contractual Clauses as are published by the European Commission from time to time as well as any additional measures determined by the non-transferring Party;

(iii) the Data Subject has enforceable rights and effective legal remedies;

(iv) the transferring Party complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the non-transferring Party in meeting its obligations); and

(v) the transferring Party complies with any reasonable instructions notified to it in advance by the non-transferring Party with respect to the processing of the Personal Data; and

(e) where it has recorded it in Schedule 31 (*Processing Personal Data*).

21.23 Taking into account the state of the art, the costs of implementation and the nature, scope, context and purposes of processing as well as the risk of varying likelihood and severity for the rights and freedoms of natural persons, each Party shall, with respect to its processing of Personal Data as independent Controller, implement and maintain appropriate technical and organisational measures to ensure a level of security appropriate to that risk, including, as appropriate, the measures referred to in Article 32(1)(a), (b), (c) and (d) of the UK GDPR, and the measures shall, at a minimum, comply with the requirements of the Data Protection Legislation, including Article 32 of the UK GDPR.

21.24 A Party processing Personal Data for the purposes of this Contract shall maintain a record of its processing activities in accordance with Article 30 of the UK GDPR and shall make the record available to the other Party upon reasonable request.

21.25 Where a Party receives a request by any Data Subject to exercise any of their rights under the Data Protection Legislation in relation to the Personal Data provided to it by the other Party pursuant to this Contract ("**the Request Recipient**"):

(a) the other Party shall provide any information and/or assistance as reasonably requested by the Request Recipient to help it respond to the request or correspondence, at the cost of the Request Recipient; or

(b) where the request or correspondence is directed to the other party and/or relates to the other party's processing of the Personal Data, the Request Recipient will:

(i) promptly, and in any event within 5 Working Days of receipt of the request or correspondence, inform the other party that it has received the same and shall forward such request or correspondence to the other party; and

(ii) provide any information and/or assistance as reasonably requested by the other party to help it respond to the request or correspondence in the timeframes specified by Data Protection Legislation.

21.26 Each party shall promptly notify the other Party upon it becoming aware of any Personal Data Breach relating to Personal Data provided by the other party pursuant to this Contract and shall:

(a) do all such things as reasonably necessary to assist the other Party in mitigating the effects of the Data Breach;

(b) implement any measures necessary to restore the security of any compromised Personal Data;

(c) work with the other Party to make any required notifications to the Information Commissioner's Office or any other regulatory authority and affected Data Subjects in accordance with the Data Protection Legislation (including the timeframes set out therein); and

(d) not do anything which may damage the reputation of the other Party or that Party's relationship with the relevant Data Subjects, save as required by Law.

21.27 Personal Data provided by one Party to the other Party may be used exclusively to exercise rights and obligations under this Contract as specified in Schedule 31 (*Processing Personal Data*).

21.28 Personal Data shall not be retained or processed for longer than is necessary to perform each Party's obligations under this Contract which is specified in Schedule 31 (*Processing Personal Data*).

21.29 Notwithstanding the general application of Clauses 21.2 to 21.15 to Personal Data, where the Supplier is required to exercise its regulatory and/or legal obligations in respect of Personal Data, it shall act as an Independent Controller of Personal Data in accordance with Clause 21.17 to 21.28.

Standard Contractual Clauses

21.30 It is noted that on 28 June 2021 the European Commission made an implementing decision pursuant to Article 45 of the EU GDPR on the adequate protection of personal data by the United Kingdom which contains carve-outs for certain transfers outside of the EU to the UK of certain types of Personal Data (the "**UK Adequacy Decision**"). If any transfer of Personal Data which is subject to EU GDPR pursuant to this Contract is not covered by the UK Adequacy Decision or at any time during the term of the Contract the UK Adequacy Decision is:

21.30.1 withdrawn, invalidated, overruled or otherwise ceases to have effect, or

21.30.2 amended in such a way as to affect the transfers of Personal Data outside of the EU which are contemplated under this Contract,

Clauses 21.31 to 21.32 below shall apply.

21.31 The Parties agree:

21.31.1 that without any further action being required they have entered into the Standard Contractual Clauses in the European Commission's decision 2021/914/EU in respect of data transfers by the Supplier outside of the EU to the UK;

21.31.2 that, where no other appropriate safeguard or exemption applies, that the Personal Data subject to this Contract (and to which Chapter V of the EU GDPR applies) will be transferred in accordance with those Standard Contractual Clauses as of the date the Parties entered into those Standard Contractual Clauses;

21.31.3 to use best endeavours to complete the annexes to the Standard Contractual Clauses promptly and at their own cost for the purpose of giving full effect to them; and

21.31.4 that if there is any conflict between this Contract and the Standard Contractual Clauses the terms of the Standard Contractual Clauses shall apply.

21.32 In the event that the European Commission updates, amends, substitutes, adopts or publishes new Standard Contractual Clauses from time to time, the Parties agree:

21.32.1 that the most up to date Standard Contractual Clauses from time to time shall be automatically incorporated and that such incorporation is not a Change;

21.32.2 that where no other appropriate safeguard or exemption applies, that the Personal Data subject to this Contract (and to which Chapter V of the EU GDPR applies) will be transferred in accordance with the relevant form of the most up to date Standard Contractual Clauses as of the date the European Commission decision regarding such new Standard Contractual Clauses becomes effective;

21.32.3 to use best endeavours to complete any part of the most up to date Standard Contractual Clauses that a Party must complete promptly and at their own cost for the purpose of giving full effect to them; and

21.32.4 that if there is any conflict between this Contract and the most up to date Standard Contractual Clauses the terms of the most up to date Standard Contractual Clauses shall apply.

22 PUBLICITY AND BRANDING

22.1 The Supplier 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 prior written consent of the Authority, which shall not be unreasonably withheld or delayed.

22.2 The Authority shall retain full editorial control over any press releases or other publicity materials. Where it considers it appropriate to do so, the Authority shall provide advance notification as to statements that it intends to make in respect of the Supplier's participation in the Video Hearings Service but shall not be required to obtain any approval from the Supplier in respect of any statement that it issues.

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

SECTION G – LIABILITY, INDEMNITIES AND INSURANCE

23 LIMITATIONS ON LIABILITY

Authority and Service Recipient Loss

23.1 The Supplier acknowledges that, subject to the restrictions and limitations on liability set out in the remainder of this Clause 23, any Losses suffered by the Service Recipient that are caused by a Default of the Supplier shall be deemed to be Losses that have been suffered by, and which are recoverable by, the Authority.

Unlimited liability

23.2 Neither Party limits its liability for:

(a) death or personal injury caused by its negligence, or that of its employees, agents or sub-contractors (as applicable);

(b) fraud or fraudulent misrepresentation by it or its employees;

(c) breach of any obligation as to title implied by section 12 of the Sale of Goods Act 1979 or section 2 of the Supply of Goods and Services Act 1982; or

(d) any liability to the extent it cannot be limited or excluded by Law.

23.3 The Supplier's liability in respect of the indemnities in Clause 10.6 (*VAT*), Clause 14.8 (*Employment Indemnity*), Clause 14.9 (*Income Tax and National Insurance Contributions*), Clause 17 (*IPRs Indemnity*), Schedule 28 (*Staff Transfer*) and the Annexes to Schedule 28 (*Staff Transfer*), and/or arising as a result of any breach by the Supplier of Applicable Law, shall be unlimited.

23.4 The Authority's liability in respect of the indemnities in Clause 14.8 (*Employment Indemnity*), Schedule 28 (*Staff Transfer*) and the Annexes to Schedule 28 (*Staff Transfer*) shall be unlimited.

Financial and other limits

23.5 Subject to Clauses 23.2 and 23.3 (*Unlimited Liability*) and Clauses 23.8 (*Consequential losses*):

(a) the Supplier's aggregate liability in respect of loss of or damage to the Authority Premises or other property or assets of the Authority (including technical infrastructure, assets or equipment but excluding any loss or damage to the Authority's Data or any other data) that is caused by Defaults of the Supplier shall in no event exceed [redacted] in aggregate for duration of the Term;

(b) the Supplier's aggregate liability in respect of loss of or damage to Authority Data or Losses incurred by the Authority due to breach of Data Protection Legislation that is caused by Default of the Supplier

occurring in each and any Contract Year shall in no event exceed [redacted]

(c) the Supplier's aggregate liability in respect of all:

(i) Service Credits; and

(ii) Compensation for Unacceptable KPI Failure;

incurred in any Service Period shall be subject to the Monthly Service Credit Cap, and incurred in any rolling period of 12 months shall be subject to the Annual Service Credit Cap; and

(d) the Supplier's aggregate liability in respect of all other Losses incurred by the Authority under or in connection with this Contract as a result of Defaults by the Supplier in each and any Contract Year shall in no event exceed an amount equal to the greater of:

(i) [redacted] and

(ii) in relation to Defaults occurring:

(A) in the first Contract Year, an amount equal to 125% of the Estimated Year 1 Charges;

(B) during any subsequent Contract Year, an amount equal to 125% of the Charges paid and/or due to be paid to the Supplier under this Contract in the Contract Year immediately preceding the occurrence of the Default; and

(C) after the end of the Term, an amount equal to 125% of the Charges paid and/or due to be paid to the Supplier in the 12 month period immediately prior to the last day of the Term,

provided that where any Losses referred to this Clause 23.5(d) have been incurred by the Authority as a result of the Supplier's abandonment of this Contract or the Supplier's wilful default, wilful breach of a fundamental term of this Contract or wilful repudiatory breach of this Contract, the references in such Clause to 125% shall be deemed to be references to 200%.

23.6 Deductions from Charges shall not be taken into consideration when calculating the Supplier's liability under Clause 23.5(c).

23.7 Subject to Clauses 23.2 and 23.4 (*Unlimited Liability*) and Clause 23.8 (*Consequential Losses*) and without prejudice to the Authority's obligation to pay the Charges as and when they fall due for payment:

(a) the Authority's total aggregate liability in respect of all Losses incurred by the Supplier under or in connection with this Contract as a result of early termination of this Contract by the Authority

pursuant to Clause 30.1(a) (*Termination by the Authority*) or by the Supplier pursuant to Clause 30.3(a) (*Termination by the Supplier*) shall be limited to the Termination Payment and shall in no event exceed the following amounts:

(i) in relation to the Unrecovered Costs, the amount of [redacted] and

(ii) in relation to the Contract Breakage Costs, the amount of [redacted]

(b) the Authority's aggregate liability in respect of all Losses incurred by the Supplier under or in connection with this Contract as a result of Defaults of the Authority shall in no event exceed:

(i) in relation to Defaults occurring in the first Contract Year, an amount equal to the greater of: (A) [redacted] and (B) the Estimated Year 1 Charges;

(ii) in relation to Defaults occurring during any subsequent Contract Year, an amount equal to the total Charges paid and/or due to be paid under this Contract in the Contract Year immediately preceding the occurrence of the Default; and

(iii) in relation to Defaults occurring after the end of the Term, an amount equal to the total Charges paid and/or due to be paid to the Supplier in the 12 month period immediately prior to the last day of the Term.

Consequential Losses

23.8 Subject to Clauses 23.2, 23.3 and 23.4 (*Unlimited Liability*) and Clause 23.9, neither Party shall be liable to the other Party for:

(a) any indirect, special or consequential Loss; or

(b) any loss of profits, turnover, business opportunities or damage to goodwill (in each case whether direct or indirect).

23.9 Notwithstanding Clause 23.8 but subject to Clause 23.5, the Supplier acknowledges that the Authority may, amongst other things, recover from the Supplier the following Losses incurred by the Authority to the extent that they arise as a result of a Default by the Supplier:

(a) any additional operational and/or administrative costs and expenses incurred by the Authority, including costs relating to time spent by or on behalf of the Authority in dealing with the consequences of the Default;

(b) any wasted expenditure or charges;

(c) the additional cost of procuring Replacement Services for the remainder of the Term and/or replacement Deliverables, which shall

include any incremental costs associated with such Replacement Services and/or replacement Deliverables above those which would have been payable under this Contract;

(d) any compensation or interest paid to a third party by the Authority; and

(e) any fine 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.

Conduct of indemnity claims

23.10 Where under this Contract one Party indemnifies the other Party, the Parties shall comply with the provisions of Schedule 27 (*Conduct of Claims*) in relation to the conduct of claims made by a third person against the Party having (or claiming to have) the benefit of the indemnity.

Mitigation

23.11 Each Party shall use all reasonable endeavours to mitigate any loss or damage suffered arising out of or in connection with this Contract, including any Losses for which the relevant Party is entitled to bring a claim against the other Party pursuant to the indemnities in this Contract.

24 INSURANCE

24.1 The Supplier shall comply with the provisions of Schedule 6 (*Insurance Requirements*) in relation to obtaining and maintaining insurance.

SECTION H – REMEDIES AND RELIEF

25 RECTIFICATION PLAN PROCESS

25.1 In the event that:

(a) there is, or is reasonably likely to be, a Delay; and/or

(b) in any Service Period there has been:

(i) a Material KPI Failure; and/or

(ii) a Material PI Failure; and/or

(c) the Supplier commits a material Default that is capable of remedy (and for these purposes a material Default may be a single material Default or a number of Defaults or repeated Defaults (whether of the same or different obligations and regardless of whether such Defaults are remedied) which taken together constitute a material Default),

(each a "**Notifiable Default**"), the Supplier shall notify the Authority of the Notifiable Default as soon as practicable but in any event within 3 Working Days of becoming aware of the Notifiable Default, detailing the actual or anticipated effect of the Notifiable Default and, unless the Notifiable Default also constitutes a Rectification Plan Failure or other Supplier Termination Event, the Authority may not terminate this Contract in whole or in part on the grounds of the Notifiable Default without first following the Rectification Plan Process.

Notification

25.2 If:

(a) the Supplier notifies the Authority pursuant to Clause 25.1 that a Notifiable Default has occurred; or

(b) the Authority notifies the Supplier that it considers that a Notifiable Default has occurred (setting out sufficient detail so that it is reasonably clear what the Supplier has to rectify),

then, unless the Notifiable Default also constitutes a Supplier Termination Event and the Authority serves a Termination Notice, the Supplier shall comply with the Rectification Plan Process.

25.3 The "**Rectification Plan Process**" shall be as set out in Clauses 25.4 (*Submission of the draft Rectification Plan*) to 25.9 (*Agreement of the Rectification Plan*).

Submission of the draft Rectification Plan

25.4 The Supplier shall submit a draft Rectification Plan to the Authority for it to review as soon as possible and in any event within 10 Working Days (or such other period as may be agreed between the Parties) after the original

notification pursuant to Clause 25.2 (*Notification*). The Supplier shall submit a draft Rectification Plan even if the Supplier disputes that it is responsible for the Notifiable Default.

25.5 The draft Rectification Plan shall set out:

(a) full details of the Notifiable Default that has occurred, including a root cause analysis;

(b) the actual or anticipated effect of the Notifiable Default; and

(c) the steps which the Supplier proposes to take to rectify the Notifiable Default (if applicable) and to prevent such Notifiable Default from recurring, including timescales for such steps and for the rectification of the Notifiable Default (where applicable).

25.6 The Supplier shall promptly provide to the Authority any further documentation that the Authority reasonably requires to assess the Supplier's root cause analysis. If the Parties do not agree on the root cause set out in the draft Rectification Plan, either Party may refer the matter to be determined by an expert in accordance with Paragraph 6 of Schedule 23 (*Dispute Resolution Procedure*).

Agreement of the Rectification Plan

25.7 The Authority may reject the draft Rectification Plan by notice to the Supplier if, acting reasonably, it considers that the draft Rectification Plan is inadequate, for example because the draft Rectification Plan:

(a) is insufficiently detailed to be capable of proper evaluation;

(b) will take too long to complete;

(c) will not prevent reoccurrence of the Notifiable Default; and/or

(d) will rectify the Notifiable Default but in a manner which is unacceptable to the Authority.

25.8 The Authority shall notify the Supplier whether it consents to the draft Rectification Plan as soon as reasonably practicable. If the Authority rejects the draft Rectification Plan, the Authority shall give reasons for its decision and the Supplier shall take the reasons into account in the preparation of a revised Rectification Plan. The Supplier shall submit the revised draft of the Rectification Plan to the Authority for review within 5 Working Days (or such other period as agreed between the Parties) of the Authority's notice rejecting the first draft.

25.9 If the Authority consents to the Rectification Plan:

(a) the Supplier shall immediately start work on the actions set out in the Rectification Plan; and

(b) the Authority may no longer terminate this Contract in whole or in part on the grounds of the relevant Notifiable Default;

save in the event of a Rectification Plan Failure or other Supplier Termination Event.

26 DELAY PAYMENTS

26.1 If Milestone 5a (User Acceptance Testing) or Milestone 5b (Post-ATP Milestone) has not been Achieved by its relevant Milestone Date, the provisions of Paragraphs 3.5 to 3.7 (inclusive)of Schedule 15 (*Charges and Invoicing*) shall apply in relation to the payment of Delay Payments.

26.2 Delay Payments shall be the Authority's exclusive financial remedy for the Supplier's failure to Achieve Milestone 5a (User Acceptance Testing or Milestone 5b (Post-ATP Milestone) by its Milestone Date except where:

(a) the Authority is entitled to or does terminate this Contract pursuant to Clause 30.1(b) (*Termination by the Authority*);

(b) the failure arises as a result of fraud or fraudulent misrepresentation; or

(c) the Delay exceeds the Delay Deduction Period.

27 STEP-IN RIGHTS

27.1 On the occurrence of a Step-In Trigger Event, the Authority may serve notice on the Supplier (a "**Step-In Notice**") that it will be taking action under this Clause 27 (*Step-in Rights*), either itself or with the assistance of a third party (provided that the Supplier may require any third parties to comply with a confidentiality undertaking equivalent to Clause 19 (*Confidentiality*)). The Step-In Notice shall set out the following:

(a) the action the Authority wishes to take and in particular the Services that it wishes to control (the "**Required Action**");

(b) the Step-In Trigger Event that has occurred and whether the Authority believes that the Required Action is due to the Supplier's Default;

(c) the date on which it wishes to commence the Required Action;

(d) the time period which it believes will be necessary for the Required Action;

(e) whether the Authority will require access to the Supplier's premises and/or the Sites; and

(f) to the extent practicable, the impact that the Authority anticipates the Required Action will have on the Supplier's obligations to provide the Services during the period that the Required Action is being taken.

27.2 Where the Authority considers it appropriate in the circumstances it may delay the exercise of its step-in rights to provide an opportunity to the Supplier to rectify the circumstances giving rise to the step-in rights and in such

circumstances the Rectification Plan Process shall apply. If at any time during the Rectification Plan Process the Authority reasonably determines that the Supplier cannot rectify the issue it may exercise its rights of step-in.

27.3 Following service of a Step-In Notice, the Authority shall:

(a) take the Required Action set out in the Step-In Notice and any consequential additional action as it reasonably believes is necessary to achieve the Required Action;

(b) keep records of the Required Action taken and provide information about the Required Action to the Supplier;

(c) co-operate wherever reasonable with the Supplier in order to enable the Supplier to continue to provide the Services in relation to which the Authority is not assuming control; and

(d) act reasonably in mitigating the cost that the Supplier will incur as a result of the exercise of the Authority's rights under this Clause 27.

27.4 For so long as and to the extent that the Required Action is continuing, then:

(a) the Supplier shall not be obliged to provide the Services to the extent that they are the subject of the Required Action;

(b) no Deductions shall be applicable in relation to Charges in respect of Services that are the subject of the Required Action and the provisions of Clause 27.5 shall apply to Deductions from Charges in respect of other Services; and

(c) the Authority shall pay to the Supplier the Charges after subtracting any applicable Deductions and the Authority's costs of taking the Required Action.

27.5 If the Supplier has mitigated the cost incurred as a result of the exercise of the Authority's rights under this Clause 27, and demonstrates to the reasonable satisfaction of the Authority that the Required Action has resulted in:

(a) the degradation of any Services not subject to the Required Action; or

(b) the non-Achievement of a Milestone,

beyond that which would have been the case had the Authority not taken the Required Action, then the Supplier shall be entitled to an agreed adjustment of the Charges.

27.6 Before ceasing to exercise its step in rights under this Clause 27 the Authority shall deliver a written notice to the Supplier (a "**Step-Out Notice**"), specifying:

(a) the Required Action it has actually taken; and

(b) the date on which the Authority plans to end the Required Action (the "**Step-Out Date**") subject to the Authority being satisfied with

the Supplier's ability to resume the provision of the Services and the Supplier's plan developed in accordance with Clause 27.7.

27.7 The Supplier shall, following receipt of a Step-Out Notice and not less than 20 Working Days prior to the Step-Out Date, develop for the Authority's approval a draft plan (a "**Step-Out Plan**") relating to the resumption by the Supplier of the Services, including any action the Supplier proposes to take to ensure that the affected Services satisfy the requirements of this Contract.

27.8 If the Authority does not approve the draft Step-Out Plan, the Authority shall inform the Supplier of its reasons for not approving it. The Supplier shall then revise the draft Step-Out Plan taking those reasons into account and shall re-submit the revised plan to the Authority for the Authority's approval. The Authority shall not withhold or delay its approval of the draft Step-Out Plan unnecessarily.

27.9 The Supplier shall:

(a) bear its own costs in connection with any step-in by the Authority under this Clause 27, provided that the Authority shall reimburse the Supplier's reasonable additional expenses incurred directly as a result of any step-in action taken by the Authority under:

(i) limbs (c) or (d) of the definition of a Step-In Trigger Event; or

(ii) limbs (e) and (f) of the definition of a Step-in Trigger Event (insofar as the primary cause of the Authority serving the Step-In Notice is identified as not being the result of the Supplier's Default);

(b) on demand reimburse the Authority for all Losses incurred by it in relation to taking the steps, or engaging others to take the steps, under this Clause 27 or incurred by the Authority in requiring the Supplier to take such steps; and

(c) have deducted from any amount payable to it by the Authority under the provisions of this Contract any amount payable to the Authority under Clause 27.9(b).

28 AUTHORITY CAUSE

28.1 Notwithstanding any other provision of this Contract, if the Supplier has failed to:

(a) Achieve a Milestone by its Milestone Date;

(b) provide the Operational Services in accordance with the Target Performance Levels; and/or

(c) comply with its obligations under this Contract,

(each a "**Supplier Non-Performance**"),

and can demonstrate that the Supplier Non-Performance would not have occurred but for an Authority Cause, then (subject to the Supplier fulfilling its obligations in this Clause 28):

(i) the Supplier shall not be treated as being in breach of this Contract to the extent the Supplier can demonstrate that the Supplier Non-Performance was caused by the Authority Cause;

(ii) the Authority shall not be entitled to exercise any rights that may arise as a result of that Supplier Non-Performance:

(A) to terminate this Contract pursuant to Clause 30.1(b) (*Termination by the Authority*); or

(B) to take action pursuant to Clause 27 (*Step-In*);

(iii) where the Supplier Non-Performance constitutes the failure to Achieve a Milestone by its Milestone Date:

(A) the Milestone Date shall be postponed by a period equal to the period of Delay that the Supplier can demonstrate was caused by the Authority Cause;

(B) if the Authority, acting reasonably, considers it appropriate, the Implementation Plan shall be amended to reflect any consequential revisions required to subsequent Milestone Dates resulting from the Authority Cause;

(C) if the Milestone is a Key Milestone, the Supplier shall have no liability to pay any Delay Payments associated with the Key Milestone to the extent that the Supplier can demonstrate that such failure was caused by the Authority Cause; and/or

(iv) where the Supplier Non-Performance constitutes a Performance Failure:

(A) the Supplier shall not be liable to accrue Service Credits;

(B) the Authority shall not be entitled to withhold any of the Service Charges pursuant to Clause 7.2(d)(ii) (*Performance Failures*);

(C) the Authority shall not be entitled to withhold and retain any Compensation for Unacceptable KPI Failure pursuant to Clause 7.4(a) (*Unacceptable KPI Failure*); and

(D) the Supplier shall be entitled to invoice for the Service Charges for the relevant Operational Services affected by the Authority Cause,

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

28.2 In order to claim any of the rights and/or relief referred to in Clause 28.1, the Supplier shall provide the Authority with every reasonable opportunity to correct such action or failure to act or perform and thereby avoid such Supplier Non-Performance, and specifically the Supplier shall contemporaneously upon becoming aware that an Authority Cause has caused, or is reasonably likely to cause, a Supplier Non-Performance, give the Authority notice (a "**Relief Notice**") setting out details of:

(a) the Supplier Non-Performance;

(b) the Authority Cause and its effect, or likely effect, on the Supplier's ability to meet its obligations under this Contract;

(c) any steps which the Authority can take to eliminate or mitigate the consequences and impact of such Authority Cause; and

(d) the relief claimed by the Supplier.

28.3 Following the receipt of a Relief Notice, the Authority shall as soon as reasonably practicable consider the nature of the Supplier Non-Performance and the alleged Authority Cause and whether it agrees with the Supplier's assessment set out in the Relief Notice as to the effect of the relevant Authority Cause and its entitlement to relief, consulting with the Supplier where necessary.

28.4 The Supplier shall use all reasonable endeavours to eliminate or mitigate the consequences and impact of an Authority Cause, including any Losses that the Supplier may incur and the duration and consequences of any Delay or anticipated Delay.

28.5 Without prejudice to Clause 5.10 (*Continuing obligation to provide the Services*), if a Dispute arises as to:

(a) whether a Supplier Non-Performance would not have occurred but for an Authority Cause; and/or

(b) the nature and/or extent of the relief claimed by the Supplier,

either Party may refer the Dispute to the Dispute Resolution Procedure. Pending the resolution of the Dispute, both Parties shall continue to resolve the causes of, and mitigate the effects of, the Supplier Non-Performance.

28.6 Any Change that is required to the Implementation Plan or to the Charges pursuant to this Clause 28 shall be implemented in accordance with the Change Control Procedure.

29 FORCE MAJEURE

29.1 Subject to the remaining provisions of this Clause 29 (and, in relation to the Supplier, subject to its compliance with its obligations in Schedule 26 (*IT*

Service Continuity Management Plan and Corporate Resolution Planning)), a Party may claim relief under this Clause 29 from liability for failure to meet its obligations under this Contract for as long as and only to the extent that the performance of those obligations is directly affected by a Force Majeure Event. Any failure or delay by the Supplier in performing its obligations under this Contract which results from a failure or delay by an agent, Sub-contractor or supplier shall be regarded as due to a Force Majeure Event only if that agent, Sub-contractor or supplier is itself impeded by a Force Majeure Event from complying with an obligation to the Supplier.

29.2 The Affected Party shall as soon as reasonably practicable issue a Force Majeure Notice, which shall include details of the Force Majeure Event, its effect on the obligations of the Affected Party and any action the Affected Party proposes to take to mitigate its effect.

29.3 If the Supplier is the Affected Party, it shall not be entitled to claim relief under this Clause 29 to the extent that consequences of the relevant Force Majeure Event:

(a) are capable of being mitigated, but the Supplier has failed to do so;

(b) should have been foreseen and prevented or avoided by a prudent provider of services similar to the Services, operating to the standards required by this Contract; or

(c) are the result of the Supplier's failure to comply with its IT Service Continuity Management Plan (except to the extent that such failure is also due to a Force Majeure Event that affects the execution of the IT Service Continuity Management Plan).

29.4 Subject to Clause 29.5, as soon as practicable after the Affected Party issues the Force Majeure Notice, and at regular intervals thereafter, the Parties shall consult in good faith and use reasonable endeavours to agree any steps to be taken and an appropriate timetable in which those steps should be taken, to enable continued provision of the Services affected by the Force Majeure Event.

29.5 The Parties shall at all times following the occurrence of a Force Majeure Event and during its subsistence use their respective reasonable endeavours to prevent and mitigate the effects of the Force Majeure Event. Where the Supplier is the Affected Party, it shall take all steps in accordance with Good Industry Practice to overcome or minimise the consequences of the Force Majeure Event.

29.6 Where, as a result of a Force Majeure Event:

(a) an Affected Party fails to perform its obligations in accordance with this Contract, then during the continuance of the Force Majeure Event:

(i) the other Party shall not be entitled to exercise any rights to terminate this Contract in whole or in part as a result of such failure other than pursuant to Clause 30.1(c) (*Termination by*

the Authority) or Clause 30.3(b) (*Termination by the Supplier*); and

(ii) neither Party shall be liable for any Default arising as a result of such failure;

(b) the Supplier fails to perform its obligations in accordance with this Contract:

(i) the Authority shall not be entitled:

(A) during the continuance of the Force Majeure Event to exercise its rights under Clause 27 (*Step-in Rights*) as a result of such failure;

(B) to receive Delay Payments pursuant to Clause 26 (*Delay Payments*) to the extent that the Achievement of any Milestone is affected by the Force Majeure Event; and

(C) to receive Service Credits, to withhold any of the Service Charges pursuant to Clause 7.2(d)(ii) (*Performance Failures*) or withhold and retain any of the Service Charges as compensation pursuant to Clause 7.4(a) (*Unacceptable KPI Failure*) to the extent that a Performance Failure has been caused by the Force Majeure Event; and

(ii) the Supplier shall be entitled to receive payment of the Charges (or a proportional payment of them) only to the extent that the Services (or part of the Services) continue to be performed in accordance with the terms of this Contract during the occurrence of the Force Majeure Event.

29.7 The Affected Party shall notify the other Party as soon as practicable after the Force Majeure Event ceases or no longer causes the Affected Party to be unable to comply with its obligations under this Contract.

29.8 Relief from liability for the Affected Party under this Clause 29 shall end as soon as the Force Majeure Event no longer causes the Affected Party to be unable to comply with its obligations under this Contract and shall not be dependent on the serving of notice under Clause 29.7.

SECTION I – TERMINATION AND EXIT MANAGEMENT

30 TERMINATION RIGHTS

Termination by the Authority

30.1 The Authority may terminate this Contract by issuing a Termination Notice to the Supplier:

(a) for convenience at any time;

(b) if a Supplier Termination Event occurs;

(c) if a Force Majeure Event endures for a continuous period of more than 60 days; or

(d) if the Contract has been substantially amended to the extent that the Public Contracts Regulations 2015 require a new procurement procedure,

and this Contract shall terminate on the date specified in the Termination Notice.

30.2 Where the Authority:

(a) is terminating this Contract under Clause 30.1(b) due to the occurrence of either limb (b),(g) and/or (h) of the definition of Supplier Termination Event, it may rely on a single material Default or on a number of Defaults or repeated Defaults (whether of the same or different obligations and regardless of whether such Defaults are cured) which taken together constitute a material Default; and/or

(b) has the right to terminate this Contract under Clause 30.1(b) or Clause 30.1(c), it may, prior to or instead of terminating the whole of this Contract, serve a Termination Notice requiring the partial termination of this Contract to the extent that it relates to any part of the Services which are materially affected by the relevant circumstances.

Termination by the Supplier

30.3 The Supplier may, by issuing a Termination Notice to the Authority, terminate:

(a) this Contract if the Authority fails to pay an undisputed sum due to the Supplier under this Contract which in aggregate exceeds [redacted] and such amount remains outstanding 40 Working Days after the receipt by the Authority of a notice of non-payment from the Supplier; or

(b) any Services that are materially impacted by a Force Majeure Event that endures for a continuous period of more than 90 days,

and this Contract or the relevant Services (as the case may be) shall then terminate on the date specified in the Termination Notice (which shall not be less than 20 Working Days from the date of the issue of the Termination Notice). If the operation of Clause 30.3(b) would result in a Partial Termination, the provisions of Clause 30.4 (*Partial Termination*) shall apply.

Partial Termination

30.4 If the Supplier notifies the Authority pursuant to Clause 30.3(b) (*Termination by the Supplier*) that it intends to terminate this Contract in part and the Authority, acting reasonably, believes that the effect of such Partial Termination is to render the remaining Services incapable of meeting a significant part of the Authority Requirements, then the Authority shall be entitled to terminate the remaining part of this Contract by serving a Termination Notice to the Supplier within 1 month of receiving the Supplier's Termination Notice. For the purpose of this Clause 30.4, in assessing the significance of any part of the Authority Requirements, regard shall be had not only to the proportion of that part to the Authority Requirements as a whole, but also to the importance of the relevant part to the Authority.

30.5 The Parties shall agree the effect of any Change necessitated by a Partial Termination in accordance with the Change Control Procedure, including the effect the Partial Termination may have on any other Services and the Charges, provided that:

(a) the Supplier shall not be entitled to an increase in the Charges in respect of the Services that have not been terminated if the Partial Termination arises due to the occurrence of a Supplier Termination Event;

(b) any adjustment to the Charges (if any) shall be calculated in accordance with the Financial Model and must be reasonable; and

(c) the Supplier shall not be entitled to reject the Change.

31 CONSEQUENCES OF EXPIRY OR TERMINATION

General Provisions on Expiry or Termination

31.1 The provisions of Clauses 5.9 (*Specially Written Software warranty*), 10.5 and 10.6 (*VAT*), 10.7 and 10.8 (*Set-off and Withholding*), 12 (*Records, Reports and Audits*), 14.8 (*Employment Indemnity*), 14.9 (*Income Tax and National Insurance Contributions*), 16 (*Intellectual Property Rights*), 17.1 (*IPRs Indemnity*), 19 (*Confidentiality*), 20 (*Transparency and Freedom of Information*), 21 (*Protection of Personal Data*), 23 (*Limitations on Liability*), 31 (*Consequences of Expiry or Termination*), 37 (*Severance*), 39 (*Entire Agreement*), 40 (*Third Party Rights*), 42 (*Disputes*) and 43 (*Governing Law and Jurisdiction*), and the provisions of Schedules 1 (*Definitions*), 15 (*Charges and Invoicing*), 19 (*Financial Reports and Audit Rights*), 23 (*Dispute Resolution Procedure*), 24 (*Reports and Records Provisions*), 25 (*Exit Management*), 28 (*Staff Transfer*), and 32 (*Intellectual Property Rights)*, shall survive the termination or expiry of this Contract.

Exit Management

31.2 The Parties shall comply with the provisions of Schedule 25 (*Exit Management*) and any current Exit Plan in relation to orderly transition of the Services to the Authority or a Replacement Supplier.

Payments by the Authority

31.3 Subject to Clause 23.7(a), if this Contract is terminated by the Authority pursuant to Clause 30.1(a) (*Termination by the Authority*) or by the Supplier pursuant to Clause 30.3(a) (*Termination by the Supplier*), the Authority shall pay the Supplier the Termination Payment (which shall be the Supplier's sole remedy for the termination of this Contract), being an amount equal to the aggregate of:

(a) the Redundancy Costs;

(b) the Contract Breakage Costs,

each as at the Termination Date and as incurred by the Supplier directly as a result of the termination of this Contract which:

(i) would not have been incurred had this Contract continued until expiry of the Initial Term, or in the event that the Term has been extended, the expiry of the Extension Period;

(ii) are unavoidable, proven, reasonable, and not capable of recovery;

(iii) are incurred under arrangements or agreements that are directly associated with this Contract;

(iv) are not Contract Breakage Costs relating to contracts or Sub-contracts with Affiliates of the Supplier;

(v) relate directly to the termination of the Services; and

(vi) are not related to the termination of any contractual arrangements for occupation of, support of and/or services provided for Supplier premises which may arise as a consequence of the termination of this Contract (unless, and then only to the extent, the Authority has provided its prior written agreement to include such costs); and

(c) the Unrecovered Costs.

31.4 Any Termination Payment paid under this Contract shall be in full and final settlement of any claim, demand and/or proceedings of the Supplier in relation to any termination by the Authority pursuant to Clause 30.1(a) (*Termination by the Authority*) or termination by the Supplier pursuant to Clause 30.3(a) (*Termination by the Supplier*) (as applicable), and the Supplier shall be excluded from all other rights and remedies it would otherwise have been entitled to in respect of any such termination.

31.5 The Supplier agrees to use all reasonable endeavours to minimise and mitigate the amount of the Termination Payment, and there shall be no double recovery in respect of the Termination Payment and any payments made pursuant to Schedule 25 (*Exit Management*) and/or to the extent that the Supplier has already received the Charges or the financial benefit of any other rights or remedy given under this Contract.

31.6 If this Contract is terminated (in part or in whole) by the Authority pursuant to Clauses 30.1(b), 30.1(c) and/or 30.2 (*Termination by the Authority*), or the Term expires, the only payments that the Authority shall be required to make as a result of such termination (whether by way of compensation or otherwise) are:

(a) payments in respect of any Assets or apportionments in accordance with Schedule 25 (*Exit Management*); and

(b) payments in respect of unpaid Charges for Services received up until the Termination Date.

31.7 The costs of termination incurred by the Parties shall lie where they fall if:

(a) either Party terminates or partially terminates this Contract for a continuing Force Majeure Event pursuant to Clauses 30.1(c) or 30.2(b) (*Termination by the Authority*) or 30.3(b) (*Termination by the Supplier*); or

(b) the Authority terminates this Contract under Clause 30.1(d) (*Termination by the Authority*).

Payments by the Supplier

31.8 In the event of termination or expiry of this Contract, the Supplier shall repay to the Authority all Charges it has been paid in advance in respect of Services not provided by the Supplier as at the date of expiry or termination.

31.9 If this Contract is terminated (in whole or in part) by the Authority pursuant to Clause 30.1(b) (*Termination by the Authority*) prior to Achievement of one or more CPP Milestones, the Authority may at any time on or within 12 months of the issue of the relevant Termination Notice by issue to the Supplier of written notice (a "**Milestone Adjustment Payment Notice**") require the Supplier to repay to the Authority an amount equal to the aggregate Milestone Adjustment Payment Amounts in respect of each CPP Milestone to which the Milestone Adjustment Payment Notice relates.

31.10 A Milestone Adjustment Payment Notice shall specify:

(a) each CPP Milestone to which it relates;

(b) in relation to each such CPP Milestone, each Deliverable relating to that CPP Milestone that the Authority wishes to retain, if any (each such Deliverable being a "**Retained Deliverable**"); and

(c) those Retained Deliverables, if any, the Allowable Price for which the Authority considers should be subject to deduction of an

adjusting payment on the grounds that they do not or will not perform in all material respects in accordance with their specification (such adjusting payment being an "**Allowable Price Adjustment**"),

and may form part of a Termination Notice.

31.11 The Supplier shall within 10 Working Days of receipt of a Milestone Adjustment Payment Notice, in each case as applicable:

(a) notify the Authority whether it agrees that the Retained Deliverables which the Authority considers should be subject to an Allowable Price Adjustment as specified in the relevant Milestone Adjustment Payment Notice should be so subject; and

(b) in relation to each such Retained Deliverable that the Supplier agrees should be subject to an Allowable Price Adjustment, notify the Authority of the Supplier's proposed amount of the Allowable Price Adjustment and the basis for its approval;

(c) provide the Authority with its calculation of the Milestone Adjustment Payment Amount in respect of each CPP Milestone the subject of the relevant Milestone Adjustment Payment Notice using its proposed Allowable Price Adjustment, including details of:

(i) all relevant Milestone Payments; and

(ii) the Allowable Price of each Retained Deliverable; and

(d) provide the Authority with such supporting information as the Authority may require.

31.12 If the Parties do not agree the calculation of a Milestone Adjustment Payment Amount within 20 Working Days of the Supplier's receipt of the relevant Milestone Adjustment Payment Notice, either Party may refer the Dispute to the Dispute Resolution Procedure.

31.13 If the Authority issues a Milestone Adjustment Payment Notice pursuant to Clause 31.9:

(a) the Authority shall:

(i) securely destroy or return to the Supplier all Non-retained Deliverables that are in tangible form; and

(ii) ensure that all Non-retained Deliverables that are held in electronic, digital or other machine-readable form cease to be readily accessible (other than by the information technology staff of the Authority) from any computer, word processor, voicemail system or any other device containing such all Non-retained Deliverables,

in each case as soon as reasonably practicable after repayment of the aggregate Milestone Adjustment Payment Amounts repayable pursuant to that Milestone Adjustment Payment Notice; and

(b) all licences granted by the Supplier pursuant to Schedule 32 (*Intellectual Property Rights*) in respect of Specially Written Software and Project Specific IPRs and any Supplier Non-COTS Software and/or Supplier Background IPRs shall terminate upon such repayment to the extent that they relate to the Non-retained Deliverables.

SECTION J – MISCELLANEOUS AND GOVERNING LAW

32 COMPLIANCE

Health and Safety

32.1 The Supplier shall perform its obligations under this Contract (including those in relation to the Services) in accordance with:

(a) all applicable Law regarding health and safety; and

(b) the Health and Safety Policy whilst at the Authority Premises.

32.2 Each Party shall notify the other as soon as practicable of any health and safety incidents or material health and safety hazards at the Authority Premises of which it becomes aware and which relate to or arise in connection with the performance of this Contract. The Supplier shall instruct the Supplier Personnel to adopt any necessary associated safety measures in order to manage any such material health and safety hazards.

Employment Law

32.3 The Supplier must perform its obligations meeting the requirements of all applicable Law regarding employment.

Equality and Diversity

32.4 The Supplier shall:

(a) perform its obligations under this Contract (including those in relation to the Services) in accordance with:

(i) all applicable equality Law (whether in relation to race, sex, gender reassignment, age, disability, sexual orientation, religion or belief, pregnancy, maternity or otherwise);

(ii) the Authority's equality and diversity policy as provided to the Supplier from time to time; and

(iii) any other requirements and instructions which the Authority reasonably imposes in connection with any equality obligations imposed on the Authority at any time under applicable equality Law; and

(b) take all necessary steps, and inform the Authority of the steps taken, to prevent unlawful discrimination designated as such by any court or tribunal, or the Equality and Human Rights Commission or (any successor organisation).

Official Secrets Act and Finance Act

32.5 The Supplier shall comply with the provisions of:

(a) the Official Secrets Acts 1911 to 1989; and

(b) section 182 of the Finance Act 1989.

Conflicts of Interest

32.6 The Supplier:

(a) must take action to ensure that neither the Supplier nor the Supplier Personnel are placed in the position of an actual, potential or perceived Conflict of Interest.

(b) must promptly notify and provide details to the Authority if an actual, potential or perceived Conflict of Interest happens or is expected to happen.

32.7 The Authority will consider whether there are any appropriate measures that can be put in place to remedy an actual, perceived or potential Conflict of Interest. If, in the reasonable opinion of the Authority, such measures do not or will not resolve an actual or potential Conflict of Interest, the Authority may terminate this Contract immediately by giving notice in writing to the Supplier where there is or may be an actual or potential Conflict of Interest.

Modern Slavery

32.8 The Supplier:

(a) shall not use, nor allow its sub-contractors to use forced, bonded or involuntary prison labour;

(b) shall not require any Supplier Personnel or the personnel of any sub-contractors to lodge deposits or identity papers with their employer and shall be free to leave their employer after reasonable notice;

(c) warrants and represents that it has not been convicted of any slavery or human trafficking offences anywhere around the world;

(d) warrants that to the best of its knowledge it is not currently under investigation, inquiry or enforcement proceedings in relation to any allegation of slavery or human trafficking offences anywhere around the world;

(e) shall make reasonable enquires to ensure that its officers, employees and sub-contractors have not been convicted of slavery or human trafficking offences anywhere around the world;

(f) shall have and maintain throughout the Term its own policies and procedures to ensure its compliance with the Modern Slavery Act 2015 and include in its contracts with its sub-contractors anti-slavery and human trafficking provisions;

(g) shall implement due diligence procedures to ensure that there is no slavery or human trafficking in any part of its supply chain performing obligations under the Contract;

(h) shall prepare and deliver to the Authority, an annual statement as required under Section 54 of the Modern Slavery Act 2015 stating the steps it has taken to ensure that slavery and human trafficking is not taking place in any of its supply chains or in any part of its business;

(i) shall not use, nor allow its employees or sub-contractors to use physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation of its employees or sub-contractors;

(j) shall not use or allow child or slave labour to be used by its sub-contractors; and

(k) shall report the discovery or suspicion of any slavery or trafficking by it or its sub-contractors to the Authority and the Modern Slavery Helpline.

32.9 If the Supplier notifies the Authority pursuant to Clause 32.11 it shall respond promptly to the Authority's enquiries, co-operate with any investigation, and allow the Authority to audit any books, records and/or any other relevant documentation in accordance with the Contract.

32.10 If the Supplier is in Default under Clause 32.8 the Authority may by notice:

(a) require the Supplier to remove from performance of the Contract any Sub-Contractor, Supplier Personnel or other persons associated with it whose acts or omissions have caused the Default; or

(b) immediately terminate the Contract.

Whistleblowing

32.11 As soon as it is aware of it the Supplier and Supplier Personnel must report to the Authority any actual or suspected breach of:

(a) Law;

(b) Clauses 32.1 to 32.8 or 32.12; or

(c) Clause 36.

32.12 The Supplier must not retaliate against any of the Supplier Personnel who in good faith reports a breach listed in this Clause to the Authority or a Prescribed Person.

Compliance with Authority Policies and Procedures

32.13 The Supplier shall, and shall ensure that the Supplier Personnel and any Sub-contractors shall, perform their obligations under or in connection with this Contract (including in relation to the performance of the Services) in

accordance with the policies and procedures set out in Schedule 33 (*Policies and Procedures*).

33 ASSIGNMENT AND NOVATION

33.1 The Supplier shall not assign, novate or otherwise dispose of or create any trust in relation to any or all of its rights, obligations or liabilities under this Contract without the prior written consent of the Authority.

33.2 The Authority may at its discretion assign, novate or otherwise dispose of any or all of its rights, obligations and liabilities under this Contract and/or any associated licences to:

(a) any Central Government Body; or

(b) to a body other than a Central Government Body (including any private sector body) which performs any of the functions that previously had been performed by the Authority,

and the Supplier shall, at the Authority's request, enter into a novation agreement in such form as the Authority shall reasonably specify in order to enable the Authority to exercise its rights pursuant to this Clause 33.2.

33.3 A change in the legal status of the Authority such that it ceases to be a Central Government Body shall not (subject to Clause 33.4) affect the validity of this Contract and this Contract shall be binding on any successor body to the Authority.

33.4 If the Authority assigns, novates or otherwise disposes of any of its rights, obligations or liabilities under this Contract to a body which is not a Central Government Body or if a body which is not a Central Government Body succeeds the Authority (any such body a "**Successor Body**"), the Supplier shall have the right to terminate for an Insolvency Event affecting the Successor Body identical to the right of termination of the Authority under limb (i) of the definition of Supplier Termination Event (as if references in that limb (i) to the Supplier and the Guarantor were references to the Successor Body).

34 WAIVER AND CUMULATIVE REMEDIES

34.1 The rights and remedies under this Contract may be waived only by notice and in a manner that expressly states that a waiver is intended. A failure or delay by a Party in ascertaining or exercising a right or remedy provided under this Contract or by law shall not constitute a waiver of that right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

34.2 Unless otherwise provided in this Contract, rights and remedies under this Contract are cumulative and do not exclude any rights or remedies provided by law, in equity or otherwise.

35 RELATIONSHIP OF THE PARTIES

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

36 PREVENTION OF FRAUD AND BRIBERY

36.1 The Supplier represents and warrants that neither it, any member of the Supplier Group, nor to the best of its knowledge any Supplier Personnel, have at any time prior to the Effective Date:

(a) committed a Prohibited Act or been formally notified that it is subject to an investigation or prosecution which relates to an alleged Prohibited Act; and/or

(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.

36.2 The Supplier and Supplier Group entities shall not during the term of this Contract:

(a) commit a Prohibited Act; and/or

(b) do or suffer anything to be done which would cause the Authority or any of the Authority's employees, consultants, contractors, sub-contractors or agents to contravene any of the Relevant Requirements or otherwise incur any liability in relation to the Relevant Requirements.

36.3 The Supplier shall during the term of this Contract:

(a) establish, maintain and enforce, and require that its Sub-contractors establish, maintain and enforce, policies and procedures which are adequate to ensure compliance with the Relevant Requirements and prevent the occurrence of a Prohibited Act;

(b) have in place reasonable prevention measures (as defined in sections 45(3) and 46(4) of the Criminal Finance Act 2017) to ensure that Associated Persons of the Supplier do not commit tax evasion facilitation offences as defined under that Act;

(c) keep appropriate records of its compliance with its obligations under Clause 36.3(a) and make such records available to the Authority on request; and

(d) take account of any guidance about preventing facilitation of tax evasion offences which may be published and updated in accordance with Section 47 of the Criminal Finances Act 2017.

36.4 The Supplier shall immediately notify the Authority in writing if it becomes aware of any breach of Clause 36.1 and/or 36.2, or has reason to believe that it has or any member of the Supplier Group or Supplier Personnel have:

(a) been subject to an investigation or prosecution which relates to an alleged Prohibited Act;

(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; and/or

(c) received a request or demand for any undue financial or other advantage of any kind in connection with the performance of this Contract or otherwise suspects that any person or Party directly or indirectly connected with this Contract has committed or attempted to commit a Prohibited Act.

36.5 If the Supplier makes a notification to the Authority pursuant to Clause 36.4, the Supplier shall respond promptly to the Authority's enquiries, co-operate with any investigation, and allow the Authority to Audit any books, Records and/or any other relevant documentation in accordance with Clause 12 (*Records, Reports and Audits*).

36.6 If the Supplier or any member of the Supplier Group is in Default under Clauses 36.1 and/or 36.2, the Authority may by notice:

(a) require the Supplier to remove from performance of this Contract any Supplier Personnel whose acts or omissions have caused the Default; or

(b) immediately terminate this Contract.

36.7 Any notice served by the Authority under Clause 36.6 shall specify the nature of the Prohibited Act, the identity of the Party who the Authority believes has committed the Prohibited Act and the action that the Authority has elected to take (including, where relevant, the date on which this Contract shall terminate).

37 SEVERANCE

37.1 If any provision of this Contract (or part of any provision) is held to be void or otherwise unenforceable by any court of competent jurisdiction, such provision (or part) shall to the extent necessary to ensure that the remaining provisions of this Contract are not void or unenforceable be deemed to be deleted and the validity and/or enforceability of the remaining provisions of this Contract shall not be affected.

37.2 In the event that any deemed deletion under Clause 37.1 is so fundamental as to prevent the accomplishment of the purpose of this Contract or materially alters the balance of risks and rewards in this Contract, either Party may give notice to the other Party requiring the Parties to commence good faith negotiations to amend this Contract so that, as amended, it is valid and

enforceable, preserves the balance of risks and rewards in this Contract and, to the extent that is reasonably possible, achieves the Parties' original commercial intention.

37.3 If the Parties are unable to agree on the revisions to this Contract within 5 Working Days of the date of the notice given pursuant to Clause 37.2, the matter shall be dealt with in accordance with Paragraph 4 (*Commercial Negotiation*) of Schedule 23 (*Dispute Resolution Procedure*) except that if the representatives are unable to resolve the dispute within 30 Working Days of the matter being referred to them, this Contract shall automatically terminate with immediate effect. The costs of termination incurred by the Parties shall lie where they fall if this Contract is terminated pursuant to this Clause 37.3.

38 FURTHER ASSURANCES

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

39 ENTIRE AGREEMENT

39.1 This Contract constitutes the entire agreement between the Parties in respect of its subject matter and supersedes and extinguishes all prior negotiations, arrangements, understanding, course of dealings or agreements made between the Parties in relation to its subject matter, whether written or oral.

39.2 Neither Party has been given, nor entered into this Contract in reliance on, any warranty, statement, promise or representation other than those expressly set out in this Contract.

39.3 Nothing in this Clause 39 shall exclude any liability in respect of misrepresentations made fraudulently.

40 THIRD PARTY RIGHTS

40.1 The provisions of Clauses 5.17 (*Service Recipient*), 5.19 (*Contract Manager*) 17.1 (*IPRs Indemnity*), Paragraphs 2.1 and 2.3 of Part C, Part D and Paragraphs 1.4, 2.3 and 2.8 of Part E of Schedule 28 (*Staff Transfer*) and the provisions of Paragraph 7.9 of Schedule 25 (*Exit Management*), and any provisions expressly conferring a benefit on the Service Recipient (together "**Third Party Provisions**") confer benefits on persons named or identified in such provisions other than the Parties (each such person a "**Third Party Beneficiary**") and are intended to be enforceable by Third Parties Beneficiaries by virtue of the CRTPA.

40.2 Subject to Clause 40.1, a person who is not a Party to this Contract has no right under the CRTPA to enforce any term of this Contract but this does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

40.3 No Third Party Beneficiary may enforce, or take any step to enforce, any Third Party Provision without the prior written consent of the Authority, which may, if given, be given on and subject to such terms as the Authority may determine.

40.4 Any amendments or modifications to this Contract may be made, and any rights created under Clause 40.1 may be altered or extinguished, by the Parties without the consent of any Third Party Beneficiary.

41 NOTICES

41.1 Any notices sent under this Contract must be in writing.

41.2 Any notice served by personal delivery or recorded delivery must also be sent by e-mail within 24 hours of such notice being served.

41.3 Subject to Clause 41.5, the following table sets out the method by which notices may be served under this Contract and the respective deemed time and proof of service:

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

41.4 Notices shall be sent to the addresses set out below or at such other address as the relevant Party may give notice to the other Party for the purpose of service of notices under this Contract:

	Supplier	Authority

Contact		
Address		
Email		

41.5 The following notices may only be served as an attachment to an email if the original notice is then sent to the recipient by personal delivery or recorded delivery in the manner set out in the table in Clause 41.3:

(a) Step-In Notices;

(b) Force Majeure Notices;

(c) notices issued by the Supplier pursuant to Clause 30.3 (*Termination by the Supplier*);

(d) Termination Notices; and

(e) Dispute Notices.

41.6 Failure to:

(a) send the original notice by personal delivery or recorded delivery in accordance with Clause 41.5, if the notice is served by email shall invalidate the service of the related e-mail transmission; or

(b) send an e-mail in accordance with Clause 41.2, if the notice is served by personal delivery of recorded delivery shall invalidate service.

The deemed time of delivery of such notice shall be the deemed time of delivery of the original notice sent by personal delivery or Royal Mail Signed For™ 1st Class delivery (as set out in the table in Clause 41.3) or, if earlier, the time of response or acknowledgement by the other Party to the email attaching the notice.

41.7 This Clause 41 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution (other than the service of a Dispute Notice under Schedule 23 (*Dispute Resolution Procedure*)).

42 DISPUTES

42.1 The Parties shall resolve Disputes arising out of or in connection with this Contract in accordance with the Dispute Resolution Procedure.

42.2 The Supplier shall continue to provide the Services in accordance with the terms of this Contract until a Dispute has been resolved.

43 GOVERNING LAW AND JURISDICTION

43.1 This Contract and any issues, disputes or claims (whether contractual or non-contractual) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of England and Wales.

43.2 Subject to Clause 42 (*Disputes*) and Schedule 23 (*Dispute Resolution Procedure*) (including the Authority's right to refer the dispute to arbitration), the Parties agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (whether contractual or non-contractual) that arises out of or in connection with this Contract or its subject matter or formation.

This Contract has been duly executed by the Parties on the date which appears at the head of its page 1.

SIGNED for and on behalf of Vodafone Limited by a director:)))) Signature:

Name (block capitals):

Director

SIGNED for and on behalf of ***the Lord Chancellor***)))) Signature:

Name (block capitals):

Position:

Crown copyright 2023

SCHEDULE 26

IT SERVICE CONTINUITY MANAGEMENT PLAN AND CORPORATE RESOLUTION PLANNING

Schedule 26 (IT *Service Continuity Management Plan and Corporate Resolution Planning*)

PART A: IT SERVICE CONTINUITY MANAGEMENT PLAN

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

"Department"	a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics: (a) Government Department; or (a) Non-Ministerial Department.
"Disaster"	the occurrence of one or more events which, either separately or cumulatively, mean that the Services, or a material part of the Services will be unavailable for a period of time or which is reasonably anticipated will mean that the Services or a material part of the Services will be unavailable for a period or time or that there will be a significant degradation in performance of the Services or a material part of the Services;
"Disaster Recovery Plan"	a clearly defined and documented plan which recovers the Services and ICT capabilities when a Disaster occurs;
"Disaster Recovery Services"	the services embodied in the processes and procedures for restoring the Services following the occurrence of a Disaster;
"Disaster Recovery System"	the system identified by the Supplier in the Supplier Solution which shall be used for the purpose of delivering the Disaster Recovery Services;
"Insolvency Continuity Plan"	has the meaning given in Paragraph 2.2(a)(iv).
"IT Service Continuity Management Plan"	means the plan prepared pursuant to Paragraph 2 of this Schedule which incorporates the ITSC

	Plan(s), Disaster Recovery Plan and the Insolvency Continuity Plan;
"ITSC Plan"	means an IT service continuity plan prepared pursuant to Paragraph 4;
"ITSC Services"	has the meaning given in Paragraph 4.2(b);
"Related Service Provider"	any person who provides services to the Authority in relation to this Contract from time to time, which persons include as at the Effective Date AVMI **Kinly Limited, Pexip Limited, Service Now UK Limited**;
"Review Report"	has the meaning given in Paragraphs 7.2(a) to 7.2(c);

2 IT SERVICE CONTINUITY MANAGEMENT PLAN

2.1 Within 40 Working Days from the Effective Date the Supplier shall prepare and deliver to the Authority for the Authority's written approval a plan, which shall detail the processes and arrangements that the Supplier shall follow to:

(a) ensure continuity of the business processes and operations supported by the Services following any failure or disruption of any element of the Services (including where caused by an Insolvency Event of the Supplier, any Key Sub-contractor and/or any Supplier Group member); and

(b) the recovery of the Services in the event of a Disaster.

2.2 The IT Service Continuity Management Plan shall:

(a) be divided into four parts:

(i) Part A which shall set out general principles and requirements applicable to the IT Service Continuity Management Plan;

(ii) Part B which shall relate to ITSC Plan(s);

(iii) Part C which shall relate to the Disaster Recovery Plan(s);

(iv) Part D which shall relate to an Insolvency Event of the Supplier, any Key Sub-contractors and/or any Supplier Group member (the "**Insolvency Continuity Plan**"); and

(b) unless otherwise required by the Authority in writing, be based upon and be consistent with the provisions of Paragraphs 3, 4, 5 and 6.

2.3 Following receipt of the draft IT Service Continuity Management Plan from the Supplier, the Authority shall:

(a) review and comment on the draft IT Service Continuity Management Plan as soon as reasonably practicable; and

(b) notify the Supplier in writing that it approves or rejects the draft IT Service Continuity Management Plan no later than 20 Working Days after the date on which the draft IT Service Continuity Management Plan is first delivered to the Authority.

2.4 If the Authority rejects the draft IT Service Continuity Management Plan:

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

(b) the Supplier shall then revise the draft IT Service Continuity Management Plan (taking reasonable account of the Authority's comments) and shall re-submit a revised draft IT Service Continuity Management Plan to the Authority for the Authority's approval within 20 Working Days of the date of the Authority's notice of rejection. The provisions of Paragraph 2.3 and this Paragraph 2.4 shall apply again to any resubmitted draft IT Service Continuity Management Plan, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

3 IT SERVICE CONTINUITY MANAGEMENT PLAN: PART A – GENERAL PRINCIPLES AND REQUIREMENTS

3.1 Part A of the IT Service Continuity Management Plan shall:

(a) set out how the IT service continuity and disaster recovery elements of the plan link to each other;

(b) provide details of how the invocation of any element of the IT Service Continuity Management Plan may impact upon the operation of the Services and any services provided to the Authority by a Related Service Provider;

(c) contain an obligation upon the Supplier to liaise with the Authority and (at the Authority's request) any Related Service Provider with respect to issues concerning business continuity and disaster recovery where applicable;

(d) detail how the IT Service Continuity Management Plan links and interoperates with any overarching and/or connected disaster recovery and/or IT service continuity plan of the Authority and any of its other Related Service Providers in each case as notified to the Supplier by the Authority from time to time;

(e) contain a communication strategy including details of an incident and problem management service and advice which can be accessed via multi-channels (including but without limitation e-mail and phone) where required by the Authority;

(f) contain a risk analysis, including:

(i) failure or disruption scenarios and assessments and estimates of frequency of occurrence;

(ii) identification of any single points of failure within the Services and processes for managing the risks arising therefrom;

(iii) identification of risks arising from the interaction of the Services with the services provided by a Related Service Provider;

(iv) identification of risks arising from an Insolvency Event of the Supplier, any Key Sub-contractors and/or Supplier Group member; and

(v) a business impact analysis (detailing the impact on business processes and operations) of different anticipated failures or disruptions;

(g) provide for documentation of processes, including business processes, and procedures;

(h) set out key contact details (including roles and responsibilities) for the Supplier (and any Sub-contractors) and for the Authority;

(i) identify the procedures for reverting to “normal service”.

(j) set out method(s) of recovering or updating data collected (or which ought to have been collected) during a failure or disruption to ensure that there is no more than the accepted amount of data loss and to preserve data integrity;

(k) identify the responsibilities (if any) that the Authority has agreed it will assume in the event of the invocation of the IT Service Continuity Management Plan; and

(l) provide for the provision of technical advice and assistance to key contacts at the Authority as notified by the Authority from time to time to inform decisions in support of the Authority’s business continuity plans.

3.2 The IT Service Continuity Management Plan shall be designed so as to ensure that:

(a) the Services are provided in accordance with this Contract at all times during and after the invocation of the IT Service Continuity Management Plan;

(b) the adverse impact of any Disaster; service failure; an Insolvency Event of the Supplier, any Key Sub-contractor and/or any Supplier Group member; or disruption on the operations of the Authority, is minimal as far as reasonably possible;

(c) it complies with the relevant provisions of ISO/IEC 22301 and ISO/IEC 27031 and all other industry standards from time to time in force; and

(d) there is a process for the management of disaster recovery testing detailed in the IT Service Continuity Management Plan.

3.3 The IT Service Continuity Management Plan shall be upgradeable and sufficiently flexible to support any changes to the Services, to the business processes facilitated by and the business operations supported by the Services, and/or changes to the Supplier Group structure.

3.4 The Supplier shall not be entitled to any relief from its obligations under the Performance Indicators or to any increase in the Charges to the extent that a Disaster occurs as a consequence of any breach by the Supplier of this Contract.

4 IT SERVICE CONTINUITY MANAGEMENT PLAN: PART B – ITSC PLANS

PRINCIPLES AND CONTENTS

4.1 The ITSC Plan shall set out the arrangements that are to be invoked to ensure that the business processes and operations facilitated by the Services remain supported and to ensure continuity of the business operations supported by the Services including, unless the Authority expressly states otherwise in writing:

(a) the alternative processes (including business processes), options and responsibilities that may be adopted in the event of a failure in or disruption to the Services; and

(b) the steps to be taken by the Supplier upon resumption of the Services in order to address any prevailing effect of the failure or disruption including a root cause analysis of the failure or disruption.

4.2 The ITSC Plan shall:

(a) address the various possible levels of failures of or disruptions to the Services;

(b) set out the services to be provided and the steps to be taken to remedy the different levels of failures of and disruption to the Services (such services and steps, the "**ITSC Services**");

(c) specify any applicable Performance Indicators with respect to the provision of the ITSC Services and details of any agreed relaxation to the Performance Indicators in respect of other Services during any period of invocation of the ITSC Plan; and

(d) clearly set out the conditions and/or circumstances under which the ITSC Plan is invoked.

5 IT SERVICE CONTINUITY MANAGEMENT PLAN: PART C – DISASTER RECOVERY

PRINCIPLES AND CONTENTS

5.1 The Disaster Recovery Plan shall be designed so as to ensure that upon the occurrence of a Disaster the Supplier ensures continuity of the business operations of the Authority supported by the Services following any Disaster or during any period of service failure or disruption with, as far as reasonably possible, minimal adverse impact.

5.2 The Disaster Recovery Plan shall be invoked only upon the occurrence of a Disaster.

5.3 The Disaster Recovery Plan shall include the following:

(a) the technical design and build specification of the Disaster Recovery System;

(b) details of the procedures and processes to be put in place by the Supplier in relation to the Disaster Recovery System and the provision of the Disaster Recovery Services and any testing of the same including but not limited to the following:

(i) data centre and disaster recovery site audits;

(ii) backup methodology and details of the Supplier's approach to data back-up and data verification;

(iii) identification of all potential disaster scenarios;

(iv) risk analysis;

(v) documentation of processes and procedures;

(vi) network planning including details of all relevant data networks and communication links;

(vii) invocation rules;

(viii) Service recovery procedures; and

(ix) steps to be taken upon resumption of the Services to address any prevailing effect of the failure or disruption of the Services;

(c) any applicable Performance Indicators with respect to the provision of the Disaster Recovery Services and details of any agreed relaxation to the Performance Indicators in respect of other Services during any period of invocation of the Disaster Recovery Plan;

(d) details of how the Supplier shall ensure compliance with security standards ensuring that compliance is maintained for any period during which the Disaster Recovery Plan is invoked;

(e) access controls to any disaster recovery sites used by the Supplier in relation to its obligations pursuant to this Schedule; and

(f) testing and management arrangements.

6 SERVICE CONTINUITY PLAN: PART D – INSOLVENCY CONTINUITY PLAN

PRINCIPLES AND CONTENTS

6.1 The Insolvency Continuity Plan shall be designed by the Supplier to permit continuity of the business operations of the Authority supported by the Services through continued provision of the Services following an Insolvency Event of the Supplier, any Key Sub-contractor and/or any Supplier Group member with, as far as reasonably possible, minimal adverse impact.

6.2 The Insolvency Continuity Plan shall include the following:

(a) communication strategies which are designed to minimise the potential disruption to the provision of the Services, including key contact details in respect of the supply chain and key contact details for operational and contract Supplier Personnel, Key Sub-contractor personnel and Supplier Group member personnel;

(b) identification, explanation, assessment and an impact analysis of risks in respect of dependencies between the Supplier, Key Sub-contractors and Supplier Group members where failure of those dependencies could reasonably have an adverse impact on the Services;

(c) plans to manage and mitigate identified risks;

(d) details of the roles and responsibilities of the Supplier, Key Sub-contractors and/or Supplier Group members to minimise and mitigate the effects of an Insolvency Event of such persons on the Services;

(e) details of the recovery team to be put in place by the Supplier (which may include representatives of the Supplier, Key Sub-contractors and Supplier Group members); and

(f) sufficient detail to enable an appointed insolvency practitioner to invoke the plan in the event of an Insolvency Event of the Supplier.

7 REVIEW AND AMENDMENT OF THE IT SERVICE CONTINUITY MANAGEMENT PLAN

7.1 The Supplier shall review and update the IT Service Continuity Management Plan (and the risk analysis on which it is based):

(a) on a regular basis and as a minimum once every 12 months;

(b) within three calendar months of the IT Service Continuity Management Plan (or any part) having been invoked pursuant to Paragraph 9;

(c) within 14 days of a Financial Distress Event;

(d) within 30 days of a Corporate Change Event (unless the Relevant Authority (acting reasonably) agrees to a Corporate Change Event Grace Period, as set out in Paragraph 2.8(b)(i) of Part B, in which case that Corporate Change Event Grace Period will apply);

(e) following any change to the technical architecture of the Service which impacts the resilience or recovery solutions; and

(f) where the Authority requests any additional reviews (over and above those provided for in Paragraphs 7.1(a) to 7.1(e)) by notifying the Supplier to such effect in writing, whereupon the Supplier shall conduct such reviews in accordance with the Authority's written requirements. Prior to starting its review, the Supplier shall provide an accurate written estimate of the total costs payable by the Authority for the Authority's approval. The costs of both Parties of any such additional reviews shall be met by the Authority except that the Supplier shall not be entitled to charge the Authority for any costs that it may incur above any estimate without the Authority's prior written approval.

7.2 Each review of the IT Service Continuity Management Plan pursuant to Paragraph 7.1 shall be a review of the procedures and methodologies set out in the IT Service Continuity Management Plan and shall assess their suitability having regard to any change to the Services or any underlying business processes and operations facilitated by or supported by the Services which have taken place since the later of the original approval of the IT Service Continuity Management Plan or the last review of the IT Service Continuity Management Plan and shall also have regard to any occurrence of any event since that date (or the likelihood of any such event taking place in the foreseeable future) which may increase the likelihood of the need to invoke the IT Service Continuity Management Plan. The review shall be completed by the Supplier within the period required by the IT Service Continuity Management Plan or, if no such period is required, within such period as the Authority shall reasonably require. The Supplier shall, within 20 Working Days of the conclusion of each such review of the IT Service Continuity Management Plan, provide to the Authority a report (a "**Review Report**") setting out:

(a) the findings of the review;

(b) any changes in the risk profile associated with the Services; and

(c) the Supplier's proposals (the "**Supplier's Proposals**") for addressing any changes in the risk profile and its proposals for amendments to the IT Service Continuity Management Plan following the review detailing the impact (if any and to the extent that the Supplier can reasonably be expected to be aware of the same) that the implementation of such proposals may have on any services or systems provided by a third party.

7.3 Following receipt of the Review Report and the Supplier's Proposals, the Authority shall:

(a) review and comment on the Review Report and the Supplier's Proposals as soon as reasonably practicable; and

(b) notify the Supplier in writing that it approves or rejects the Review Report and the Supplier's Proposals no later than 20 Working Days after the date on which they are first delivered to the Authority.

7.4 If the Authority rejects the Review Report and/or the Supplier's Proposals:

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

(b) the Supplier shall then revise the Review Report and/or the Supplier's Proposals as the case may be (taking reasonable account of the Authority's comments and carrying out any necessary actions in connection with the revision) and shall re-submit a revised Review Report and/or revised Supplier's Proposals to the Authority for the Authority's approval within 20 Working Days of the date of the Authority's notice of rejection. The provisions of Paragraph 7.3 and this Paragraph 7.4 shall apply again to any resubmitted Review Report and Supplier's Proposals, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

7.5 The Supplier shall as soon as is reasonably practicable after receiving the Authority's approval of the Supplier's Proposals (having regard to the significance of any risks highlighted in the Review Report) effect any change in its practices or procedures necessary so as to give effect to the Supplier's Proposals. Any such change shall be at the Supplier's expense unless it can be reasonably shown that the changes are required because of a material change to the risk profile of the Services.

8 TESTING OF THE IT SERVICE CONTINUITY MANAGEMENT PLAN

8.1 The Supplier shall test the IT Service Continuity Management Plan on a regular basis (and in any event not less than once in every Contract Year). Subject to Paragraph 8.2, the Authority may require the Supplier to conduct

additional tests of some or all aspects of the IT Service Continuity Management Plan at any time where the Authority considers it necessary, including where there has been any change to the Services or any underlying business processes, on the occurrence of any event which may increase the likelihood of the need to implement the IT Service Continuity Management Plan or following a live invocation of the IT Service Continuity Management Plan that has not been fully successful.

8.2 If the Authority requires an additional test of the IT Service Continuity Management Plan, it shall give the Supplier written notice and the Supplier shall conduct the test in accordance with the Authority's requirements and the relevant provisions of the IT Service Continuity Management Plan. The Supplier's costs of the additional test shall be borne by the Authority unless the IT Service Continuity Management Plan fails the additional test in which case the Supplier's costs of that failed test shall be borne by the Supplier.

8.3 The Supplier shall undertake and manage testing of the IT Service Continuity Management Plan in full consultation with the Authority and shall liaise with the Authority in respect of the planning, performance, and review, of each test, and shall comply with the reasonable requirements of the Authority in this regard. Each test shall be carried out under the supervision of the Authority or its nominee.

8.4 The Supplier shall ensure that any use by it or any Sub-contractor of “live” data in such testing is first approved by the Authority. Copies of live test data used in any such testing shall be (if so required by the Authority) destroyed or returned to the Authority on completion of the test.

8.5 The Supplier shall, within 20 Working Days of the conclusion of each test, provide to the Authority a report setting out:

(a) the outcome of the test;

(b) any failures in the IT Service Continuity Management Plan (including the IT Service Continuity Management Plan's procedures) revealed by the test; and

(c) the Supplier's proposals for remedying any such failures.

8.6 Following each test, the Supplier shall take all measures requested by the Authority, (including requests for the re-testing of the IT Service Continuity Management Plan) to remedy any failures in the IT Service Continuity Management Plan and such remedial activity and re-testing shall be completed by the Supplier, at no additional cost to the Authority, by the date reasonably required by the Authority and set out in such notice.

8.7 The carrying out of a test of the IT Service Continuity Management Plan (including a test of the IT Service Continuity Management Plan’s procedures) shall not relieve the Supplier of any of its obligations under this Contract.

8.8 The Supplier shall also perform a test of the IT Service Continuity Management Plan in the event of any major reconfiguration of the Services or as otherwise reasonably requested by the Authority.

9 INVOCATION OF THE IT SERVICE CONTINUITY MANAGEMENT PLAN

9.1 In the event of a loss of any critical part of the Service or a Disaster, the Supplier shall immediately invoke the ITSC Plan and Disaster Recovery Plan provisions in the IT Service Continuity Management Plan, including any linked elements in other parts of the IT Service Continuity Management Plan, and shall inform the Authority promptly of such invocation. In all other instances the Supplier shall invoke the ITSC Plan and Disaster Recovery Plan elements only with the prior consent of the Authority.

9.2 The Insolvency Continuity Plan element of the IT Service Continuity Management Plans, including any linked elements in other parts of the IT Service Continuity Management Plan, shall be invoked by the Supplier:

(a) where an Insolvency Event of a Key Sub-contractor and/or Supplier Group member (other than the Supplier) could reasonably be expected to adversely affect delivery of the Services; and/or

(b) where there is an Insolvency Event of the Supplier and the insolvency arrangements enable the Supplier to invoke the plan;

PART B: CORPORATE RESOLUTION PLANNING

1 SERVICE STATUS AND SUPPLIER STATUS

1.1 This Contract **is** a Critical Service Contract.

1.2 The Supplier shall notify the Authority and the Cabinet Office Markets and Suppliers Team (Resolution.planning@cabinetoffice.gov.uk) in writing within 5 Working Days of the Effective Date and throughout the Term within 120 days after each Accounting Reference Date as to whether or not it is a Public Sector Dependent Supplier.

2 PROVISION OF CORPORATE RESOLUTION PLANNING INFORMATION (CRP INFORMATION)

2.1 Paragraphs 2 to 4 of this Part B shall apply if this Contract has been specified as a Critical Service Contract under Paragraph 1.1 of this Part B or the Supplier is or becomes a Public Sector Dependent Supplier.

2.2 Subject to Paragraphs 2.6, 2.10 and 2.11 of this Part B:

(a) where this Contract is a Critical Service Contract, the Supplier shall provide the Relevant Authority or Relevant Authorities with CRP Information within 60 days of the Effective Date; and

(b) except where it has already been provided in accordance with Paragraph 2.2(a) of this Part B, where the Supplier is a Public Sector Dependent Supplier, it shall provide the Relevant Authority or Relevant Authorities with the CRP Information within 60 days of the date of the Relevant Authority's or Relevant Authorities' request.

2.3 The Supplier shall ensure that the CRP Information provided pursuant to Paragraphs 2.2, 2.8 and 2.9 of this Part B:

(a) is full, comprehensive, accurate and up to date;

(b) is split into three parts:

(i) Exposure Information (Contracts List);

(ii) Corporate Resolvability Assessment (Structural Review);

(iii) Financial Information and Commentary

and is structured and presented in accordance with the requirements and explanatory notes set out at the relevant Annex of the latest published versions of the Resolution Planning Guidance Notes published by the Cabinet Office Government Commercial Function and available at https://www.gov.uk/government/publications/the-sourcing-and-consultancy-playbooks and contains the level of detail required (adapted as necessary to the Supplier's circumstances);

(c) incorporates any additional commentary, supporting documents and evidence which would reasonably be required by the Relevant Authority or Relevant Authorities to understand and consider the information for approval;

(d) provides a clear description and explanation of the Supplier Group members that have agreements for goods, services or works provision in respect of UK Public Sector Business and/or CNI and the nature of those agreements; and

(e) complies with the requirements set out at Annex 1 (*Exposure Information (Contracts List)*), Annex 2 (*Corporate Resolvability Assessment (Structural Review)*) and Annex 3 (*Financial Information And Commentary*) respectively.

2.4 Following receipt by the Relevant Authority or Relevant Authorities of the CRP Information pursuant to Paragraphs 2.2, 2.8 and 2.9 of this Part B, the Authority shall procure that the Relevant Authority or Relevant Authorities discuss in good faith the contents of the CRP Information with the Supplier and no later than 60 days after the date on which the CRP Information was delivered by the Supplier either provide an Assurance to the Supplier that Relevant Authority or Relevant Authorities approve the CRP Information or that Relevant Authority or Relevant Authorities reject the CRP Information.

2.5 If the Relevant Authority or Relevant Authorities reject the CRP Information:

(a) the Authority shall (and shall procure that the Cabinet Office Markets and Suppliers Team shall) inform the Supplier in writing of its reasons for its rejection; and

(b) the Supplier shall revise the CRP Information, taking reasonable account of the Relevant Authority's or Relevant Authorities' comments, and shall re-submit the CRP Information to the Relevant Authority or Relevant Authorities for approval within 30 days of the date of the Relevant Authority's or Relevant Authorities' rejection. The provisions of Paragraph 2.3 to 2.5 of this Part B shall apply again to any resubmitted CRP Information provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

2.6 Where the Supplier or a member of the Supplier Group has already provided CRP Information to a Department or the Cabinet Office Markets and Suppliers Team (or, in the case of a Strategic Supplier, solely to the Cabinet Office Markets and Suppliers Team) and has received an Assurance of its CRP Information from that Department and the Cabinet Office Markets and Suppliers Team (or, in the case of a Strategic Supplier, solely from the Cabinet Office Markets and Suppliers Team), then provided that the Assurance remains Valid on the date by which the CRP Information would otherwise be required, the Supplier shall not be required to provide the CRP Information under Paragraph 2.2 if it provides a copy of the Valid Assurance to the

Relevant Authority or Relevant Authorities on or before the date on which the CRP Information would otherwise have been required.

2.7 An Assurance shall be deemed Valid for the purposes of Paragraph 2.6 of this Part B if:

(a) the Assurance is within the validity period stated in the Assurance (or, if no validity period is stated, no more than 12 months has elapsed since it was issued and no more than 18 months has elapsed since the Accounting Reference Date on which the CRP Information was based); and

(b) no Corporate Change Events or Financial Distress Events (or events which would be deemed to be Corporate Change Events or Financial Distress Events if this Contract had then been in force) have occurred since the date of issue of the Assurance.

2.8 If this Contract is a Critical Service Contract, the Supplier shall provide an updated version of the CRP Information (or, in the case of Paragraph 2.8(c) of this Part B its initial CRP Information) to the Relevant Authority or Relevant Authorities:

(a) within 14 days of the occurrence of a Financial Distress Event (along with any additional highly confidential information no longer exempted from disclosure under Paragraph 2.11 of this Part B).

(b) within 30 days of a Corporate Change Event unless:

(i) the Supplier requests and the Relevant Authority (acting reasonably) agrees to a Corporate Change Event Grace Period, in the event of which the time period for the Supplier to comply with this Paragraph shall be extended as determined by the Relevant Authority (acting reasonably) but shall in any case be no longer than six months after the Corporate Change Event. During a Corporate Change Event Grace Period the Supplier shall regularly and fully engage with the Relevant Authority to enable it to understand the nature of the Corporate Change Event and the Relevant Authority shall reserve the right to terminate a Corporate Change Event Grace Period at any time if the Supplier fails to comply with this Paragraph; or

(ii) not required pursuant to Paragraph 2.10;

(c) within 30 days of the date that:

(i) the credit rating(s) of each of the Supplier and its Parent Undertakings fail to meet any of the criteria specified in Paragraph 2.10; or

(ii) none of the credit rating agencies specified at Paragraph 2.10 hold a public credit rating for the Supplier or any of its Parent Undertakings; and

(d) in any event, within 6 months after each Accounting Reference Date or within 15 months of the date of the previous Assurance received from the Relevant Authority (whichever is the earlier), unless:

(i) updated CRP Information has been provided under any of Paragraphs 2.8(a) 2.8(b) or 2.8(c) since the most recent Accounting Reference Date (being no more than 12 months previously) within the timescales that would ordinarily be required for the provision of that information under this Paragraph 2.8(d); or

(ii) unless not required pursuant to Paragraph 2.10.

2.9 Where the Supplier is a Public Sector Dependent Supplier and this Contract is not a Critical Service Contract, then on the occurrence of any of the events specified in Paragraphs 2.8(a) to (d) of this Part B, the Supplier shall provide at the request of the Relevant Authority or Relevant Authorities and within the applicable timescales for each event as set out in Paragraph 2.8 (or such longer timescales as may be notified to the Supplier by the Authority), the CRP Information to the Relevant Authority or Relevant Authorities.

2.10 Where the Supplier or a Parent Undertaking of the Supplier has a credit rating of either:

(a) Aa3 or better from Moody's; or

(b) AA- or better from Standard and Poor's; or

(c) AA- or better from Fitch;

the Supplier will not be required to provide any CRP Information unless or until either (i) a Financial Distress Event occurs or (ii) the Supplier and its Parent Undertakings cease to fulfil the criteria set out in this Paragraph 2.10, in which cases the Supplier shall provide the updated version of the CRP Information in accordance with Paragraph 2.8.

2.11 Subject to Paragraph 4, where the Supplier demonstrates to the reasonable satisfaction of the Relevant Authority or Relevant Authorities that a particular item of CRP Information is highly confidential, the Supplier may, having orally disclosed and discussed that information with the Relevant Authority or Relevant Authorities, redact or omit that information from the CRP Information provided that if a Financial Distress Event occurs, this exemption shall no longer apply and the Supplier shall promptly provide the relevant information to the Relevant Authority or Relevant Authorities to the extent required under Paragraph 2.8.

3 TERMINATION RIGHTS

3.1 The Authority shall be entitled to terminate this Contract under Clause 30.1(b) (*Termination by the Authority*) if the Supplier is required to provide CRP Information under Paragraph 2 of this Part B and either:

(a) the Supplier fails to provide the CRP Information within 4 months of the Effective Date if this is a Critical Service Contract or otherwise within 4 months of the Relevant Authority's or Relevant Authorities' request; or

(b) the Supplier fails to obtain an Assurance from the Relevant Authority or Relevant Authorities within 4 months of the date that it was first required to provide the CRP Information under this Contract.

4 CONFIDENTIALITY AND USAGE OF CRP INFORMATION

4.1 The Authority agrees to keep the CRP Information confidential and use it only to understand the implications of an Insolvency Event of the Supplier and/or Supplier Group members on its UK Public Sector Business and/or services in respect of CNI and to enable contingency planning to maintain service continuity for end users and protect CNI in such eventuality.

4.2 Where the Relevant Authority is the Cabinet Office Markets and Suppliers Team, at the Supplier's request, the Authority shall use reasonable endeavours to procure that the Cabinet Office enters into a confidentiality and usage agreement with the Supplier containing terms no less stringent than those placed on the Authority under Paragraph 4.1 of this Part B and Clause 19 (*Confidentiality*).

4.3 The Supplier shall use reasonable endeavours to obtain consent from any third party which has restricted the disclosure of the CRP Information to enable disclosure of that information to the Relevant Authority or Relevant Authorities pursuant to Paragraph 2 of this Part B subject, where necessary, to the Relevant Authority or Relevant Authorities entering into an appropriate confidentiality agreement in the form required by the third party.

4.4 Where the Supplier is unable to procure consent pursuant to Paragraph 4.3 of this Part B, the Supplier shall use all reasonable endeavours to disclose the CRP Information to the fullest extent possible by limiting the amount of information it withholds including by:

(a) redacting only those parts of the information which are subject to such obligations of confidentiality

(b) providing the information in a form that does not breach its obligations of confidentiality including (where possible) by:

(i) summarising the information;

(ii) grouping the information;

(iii) anonymising the information; and

(iv) presenting the information in general terms

4.5 The Supplier shall provide the Relevant Authority or Relevant Authorities with contact details of any third party which has not provided consent to disclose CRP Information where that third party is also a public sector body and where the Supplier is legally permitted to do so.

ANNEX 1 : EXPOSURE INFORMATION (CONTRACTS LIST)

1 The Supplier shall:

1.1 provide details of all agreements held by members of the Supplier Group where those agreements are for goods, services or works provision and:

(a) are with any UK public sector bodies including: central Government departments and their arms-length bodies and agencies, non-departmental public bodies, NHS bodies, local authorities, health bodies, police fire and rescue, education bodies and the devolved administrations;

(b) are with any private sector entities where the end recipient of the service, goods or works provision is any of the bodies set out in Paragraph 1.1(a) of this Annex 1 and where the member of the Supplier Group is acting as a key sub-contractor under the agreement with the end recipient; or

(c) involve or could reasonably be considered to involve CNI;

1.2 provide the Relevant Authority with a copy of the latest version of each underlying contract worth more than [redacted] per contract year and their related key sub-contracts, which shall be included as embedded documents within the CRP Information or via a directly accessible link.

ANNEX 2: CORPORATE RESOLVABILITY ASSESSMENT (STRUCTURAL REVIEW)

1 The Supplier shall:

1.1 provide sufficient information to allow the Relevant Authority to understand the implications on the Supplier Group's UK Public Sector Business and CNI contracts listed pursuant to Annex 1 if the Supplier or another member of the Supplier Group is subject to an Insolvency Event.

1.2 ensure that the information is presented so as to provide a simple, effective and easily understood overview of the Supplier Group; and

1.3 provide full details of the importance of each member of the Supplier Group to the Supplier Group's UK Public Sector Business and CNI contracts listed pursuant to Annex 1 and the dependencies between each.

ANNEX 3: FINANCIAL INFORMATION AND COMMENTARY

1 The Supplier shall:

1.1 provide sufficient financial information for the Supplier Group level, contracting operating entities level, and shared services entities' level to allow the Relevant Authority to understand the current financial interconnectedness of the Supplier Group and the current performance of the Supplier as a standalone entity; and

1.2 ensure that the information is presented in a simple, effective and easily understood manner.

2 The financial information to be provided pursuant to Paragraph 1 of this Annex 3 should be based on the most recent audited accounts for the relevant entities (or interim accounts where available) updated for any material changes since the Accounting Reference Date provided that such accounts are available in a reasonable timeframe to allow the Supplier to comply with its obligations under this Schedule 26 (*IT Service Continuity Management Plan and Corporate Resolution Planning*). If such accounts are not available in that timeframe, financial information should be based on unpublished unaudited accounts or management accounts (disclosure of which to the Cabinet Office Markets and Suppliers Team remains protected by confidentiality).

SCHEDULE 1

DEFINITIONS

Schedule 1 (*Definitions*)

1 DEFINITIONS

1.1 In the Contract, unless the context otherwise requires, capitalised expressions shall have the meanings set out in this Schedule 1 (*Definitions*) or the relevant Schedule in which that capitalised expression appears.

1.2 If a capitalised expression does not have an interpretation in this Schedule or any other Schedule, it shall, in the first instance, be interpreted in accordance with the common interpretation within the relevant market sector/industry where appropriate. Otherwise, it shall be interpreted in accordance with the dictionary meaning.

1.3 In the Contract, unless the context otherwise requires:

(a) the singular includes the plural and vice versa;

(b) reference to a gender includes the other gender and the neuter;

(c) references to a person include an individual, company, body corporate, corporation, unincorporated association, firm, partnership or other legal entity or Crown Body;

(d) a reference to any Law includes a reference to that Law as amended, extended, consolidated or re-enacted from time to time;

(e) the words "including", "other", "in particular", "for example" and similar words shall not limit the generality of the preceding words and shall be construed as if they were immediately followed by the words "without limitation";

(f) references to "writing" include typing, printing, lithography, photography, display on a screen, electronic and facsimile transmission and other modes of representing or reproducing words in a visible form, and expressions referring to writing shall be construed accordingly;

(g) references to "representations" shall be construed as references to present facts, to "warranties" as references to present and future facts and to "undertakings" as references to obligations under the Contract;

(h) references to "Clauses" and "Schedules" are, unless otherwise provided, references to the clauses and schedules of the Core Terms and references in any Schedule to parts, paragraphs, annexes and tables are, unless otherwise provided, references to the parts, paragraphs, annexes and tables of the Schedule in which these references appear;

(i) references to "Paragraphs" are, unless otherwise provided, references to the paragraph of the appropriate Schedules unless otherwise provided; and

(j) references to a series of Clauses or Paragraphs shall be inclusive of the clause numbers specified.

(k) the headings in the Contract are for ease of reference only and shall not affect the interpretation or construction of the Contract; and

(l) where the Authority is a Crown Body it shall be treated as contracting with the Crown as a whole.

(m) Any reference in this Contract which immediately before IP Completion Day (or such later date when relevant EU law ceases to have effect pursuant to Section 1A of the European Union (Withdrawal) Act 2018) is a reference to (as it has effect from time to time):

(i) any EU regulation, EU decision, EU tertiary legislation or provision of the EEA agreement ("**EU References**") which is to form part of domestic law by application of Section 3 of the European Union (Withdrawal) Act 2018 shall be read on and after IP Completion Day as a reference to the EU References as they form part of domestic law by virtue of Section 3 of the European Union (Withdrawal) Act 2018 as modified by domestic law from time to time; and

(ii) any EU institution or EU authority or other such EU body shall be read on and after IP Completion Day as a reference to the UK institution, authority or body to which its functions were transferred.

1.4 Where a standard, policy or document is referred to in this Contract by reference to a hyperlink, then if the hyperlink is changed or no longer provides access to the relevant standard, policy or document, the Supplier shall notify the Authority and the Parties shall update this Contract with a reference to the replacement hyperlink.

"Accounting Reference Date"	means in each year the date to which the Supplier prepares its annual audited financial statements;
"Achieve"	(a) in respect of a Test, to successfully pass a Test without any Test Issues; and (b) in respect of a Milestone, the issue of a Milestone Achievement Certificate in respect of that Milestone in accordance with the provisions of Schedule 14 *(Testing Procedures),* and "**Achieved**" and "**Achievement**" shall be construed accordingly;
"Admission Agreement"	has the meaning given in Schedule 28 (*Staff Transfer*);
"Affected Party"	the Party seeking to claim relief in respect of a Force Majeure Event;
"Affiliate(s)"	in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control with, that body corporate from time to time;
"Allowable Price"	in relation to the Retained Deliverables relating to a CPP Milestone, if any, an amount determined in accordance with the formula: A – B where: (a) A is an amount equal to the Costs incurred by the Supplier in providing or developing the relevant Retained Deliverables as reflected in the Financial Model together with an amount equal to the Anticipated Contract Life Profit Margin thereon; and (b) B is an amount equal to the Allowable Price Adjustment relating to the relevant Retained Deliverables, if any, or if there is no such Allowable Price Adjustment, zero,

	provided that the Allowable Price for any Retained Deliverables shall in no circumstances exceed the aggregate amount of the Milestone Payments paid to the Supplier in respect of the Milestones (or in the case of Partial Termination, the Milestones for the parts of the Services terminated) relating to that CPP Milestone;
"Allowable Price Adjustment"	has the meaning given in Clause 31.10(c) (Payments by the Supplier);
"Annual Contract Report"	has the meaning given in Schedule 19 (*Financial Reports and Audit Rights*);
"Annual Revenue"	means, for the purposes of determining whether an entity is a Public Sector Dependent Supplier, the audited consolidated aggregate revenue (including share of revenue of joint ventures and Associates) reported by the Supplier or, as appropriate, the Supplier Group in its most recent published accounts, subject to the following methodology: (a) figures for accounting periods of other than 12 months should be scaled pro rata to produce a proforma figure for a 12 month period; and (b) where the Supplier, the Supplier Group and/or their joint ventures and Associates report in a foreign currency, revenue should be converted to British Pound Sterling at the closing exchange rate on the Accounting Reference Date;
"Annual Service Credit Cap"	means: (a) in the period of 12 months from the Operational Service Commencement Date, 20% of the Estimated Initial Service Charges; and (b) during the remainder of the Term, 20% of the Service Charges paid and/or due to be paid to the Supplier under this Contract in the period of 12 months immediately preceding the Service Period in respect of which Service Credits are accrued;

"Applicable Supplier Personnel"	any Supplier Personnel who: (a) at the Termination Date: (i) are employees of the Supplier; (ii) are Dedicated Supplier Personnel; (iii) have not transferred (and are not in scope to transfer at a later date) to the Authority or the Replacement Supplier by virtue of the Employment Regulations; and (b) are dismissed or given notice of dismissal by the Supplier within: (i) 40 Working Days of the Termination Date; or (ii) such longer period required by Law, their employment contract (as at the Termination Date) or an applicable collective agreement; and (c) have not resigned or given notice of resignation prior to the date of their dismissal by the Supplier; and (d) the Supplier can demonstrate to the satisfaction of the Authority: (i) are surplus to the Supplier's requirements after the Termination Date notwithstanding its obligation to provide services to its other customers; (ii) are genuinely being dismissed for reasons of redundancy; and (iii) have been selected for redundancy by the Supplier on objective grounds other than the fact that the Supplier is entitled to reimbursement under this provision in respect of such employees;
"Approved Sub-Licensee"	any of the following:

	(a) a Central Government Body; (b) any third party providing services to a Central Government Body; and/or (c) any body (including any private sector body) which performs or carries on any of the functions and/or activities that previously had been performed and/or carried on by the Authority;
"Assets"	all assets and rights used by the Supplier to provide the Services in accordance with this Contract but excluding the Authority Assets;
"Associated Person"	has the meaning given to it in Section 44(4) of the Criminal Finances Act 2017;
"Associates"	means, in relation to an entity, an undertaking in which the entity owns, directly or indirectly, between 20% and 50% of the voting rights and exercises a degree of control sufficient for the undertaking to be treated as an associate under generally accepted accounting principles;
"Assurance"	means written confirmation from a Relevant Authority to the Supplier that the CRP Information is approved by the Relevant Authority;
"ATP Milestone"	the Milestone linked to Authority to Proceed for the relevant Operational Services set out in the Implementation Plan;
"Audit"	any exercise by the Authority of its Audit Rights pursuant to Clause 12 (*Records, Reports and Audit*) and Schedule 19 (*Financial Reports and Audit Rights*);
"Audit Agents"	(a) the Authority's internal and external auditors; (b) the Authority's statutory or regulatory auditors; (c) the Comptroller and Auditor General, their staff and/or any appointed representatives of the National Audit Office; (d) HM Treasury or the Cabinet Office;

	(e) any party formally appointed by the Authority to carry out audit or similar review functions; and (f) successors or assigns of any of the above;
"Audit Rights"	the audit and access rights referred to in Schedule 19 (*Financial Reports and Audit Rights)*;
"Authority Assets"	the Authority Materials, the Authority infrastructure and any other data, software, assets, equipment or other property owned by and/or licensed or leased to the Authority and which is or may be used in connection with the provision or receipt of the Services;
"Authority Background IPRs"	IPRs owned by the Authority before the Effective Date, including IPRs contained in any of the Authority's Know-How, documentation, processes and procedures; IPRs created by the Authority independently of this Contract; and/or Crown Copyright which is not available to the Supplier otherwise than under this Contract; but excluding IPRs owned by the Authority subsisting in the Authority Software;
"Authority Cause"	any material breach by the Authority of any of the Authority Responsibilities, except to the extent that such breach is: (a) the result of any act or omission by the Authority to which the Supplier has given its prior consent; or (b) caused by the Supplier, any Sub-contractor or any Supplier Personnel;
"Authority Data"	(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 Supplier by or on behalf of the Authority; and/or (ii) which the Supplier is required to generate, process, store or

	transmit pursuant to this Contract; or (b) any Personal Data for which the Authority is the Controller;
"Authority IT Strategy"	the Authority's IT policy in force as at the Effective Date as included in Schedule 33 (*Policies and Procedures*), as updated from time to time in accordance with the Change Control Procedure;
"Authority Materials"	the Authority Data together with any materials, documentation, information, programs and codes supplied by the Authority to the Supplier, the IPRs in which: (a) are owned or used by or on behalf of the Authority; and (b) are or may be used in connection with the provision or receipt of the Services, but excluding any Project Specific IPRs, Specially Written Software, Supplier Software, Third Party Software and Documentation relating to Supplier Software or Third Party Software;
"Authority Premises"	premises owned, controlled or occupied by the Authority and/or any Central Government Body which are made available for use by the Supplier or its Sub-contractors for provision of the Services (or any of them);
"Authority Representative"	the representative appointed by the Authority pursuant to Clause 11.4 (*Representatives*);
"Authority Requirements"	the requirements of the Authority set out in Schedule 2 (*Services Description)*, Schedule 3 (*Performance Levels*), Schedule 4 *(Standards)*, Schedule 5 (*Security Management*), Schedule 6 (*Insurance Requirements*), Schedule 13 (*Implementation Plan*), Schedule 24 (*Reports and Records Provisions*), Schedule 25 (*Exit Management*) and Schedule 26 (*IT Service Continuity Management Plan and Corporate Resolution Planning*);
"Authority Responsibilities"	the responsibilities of the Authority specified in Schedule 7 (*Authority Responsibilities*);
"Authority Service Desk"	the service desk managed by the Authority;

"Authority Software"	software which is owned by or licensed to the Authority (other than under or pursuant to this Contract) and which is or will be used by the Supplier for the purposes of providing the Services, including but not limited to the Authority Solution;
"Authority Solution"	the application developed, maintained, and hosted by the Authority that creates the User interface into the Video Hearings Service;
"Authority System"	the Authority's computing environment (consisting of hardware, software and/or telecommunications networks or equipment) used by the Authority or the Supplier in connection with this Contract which is owned by the Authority or licensed to it by a third party and which interfaces with the Supplier System or which is necessary for the Authority to receive the Services, including without limitation the Authority Solution;
"Authority to Proceed" or "ATP"	the authorisation to the Supplier to commence the provision of the relevant Operational Services to the Authority, provided by the Authority in the form of a Milestone Achievement Certificate in respect of the ATP Milestone;
"Balanced Scorecard Report"	has the meaning given in Paragraph 1.2(b) of Part B of Schedule 3 (*Performance Levels*);
"Baseline Security Requirements"	the Authority's baseline security requirements, the current copy of which is contained in Annex 1 to Schedule 5 (*Baseline Security Requirements*), as updated from time to time by the Authority and notified to the Supplier;
"Board"	has the meaning given in Schedule 21 (*Governance*);
"Cabinet Office Markets and Suppliers Team"	means the UK Government's team responsible for managing the relationship between government and its Strategic Suppliers, or any replacement or successor body carrying out the same function;
"Capacity"	has the meaning given in Schedule 2 (*Services Description*);

'Capacity Planning Meeting'	has the meaning given in Paragraph 3 of Annex 3 to Schedule 2 (*Services Description*);
"Central Government Body"	a body listed in one of the following sub-categories of the Central Government classification of the Public Sector Classification Guide, as published and amended from time to time by the Office for National Statistics: (a) Government Department; (b) Non-Departmental Public Body or Assembly Sponsored Public Body (advisory, executive, or tribunal); (c) Non-Ministerial Department; or (d) Executive Agency;
"Change"	any change to this Contract;
"Change Authorisation Note"	a form setting out an agreed Contract Change which shall be substantially in the form of Annex 2 to Schedule 22 (*Change Control Procedure*);
"Change Control Procedure"	the procedure for changing this Contract set out in Schedule 22 (*Change Control Procedure*);
"Change in Law"	any change in Law which impacts on the performance of the Services which comes into force after the Effective Date;
"Change Request"	a written request for a Contract Change substantially in the form of Annex 1 to Schedule 22 *(Change Request Form);*
"Charges"	the charges for the provision of the Services set out in or otherwise calculated in accordance with Schedule 15 (*Charges and Invoicing*), including any Milestone Payment or Service Charge;
"Class 1 Transaction"	has the meaning set out in the listing rules issued by the UK Listing Authority;
"CNI"	means Critical National Infrastructure;
"Commercially Sensitive Information"	the information listed in Schedule 9 (*Commercially Sensitive Information*)

	comprising the information of a commercially sensitive nature relating to: (a) the pricing of the Services; (b) details of the Supplier's IPRs; and (c) the Supplier's business and investment plans; which the Supplier has indicated to the Authority that, if disclosed by the Authority, would cause the Supplier significant commercial disadvantage or material financial loss;
"Comparable Supply"	the supply of services to another customer of the Supplier that are the same or similar to any of the Services;
"Compensation for Unacceptable KPI Failure"	has the meaning given in Clause 7.4(a) (Unacceptable KPI Failure);
"Compute"	provision of computing processing capability (video, data etc) provided by the Supplier to enable the Video Hearings Service to function;
"Compute Minutes"	the number of minutes that the Video Hearings Service uses the Compute provided by the Supplier;
"Concurrent Participating Devices"	has the meaning give in Schedule 15 (*Charges and Invoicing*);
"Condition Precedent"	has the meaning given in Clause 4.2 (*Condition Precedent*);
"Confidential Information"	(a) Information, including all Personal Data, which (however it is conveyed) is provided by the Disclosing Party pursuant to or in anticipation of this Contract that relates to: (i) the Disclosing Party Group; or (ii) the operations, business, affairs, developments, intellectual property rights, trade secrets, know-how and/or personnel of the Disclosing Party Group; (b) other Information provided by the Disclosing Party pursuant to or in anticipation of this Contract that is clearly designated as being confidential

or equivalent or that ought reasonably to be considered to be confidential (whether or not it is so marked) which comes (or has come) to the Recipient's attention or into the Recipient's possession in connection with this Contract;

(c) discussions, negotiations, and correspondence between the Disclosing Party or any of its directors, officers, employees, consultants or professional advisers and the Recipient or any of its directors, officers, employees, consultants and professional advisers in connection with this Contract and all matters arising therefrom; and

(d) Information derived from any of the above,

but not including any Information which:

(i) was in the possession of the Recipient without obligation of confidentiality prior to its disclosure by the Disclosing Party;

(ii) the Recipient obtained on a non-confidential basis from a third party who is not, to the Recipient's knowledge or belief, bound by a confidentiality agreement with the Disclosing Party or otherwise prohibited from disclosing the information to the Recipient;

(iii) was already generally available and in the public domain at the time of disclosure otherwise than by a breach of this Contract or breach of a duty of confidentiality;

(iv) was independently developed without access to the Confidential Information; or

(v) relates to the Supplier's:

(1) performance under this Contract; or

(2) failure to pay any Sub-contractor as required pursuant to Clause 15.15(d) (Supply Chain Protection);

"Conflict of Interest"	a conflict between the financial or personal duties of the Supplier or the Supplier Personnel and the duties owed to the Authority under the Contract, in the reasonable opinion of the Authority;
"Contract Breakage Costs"	the amounts payable by the Supplier to its Key Sub-contractors or other third parties (as applicable) for terminating all relevant Key Sub-contracts or Third Party Contracts as a direct result of the early termination of this Contract which: (a) are not assigned or novated to a Replacement Supplier at the request of the Authority in accordance with Schedule 25 (*Exit Management*); and (b) the Supplier can demonstrate: (i) are surplus to the Supplier's requirements after the Termination Date, whether in relation to use internally within its business or in providing services to any of its other customers; and (ii) have been entered into by it in the ordinary course of business Subject to the maximum figure stated in Clause 23.7(a)(ii);
"Contract Change"	any change to this Contract other than an Operational Change;
"Contract Inception Report"	the initial financial model in a form agreed by the Supplier and the Authority in writing on or before the Effective Date;
"Contracts Finder"	the online government portal which allows suppliers to search for information about contracts as prescribed by Part 4 of the Public Contract Regulations 2015;
"Contract Year"	(a) a period of 12 months commencing on the Effective Date; or

(b) thereafter a period of 12 months commencing on each anniversary of the Effective Date;

provided that the final Contract Year shall end on the expiry or termination of the Term;

"Control" the possession by person, directly or indirectly, of the power to direct or cause the direction of the management and policies of the other person (whether through the ownership of voting shares, by contract or otherwise) and "**Controls**" and "**Controlled**" shall be interpreted accordingly;

"Controller" has the meaning given in the UK GDPR or the EU GDPR as the context requires;

"Corporate Change Event" means:

(a) any change of Control of the Supplier or a Parent Undertaking of the Supplier;

(b) any change of Control of any member of the Supplier Group which, in the reasonable opinion of the Authority, could have a material adverse effect on the Services;

(c) any change to the business of the Supplier or any member of the Supplier Group which, in the reasonable opinion of the Authority, could have a material adverse effect on the Services;

(d) a Class 1 Transaction taking place in relation to the shares of the Supplier or any Parent Undertaking of the Supplier whose shares are listed on the main market of the London Stock Exchange plc;

(e) an event that could reasonably be regarded as being equivalent to a Class 1 Transaction taking place in respect of the Supplier or any Parent Undertaking of the Supplier;

(f) payment of dividends by the Supplier or the ultimate Parent Undertaking of the Supplier Group exceeding 25% of the Net Asset Value of the Supplier or the ultimate Parent Undertaking of the

	Supplier Group respectively in any 12 month period; (g) an order is made or an effective resolution is passed for the winding up of any member of the Supplier Group; (h) Any member of the Supplier Group stopping payment of its debts generally or becoming unable to pay its debts within the meaning of section 123(1) of the Insolvency Act 1986 or any member of the Supplier Group ceasing to carry on all or substantially all its business, or any compromise, composition, arrangement or agreement being made with creditors of any member of the Supplier Group; (i) the appointment of a receiver, administrative receiver or administrator in respect of or over all or a material part of the undertaking or assets of any member of the Supplier Group; and/or (j) any process or events with an effect analogous to those in Paragraphs (e) to (g) inclusive above occurring to a member of the Supplier Group in a jurisdiction outside England and Wales;
"Corporate Change Event Grace Period"	means a grace period agreed to by the Relevant Authority for providing CRP Information and/or updates to Service Continuity Plan after a Corporate Change Event
"Corporate Resolvability Assessment (Structural Review)"	means part of the CRP Information relating to the Supplier Group to be provided by the Supplier in accordance with Paragraphs 2 and Annex 2: Corporate Resolvability Assessment (Structural Review) of Schedule 26 (*IT Service Continuity Management Plan and Corporate Resolution Planning*);
"Costs"	the following costs (without double recovery) to the extent that they are reasonably and properly incurred by the Supplier in providing the Services: (a) the cost to the Supplier or the Key Sub-contractor (as the context requires),

calculated per Work Day, of engaging the Supplier Personnel, including:

(i) base salary paid to the Supplier Personnel;

(ii) employer's national insurance contributions;

(iii) Employer Pension Contributions;

(iv) car allowances;

(v) any other contractual employment benefits;

(vi) staff training;

(vii) work place accommodation;

(viii) work place IT equipment and tools reasonably necessary to perform the Services (but not including items included within limb (b) below); and

(ix) reasonable recruitment costs, as agreed with the Authority;

(b) costs incurred in respect of those Assets which are detailed on the Registers and which would be treated as capital costs according to generally accepted accounting principles within the UK, which shall include the cost to be charged in respect of Assets by the Supplier to the Authority or (to the extent that risk and title in any Asset is not held by the Supplier) any cost actually incurred by the Supplier in respect of those Assets;

(c) operational costs which are not included within (a) or (b) above, to the extent that such costs are necessary and properly incurred by the Supplier in the delivery of the Services;

(d) Forecast Contingency Costs;

but excluding:

(i) Overhead;

(ii) financing or similar costs;

(iii) maintenance and support costs to the extent that these relate to maintenance and/or support

	services provided beyond the Term, whether in relation to Assets or otherwise; (iv) taxation; (v) fines and penalties; and (vi) non-cash items (including depreciation, amortisation, impairments and movements in provisions);
"CPP Milestone"	a contract performance point as set out in the Implementation Plan, being the Milestone at which the Supplier has demonstrated that the Supplier Solution or relevant Service is working satisfactorily in its operating environment in accordance with Schedule 14 (*Testing Procedures*);
"Critical National Infrastructure"	means those critical elements of UK national infrastructure (namely assets, facilities, systems, networks or processes and the essential workers that operate and facilitate them), the loss or compromise of which could result in: (a) major detrimental impact on the availability, integrity or delivery of essential services – including those services whose integrity, if compromised, could result in significant loss of life or casualties – taking into account significant economic or social impacts; and/or (b) significant impact on the national security, national defence, or the functioning of the UK;
"Critical Performance Failure"	(a) the Supplier accruing Service Credits or Compensation for Unacceptable KPI Failure which meet or exceed the Monthly Service Credit Cap in any 3 consecutive Service Periods, or in any 4 Service Periods in any period of 6 months; or (b) the Supplier accruing Service Credits or Compensation for Unacceptable KPI Failure which meet or exceed the Annual Service Credit Cap;

"Critical Service Contract"	means the overall status of the Services provided under this Contract as determined by the Authority and specified in Paragraph 1.1 of Part B to Schedule 26 (*IT Service Continuity Management Plan and Corporate Resolution Planning*);
"Crown Body"	means the government of the United Kingdom (including the Northern Ireland Assembly and Executive Committee, the Scottish Government and the National Assembly for Wales), including government ministers and government departments and particular bodies, persons, commissions or agencies from time to time carrying out functions on its behalf;
"Crown Copyright"	has the meaning given in the Copyright, Designs and Patents Act 1988
"CRP Information"	means the Corporate Resolution Planning Information, together, the: (a) Exposure Information (Contracts List); (b) Corporate Resolvability Assessment (Structural Review); and (c) Financial Information and Commentary
"CRTPA"	the Contracts (Rights of Third Parties) Act 1999;
"CSPS Eligible Employee"	has the meaning given in Schedule 28 (*Staff Transfer*);
"Data Loss Event"	any event that results, or may result, in unauthorised access to Personal Data held by the Supplier under this Contract, and/or actual or potential loss and/or destruction of Personal Data in breach of this Contract, including any Personal Data Breach;
"Data Protection Impact Assessment"	an assessment by the Controller of the impact of the envisaged processing on the protection of Personal Data;
"Data Protection Legislation"	(a) the UK GDPR; (b) the DPA 2018 to the extent that it relates to processing of personal data and privacy;

	(c) all applicable Law about the processing of personal data and privacy; and (d) (to the extent that it applies) the EU GDPR;
"Data Subject"	has the meaning given to it in the UK GDPR or the EU GDPR as the context requires;
"Data Subject Request"	a request made by, or on behalf of, a Data Subject in accordance with rights granted pursuant to the Data Protection Legislation to their Personal Data;
"Dedicated Supplier Personnel"	all Supplier Personnel then assigned to the Services or any part of the Services. If the Supplier is unsure as to whether Supplier Personnel are or should be regarded as so assigned, it shall consult with the Authority whose view shall be determinative provided that the employee has been materially involved in the provision of the Services or any part of the Services;
"Deductions"	all Service Credits, Compensation for Unacceptable KPI Failure, Delay Payments or any other deduction which is paid or payable to the Authority under this Contract;
"Default"	any breach of the obligations of the relevant Party (including abandonment of this Contract in breach of its terms, repudiatory breach or breach of a fundamental term) or any other default, act, omission, negligence or statement: (a) in the case of the Authority, of its employees, servants, agents; or (b) in the case of the Supplier, of its Sub-contractors or any Supplier Personnel, in connection with or in relation to the subject-matter of this Contract and in respect of which such Party is liable to the other;
"Defect"	(a) any error, damage or defect in the manufacturing of a Deliverable; or (b) any error or failure of code within the Software which causes a Deliverable to malfunction or to produce unintelligible or incorrect results; or

	(c) any failure of any Deliverable to provide the performance, features and functionality specified in the Authority Requirements or the Documentation (including any adverse effect on response times) regardless of whether or not it prevents the relevant Deliverable from meeting its associated Test Success Criteria; or (d) any failure of any Deliverable to operate in conjunction with or interface with any other Deliverable in order to provide the performance, features and functionality specified in the Authority Requirements or the Documentation (including any adverse effect on response times) regardless of whether or not it prevents the relevant Deliverable from meeting its associated Test Success Criteria;
"Delay"	(a) a delay in the Achievement of a Milestone by its Milestone Date; or (b) a delay in the design, development, testing or implementation of a Deliverable by the relevant date set out in the Implementation Plan;
"Delay Deduction Period"	the period of 100 days commencing on the relevant Milestone Date;
"Delay Payments"	the amounts payable by the Supplier to the Authority in respect of a Delay in Achieving a Key Milestone as specified in Schedule 15 (*Charges and Invoicing*);
"Deliverable"	an item or feature delivered or to be delivered by the Supplier at or before a Milestone Date or at any other stage during the performance of this Contract;
"Dependent Parent Undertaking"	means any Parent Undertaking which provides any of its Subsidiary Undertakings and/or Associates, whether directly or indirectly, with any financial, trading, managerial or other assistance of whatever nature, without which the Supplier would be unable to continue the day to day conduct and operation of its business in the same manner as carried on at the time of entering into this Contract, including

	for the avoidance of doubt the provision of the Services in accordance with the terms of this Contract;
"Detailed Implementation Plan"	the plan developed and revised from time to time in accordance with Paragraphs 3 and 4 of Schedule 13 (*Implementation Plan*);
"Development Test Environment"	has the meaning given in Paragraph 1.1 in Schedule 2 (Services Description);
"Disclosing Party"	has the meaning given in Clause 19.1 (Confidentiality);
"Disclosing Party Group"	(a) where the Disclosing Party is the Supplier, the Supplier and any Affiliates of the Supplier; and (b) where the Disclosing Party is the Authority, the Authority and any Central Government Body with which the Authority or the Supplier interacts in connection with this Contract;
"Dispute"	any dispute, difference or question of interpretation arising out of or in connection with this Contract, including any dispute, difference or question of interpretation relating to the Services, failure to agree in accordance with the Change Control Procedure or any matter where this Contract directs the Parties to resolve an issue by reference to the Dispute Resolution Procedure;
"Dispute Notice"	a written notice served by one Party on the other stating that the Party serving the notice believes that there is a Dispute;
"Dispute Resolution Procedure"	the dispute resolution procedure set out in Schedule 23 (*Dispute Resolution Procedure*);
"Documentation"	descriptions of the Services and Performance Indicators, details of the Supplier System (including (i) vendors and versions for off-the-shelf components and (ii) source code and build information for proprietary components), relevant design and development information, technical specifications of all functionality including those not included in standard manuals (such as those that modify system performance and access levels), configuration

	details, test scripts, user manuals, operating manuals, process definitions and procedures, and all such other documentation as: (a) is required to be supplied by the Supplier to the Authority under this Contract; (b) would reasonably be required by a competent third party capable of Good Industry Practice contracted by the Authority to develop, configure, build, deploy, run, maintain, upgrade and test the individual systems that provide Services; (c) is required by the Supplier in order to provide the Services; and/or (d) has been or shall be generated for the purpose of providing the Services;
"DOTAS"	the Disclosure of Tax Avoidance Schemes rules which require a promoter of tax schemes to tell HMRC of any specified notifiable arrangements or proposals and to provide prescribed information on those arrangements or proposals within set time limits as contained in Part 7 of the Finance Act 2004 and in secondary legislation made under vires contained in Part 7 of the Finance Act 2004 and as extended to national insurance contributions by the National Insurance Contributions (Application of Part 7 of the Finance Act 2004) Regulations 2012, SI 2012/1868) made under section 132A of the Social Security Administration Act 1992;
"DPA 2018"	the Data Protection Act 2018;
"Due Diligence Information"	any information supplied to the Supplier by or on behalf of the Authority prior to the Effective Date;
"Effective Date"	the later of: (a) the date on which this Contract is signed by both Parties; and (b) the date on which the Condition Precedent has been satisfied or waived

	in accordance with Clause 4.2 (*Condition Precedent*);
"EIRs"	the Environmental Information Regulations 2004, together with any guidance and/or codes of practice issued by the Information Commissioner or any Central Government Body in relation to such Regulations;
"Emergency Maintenance"	ad hoc and unplanned maintenance provided by the Supplier where: (a) the Authority reasonably suspects that the IT Environment or the Services, or any part of the IT Environment or the Services, has or may have developed a fault, and notifies the Supplier of the same; or (b) the Supplier reasonably suspects that the IT Environment or the Services, or any part the IT Environment or the Services, has or may have developed a fault;
"Employee Liabilities"	all claims, actions, proceedings, orders, demands, complaints, investigations (save for any claims for personal injury which are covered by insurance) and any award, compensation, damages, tribunal awards, fine, loss, order, penalty, disbursement, payment made by way of settlement and costs, expenses and legal costs reasonably incurred in connection with a claim or investigation related to employment including in relation to the following: (a) redundancy payments including contractual or enhanced redundancy costs, termination costs and notice payments; (b) unfair, wrongful or constructive dismissal compensation; (c) compensation for discrimination on grounds of sex, race, disability, age, religion or belief, gender reassignment, marriage or civil partnership, pregnancy and maternity or sexual orientation or claims for equal pay;

(d) compensation for less favourable treatment of part-time workers or fixed term employees;

(e) outstanding employment debts and unlawful deduction of wages including any PAYE and national insurance contributions;

(f) employment claims whether in tort, contract or statute or otherwise;

(g) any investigation relating to employment matters 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;

"Employer Pension Contributions" means:

(a) in respect of CSPS Eligible Employees those sums set out at Clauses 7.1.1 (annual administration charges covering core services), 7.1.5 (employer contributions), 7.1.7 (the ASLC) and 7.1.8 (flat charges applicable to the Partnership Pension Account) of the Admission Agreement;

(b) in respect of NHSPS Eligible Employees, the standard employer contribution rate applicable to NHS Pension Scheme employers during the Term and payable by the Supplier (but no other costs, contributions, charges or surcharges payable by the Supplier to or in respect of the NHS Pension Scheme or in respect of any NHS Premature Retirement Rights, unless otherwise agreed in writing by the Authority);

(c) in respect of LGPS Eligible Employees the standard employer contribution rate applicable to LGPS Eligible Employees during the Term and payable by the Supplier (but no other costs, contributions, charges or surcharges payable by the Supplier to or in respect of the LGPS or in respect of any

	Beckmann Liabilities, unless otherwise agreed in writing by the Authority); and (d) such other employer pension contributions, charges or costs incurred by the Supplier which have been expressly agreed by the Authority in writing to constitute 'Employer Pension Contributions';
"Employment Regulations"	the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended or replaced;
"Estimated Year 1 Charges"	the estimated Charges payable by the Authority during the first Contract Year, as set out in the Financial Model;
"Estimated Initial Service Charges"	the estimated Service Charges payable by the Authority during the period of 12 months from the first Operational Service Commencement Date, as set out in the Financial Model;
"EEA"	European Economic Area
"EU GDPR"	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation) as it has effect in EU law;
"EU"	European Union
"Existing Service"	has the meaning given in Recital A of the Contract;
"Exit Management"	services, activities, processes and procedures to ensure a smooth and orderly transition of all or part of the Services from the Supplier to the Authority and/or a Replacement Supplier, as set out or referred to in Schedule 25 (*Exit Management*);
"Exit Plan"	the plan produced and updated by the Supplier during the Term in accordance with Paragraph 5 of Schedule 25 (*Exit Management*);

"Expedited Dispute Timetable"	the reduced timetable for the resolution of Disputes set out in Paragraph 3 of Schedule 23 (*Dispute Resolution Procedure*);
"Expert"	has the meaning given in Schedule 23 (*Dispute Resolution Procedure*);
"Expert Determination"	the process described in Paragraph 6 of Schedule 23 (*Dispute Resolution Procedure*);
"Exposure Information (Contracts List)"	means part of the CRP Information relating to the Supplier Group to be provided by the Supplier in accordance with Paragraphs 2 and Annex 1 of Part B of Schedule 26 (*IT Service Continuity Management Plan and Corporate Resolution Planning*);
"Extension Period(s)"	the First Extension Period and/or the Second Extension Period, as the context requires;
"Fast-track Change"	has the meaning given in Schedule 22 (*Change Control Procedure*);
"Financial Distress Event"	the occurrence of one or more of the events listed in Paragraph 3.1 of Schedule 18 (*Financial Distress*);
"Financial Information and Commentary"	Means part of the CRP Information requirements set out in accordance with Paragraphs 2 and Annex 3 of Part B of Schedule 26 (*IT Service Continuity Management Plan and Corporate Resolution Planning*);
"Financial Distress Remediation Plan"	a plan setting out how the Supplier will ensure the continued performance and delivery of the Services in accordance with this Contract in the event that a Financial Distress Event occurs. This plan should include what the Authority would need to put in place to ensure performance and delivery of the Services in accordance with this Contract up to and including any Insolvency Event in respect of the relevant FDE Group entity and may refer to the Insolvency Continuity Plan in this regard;
"Financial Model"	has the meaning given in Schedule 19 (*Financial Reports and Audit Rights*);

"Financial Reports"	has the meaning given in Schedule 19 (*Financial Reports and Audit Rights*);
"Financial Transparency Objectives"	has the meaning given in Schedule 19 (*Financial Reports and Audit Rights*);
"First Extension Period"	a period of twelve (12) months commencing on 00:01 on the day following expiry of the Initial Term;
"FOIA"	the Freedom of Information Act 2000 and any subordinate legislation made under that Act from time to time, together with any guidance and/or codes of practice issued by the Information Commissioner or any relevant Central Government Body in relation to such Act;
"Forecast Contingency Costs"	the costs which the Supplier forecasts may be incurred in relation to the risks and contingencies that are identified in the Risk Register, such costs being those set out in the column headed 'Forecast Contingency Costs' in the Risk Register (as such costs are updated from time to time);
"Force Majeure Event"	any event outside the reasonable control of either Party affecting its performance of its obligations under this Contract arising from acts, events, omissions, happenings or non-happenings beyond its reasonable control and which are not attributable to any wilful act, neglect or failure to take reasonable preventative action by that Party, including riots, war or armed conflict, acts of terrorism, acts of government, local government or regulatory bodies, fire, flood, storm or earthquake, or other natural disaster but excluding any industrial dispute relating to the Supplier or the Supplier Personnel or any other failure in the Supplier's or a Sub-contractor's supply chain;
"Force Majeure Notice"	a written notice served by the Affected Party on the other Party stating that the Affected Party believes that there is a Force Majeure Event;
"Former Supplier"	has the meaning given in Schedule 28 (*Staff Transfer*);

"Functional and Non-Functional Requirements"	has the meaning given in Schedule 2 (*Services Description*);
"General Anti-Abuse Rule"	(a) the legislation in Part 5 of the Finance Act 2013; and (b) any future legislation introduced into Parliament to counteract tax advantages arising from abusive arrangements to avoid national insurance contributions;
"General Change in Law"	a Change in Law where the change is of a general legislative nature (including taxation or duties of any sort affecting the Supplier) or which affects or relates to a Comparable Supply;
"Good Industry Practice"	at any time the exercise of that degree of care, skill, diligence, prudence, efficiency, foresight and timeliness which would be reasonably expected at such time from a leading and expert supplier of services similar to the Services to a customer like the Authority, such supplier seeking to comply with its contractual obligations in full and complying with applicable Laws;
"Guarantee"	the deed of guarantee in favour of the Authority entered into by the Guarantor on or about the date of this Contract (which is in the form set out in Schedule 30 (*Guarantee)*), or any guarantee acceptable to the Authority that replaces it from time to time;
"Guarantor"	any entity that provides a Guarantee pursuant to Clause 4.2a.
"Halifax Abuse Principle"	the principle explained in the CJEU Case C-255/02 Halifax and others;
"Health and Safety Policy"	the health and safety policy of the Authority and/or other relevant Central Government Body as set out in Schedule 33 (*Policies and Procedures*) and as subsequently provided to the Supplier from time to time except any provision of any such subsequently provided policy that cannot be reasonably reconciled to

	ensuring compliance with applicable Law regarding health and safety;
"HMRC"	HM Revenue & Customs;
"Impact Assessment"	has the meaning given in Schedule 22 (*Change Control Procedure*);
"Impact Assessment Estimate"	has the meaning given in Schedule 22 (*Change Control Procedure*);
"Implementation Period	the period of time commencing on the Effective Date and ending on Achievement of Milestone 5b (Post-ATP Milestone);
"Implementation Plan"	the Outline Implementation Plan or (if and when approved by the Authority pursuant to Paragraph 3 of Schedule 13 (*Implementation Plan*)) the Detailed Implementation Plan as updated in accordance with Paragraph 4 of Schedule 13 (*Implementation Plan*) from time to time;
"Implementation Services"	the implementation services described as such in the Services Description;
"Implementation Services Commencement Date"	the date on which the Supplier is to commence provision of the first of the Services, being 20 November 2023;
"Indemnified Person"	the Authority and each and every person to whom the Authority (or any direct or indirect sub-licensee of the Authority) sub-licenses, assigns or novates any Relevant IPRs or rights in Relevant IPRs in accordance with this Contract;
"Independent Controller"	a party which is Controller of the same Personal Data as the other Party and there is no element of joint control with regards to that Personal Data;
"Incident Log"	has the meaning given in Paragraph 3.7 of Part C of Schedule 3 (*Performance Levels*);
"Information"	all information of whatever nature, however conveyed and in whatever form, including in writing, orally, by demonstration, electronically and in a tangible, visual or machine-readable medium (including CD-ROM, magnetic and digital form);

"Initial Term"	the period of **three (3) years** from and including the Effective Date;
"Initial Upload Date"	means the occurrence of an event detailed in Schedule 24 (*Reports and Records Provisions*) Annex 3: (*Records To Upload To Virtual Library*) which requires the Supplier to provide its initial upload of the relevant information to the Virtual Library;
"Insolvency Event"	with respect to any person, means: (a) that person suspends, or threatens to suspend, payment of its debts, or is unable to pay its debts as they fall due or admits inability to pay its debts, or: (i) (being a company or a LLP) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986, or (ii) (being a partnership) is deemed unable to pay its debts within the meaning of section 222 of the Insolvency Act 1986; (b) that person commences negotiations with one or more of its creditors (using a voluntary arrangement, scheme of arrangement or otherwise) with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with one or more of its creditors or takes any step to obtain a moratorium pursuant to Section 1A and Schedule A1 of the Insolvency Act 1986 other than (in the case of a company, a LLP or a partnership) for the sole purpose of a scheme for a solvent amalgamation of that person with one or more other companies or the solvent reconstruction of that person; (c) another person becomes entitled to appoint a receiver over the assets of that person or a receiver is appointed over the assets of that person; (d) a creditor or encumbrancer of that person attaches or takes possession of, or a distress, execution or other such

process is levied or enforced on or sued against, the whole or any part of that person's assets and such attachment or process is not discharged within 14 days;

(e) that person suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business;

(f) where that person is a company, a LLP or a partnership:

(i) a petition is presented (which is not dismissed within 14 days of its service), a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of that person other than for the sole purpose of a scheme for a solvent amalgamation of that person with one or more other companies or the solvent reconstruction of that person;

(ii) an application is made to court, or an order is made, for the appointment of an administrator, or if a notice of intention to appoint an administrator is filed at Court or given or if an administrator is appointed, over that person;

(iii) (being a company or a LLP) the holder of a qualifying floating charge over the assets of that person has become entitled to appoint or has appointed an administrative receiver; or

(iv) (being a partnership) the holder of an agricultural floating charge over the assets of that person has become entitled to appoint or has appointed an agricultural receiver; or

(g) any event occurs, or proceeding is taken, with respect to that person in any

	jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned above;
"Intellectual Property Rights" or "IPRs"	(a) copyright, rights related to or affording protection similar to copyright, rights in databases, patents and rights in inventions, semi-conductor topography rights, trade marks, rights in Internet domain names and website addresses and other rights in trade names, designs, Know-How, trade secrets and other rights in Confidential Information; (b) applications for registration, and the right to apply for registration, for any of the rights listed at (a) that are capable of being registered in any country or jurisdiction; and (c) all other rights having equivalent or similar effect in any country or jurisdiction;
"IP Completion Day"	has the meaning given to it in the European Union (Withdrawal Agreement) Act 2020;
"IPRs Claim"	any claim against any Indemnified Person of infringement or alleged infringement (including the defence of such infringement or alleged infringement) of any Relevant IPRs save for any such claim to the extent that it is caused by any use by or on behalf of that Indemnified Person of any Relevant IPRs, or the use of the Authority Software by or on behalf of the Supplier, in either case in combination with any item not supplied or recommended by the Supplier pursuant to this Contract or for a purpose not reasonably to be inferred from the Services Description or the provisions of this Contract;
"IT"	information and communications technology;
"IT Environment"	the Authority System and the Supplier System;
"IT Health Check"	has the meaning given in Schedule 5 (*Security Management*);

"IT Service Continuity Management Plan"	any plan prepared pursuant to Paragraph 2 of Schedule 26 (*IT Service Continuity Management Plan and Corporate Resolution Planning*) as may be amended from time to time;
"ITSM"	the IT service management practices, processes and application used by the Authority for the management of IT services including the reporting and storage of performance data;
"Jitter"	has the meaning given in Paragraph 1.1 in Schedule 2 (*Services Description*);
"Joint Controllers"	where two or more Controllers jointly determine the purposes and means of processing;
"Judicial Office Holder"	has the meaning given in Paragraph 1.1 in Schedule 2 (*Services Description*);
"Key Milestone"	the Milestones identified in the Implementation Plan as key milestones and in respect of which Delay Payments may be payable in accordance with Paragraph 3 of Schedule 15 (*Charges and Invoicing*) if the Supplier fails to Achieve the Milestone Date in respect of such Milestone;
"Key Performance Indicator"	the key performance indicators set out in Table 1 of Part A of Annex 1 of Schedule 3 (*Performance Levels*);
"Key Personnel"	those persons appointed by the Supplier to fulfil the Key Roles, being the persons listed in Schedule 29 (*Key Personnel*) against each Key Role as at the Effective Date or as amended from time to time in accordance with Clauses 14.5 and 14.6 (*Key Personnel*);
"Key Roles"	a role described as a Key Role in Schedule 29 (*Key Personnel*) and any additional roles added from time to time in accordance with Clause 14.4 (*Key Personnel*);
"Key Sub-contract"	each Sub-contract with a Key Sub-contractor;
"Key Sub-contractor"	any Sub-contractor: (a) which, in the opinion of the Authority, performs (or would perform if appointed)

	a critical role in the provision of all or any part of the Services; and/or (b) with a Sub-contract with a contract value which at the time of appointment exceeds (or would exceed if appointed) 10% of the aggregate Charges forecast to be payable under this Contract (as set out in the Financial Model);
"Know-How"	all ideas, concepts, schemes, information, knowledge, techniques, methodology, and anything else in the nature of know how relating to the Services but excluding know how already in the other Party's possession before this Contract;
"KPI Failure"	a failure to meet the Target Performance Level in respect of a Key Performance Indicator;
"KPI Service Threshold"	shall be as set out against the relevant Key Performance Indicator in Table 1 of Part A of Annex 1 of Schedule 3 (*Performance Levels*);
"Law"	any law, statute, subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978, bye-law, right within the meaning of the European Union (Withdrawal) Act 2018 as amended by European Union (Withdrawal Agreement) Act 2020, regulation, order, regulatory policy, mandatory guidance or code of practice, judgment of a relevant court of law, or directives or requirements of any regulatory body with which the Supplier is bound to comply;
"Licensed Software"	all and any Software licensed by or through the Supplier, its Sub-contractors or any third party to the Authority for the purposes of or pursuant to this Contract, including any Supplier Software, Third Party Software and/or any Specially Written Software;
"Losses"	losses, liabilities, damages, costs and expenses (including legal fees on a solicitor/client basis) and disbursements and costs of investigation, litigation, settlement, judgment interest and penalties whether arising

	in contract, tort (including negligence), breach of statutory duty or otherwise;
"Maintenance Schedule"	shall have the meaning set out in Clause 9.4 (*Maintenance*);
"Malicious Software"	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;
"Management Information"	the management information specified in Schedule 3 (*Performance Levels*), Schedule 15 (*Charges and Invoicing*) and Schedule 21 (*Governance*) to be provided by the Supplier to the Authority;
"Material KPI Failure"	(a) a Serious KPI Failure; (b) a Severe KPI Failure; or (c) a failure by the Supplier to meet a KPI Service Threshold;
"Material PI Failure"	(a) a failure by the Supplier to meet the PI Service Threshold in respect of 25% or more of the Subsidiary Performance Indicators that are measured in that Service Period; and/or (b) a failure by the Supplier to meet the Target Performance Level in respect of 50% or more of the Subsidiary Performance Indicators that are measured in that Service Period;
"Measurement Period"	in relation to a Key Performance Indicator or Subsidiary Performance Indicator, the period over which the Supplier's performance is measured (for example, a Service Period if measured monthly or a 12 month period if measured annually);
"Milestone"	an event or task described in the Implementation Plan which, if applicable, shall be completed by the relevant Milestone Date;

"Milestone Achievement Certificate"	the certificate to be granted by the Authority when the Supplier has Achieved a Milestone, which shall be in substantially the same form as that set out in Annex 3 of Schedule 14 (*Testing Procedures*);
"Milestone Adjustment Payment Amount"	in respect of each CPP Milestone the subject of a Milestone Adjustment Payment Notice, an amount determined in accordance with the formula: A – B where: (a) A is an amount equal to the aggregate sum of all Milestone Payments paid to the Supplier in respect of the Milestones (or in the case of Partial Termination, the Milestones for the parts of the Services terminated) relating to that CPP Milestone; and (b) B is an amount equal to the aggregate Allowable Price for the Retained Deliverables relating to that CPP Milestone or, if there are no such Retained Deliverables, zero;
"Milestone Adjustment Payment Notice"	has the meaning given in Clause 31.9 (*Payments by the Supplier*);
"Milestone Date"	the target date set out against the relevant Milestone in the Implementation Plan by which the Milestone must be Achieved;
"Milestone Payment"	a payment identified in Schedule 15 (*Charges and Invoicing*) to be made following the issue of a Milestone Achievement Certificate;
"Minor KPI Failure"	shall be as set out against the relevant Key Performance Indicator in Table 1 of Part A of Annex 1 of Schedule 3 (*Performance Levels*);
"month"	a calendar month and "**monthly**" shall be interpreted accordingly;
"Monthly Service Credit Cap"	means in respect of any one Service Period, 25% of the Service Charges paid and/or due to be paid to the Supplier under this Contract in that Service Period (subject to the Annual Service Credit Cap);

"Multi-Party Dispute Resolution Procedure"	has the meaning given in Paragraph 9.1 of Schedule 23 (*Dispute Resolution Procedure*);
"Multi-Party Procedure Initiation Notice"	has the meaning given in Paragraph 9.2 of Schedule 23 (*Dispute Resolution Procedure*);
"NCSC"	the National Cyber Security Centre or any replacement or successor body carrying out the same function;
"New Releases"	an item produced primarily to extend, alter or improve the Software and/or any Deliverable by providing additional functionality or performance enhancement (whether or not defects in the Software and/or Deliverable are also corrected) while still retaining the original designated purpose of that item;
"Non-trivial Customer Base"	a significant customer base with respect to the date of first release and the relevant market but excluding Affiliates and other entities related to the licensor;
"Non-retained Deliverables"	in relation to a CPP Milestone Payment Notice and each CPP Milestone the subject of that CPP Milestone Payment Notice, Deliverables provided to the Authority which relate to the relevant CPP Milestone(s) and which are not Retained Deliverables;
"Normal Load"	has the meaning given in Paragraph 1.1 in Schedule 2 (*Services Description*);
"Notifiable Default"	shall have the meaning given in Clause 25.1 (*Rectification Plan Process*);
"Object Code"	software and/or data in machine-readable, compiled object code form;
"Occasion of Tax Non-Compliance"	(a) any tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 is found on or after 1 April 2013 to be incorrect as a result of: (b) a Relevant Tax Authority successfully challenging the Supplier under the General Anti-Abuse Rule or the Halifax Abuse Principle or under any tax rules or legislation that have an effect equivalent or similar to the General Anti-

Abuse Rule or the Halifax Abuse Principle;

(c) the failure of an avoidance scheme which the Supplier was involved in, and which was, or should have been, notified to a Relevant Tax Authority under the DOTAS or any equivalent or similar regime; and/or

(d) any tax return of the Supplier submitted to a Relevant Tax Authority on or after 1 October 2012 gives rise on or after 1 April 2013 to a criminal conviction in any jurisdiction for tax related offences which is not spent at the Effective Date or to a civil penalty for fraud or evasion;

"Open Book Data"	has the meaning given in Schedule 19 (*Financial Reports and Audit Rights*);
"Open Source"	computer Software that is released on the internet for use by any person, such release usually being made under a recognised open source licence and stating that it is released as open source;
"Operating Environment"	the Authority System and the Sites;
"Operational Change"	any change in the Supplier's operational procedures which in all respects, when implemented: (a) will not affect the Charges and will not result in any other costs to the Authority; (b) may change the way in which the Services are delivered but will not adversely affect the output of the Services or increase the risks in performing or receiving the Services; (c) will not adversely affect the interfaces or interoperability of the Services with any of the Authority's IT infrastructure; and (d) will not require a change to this Contract;

"Operational Service Commencement Date"	in relation to an Operational Service, the later of: (a) the date identified in the Operational Services Implementation Plan upon which the Operational Service is to commence; and (b) where the Implementation Plan states that the Supplier must have Achieved the relevant ATP Milestone before it can commence the provision of that Operational Service, the date upon which the Supplier Achieves the relevant ATP Milestone;
"Operational Services"	the operational services described as such in the Services Description;
"Other Supplier"	any supplier to the Authority (other than the Supplier) which is notified to the Supplier from time to time;
"Outline Implementation Plan"	the outline plan set out at Annex 1 of Schedule 13 (*Implementation Plan*);
"Overhead"	those amounts which are intended to recover a proportion of the Supplier's or the Key Sub-contractor's (as the context requires) indirect corporate costs (including financing, marketing, advertising, research and development and insurance costs and any fines or penalties) but excluding allowable indirect costs apportioned to facilities and administration in the provision of Supplier Personnel and accordingly included within limb (a) of the definition of "Costs" or the day rates set out in Annex 4 of Schedule 15 (*Charges and Invoicing*);
"Packet Loss"	has the meaning given in Paragraph 1.1 in Schedule 2 (*Services Description*);
"Parent Undertaking"	has the meaning set out in section 1162 of the Companies Act 2006;
"Partial Termination"	the partial termination of this Contract to the extent that it relates to the provision of any part of the Services as further provided for in Clause 30.2(b) (Termination by the Authority)

	or 30.3(b) (Termination by the Supplier) or otherwise by mutual agreement by the Parties;
"Parties" and "Party"	have the meanings respectively given on page 1 of this Contract;
"Participant"	has the meaning given in Paragraph 1.1 in Schedule 2 (*Services Description*);
"Peak Load"	has the meaning given in Paragraph 1.1 in Schedule 2 (*Services Description*);
"Performance Failure"	a KPI Failure or a PI Failure;
"Performance Indicators"	the Key Performance Indicators and the Subsidiary Performance Indicators;
"Permitted Maintenance"	has the meaning given in Clause 9.4 (Maintenance);
"Performance Monitoring Report"	has the meaning given in Schedule 3 (*Performance Levels*);
"Personal Data"	has the meaning given in the UK GDPR or the EU GDPR as the context requires;
"Personal Data Breach"	has the meaning given in the UK GDPR or the EU GDPR as the context requires;
"PI Failure"	a failure to meet the Target Performance Level in respect of a Subsidiary Performance Indicator;
"PI Service Threshold"	shall be as set out against the relevant Subsidiary Performance Indicator in Table 2 in Part A of Annex 1 of Schedule 3 (*Performance Levels*);
"Prescribed Person"	a legal adviser, an MP, or an appropriate body which a whistle-blower may make a disclosure to as detailed in 'Whistleblowing: list of prescribed people and bodies', available online at: https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2/whistleblowing-list-of-prescribed-people-and-bodies, as updated from time to time;

"Processor"	has the meaning given to it under the UK GDPR or the EU GDPR as the context requires;
"Processor Personnel"	means all directors, officers, employees, agents, consultants and suppliers of the Processor and/or of any Sub-processor engaged in the performance of its obligations under this Contract;
"Production Environment"	has the meaning given in Paragraph 1.1 in Schedule 2 (*Services Description);*
"Prohibited Act"	(a) to directly or indirectly offer, promise or give 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) to directly or indirectly request, agree to receive or accept any financial or other advantage as an inducement or a reward for improper performance of a relevant function or activity in connection with this Contract; (c) an offence: (i) under the Bribery Act 2010 (or any legislation repealed or revoked by such Act); (ii) under legislation or common law concerning fraudulent acts; or (iii) defrauding, attempting to defraud or conspiring to defraud the Authority (including offences by the Supplier under Part 3 of the Criminal Finances Act 2017); or (d) any activity, practice or conduct which would constitute one of the offences listed under (c) above if such activity,

	practice or conduct had been carried out in the UK;
"Protective Measures"	appropriate technical and organisational measures designed to ensure compliance with obligations of the Parties arising under Data Protection Legislation which may include: pseudonymising and encrypting Personal Data, ensuring confidentiality, integrity, availability and resilience of systems and services, ensuring that availability of and access to Personal Data can be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of the such measures adopted by it, including those outlined in Schedule 5 (*Security Management*);
"Project Specific IPRs"	(a) Intellectual Property Rights in items created by the Supplier (or by a third party on behalf of the Supplier) specifically for the purposes of this Contract and updates and amendments of these items including (but not limited to) database schema; and/or (b) Intellectual Property Rights arising as a result of the performance of the Supplier's obligations under this Contract; but shall not include the Supplier Background IPRs or the Specially Written Software;
"Public Sector Dependent Supplier"	means a supplier where that supplier, or that supplier's group has Annual Revenue of £50 million or more of which over 50% is generated from UK Public Sector Business;
"Publishable Performance Information"	means any of the information in the Performance Monitoring Report as it relates to a Performance Indicator where it is expressed as publishable in the table in Part A of Annex 1 to Schedule 3 (*Performance Levels*) which shall not constitute Commercially Sensitive Information;
"Quarter"	the first three Service Periods and each subsequent three Service Periods (save that

	the final Quarter shall end on the date of termination or expiry of this Contract);
"Recipient"	has the meaning given in Clause 19.1 (*Confidentiality*);
"Records"	has the meaning given in Paragraph 3 of Schedule 24 (*Reports and Records Provisions*);
"Rectification Plan"	a plan to address the impact of, and prevent the reoccurrence of, a Notifiable Default;
"Rectification Plan Failure"	(a) the Supplier failing to submit or resubmit a draft Rectification Plan to the Authority within the timescales specified in Clauses 25.4 (*Submission of the draft Rectification Plan*) or 25.8 (*Agreement of the Rectification Plan*); (b) the Authority, acting reasonably, rejecting a revised draft of the Rectification Plan submitted by the Supplier pursuant to Clause 25.7 (*Agreement of the Rectification Plan*); (c) the Supplier failing to rectify a material Default within the later of: (i) 30 Working Days of a notification made pursuant to Clause 25.2 (*Notification*); and (ii) where the Parties have agreed a Rectification Plan in respect of that material Default and the Supplier can demonstrate that it is implementing the Rectification Plan in good faith, the date specified in the Rectification Plan by which the Supplier must rectify the material Default; (d) a Material KPI Failure re-occurring in respect of the same Key Performance Indicator for the same (or substantially the same) root cause in any of the 3 Measurement Periods subsequent to the Measurement Period in which the initial Material KPI Failure occurred;

	(e) the Supplier not Achieving a Key Milestone by the expiry of the Delay Deduction Period; and/or (f) following the successful implementation of a Rectification Plan, the same Notifiable Default recurring within a period of 6 months for the same (or substantially the same) root cause as that of the original Notifiable Default;
"Rectification Plan Process"	the process set out in Clauses 25.4 (*Submission of the draft Rectification Plan*) to 25.9 (*Agreement of the Rectification Plan*);
"Redundancy Costs"	the total sum of any of the following sums paid to Applicable Supplier Personnel, each amount apportioned between the Supplier and the Authority based on the time spent by such employee on the Services as a proportion of the total Service duration: (a) any statutory redundancy payment; and (b) in respect of an employee who was a Transferring Former Supplier Employee or a Transferring Authority Employee, any contractual redundancy payment (or where such a contractual benefit on redundancy is a benefit payable from a pension scheme, the increase in cost to the Supplier as a net present value compared to the benefit payable on termination of employment without redundancy), provided that such employee was entitled to such contractual redundancy payment immediately prior to his or her transfer to the Supplier under the Employment Regulations;
"Registers"	has the meaning given in Schedule 25 (*Exit Management*);
"Relevant Authority" or "Relevant Authorities"	means the Authority and the Cabinet Office Markets and Suppliers Team or, where the Supplier is a Strategic Supplier, the Cabinet Office Markets and Suppliers Team;
"Relevant IPRs"	IPRs used to provide the Services or as otherwise provided and/or licensed by the

	Supplier (or to which the Supplier has provided access) to the Authority or a third party in the fulfilment of the Supplier's obligations under this Contract including IPRs in the Specially Written Software, the Supplier Non-COTS Software, the Supplier Non-COTS Background IPRs, the Third Party Non-COTS Software and the Third Party Non-COTS IPRs but excluding any IPRs in the Authority Software, the Authority Background IPRs, the Supplier COTS Software, the Supplier COTS Background IPRS, the Third Party COTS Software and/or the Third Party COTS IPRs;
"Relevant Requirements"	all applicable Law relating to bribery, corruption and fraud, including the Bribery Act 2010 and any guidance issued by the Secretary of State for Justice pursuant to section 9 of the Bribery Act 2010;
"Relevant Tax Authority"	HMRC, or, if applicable, a tax authority in the jurisdiction in which the Supplier is established;
"Relevant Transfer"	a transfer of employment to which the Employment Regulations applies;
"Relief Notice"	has the meaning given in Clause 28.2 (*Authority Cause*);
"Remediation Action Plan"	has the meaning given in Schedule 5 (*Security Management*);
"Replacement Services"	any services which are the same as or substantially similar to any of the Services and which the Authority receives in substitution for any of the Services following the expiry or termination or Partial Termination of this Contract, whether those services are provided by the Authority internally and/or by any third party;
"Replacement Supplier"	any third party service provider of Replacement Services appointed by the Authority from time to time (or where the Authority is providing replacement Services for its own account, the Authority);
"Request For Information"	a Request for Information under the FOIA or the EIRs;

"Required Action"	has the meaning given in Clause 27.1(a) (*Step-In Rights*);
"Restore Time Stamp"	has the meaning given in Paragraph 1.1 in Schedule 2 (*Services Description*);
"Retained Deliverables"	has the meaning given in Clause 31.10(b) (*Payments by the Supplier*);
"Risk Register"	the register of risks and contingencies that have been factored into any Costs due under this Contract, a copy of which is set out in Annex 5 of Schedule 15 (*Charges and Invoicing*);
"Sandbox Environment"	has the meaning given in Paragraph 1.1 in Schedule 2 (*Services Description*);
"Second Extension Period"	a period of 12 months commencing on 00:01 on the day following expiry of the First Extension Period;
"Security Management Plan"	has the meaning given in Schedule 5 (*Security Management*);
"Serious KPI Failure"	shall be as set out against the relevant Key Performance Indicator in Table 1 of Part A of Annex 1 of Schedule 3 (*Performance Levels*);
"Service Charges"	the periodic payments made in accordance with Schedule 15 (*Charges and Invoicing*) in respect of the supply of the Operational Services;
"Service Credit Cap"	means the Monthly Service Credit Cap and/or Annual Service Credit Cap, as the context requires;
"Service Credits"	credits payable by the Supplier due to the occurrence of 1 or more KPI Failures, calculated in accordance with Paragraph 10 of Schedule 15 (*Charges and Invoicing*);
"Service Incident"	a reported occurrence of a failure to deliver any part of the Services in accordance with the Authority Requirements or the Performance Indicators;
"Service Period"	a calendar month, save that: (a) the first service period shall begin on the first Operational Service

Commencement Date and shall expire at the end of the calendar month in which the first Operational Service Commencement Date falls; and

(a) the final service period shall commence on the first day of the calendar month in which the Term expires or terminates and shall end on the expiry or termination of the Term;

"Service Points"	in relation to a KPI Failure, the points that are set out against the relevant Key Performance Indicator in the sixth column of the table in Part A of Annex 1 of Schedule 3 (*Performance Levels*);
"Services"	any and all of the services to be provided by the Supplier under this Contract, including those set out in Schedule 2 (*Services Description*);
"Service Recipient'	His Majesty's Courts and Tribunals Service (HMCTS);
"Service Transfer Date"	has the meaning given in Schedule 28 (*Staff Transfer*);
"Services Description"	the services description set out in Schedule 2 (*Services Description*);
"Severe KPI Failure"	shall be as set out against the relevant Key Performance Indicator in Table 1 of Part A of Annex 1 of Schedule 3 (*Performance Levels*);
"Sites"	any premises (including the Authority Premises, the Supplier's premises or third party premises): (a) from, to or at which: (i) the Services are (or are to be) provided; or (ii) the Supplier manages, organises or otherwise directs the provision or the use of the Services; or (b) where: (i) any part of the Supplier System is situated; or

	(ii) any physical interface with the Authority System takes place;
"Social Value"	the additional social benefits that can be achieved in the delivery of the Contract, set out in the Authority's Requirements;
"Software"	Specially Written Software, Supplier Software and Third Party Software;
"Software Supporting Materials"	has the meaning given in Paragraph 2.1(b) of Schedule 32 (*Intellectual Property Rights*) (Specially Written Software and Project Specific IPRs);
"Source Code"	computer programs and/or data in eye-readable form and in such form that it can be compiled or interpreted into equivalent binary code together with all related design comments, flow charts, technical information and documentation necessary for the use, reproduction, maintenance, modification and enhancement of such software;
"Specially Written Software"	any software (including database software, linking instructions, test scripts, compilation instructions and test instructions) created by the Supplier (or by a Sub-contractor or other third party on behalf of the Supplier) specifically for the purposes of this Contract, including any modifications or enhancements to Supplier Software or Third Party Software created specifically for the purposes of this Contract.
"Specific Change in Law"	a Change in Law that relates specifically to the business of the Authority and which would not affect a Comparable Supply;
"Staffing Information"	has the meaning given in Schedule 28 (*Staff Transfer)*;
"Staging Environment"	has the meaning given in Paragraph 1.1 in Schedule 2 (*Services Description*);
"Standards"	the standards, polices and/or procedures identified in Schedule 4 (*Standards*);
"Step-In Notice"	has the meaning given in Clause 27.1 (*Step-In Rights*);

"Step-In Trigger Event"	(a) any event falling within the definition of a Supplier Termination Event; (b) a Default by the Supplier that is materially preventing or materially delaying the performance of the Services or any material part of the Services; (c) the Authority considers that the circumstances constitute an emergency despite the Supplier not being in breach of its obligations under this Contract; (d) the Authority being advised by a regulatory body that the exercise by the Authority of its rights under Clause 27 (*Step-In Rights*) is necessary; (e) the existence of a serious risk to the health or safety of persons, property or the environment in connection with the Services; and/or (f) a need by the Authority to take action to discharge a statutory duty;
"Step-Out Date"	has the meaning given in Clause 27.6(b) (*Step-In Rights*);
"Step-Out Notice"	has the meaning given in Clause 27.6 (*Step-In Rights*);
"Step-Out Plan"	has the meaning given in Clause 27.7 (*Step-In Rights*);
"Strategic Supplier"	means those suppliers to government listed at https://www.gov.uk/government/publications/strategic-suppliers;
"Sub-contract"	any contract or agreement (or proposed contract or agreement) between the Supplier (or a Sub-contractor) and any third party whereby that third party agrees to provide to the Supplier (or the Sub-contractor) all or any part of the Services or facilities or services which are material for the provision of the Services or any part thereof or necessary for the management, direction or control of the Services or any part thereof;

"Sub-contractor"	any third party with whom: (a) the Supplier enters into a Sub-contract; or (b) a third party under (a) above enters into a Sub-contract, or the servants or agents of that third party;
"Sub-processor"	any third party appointed to process Personal Data on behalf of the Supplier related to this Contract;
"Subsidiary Performance Indicator"	the performance indicators set out in Table 2 of Part A of Annex 1 of Schedule 3 (*Performance Levels*);
"Subsidiary Undertaking"	has the meaning set out in section 1162 of the Companies Act 2006;
"Successor Body"	has the meaning given in Clause 33.4 (*Assignment and Novation*);
"Supplier Background IPRs"	(a) Intellectual Property Rights owned by the Supplier before the Effective Date, for example those subsisting in the Supplier's standard development tools, program components or standard code used in computer programming or in physical or electronic media containing the Supplier's Know-How or generic business methodologies; and/or (b) Intellectual Property Rights created by the Supplier independently of this Contract, which in each case is or will be used before or during the Term for designing, testing implementing or providing the Services but excluding Intellectual Property Rights owned by the Supplier subsisting in the Supplier Software;
"Supplier Board"	means the Supplier's board of directors;
"Supplier Board Confirmation"	means the written confirmation from the Supplier Board in accordance with Paragraph 8 of Schedule 18 (*Financial Distress*);

"Supplier COTS Background IPRs"	Any embodiments of Supplier Background IPRs that: (a) the Supplier makes generally available commercially prior to the date of this Contract (whether by way of sale, lease or licence) on standard terms which are not typically negotiated by the Supplier save as to price; and (b) has a Non-trivial Customer Base;
"Supplier COTS Software"	Supplier Software (including open source software) that: (a) the Supplier makes generally available commercially prior to the date of this Contract (whether by way of sale, lease or licence) on standard terms which are not typically negotiated by the Supplier save as to price; and (b) has a Non-trivial Customer Base;
"Supplier Equipment"	the hardware, computer and telecoms devices and equipment used by the Supplier or its Sub-contractors (but not hired, leased or loaned from the Authority) for the provision of the Services;
"Supplier Group"	means the Supplier, its Dependent Parent Undertakings and all Subsidiary Undertakings and Associates of such Dependent Parent Undertakings;
"Supplier Interface"	the software developed and managed by the Supplier to communicate with the Authority Solution;
"Supplier Non-COTS Background IPRs"	Any embodiments of Supplier Background IPRs that have been delivered by the Supplier to the Authority and that are not Supplier COTS Background IPRs;
"Supplier Non-COTS Software"	Supplier Software that is not Supplier COTS Software;
"Supplier Non-Performance"	has the meaning given in Clause 28.1 (*Authority Cause*);
"Supplier Personnel"	all directors, officers, employees, agents, consultants and contractors of the Supplier

	and/or of any Sub-contractor engaged in the performance of the Supplier's obligations under this Contract;
"Supplier Representative"	the representative appointed by the Supplier pursuant to Clause 11.3 (*Representatives*);
"Supplier Service Desk"	means the service desk managed by the Supplier where the Authority can raise questions and ask the Supplier to respond to Service Incidents as detailed in Paragraph 2 of Annex 3 to Schedule 2 (*Services Description*);
"Supplier Software"	software which is proprietary to the Supplier (or an Affiliate of the Supplier) and which is or will be used by the Supplier for the purposes of providing the Services, including the software specified as such in Schedule 12 (*Software*);
"Supplier Solution"	the Supplier's solution for the Services set out in Schedule 8 (*Supplier Solution*) including any Annexes of that Schedule;
"Supplier System"	the information and communications technology system used by the Supplier in implementing and performing the Services including the Software, the Supplier Equipment, configuration and management utilities, calibration and testing tools and related cabling (but excluding the Authority System);
"Supplier Termination Event"	(a) the Supplier's level of performance constituting a Critical Performance Failure; (b) the Supplier committing a material Default which is irremediable; (c) as a result of the Supplier's Default, the Authority incurring Losses in any Contract Year which exceed 80% of the value of the aggregate annual liability cap for that Contract Year as set out in Clause 23.5(d) (*Financial and other Limits*); (d) a Rectification Plan Failure;

(e) where a right of termination is expressly reserved in this Contract, including pursuant to:

(i) Clause 17 (*IPRs Indemnity*);

(ii) Clause 32 (*Compliance*)

(iii) Clause 36.6(b) (*Prevention of Fraud and Bribery*); and/or

(iv) Paragraph 6 of Schedule 18 (*Financial Distress*);

(v) Paragraph 3 of Part B to Schedule 26 (*IT Service Continuity Management Plan and Corporate Resolution Planning*);

(f) the representation and warranty given by the Supplier pursuant to Clause 3.2(r) (*Warranties*) being materially untrue or misleading;

(g) the Supplier committing a material Default under Clause 10.10 (*Promoting Tax Compliance*) or failing to provide details of steps being taken and mitigating factors pursuant to Clause 10.10 (*Promoting Tax Compliance*) which in the reasonable opinion of the Authority are acceptable;

(h) the Supplier committing a material Default under any of the following Clauses:

(i) Clause 5.5(j) (Services);

(ii) Clause 21 (*Protection of Personal Data*);

(iii) Clause 20 (*Transparency and Freedom of Information*);

(iv) Clause 19 (*Confidentiality*); and

(v) Clause 32 (*Compliance*); and/or

in respect of any security requirements set out in Schedule 2 (*Services Description*), Schedule 5 (*Security*

Management) or the Baseline Security Requirements; and/or

in respect of any requirements set out in Schedule 28 (*Staff Transfer*);

(i) an Insolvency Event occurring in respect of the Supplier or the Guarantor;

(j) the Guarantee ceasing to be valid or enforceable for any reason (without the Guarantee being replaced with a comparable guarantee to the satisfaction of the Authority with the Guarantor or with another guarantor which is acceptable to the Authority);

(k) a change of Control of the Supplier or a Guarantor unless:

(i) the Authority has given its prior written consent to the particular Change of Control, which subsequently takes place as proposed; or

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

(l) a change of Control of a Key Sub-contractor unless, within 6 months of being notified by the Authority that it objects to such change of Control, the Supplier terminates the relevant Key Sub-contract and replaces it with a comparable Key Sub-contract which is approved by the Authority pursuant to Clause 15.10 (*Appointment of Key Sub-contractors*);

(m) any failure by the Supplier to enter into or to comply with an Admission Agreement under Schedule 28 (*Staff Transfer*);

(n) the Authority has become aware that the Supplier should have been excluded

under Regulation 57(1) or (2) of the Public Contracts Regulations 2015 from the procurement procedure leading to the award of this Contract;

(o) a failure by the Supplier to comply in the performance of the Services with legal obligations in the fields of environmental, social or labour law; or

(p) in relation to Schedule 5 (*Security Management*):

(i) the Authority has issued two rejection notices in respect of the Security Management Plan under Paragraph 3.5(b);

(ii) the Supplier fails to implement a change required by the Required Changes Register in accordance with the timescales set out in the Required Changes Register;

(iii) Supplier COTS Software and Third Party COTS Software is not within mainstream support unless the Authority has agreed in writing;

(iv) the Supplier fails to patch vulnerabilities in accordance with the Security Requirements; and/or,

(v) the Supplier fails to comply with the Incident Management Process.

"Supply Chain Transparency Report"	means the report provided by the Supplier to the Authority in the form set out in Annex 4 of Schedule 24 (*Reports and Records Provisions*);
"Target Performance Level"	the minimum level of performance for a Performance Indicator which is required by the Authority, as set out against the relevant Performance Indicator in the tables in Part A of Annex 1 of Schedule 3 (*Performance Levels*);
"Term"	the period commencing on the Effective Date and ending on the expiry of the Initial Term or

	any Extension Period or on earlier termination of this Contract;
"Termination Assistance Notice"	has the meaning given in Paragraph 6.1 of Schedule 25 (*Exit Management*);
"Termination Assistance Period"	in relation to a Termination Assistance Notice, the period specified in the Termination Assistance Notice for which the Supplier is required to provide the Termination Services as such period may be extended pursuant to Paragraph 6.2 of Schedule 25 (*Exit Management*);
"Termination Date"	the date set out in a Termination Notice on which this Contract (or a part of it as the case may be) is to terminate;
"Termination Notice"	a written notice of termination given by one Party to the other, notifying the Party receiving the notice of the intention of the Party giving the notice to terminate this Contract (or any part thereof) on a specified date and setting out the grounds for termination;
"Termination Payment"	the payment determined in accordance with Clause 31.3 (*Payments by the Authority*);
"Termination Services"	the services and activities to be performed by the Supplier pursuant to the Exit Plan, including those activities listed in Annex 1 of Schedule 25 (*Exit Management*), and any other services required pursuant to the Termination Assistance Notice;
"Test Issues"	has the meaning given in Schedule 14 (*Testing Procedures*);
"Tests" and "Testing"	any tests required to be carried out under this Contract, as further described in Schedule 14 (*Testing Procedures*) and "**Tested**" shall be construed accordingly;
"Test Success Criteria"	has the meaning given in Schedule 14 (*Testing Procedures*);
"Third Party Auditor"	an independent third party auditor as appointed by the Authority from time to time to confirm the completeness and accuracy of information uploaded to the Virtual Library in accordance

	with the requirements outlined in Schedule 24 (*Reports and Records Provisions*);
"Third Party Beneficiary"	has the meaning given in Clause 40.1 (Third Party Rights);
"Third Party Contract"	a contract with a third party entered into by the Supplier exclusively for the purpose of delivering the Services, as listed in Schedule 11 (*Third Party Contracts*);
"Third Party COTS IPRs"	Third Party IPRs that: (a) the supplier makes generally available commercially prior to the date of this Contract (whether by way of sale, lease or licence) on standard terms which are not typically negotiated by the supplier save as to price; and (b) has a Non-trivial Customer Base;
"Third Party COTS Software"	Third Party Software (including open source software) that: (a) the supplier makes generally available commercially prior to the date of this Contract (whether by way of sale, lease or licence) on standard terms which are not typically negotiated by the supplier save as to price; and (b) has a Non-trivial Customer base;
"Third Party IPRs"	Intellectual Property Rights owned by a third party, but excluding Intellectual Property Rights owned by the third party subsisting in any Third Party Software, which in any case is, will be or is proposed to be used by the Supplier for the purposes of providing the Services;
"Third Party Non-COTS IPRs"	Third Party IPRs that are not Third Party COTS IPRs;
"Third Party Non-COTS Software"	Third Party Software that is not Third Party COTS Software;
"Third Party Provisions"	has the meaning given in Clause 40.1 (Third Party Rights);
"Third Party Software"	software which is proprietary to any third party (other than an Affiliate of the Supplier) or any

	Open Source Software which in any case is, will be or is proposed to be used by the Supplier for the purposes of providing the Services, including the software specified as such in Schedule 12 (*Software*);
"Training Environment"	has the meaning given in Paragraph 1.1 of Schedule 2 (*Services Description*);
"Transferring Assets"	has the meaning given in Paragraph 7.2(a) of Schedule 25 (*Exit Management*);
"Transferring Authority Employees"	those employees of the Authority to whom the Employment Regulations will apply on the Relevant Transfer Date;
"Transferring Former Supplier Employees"	in relation to a Former Supplier, those employees of the Former Supplier to whom the Employment Regulations will apply on the Relevant Transfer Date; and
"Transferring Supplier Employees"	has the meaning given in Schedule 28 (*Staff Transfer*);
"Transparency Information"	has the meaning given in Clause 20.1 (*Transparency and Freedom of Information*);
"Transparency Reports"	has the meaning given in Schedule 24 (*Reports and Records Provisions*);
"UK"	the United Kingdom;
"UK GDPR"	has the meaning as set out in section 3(10) of the DPA 2018, supplemented by section 205(4) of the DPA 2018;
"UK Public Sector Business"	means any goods, service or works provision to UK public sector bodies, including Central Government Departments and their arm's length bodies and agencies, non-departmental public bodies, NHS bodies, local authorities, health bodies, police, fire and rescue, education bodies and devolved administrations;
"Unacceptable KPI Failure"	the Supplier failing to achieve the KPI Service Threshold in respect of more than 50% of the Key Performance Indicators that are measured in that Service Period;

"Unconnected Sub-contract"	any contract or agreement which is not a Sub-contract and is between the Supplier and a third party (which is not an Affiliate of the Supplier) and is a qualifying contract under regulation 6 of The Reporting on Payment Practices and Performance Regulations 2017;
"Unconnected Sub-contractor"	any third party with whom the Supplier enters into an Unconnected Sub-contract;
"Unrecovered Costs"	the Costs incurred by the Supplier in the performance of this Contract (as summarised in the Financial Model) to the extent that the same remain at the Termination Date to be recovered through Charges that but for the termination of this Contract would have been payable by the Authority after the Termination Date in accordance with Schedule 15 (*Charges and Invoicing*) as such Costs and Charges are forecast in the Financial Model such Unrecovered Costs to be subject to the maximum sum stated in Clause 23.7(a)(i);
"Updates"	in relation to any Software and/or any Deliverable means a version of such item which has been produced primarily to overcome Defects in, or to improve the operation of, that item;
"Update Requirement"	means the occurrence of an event detailed in Schedule 24 (*Reports and Records Provisions*) (Annex 3: *Records To Upload To Virtual Library*) which requires the Supplier to update the relevant information hosted on the Virtual Library;
"Upgrades"	any patch, New Release or upgrade of Software and/or a Deliverable, including standard upgrades, product enhancements, and any modifications, but excluding any Update which the Supplier or a third party software supplier (or any Affiliate of the Supplier or any third party) releases during the Term;
"Users"	has the meaning given in Paragraph 1.1 in Schedule 2 (*Services Description*);
"Valid"	In respect of an Assurance, has the meaning given to it in Paragraph 2.7 of Part B to

	Schedule 26 (*IT Service Continuity Management Plan and Corporate Resolution Planning*);
"VAT"	value added tax as provided for in the Value Added Tax Act 1994;
"Video Engine"	has the meaning given in Paragraph 1.1 in Schedule 2 (*Services Description*);
"Video Hearing" (or "Hearing")	a court or tribunal hearing being fully or partly conducted by means of video streaming;
"Video Hearings Service"	means the end-to-end solution enabling court and tribunal hearings to be held fully remote or with one or more participants joining remotely, in accordance with the Authority Requirements and comprising both the Supplier Solution and the Authority Solution as depicted in the diagram at Paragraph 2.1 of Annex 2 to Schedule 2 (*Services Description*);
"VCSE"	means a non-governmental organisation that is value-driven and which principally reinvests its surpluses to further social, environmental or cultural objectives;
"Virtual Library"	means the data repository hosted by the Supplier containing the information about this Contract and the Services provided under it in accordance with Schedule 24 (*Reports and Records Provisions*);
"Work Day"	has the meaning given in Schedule 15 (*Charges and Invoicing*);
"Working Day"	any day other than a Saturday, Sunday or public holiday in England and Wales; and
"0800 Service"	has the meaning given in Paragraph 1.1 in Schedule 2 (*Services Description*).

SCHEDULE 2

SERVICES DESCRIPTION

Schedule 2 (*Services Description*)

1 Definitions

1.1 In this Schedule, in addition to the definitions set out in Schedule 1, the following definitions shall apply:

"AAD"	Microsoft Azure Active Directory (or equivalent);
"Administrators"	HMCTS staff, including "Video Hearing Officers", who provide remote support to Users of the Video Hearings Service;
"Administrator Dashboard"	a monitoring screen view used by Administrators/Hosts to facilitate and monitor a Video Hearing and carry out administrative functions;
"amqp"	Advanced Message Queuing Protocol
"API"	Application Programming Interface
"Audit Data"	a series of records of computer events regarding the operation of the Video Hearings Service including but not limited to the following: (a) number of connections; (b) duration of connections; (c) IP addresses; (d) and any other data as reasonably requested by the Authority from time to time;
"Authority Solution"	the application developed, maintained, and hosted by the Authority that creates the User interface into the Video Hearings Service;
"BSL"	British Sign Language;

"Capacity"	the capability of the Video Engine and Supplier Interface to host the required number of Concurrent Participating Devices with the associated use of Compute and 0800 Service calls, as determined in respect of each Service Period at the Capacity Planning Meeting pursuant to Paragraph 3 of Annex 3;
"Consultation Room"	a private room where one or more Users can consult with other Users (e.g. a legal professional consulting with their client);
"Core Working Hours"	08:00 to 18:00 Monday to Friday and 08:00 to 14:00 Saturday;
"CSV"	comma-separated values;
"Development Test Environment"	a test environment provided by the Supplier which allows the Parties to check how a code/program will behave in a Production Environment;
"Endpoint(s)"	fixed video conferencing devices that are located in HMCTS buildings (e.g. a courtroom) or elsewhere (e.g. prisons, hospitals, and immigration removal centres) to allow Users to join a Video Hearing from a remote location;
"Functional and Non-Functional Requirements"	the functional and non-functional requirements for the Services as set out in Annex 1 to this Schedule;
"GDS"	Government Digital Services;
"Geo-resilient"	a decentralised approach that distributes data assets across multiple geographic locations;
"Hearing Room"	the main virtual room in which the Video Hearing takes place;
"Hosts" or "Host Users"	those who control a Video Hearing such as a judge, legal advisor or a staff member (e.g. a court clerk);
"http"	Hyper Text Transfer Protocol;

"https"	Hyper Text Transfer Protocol Secure;
"Hybrid Video Hearings"	where a Video Hearing is conducted with some parties physically present in the Court or other hearing room (utilising the Endpoints) and some parties joining remotely via the Video Hearings Service;
"IdAM"	Identity and Access Management;
"In Session"	means that the Video Hearing has started and is ongoing (i.e. is not paused or suspended);
"Interactions"	the communications between the Video Engine and User devices;
"IP"	Internet Protocol;
"Jitter"	a deviation in signal pulses between the source and destination;
"JSON"	JavaScript Object Notation;
"Judicial Office Holder" ("JOH")	a judge, magistrate, or other relevant Panel Member;
"Justice Video System" or "JVS"	the system which offers direct connection from Endpoint to Endpoint which is out of the scope of this procurement;
"JWT"	JSON Web Token;
"Minimum Quality Threshold"	means the minimum quality thresholds in relation to Jitter and Packet Loss for User devices to connect (and stay connected) to a Video Hearing, as set by the Authority from time to time and which as at the Effective Date are as follows: (a) Jitter shall be no more than 30 milliseconds from the source of the signal to the Video Hearings Service; and (b) Packet Loss shall be less than 1% of the total packets sent;

"Normal Load"	where the Service is operating comfortably within the thresholds of normal parameters – ie up to 70% of Capacity;
"Observer(s)"	any User who is not an Administrator, Host or Participant (such as a member of the public or the media who opts to observe a Video Hearing held in open session);
"Open Justice"	the fundamental principle that justice should be conducted in an open, public and transparent way;
"OVIG"	Open Video Internet Gateway, a bespoke internet gateway for the JVS network;
"Packet Loss"	when a network packet fails to reach its destination, resulting in data loss;
"Panel Members"	experts in their respective fields of work who sit alongside the judge in a Video Hearing;
"Participants"	legal representatives, barristers, experts, litigants, defendants, appellants, interpreters, witnesses and any other Users directly involved in proceedings during a Video Hearing;
"Peak Load"	where the Video Hearings Service is operating at greater than 75% of Capacity;
"PIN"	a unique numeric string that is used to authenticate a fixed video Endpoint to the Video Hearings Service;
"Production Environment"	the live environment where all live services will run and where the specified capabilities for the Video Engine will be supported;
"Protective Monitoring Policy"	a set of business processes, with essential support technology, that are in place to oversee how ICT systems are used/misused and to assure accountability for their use;
"PSTN"	Public Switch Telephony Network;

"Recovery Point Objective" ("RPO")	the point to which the information that is used by the activity must be restored in order to enable the activity to operate effectively upon resumption;
"Recovery Time Objective" ("RTO")	the maximum period of time following a service disruption within which the Service must be resumed, or resources must be recovered;
"RESTful"	Representative State – Transfer – 'REST' is the set of constraints and 'RESTful' refers to an API adhering to those constraints;
"Restore Time Stamp"	a record of the time when the Video Hearings Service is restored following any interruption to the service;
"RTMPS"	Real Time Messaging Protocol Secure;
"Sandbox Environment"	an isolated testing environment that enables the Authority to run programs or open files without affecting the application, system, or Video Engine on which they run;
"Self-Tests"	tests that can be undertaken by Users to ensure that their audio and video (camera, microphone and speakers) meet the Minimum Quality Threshold, and they are able to connect to the Video Hearings Service;
"SIP"	Session Initiation Protocol;
"SPA"	Single Page Applications;
"Special Measures Participants"	vulnerable and/or protected Participants who are the subject of special measures put in place to screen such Participants in the hearing from wider public view;
"SRTP"	Secure Real-Time Transport Protocol;
"Staging Environment"	a nearly exact replica of the Production Environment for the purposes of software testing;

"Supplier Interface"	the software developed, managed and hosted by the Supplier to communicate between the Video Engine and the Authority Solution;
"TCP"	Transmission Control Protocol;
"Telephone Users"	Users who have joined a Video Hearing via a telephone so only have an audio capability;
"TLS"	Transport Layer Security;
"Training Environment"	a near exact replica of the Production Environment to enable Hosts/Administrators to familiarise themselves with the front end controls;
"UDP"	User Datagram Protocol;
"Users"	any and all individuals connecting to or otherwise using the Video Hearings Service;
"Video Content"	video evidence with audio that will be presented within a Consultation Room or Hearing Room;
"Video Engine"	the functionality provided, maintained and hosted by the Supplier to enable the Video Hearings Service to operate, and which forms part of the Supplier Solution;
"Video Hearing Link"	a link that particular Users may receive (e.g. last minute Users, vulnerable Users or Users experiencing technical difficulties) to access a Video Hearing without the need to use login details (username and password);
"Waiting Room"	the 'lobby' where Participants and Observers wait before their Video Hearing begins;
"WebRTC"	Web Real Time Communication;
"XML"	Extensible Markup Language; and

"0800 Service"	a facility to enable Participants and Observers using the telephone to access the Video Hearings Service without the Participant or Observer incurring telephone charges.

1.2 This Schedule including the following annexes comprises the Services Description:

(a) Annex 1: Functional and Non-Functional Requirements

(b) Annex 2: The Supplier Interface

(c) Annex 3: Services management

1.3 In Annex 1 the terminology MoSCoW is used to categorise the importance placed on the delivery of each specific technical requirement. The categorisation is as follows:

M= Must have

S= Should have

C= Could have

where:

(a) the Supplier shall ensure that, save as detailed in Paragraph 1.4 below, the Service fully complies with the specific technical requirements noted as 'M' and 'S' in Annex 1 (*Functional and Non-Functional Requirements*) from the Operational Services Commencement Date; and

(b) the Functional and Non-Functional Requirements noted as 'C' in Annex 1 (*Functional and Non-Functional Requirements*) are not included in the scope of the Services as at the Effective Date but may be requested by the Authority at any time after the Effective Date via the Change Control Procedure as set out in Schedule 22.

1.4 The Functional Requirements with the reference numbers VHE-FR-0082 and VHE-FR-0083 shall be developed by the Supplier (in consultation with the Authority) and delivered by the Supplier in accordance with the process and timescales for Achievement of Milestone 5b (Post-ATP Milestone) set out in Schedule 13 (*Implementation Plan*) and the Implementation Plan.

1.5 The Functional and Non-Functional Requirements set out in Annex 1 are not exhaustive and, in determining the scope of Services, the Supplier shall comply with all the requirements as set out in this Schedule (including all the other annexes).

2 Introduction

2.1 The Video Hearings Service is an integral part of the HMCTS Reform Programme to modernise and upgrade the justice system. As at the Effective Date the Existing Service is in use in a number of courts and tribunals and the Authority intends that the Existing Service will be replaced by the Video Hearings Service.

2.2 The Authority has a list of principles which have shaped the desired future state for the Video Hearings Service and the Supplier shall deliver the Services in line with these principles, which are:

(a) enhance user experience using appropriate and effective technology solutions;

(b) provide assurance that this is a reliable and secure service;

(c) provide flexibility to meet operational demands;

(d) provide flexibility to adopt and benefit from future innovations and development in technology;

(e) have real-time performance monitoring and visibility;

(f) incorporate Social Value principles; and

(g) deliver a smooth transition from the Existing Service.

2.3 This Schedule sets out the scope of the Services to be provided by the Supplier and provides a description of what each Service entails. The Services shall be made available in respect of all courts and tribunals in England and Wales and a limited number of reserved tribunals in Scotland.

2.4 The Supplier shall ensure that there is no cost incurred by any User in accessing the Video Hearings Service, over and above their preferred method of connecting to the internet (eg broadband or cellular data) utilised by their respective device(s).

3 Services Description

3.1 General Background

(a) The Supplier shall:

(i) provide access to, manage, and host a Video Engine which shall interface with the Authority Solution through the Supplier Interface;

(ii) develop, maintain, and host the Supplier Interface which shall interface between the Video Engine and the Authority Solution. Further requirements in relation to the Supplier Interface are set out in Annex 1 and Annex 2;

(iii) work with the Authority and/or any user group established by the Authority during the development of the Supplier Interface;

(iv) as far as is reasonably practical, develop the Supplier Interface so that it is agnostic to technology changes for example, in the event of any future change in video engine technology such as updated / alternative versions;

(v) provide service management support in relation to the Video Hearings Service as detailed in Annex 3;

(vi) develop maintain and host a Sandbox Environment, Staging Environment, Training Environment and Development Test Environment for the Video Hearings Service;

(vii) provide the processing capacity for Users to access the Video Hearings Service (including provision of the Compute usage required);

(viii) arrange for the transfer of the existing 0800 Service (comprising one line for England and one line for Wales) from the Former Supplier and manage the 0800 Service as more particularly described in Paragraph 3.3(g) below;

(ix) provide audio and video streaming services for recording and observation purposes as detailed in VHE-NFR-008;

(x) work collaboratively with the Authority to continually improve and introduce enhancements to the Services; and

(xi) provide a dashboard as referred to in VHE-NFR-037 which shall display, as a minimum, information regarding the number of Users joining each Video Hearing and their method of joining, and such other information regarding the operation of the Video Hearings Service as the Authority may reasonably request from time to time.

(b) The Supplier shall provide the Services to be dynamically scalable, robust, and resilient and to cope with spikes in demand, which is particularly important during the known peak times 09:30-10:00 and 13:30-14:00 on Working Days when court/tribunal sessions typically start.

(c) The Video Engine and Supplier Interface shall be available during Core Working Hours to enable Users to access the Video Hearings Service.

(d) The scale of use required from the Operational Services Commencement Date shall be specified by the Authority in accordance with Paragraph 3 of Annex 3. The Supplier shall ensure that the Services have the capacity to, as a minimum, match the volumes as detailed in the forecasts provided by the Authority pursuant to

Paragraph 3 of Annex 3 with no interruption to Operational Services. The Authority shall work with the Supplier so that, as far as is practical, there is visibility of the anticipated scale of use during the Term.

(e) Hybrid Video Hearings are facilitated using the in-court video equipment Endpoints using SIP/H.323 capability. It is essential that the Supplier facilitates connection and integration via this protocol. The Supplier shall have the capability to enable connection to multiple Endpoints via SIP/H.323, for example connection to an Endpoint in a court room and another location (for example a prison or detention centre). The Supplier must align with any future industry changes in relation to connection protocols to ensure ongoing utilisation of Endpoints.

(f) The Authority is obliged to provide communication in the Welsh language for Hearings originating in Wales. If any communication is required in Welsh, the Authority will provide the Supplier with the written script or recording of the audio message and the Supplier will ensure that such script or audio message is available for Hearings originating in Wales. Further details of this requirement are set out in VHR-FR-069 in Part A of Annex 1.

(g) The provision and maintenance of JVS, together with the Endpoint equipment, is excluded from the scope of the Services. The diagram in Annex 2 at Paragraph 2.1 shows a) the service boundaries and b) points of service measurement.

(h) There may be occasions where there is a short-term peak in demand, (such as a particularly high profile / high interest case which is open to the public/media to observe). Where such a case is identified, the Authority will endeavour (but in some cases may be unable) to inform the Supplier in advance of the timing and, as far as is practical, anticipated demand.

(i) As set out in VHE-NFR-055, the Supplier shall endeavour to build an open, honest, and transparent working relationship with the Authority and shall embed the Authority's core values set out in the table below into the Supplier's ways-of-working. Given the criticality of the Services, the Supplier shall adopt a "fix first, discuss later" approach.

Purpose	Justice matters. We are proud to make a difference for the public that we serve.
Openness	We innovate, share, and learn. We are courageous and curious, relentlessly pursuing ideas to improve the service we offer.
Humanity	We treat others as we would like to be treated. We value everyone, supporting and encouraging them to be the best they can be.

Together	We listen, collaborate and contribute, acting together for our common purpose.

3.2 Implementation Services

(a) The Supplier shall develop the Detailed Implementation Plan in accordance with the provisions of Schedule 13 (*Implementation Plan*) and, subject to the Authority's approval of the Detailed Implementation Plan in accordance with Paragraph 3 of Schedule 13, shall deliver the Implementation Services in line with the Detailed Implementation Plan, noting that it is essential that Operational Services shall commence no later than 12 months from the Effective Date (but preferably prior to this). The Detailed Implementation Plan shall comply with the requirements set out in Schedule 13.

(b) During Implementation Services the Supplier shall undertake all necessary work to ensure the Services will meet the Authority's 'M' and 'S' Functional and Non-Functional Requirements from the Operational Services Commencement Date (with the sole exception of the two requirements referred to in Paragraph 1.4 above).

(c) The Supplier shall design, develop, and implement the Supplier Interface in such a way as to ensure that no material changes are required to the Authority Solution. If any minor changes are required to the Authority Solution to enable it to interface with the Supplier Interface, these may be approved by the Authority in writing in advance on a case by case basis.

(d) The Supplier shall report to the Authority on the progress of the Implementation Services in accordance with Schedule 13.

(e) Any Deliverables and all Milestones produced as part of the Implementation Services will be tested in accordance with Schedule 14.

(f) The Supplier will establish and maintain the Supplier Service Desk to provide support to the Authority Service Desk during Core Operating Hours as further detailed in Annex 3.

Transition

(g) The Supplier shall use best endeavours to collaborate with the Former Supplier during the transition from the solution provided by the Former Supplier to the Supplier Solution ("**Transition**") to avoid any disruption to Users and/or the Authority.

(h) The Supplier shall use best endeavours to support the Authority during the Transition to ensure there is continuity of service, including but not limited to supporting the Authority to manage communications with the judiciary and stakeholders in relation to the Transition.

(i) The Supplier shall provide support to the Authority to ensure that the Service is understood by, and any changes to functionality are communicated to, stakeholders as necessary.

(j) The Supplier shall provide and update where necessary, comprehensive details of all firewall settings and whitelisting requirements with the Authority as required to maintain Users' connectivity to the Video Hearings Service.

3.3 Operational Services

(a) The Supplier shall work proactively with the Authority to optimise the use of Compute so that costs are minimised. The Supplier shall provide a facility for the Authority to access figures on the total amount of Compute consumed in each of the required environments (Sandbox Environment, Staging Environment, Development Test Environment, Training Environment and Production Environment) either in real time or provided to the Authority no later than 17:00hrs on the Working Day following the day on which the Compute is utilised.

(b) In accordance with Clause 8 of the Contract, the Supplier shall highlight opportunities for continuous improvement and on-going development to the Authority and, shall, subject to the Change Control Procedure, work with the Authority to prioritise, plan, design, develop and implement these opportunities as the Authority may require (in its absolute discretion), including but not limited to the setting of annual targets for performance improvement in relation to the Minimum Quality Threshold.

(c) The Supplier shall arrange and manage all IT Health Check testing relating to the Services and undertake any remedial work identified. Any third party appointed to undertake an IT Health Check shall be approved by the Authority in writing and in advance. The Supplier shall address issues highlighted as security risks in any IT Health Check in accordance with Paragraph 6.3 of Schedule 5 (*Security Management*).

(d) The Supplier shall be responsible for all costs associated with IT Health Checks including fees payable to third parties.

(e) The Supplier shall ensure that the 0800 Service is in place from the Operational Service Commencement Date and shall provide separate lines for English and Welsh speakers.

(f) The Supplier shall prepare and update a Security Management Plan in accordance with the provisions of Schedule 5 (*Security Management*).

(g) With regards the 0800 Service, the Supplier shall ensure that suitable provisions are in place to enable Telephone Users to have access to the Video Hearings Service by phone at no additional cost to the Telephone User.

3.4 Environments

(a) The Supplier shall provide access to the Authority for the following environments to enable the development, manual and automated testing, regression testing of new features, bug fixes, enhancements and similar before release to the Production Environment:

(i) Sandbox Environment;

(ii) Staging Environment;

(iii) Training Environment; and

(iv) Development Test Environment.

The Charges for providing these environments are set out in Schedule 15. Any associated usage of Compute Minutes in respect of these environments shall be payable in accordance with the provisions of Schedule 15.

(b) The Supplier shall have the flexibility to proactively scale down/turn off the environments listed in Paragraph 3.4(a) outside of Core Working Hours, except for when specific out of hours access is required for incident fixes, release deployment or the Authority requests access.

(c) The Supplier shall turn off any or all of the environments listed in Paragraph 3.4(a) in accordance with any request to do so by the Authority from time to time.

(d) There shall be no Charge payable by the Authority in respect of any environment that is turned off.

3.5 Social Value requirements

(a) The Supplier shall deliver the following Social Value requirements as set out in this Paragraph 3.5 [and Section 27 Carbon Footprint Reduction and Section 28 Wellbeing of Schedule 8 (*Supplier Solution*)] in line with the Public Services (Social Value) Act 2012, PPN 06/20, and the Authority policies and practices:

(i) Working towards net zero greenhouse gas emissions; and

(ii) Health and Wellbeing.

(b) The Supplier shall work towards net zero greenhouse gas emissions. The Supplier shall monitor and report to the Authority in the format and frequency specified in Annex 1 of Schedule 24 (*Reports and Records Provision*) on progress of reducing greenhouse gas emissions and this data shall be included in the performance indicators as set out in KPI 8 in Schedule 3 (*Performance Levels*).

(c) The Supplier shall highlight initiatives and opportunities to the Authority to support staff with stress / mental health and shall work with its supply chain and the Authority to develop a culture which supports health and wellbeing.

(d) The Supplier shall introduce effective measures to support health and wellbeing, including physical and mental health, in its staff and shall use best endeavours to influence the supply chain to introduce similar measures.

(e) The Supplier shall monitor and report on progress of the measures in Paragraph 3.5(d) to the Authority in the format and frequency specified in Annex 1 of Schedule 24 (*Reports and Records Provision*) and this data shall be included in the performance indicators as set out in performance indicator PI 1 in Schedule 3.

ANNEX 1 FUNCTIONAL AND NON-FUNCTIONAL REQUIREMENTS

Part A Functional Requirements

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0001	Provide a seamless User authentication experience between the Authority Solution and the Video Engine.	Once a User has logged in (via username and password or Video Hearing Link) via the Authority Solution, there will be no further login prompts to join or participate in a Video Hearing.	M
VHE-FR-0002	Provide the ability to support different User roles and associated permissions within each Video Hearing.	The role profiles and permissions for different types of User are detailed at Appendix A to this Annex 1.	M
VHE-FR-0003	Allow multiple Hosts, Participants and/or Observers for each Video Hearing as required.	It must be possible for more than one User to have Host permissions in a Video Hearing, this would usually be the Judicial Officer Holder(s) and one (or more) clerks. If two Hosts perform contradicting actions at the same time, only the first one will be accepted, the second one must be ignored.	M
VHE-FR-0004	Provide a Self-Test service for a User to complete before the day of the Video Hearing to test that their camera, microphone, speakers and internet connection meet the Minimum Quality Threshold required for participation in a Video Hearing and identify if there are any firewall issues preventing them from joining the Video Hearing.	The User's Self-Test aims to resolve any equipment issues before the day of the Hearing to ensure smooth operations. Self-Test shall identify where there is an issue once an equipment check has taken place. If any issues are identified, these will be displayed to the User and the Administrator (e.g. poor network connection, poor microphone etc).	M

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0005	Provide a Self-Test service for a User to complete on the day of their Video Hearing before they join the Waiting Room for their Hearing to test that their camera, microphone, speakers and internet connection meet the Minimum Quality Threshold required for participation in a Video Hearing and identify if there are any firewall issues preventing them from joining the Video Hearing.	The User's Self-Test aims to resolve any equipment issues before the start of the Hearing to ensure smooth operations. Where a Self-Test has already been successfully conducted, users can skip any subsequent Self-Tests on the same day. If any issues are identified, these will be displayed to the User and the Administrator (e.g. poor network connection, poor microphone etc).	M
VHE-FR-0006	Provide a facility for IT departments in organisations to test their Users' connection to the Video Hearings Service and see logs displaying results for each test (e.g. UDP connection, TCP connection, TLS connection, access to camera and microphone)	E.g.: https://networktest.twilio.com/	M
VHE-FR-0007	Results from Users' Self-Tests will be made available to the Authority from the Self-Test service.	As part of the Self-Test, the results will be collated so they can be used for operational purposes and identified issues displayed to Authority staff. The retention period of the information will be no more than 3 months.	M

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0008	The Supplier Interface is required to provide the ability for the Authority to transfer Users between rooms, from: • Waiting Room to Hearing Room • Waiting Room to Consultation Room • Consultation Room to Waiting Room • Consultation Room to Hearing Room • Hearing Room to Waiting Room	This will also be applicable for those joining via telephone or Endpoints.	M
VHE-FR-0009	For each Video Hearing provide a 'Waiting Room' for all Users to join before joining the Hearing Room.	Also known as a 'lobby' that Users (with the exception of some Administrators based on role profile) enter before the hearing starts/resumes or after the hearing pauses/suspends/ends. This is the room from which Users access a consultation. Hosts will be able to start or resume the Hearing from this page.	M
VHE-FR-0010	Provide the ability for an Administrator to be able to initiate a one-to-one video call/audio call with any User who is in the Waiting Room from the Administrator Dashboard.	To allow the Authority to support the User as required. This will be before the Video Hearing, during the Video Hearing (when the Video Hearing is not In Session) and after the Video Hearing has finished.	M
VHE-FR-0011	Provide the ability to close or pause an in-progress Video Hearing from the Administrator Dashboard which will return Users to the Waiting Room.	This is to allow Administrators to close a Hearing without being a Host, e.g. closing the Hearing on behalf of the Host who started the Hearing, if it was not closed as expected.	S

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0012	Hosts will have the ability to 'start' the Hearing which will automatically transfer the required Users from the Waiting Room and Consultation Room(s) into the Hearing Room.	The Authority has defined permissions for required Users in line with applicable role profiles (as set out in the table in Appendix A to Annex 1 of this Schedule).	M
VHE-FR-0013	Provide the ability for a countdown timer to be seen and heard before the Hearing Room starts or resumes. This will be shown to the Host who starts or resumes the Hearing Room and to all Participants and Observers when the Hearing Room starts or resumes. Provide a synchronous start for all Users once the countdown has ended and the Hearing starts.	This is to give notice and time to prepare for the Hearing. The frequency and duration will be configurable. For Hearings generated in Wales, this will be in English and Welsh. For Hearings elsewhere (England, Scotland and Northern Ireland) this will be in English.	M
VHE-FR-0014	If all Hosts in a given Hearing become disconnected, to suspend the Hearing.	This will enable the Authority to display a warning message to the Users. Related to VHE-FR-0015 and VHE-FR-0016. A Hearing will not be left In Session if there isn't a Host (i.e. a clerk or Judicial Office Holder).	M
VHE-FR-0015	User connectivity – if after a configurable period of time, e.g. 30 seconds the network quality is below a configurable threshold, display a configurable message to the User	This will enable the Authority to display a warning message to the Users and Administrators.	M

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0016	Provide the ability for the Authority to set a separate threshold from VHE-FR-0015 for the amount of time that all Hosts appear to be disconnected before triggering the suspension of the Hearing.	This is to ensure that non-Hosts are not stuck alone in the Hearing Room without a Host or Judicial Office Holder present.	M
VHE-FR-0017	Provide the ability for Users to be automatically transferred from the Hearing Room to the Waiting Room when the Hearing is suspended due to Host disconnection.		M
VHE-FR-0018	Participant and Observer connectivity: on browser close or total loss of connectivity do not suspend the Hearing.	The Authority will display a warning message to Hosts and Administrators.	M
VHE-FR-0019	Ensure that Minimum Quality Thresholds prior to disconnecting Participants with poor connections are configurable in the event that the Authority wish to make changes in the future.	Managing Users with poor connectivity	M
VHE-FR-0020	Provide a self-service facility for one or more Users to start and join one or more separate Consultation Rooms before the Video Hearing has started, during the Hearing, during a Hearing pause and after the Hearing has been closed.	Consultation Rooms are needed before the Hearing starts, during the Hearing and after the Hearing has closed. Certain Users in a Hearing need to converse, in private, using the Video Engine without the need to reauthenticate. In 'business as usual' situations, these are self-service, un-recorded, and do not require the Authority arranging them on behalf of the parties. E.g. both opposing parties to have separate and private consultations with their legal representatives and, also, when required, collective	M

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
		consultations to negotiate settlements outside of the courtroom. The Authority will specify which User roles are allowed to access Consultation Rooms. Hosts and Judicial Office Holders require separate Consultation Rooms than those available to Participants to discuss the Hearing in private. Other Users will only be able to enter this room if invited in by the Host or Judicial Office Holder.	
VHE-FR-0021	Provide the ability to create separate and concurrent Consultation Rooms per Video Hearing as required up to a maximum of 5 per Video Hearing	See VHE-FR-0020. This is to ensure there are Consultation Rooms available on demand for the parties.	M
VHE-FR-0022	Provide the ability for the Host/Administrator to ‘unlock’ and 'lock' each individual Hearing Room, Waiting Room and Consultation Room and for Users to ‘lock’ and ‘unlock’ Consultation Rooms for which the Host/Administrator has granted them permission to do so.	This will enable the Host/Administrator to lock the Hearing Room by default, for Users to 'lock' and 'unlock' Consultation Rooms, and to ensure safeguarding arrangements are in place, e.g. for anyone attending court hearings via a prison link Endpoint.	M
VHE-FR-0023	Provide the ability for an Administrator to see when Users are in a Consultation Room, Waiting Room and Hearing Room from the Administrator Dashboard, and for each room to be automatically closed and removed from the Administrator Dashboard when not in use.	This includes Users who connect via Telephone and Endpoints.	M

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0024	Provide the ability for the Authority to automatically close a Video Hearing based on a pre-defined time and/or set of triggers.	This is to ensure that Video Hearings that have not been properly closed by the Host are closed.	M
VHE-FR-0025	When the Video Hearing is started or resumed by the Host, all Users in any open Consultation Room(s) related to that Video Hearing will be alerted and transferred to the main Hearing Room or back to the Waiting Room depending on their role.	Users are alerted prior to being transferred.	M
VHE-FR-0026	Provide the ability for specified Participant and Observer types to join the Waiting Room and remain in the Waiting Room until a Host admits them to the Hearing Room when they are required.	E.g. to enable witnesses to be brought into the Hearing Room when required.	M
VHE-FR-0027	Provide the ability for the Host/Administrator to disconnect Participants and Observers from the Hearing at any time.	E.g. if a Participant is causing unacceptable disruption to the Hearing, they can be removed to ensure the Hearing can continue	M
VHE-FR-0028	Provide the ability for the Host/Administrator to be able to ‘lock’ / ‘unlock’ the mute/unmute function for all or any Users in a Hearing Room and Consultation Room.	Whilst this mute / unmute function is unlocked by the Host/Administrator, Users can mute / unmute themselves. When the function is locked only the Host/Administrator can mute/unmute Users. This can be set by the Host/Administrator to mute/unmute by default when a Hearing or Consultation Room starts.	M

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0029	Provide the ability for the Host/Administrator to authorise and control the use of Participants' and Observers' function to hide or show video feeds in each Hearing Room and Consultation Room.	Whilst this function is authorised by the Host/Administrator, Participants and Observers can choose whether to hide or show their video feed. Judicial Office Holders will keep their video feed on.	M
VHE-FR-0030	Provide the ability for Users to be able to choose whether to show or hide the 'picture in picture' (self-view) of their own video feed in the Hearing Room and Consultation Rooms (other than those who have joined by a telephone).	Self-view is a mirrored view of the User	M
VHE-FR-0031	Ability to detect and notify the Host if any other User in the Hearing loses their video/audio or internet connection after joining the Hearing.		M
VHE-FR-0032	Provide the ability for Hosts to remotely switch off video feed from one or all Users (including other Hosts) in the Hearing Room.		S
VHE-FR-0033	Provide the ability for Hosts to remotely switch on video feed for one or all Users (including other Hosts) in the Hearing Room.		S

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0034	Provide each User the ability to switch their camera on in the Hearing Room when it has been previously turned off in the Waiting Room (other than those who have joined by a telephone).	This is upgrading an audio-only connection to an audio-video connection.	M
VHE-FR-0035	Provide the ability for Users to seek attention of the Hosts and display this to all Users in the Hearing Room (other than those who have joined by a telephone)	For example, by raising a virtual hand	M
VHE-FR-0036	Provide the ability for each User to see a warning if audio is detected from their microphone when they are muted (other than those who have joined by a telephone).		C
VHE-FR-0037	Provide the ability to reduce background noise coming from a User's microphones.	The Authority to be able to toggle this functionality on/off.	S
VHE-FR-0038	Provide the ability to provide alerts to Users if their device is causing echo in the Hearing Room or Consultation Room.		C
VHE-FR-0039	Provide the ability to display a visual indicator of who is talking in the Hearing Room and/or Consultation Room. This will be seen by all Users (other than Telephone Users).		S

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0040	The video feed will continue without any disruption in the event that a User changes their camera and/or microphone from within the Consultation Room, Waiting Room and Hearing Room.	Where a User's device has more than one camera/microphone to choose from and the User makes a switch whilst connected to the Video Hearings Service, then the video/audio feed is updated accordingly.	M
VHE-FR-0041	Display a label on each video tile showing the User's display name, this will be visible to all other Users in the relevant room.	This must be editable by the Administrator as per VHE-FR-0042.	M
VHE-FR-0042	Provide the ability for the Authority to change or update the display name for any of the Users displayed in the video tile on the day of the Video Hearing.	This will display the updated display name to all Users in the Video Hearing (using browsers, telephones or SIP connections) and allow the Authority to amend incorrect or censored display names as required with as few operational impacts as possible, e.g. without having to edit the booking. The updated display name will persist throughout the Hearing and/or transfers to and from Waiting Room/Consultation Room.	M
VHE-FR-0043	Provide live captioning in the Consultation Rooms and Hearing Room.		C
VHE-FR-0044	Provide the ability for the Host to select a watermark to be displayed on Judicial Office Holders video tile to be seen by all other Users other than Telephone Users.	The Authority to provide watermark. It will be possible to change this per jurisdiction. It will be possible to turn this off, if required. The watermark will be displayed in the upper left corner of the Judicial Office Holder's video tile for the duration of the Hearing.	C
VHE-FR-0045	Provide the ability for screen sharing functionality (other than those who have joined by a telephone).	The Authority will permit screen sharing so Users (excluding Observers) can share the contents of their screens.	M

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0046	Provide the ability for Hosts and Participants to share Video Content to the minimum Video Content Sharing Capacity (as set out below). The person sharing the Video Content will be able to control the volume to allow for voiceover explanation. The minimum Video Content Sharing Capacity means a minimum display resolution of 1280 x 720 pixels and a minimum of 30 frames per second and configurable to support higher resolutions and frames per second.	The Authority will permit the sharing of Video Content for Users (excluding Observers).	M
VHE-FR-0047	Provide an option to dynamically change the Hearing Room layout based on the number of Users and the role of those Users in the Hearing.	This is to ensure that all required Participants are always visible even if the number of Users changes during the course of the Hearing.	M
VHE-FR-0048	Provide the option for static layouts in the Hearing Room, which contains a fixed number of video windows regardless of the number of Users.		M

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0049	Provide the ability for standard and custom screen layouts in the Hearing Room	To support layouts with equal sized tiles (e.g. 2x2, 3x3, 4x4 etc) as well as layouts with different sized tiles to meet jurisdictional needs and indicate the judicial bench/ panel for all Participants, e.g. 3 prominent fixed tiles (e.g. Tribunal panel) with Participants displayed beneath, 4 prominent fixed tiles (e.g. 3 magistrates and a legal advisor) with Participants displayed beneath, and one prominent fixed tile (e.g. Judge) with Participants displayed beneath.	M
VHE-FR-0050	Provide the ability for a Host to see a different layout from all other Users in the Hearing Room.	E.g., the Judicial Office Holder may want to see a witness spotlighted whilst the remaining parties continue to see the Judicial Office Holder in a different layout.	S
VHE-FR-0051	Provide the ability for the Host to be able to change the layout whilst in the Hearing Room or from the Waiting Room.		M
VHE-FR-0052	Provide the ability for one or more Users to be spotlighted / unspotlighted by the Host in the Hearing Room.		M
VHE-FR-0053	If no Users are spotlighted in the Hearing Room, the current speaker's video feed will be displayed in the large tile or tile on the top left of the screen.	Provide the ability for the User currently speaking to dynamically move into the main tile, if no other Users are spotlighted.	M

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0054	Provide the ability for Users to pin other Users' video tiles in their own view. When this pin is in relation to protected characteristics (e.g. BSL) this will override any spotlighting applied by the Host.	E.g. to ensure effective use of BSL	C
VHE-FR-0055	Ensure that BSL interpreters are clearly visible to the Users for which they are interpreting	They will be larger than other tiles for the Users they are interpreting for so that their interpretation can be clearly seen.	M
VHE-FR-0056	Connect a Telephone User to the Waiting Room for the Video Hearing after entering a valid Hearing ID which will be provided by the Authority. If the Hearing is In Session, the Telephone User will be moved into the Hearing Room.	Hearing ID will be communicated to the Supplier at the point of booking the Hearing. To note: The Hearing ID length is 8 digits and is only valid for the duration of the Hearing.	M
VHE-FR-0057	Provide the ability to allow multiple Telephone Users to join the same Video Hearing.		M
VHE-FR-0058	Provide the ability to play an audio message to Telephone Users before they connect to the Waiting Room.	The Authority will provide the audio message.	M
VHE-FR-0059	Provide the ability for Telephone Users to hear pre-set hearing status messages whilst connected to the Waiting Room.	E.g. hearing delayed, hearing paused, hearing suspended	C

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0060	Provide the ability to play an audio message to a Telephone User whilst they are in the Waiting Room.	E.g. 'please wait'	M
VHE-FR-0061	Provide the ability for Telephone Users to mute and unmute themselves in the Hearing Room.		S
VHE-FR-0062	Provide the ability to play a message to Telephone Users when the recording begins.	To take place when the recording begins and when a Telephone User joins an In Session hearing.	S
VHE-FR-0063	Propose a way (to be approved by the Authority in writing) for Telephone Users to be informed of the menu options available to them.	E.g. how to mute/unmute themselves.	S
VHE-FR-0064	Provide the ability for a Telephone User to accept or decline an invitation into a Consultation Room.	The Telephone User will be informed who has invited them into a Consultation Room. The Authority to define who can invite Telephone Users into Consultation Rooms.	S
VHE-FR-0065	Automatically transfer a User joining via telephone to the Hearing Room when the Hearing is started or resumed, then automatically transfer them back to the Waiting Room when the Hearing is not In Session	If the Hearing is already In Session when the Telephone User joins, automatically transfer them into the Hearing Room.	M
VHE-FR-0066	Provide the ability for the Host to dial out to Telephone Users to bring them into the Video Hearing.		S

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0067	In respect of each Telephone User, display to other Users a redacted telephone number in the Waiting Room, Hearing Room and Consultation Rooms (but not redacted in the Administrator Dashboard) so that it can be uniquely identified.	E.g. by displaying only the two numbers at the end. Telephone Users full number must not be displayed in certain views.	M
VHE-FR-0068	Provide the ability for a Telephone User to alert the Host to allow them to speak if muted.	A Participant or Observer joining via web browser can raise their hand to alert the Judicial Office Holder or Host to speak, a Telephone User could have a similar functionality provided.	C
VHE-FR-0069	Provide the ability to play voice messages in Welsh where a User has dialled in via the Welsh telephone number.	This will apply to every part of the User journey until they join the Hearing Room.	M
VHE-FR-0070	Provide the ability for one or more video Endpoints (different makes/models) to join a Video Hearing using a SIP address and PIN.	The Endpoints can be within the Authority's estate and outside venues. It will be possible to distinguish the Endpoints within the Hearing, e.g. display name.	M
VHE-FR-0071	Allow the Authority to set the domain of the SIP address when booking a Video Hearing so that the SIP address can be entered on the Endpoint to connect to the Hearing.		M

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0072	Provide the ability for Users to be able to join a Video Hearing using a web browser on an Apple or Android tablet or smart phone. The same level of functionality will be available as when using a desktop or laptop (noting that the ability to support screen sharing and the ability to customise backgrounds may be excluded)	As per Authority's supported browser list set out in VHE-FR-0078.	M
VHE-FR-0073	Provide the ability for Hosts to be able to join a Video Hearing on an Apple/Android tablet and retain full Hearing controls and functionality as if joining by desktop or laptop (noting that the ability to support screen sharing and the ability to customise backgrounds may be excluded).	As per Authority's supported browser list set out in VHE-FR-0078.	C
VHE-FR-0074	Provide and share Packet Loss data in relation to each User to enable the Administrator to monitor video/audio connections quality for all Users.	This will be used to display a network quality indicator to the Administrators, Judicial Office Holders, Hosts and to individual Users. E.g. if User A has poor network this will be displayed to the User, to the Host, to the Judicial Office Holder and to the Administrators. As a minimum this must be shown as % network Packet Loss on the Administrator Dashboard.	M
VHE-FR-0075	Provide support for different configuration of thresholds based on region/geography/jurisdiction as set out by the Authority	This requirement is to be considered as a potential future development and as at the Effective Date is not in the current scope of the Services	C

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0076	Provide the ability to RTMPS stream audio or audio with video within the Hearing Room for recording purposes at the start of each Hearing or during the Hearing.	Streaming to stop, pause and resume in line with Hearing controls. The stream URL will be dynamically configurable for each Hearing. The streaming should commence automatically when the recording is enabled.	M
VHE-FR-0077	Provide the option for audio or audio with video streaming to be enabled or disabled by the Authority at the start of each Hearing or during the Hearing.	Live concurrent streaming for recording and Observers in order to meet Open Justice provisions. This will be a second video with audio stream to a specified media location. The stream URL will be dynamically configurable for each Hearing.	M
VHE-FR-0078	The list of operating systems and browsers required to be supported for Video Hearings is: Windows - Edge (supported versions) - Chrome (supported versions) - Mozilla Firefox (supported versions) macOS - Edge (supported versions) - Chrome (supported versions) - Mozilla Firefox (supported versions) - Safari (supported versions) Android - Chrome (supported versions) - Samsung Browser (supported versions) iOS - Chrome (supported versions) - Safari (supported versions)	The up-to-date list of browsers for Video Hearings is provided at https://www.gov.uk/government/publications/video-hearings-service-join-from-a-corporate-network/video-hearings-service-firewall-guidance-for-corporate-it-support-services. General information is available at https://www.gov.uk/service-manual/technology/designing-for-different-browsers-and-devices.	M

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0079	For Hearings originating from Wales, both the labels and text within the video streams from the Video Engine will be available in Welsh (hover over keys then the Video Engine message will be in Welsh).	This covers all visual and audio labels, text, prompts etc for any and all screens/pages. A label is linked to an object (e.g. the display name on a video tile) whereas text is a message shown anywhere and not linked to an object The only exception for this are for the Authority's Administrator Dashboard.	M
VHE-FR-0080	All Users will be able to connect to the Video Hearings Service via a smartphone using an app provided by the Supplier (Supplier smart phone / tablet app), using Android or Apple devices.	On occasion, Users may not have access to a desktop or laptop and may choose to participate in the hearing using their smartphone or tablet device. It could be possible to download the Supplier smart phone / tablet app and connect to the Hearing.	C
VHE-FR-0081	Provide the ability for the verbal and non-verbal interpretation solution to be streamed/recorded for quality assurance purposes.		M
VHE-FR-0082	Provide the ability for two-way simultaneous language interpretation of one or multiple languages for one or multiple Users.	To enable the Authority to comply with the requirements of the 1993 Welsh Language Act and HMCTS Welsh Language Scheme. Simultaneous language interpretation will be available for Users connecting via SIP as well as browser and will be available for all Hearing roles.	M (see Paragraph 1.4)

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-FR-0083	Provide the ability to support defined Special Measures Participants – screening such Participant from other Participants and any Observers.	(a) Special Measures Participants are only seen by the Judicial Office Holder regardless of how they join the Video Hearing; and (b) Special Measures Participants may request not to see the alleged offender (s).	M (see Paragraph 1.4)
VHE-FR-0084	Ensure that the Video Hearings Service is accessible to all Users and complies with the Government Digital Services (GDS) and Web Content Accessibility Guidelines (version 2.1).		M
VHE-FR-0085	The Supplier Interface must send event notifications to the Authority Solution when the statuses of the Hearing or Users are changed to enable the Authority to perform actions based on the status. Hearing status: 1. Started - Hearing Started 2. Countdown Finished - playing the countdown video is completed. 3. Paused - Hearing Paused 4. Suspended - Hearing Suspended 5. Closed - Hearing Closed User status: 1. Joined - when the User is connected to the Waiting Room.	This includes the statuses of the User who joined using either the telephone or video Endpoint. The event payload will include the reason that triggered the event and the telephone number if it was not withheld for Telephone Users.	M

Requirement ID	High Level Requirement – Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
	2. Leave - when the User has left the Hearing. 3. Disconnected - when the User is unexpectedly disconnected from the Hearing. 4. Transfer - when the User is transferred between rooms (Waiting Room, Consultation Room or Hearing Room).		
VHE-FR-0086	To provide the ability to link an interpreter to an Endpoint to facilitate simultaneous interpretation in the Hearing.		M

Part B Non-Functional Requirements

Requirement ID	High Level Requirement – Non-Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-NFR-001	The Video Engine and the Supplier Interface will utilise Open Source products wherever possible.		S
VHE-NFR-002	The Video Engine must allow external services to securely integrate with it via RESTful calls, authenticated and authorised using the Authority's identity access management solution.		M
VHE-NFR-003	Not used		
VHE-NFR-004	Provide a mechanism for updating the Authority via an event update when the TCP/IP fallback has occurred for a given User so that the Authority can record the event and inform the User.		M
VHE-NFR-005	The Supplier must provide a health check Endpoint that the Authority can use to verify the status of the Video Engine and its components, ensuring they are up and running.	This is to assist incident management and support queries to quickly determine, what components are "up" or “down".	M
VHE-NFR-006	Provide effective management in circumstances where a Participant’s Internet connection is negatively impacting on the quality of visual or audio communication, by prioritising audio over visual to preserve connections.	To minimise as far as possible the impact on the Hearing.	M
VHE-NFR-007	Enable a fallback to TCP/IP or TLS over port 443 if a UDP connection cannot be established with a User’s browser client during the WebRTC handshake.	Also need to account for fallback to TLS. This approach has been used as it impacts fewer firewall changes for Users not in the Authority's environment.	M

Requirement ID	High Level Requirement – Non-Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-NFR-008	Send audio only or audio with video streams (audio only or audio with video can be requested) over RTMPS to the separate URLs on Authority-hosted services for recording and streaming for each Hearing. These URLs must be unique for each Hearing and must be dynamically configured on the Video Engine through the Supplier Interface.	The aim here is to be able to specify for each Hearing if audio only or audio with video RTMPS stream is required and to which URL to send the stream to. This should be configurable for the recording stream and Observer stream.	M
VHE-NFR-009	Provide the ability to send an event notification to the Authority Solution when the audio stream transmission for a recording has failed.	When the Video Engine fails to send the audio stream to the Authority Solution during a Hearing, it should send an event notification to trigger an alert for the Host and/or Administrators of the Hearing	M
VHE-NFR-010	Provide, and update where necessary, comprehensive details of all firewall settings and whitelisting requirements with the Authority as required to maintain Users' connectivity to the Video Hearings Service.	Will be made part of the knowledge-based authentication in the ITSM	M
VHE-NFR-011	Conduct audits on all relevant operations to ensure compliance and transparency. The Supplier must also provide sufficient logs of actions/interactions to enable the Authority to perform its own Audits (as further detailed in VHE-NFR-036).	These audits should include (as a minimum) the platform's operations, data management, security protocols, and User policies.	M
VHE-NFR-012	Provide the ability to present any Audit Data to the Authority with the appropriate security permissions. To be retained for the minimum period of 3 months.		M

Requirement ID	High Level Requirement – Non-Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-NFR-013	Save for agreed periods when the Service is down for maintenance, Users must be able to undertake Self-Tests 24 hours a day, 7 days a week, every day of the year.	A visual indication of when the system is down for maintenance must be displayed to Users.	M
VHE-NFR-014	Not used		
VHE-NFR-015	Provide resilience in deployment approach which means no single point of failure results in loss of service or data.		M
VHE-NFR-016	Provide a Recovery Point Objective equivalent to zero data loss. User data loss will be restricted to uncommitted data in the event of a failure.	Uncommitted data is data which is in a system's memory but has not yet been written or committed to disk/database.	M
VHE-NFR-017	Provide the ability for the Video Hearings Service to recover lost components without manual intervention i.e. if a component fails, the recovery process is automated and triggered without a human having to enable the recovery process manually.	This should result in a significant reduction in down time if such failure occurs.	M
VHE-NFR-018	Where the Video Engine components fail on a fully functional cloud infrastructure, they must automatically recover the failed node and continue operating without loss of service.		M
VHE-NFR-019	The Supplier should use zero downtime deployment method to make sure the Video Hearings Service is available during the deployment of any upgrades or modifications.		S
VHE-NFR-020	Not used		

Requirement ID	High Level Requirement – Non-Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-NFR-021	The Video Engine and Supplier Interface must have the bandwidth to process the following number of Concurrent Participating Devices as a minimum: 125.	Please refer to the estimated forecast capacity requirements communicated by the Authority at the Capacity Planning Meetings for details of the anticipated scaling of the Video Hearings Service.	M
VHE-NFR-022	The Video Engine must provide the ability to increase the amount of storage available for data without fundamental re-engineering of the database or storage tier.		M
VHE-NFR-023	Audio streams from the Supplier's Video Engine to the Authority Solution will be sent via a private circuit that must be sized with the minimum capacity of: 300.	Please refer to the estimated capacity requirements communicated by the Authority at the Capacity Planning Meetings for details of the anticipated scaling of the Video Hearings Service.	M
VHE-NFR-024	The Video Engine and Supplier Interface must have the capacity to support an initial minimum number of concurrent Telephone Users of 200.	Please refer to the estimated capacity requirements communicated by the Authority at the Capacity Planning Meetings for details of the anticipated scaling of the Video Hearings Service.	M
VHE-NFR-025	The Video Engine must process User Self-Tests upon demand without impacting Hearings.		M
VHE-NFR-026	The Video Engine must be Geo-resilient. It must be able to run the Video Hearings Service from more than one hosting region.		M

Requirement ID	High Level Requirement – Non-Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-NFR-027	The Video Engine must support hosting region failover. It must be able to fail services between hosting regions.	Users are alerted prior to being transferred.	M
VHE-NFR-028	The Video Engine at the secondary hosting site must be regression tested quarterly or following the production release onto the secondary hosting site, whichever comes first, if not in live use as a result of architectural design and whenever there are changes that can impact disaster recovery.		M
VHE-NFR-029	Backup and restore strategy must be in place and tested periodically (at least once per calendar year) to validate the backup consistency.		M
VHE-NFR-030	The Supplier must take a full data backup at least every 24 hours. It must be stored in a secured standard open data format, in a separate location, typically offsite, that complies with the requirements of Schedule 5 (*Security Management*) and all relevant security standards.		M
VHE-NFR-031	If the cloud infrastructure cannot be accessed the Supplier must restore the Video Hearings Service to operation, in accordance with the procedures set out in Paragraph 9 of Part A of Schedule 26 (*IT Service Continuity Management Plan and Corporate Resolution Planning*) as soon as possible once the cloud infrastructure is available with a target of under one hour.		M

Requirement ID	High Level Requirement – Non-Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-NFR-032	The order of recovery of individual Video Engine components and applications must be detailed in a recovery plan prepared by the Supplier which will, as a minimum, contain recovery team members contacts, guidelines for coordinating recovery teams, detailed description of recovery procedures, guidelines for monitoring and sharing information across the organisation, and escalations procedures.		M
VHE-NFR-033	The Supplier must only carry out software upgrades to the Video Engine and Supplier Interface with the prior written agreement of the Authority.		M
VHE-NFR-034	The Video Engine must have remote monitoring and alerting of all critical components so that the health of the Video Engine can be determined by the Supplier without manual intervention or reporting of issues by Users.	Monitoring and alerting to be provided as part of the Supplier's technical and operational design	M
VHE-NFR-035	The Supplier must monitor Compute utilisation and must alert the Authority (within one Working Day) if/when utilisation is at, reaches or exceeds 85% of agreed thresholds as defined in the Capacity Planning Meetings.	An alert to be in the form of an email, with data presented in tabular/graphical/chart format showing consumption over the reporting period.	M
VHE-NFR-036	Log data of the following types must be accessible to the Authority and retained for 90 days: • Hearings hosted on the Video Engine. • Users connections • Audio recordings connections		M

Requirement ID	High Level Requirement – Non-Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
	• Endpoints connections • Availability logs to track system performance, uptime, and availability. • Resource logs to provide information about connectivity issues and capacity limits. • Threat logs to contain information about system, file, or application traffic that matches a predefined security profile within a firewall.		
VHE-NFR-037	The Supplier must provide a dashboard (showing usage data and statistics for the Video Hearings Service) which shall be made available on-demand as well as via regular scheduled data export in a common format (e.g. CSV, XML, JSON)		M
VHE-NFR-038	The Video Engine and Supplier Interface must scale to meet unplanned spikes (burst capacity) in demand up to 10%		M
VHE-NFR-039	Provide the ability to scale down the utilisation of Compute, across all environments, when utilisation of the Video Hearings Service is below 25% of Capacity, and/or out of hours.	Minimum resources needed are provided based on the estimated forecasted volumes communicated by the Authority at the Capacity Planning Meetings. The resources should be dynamically de-allocated as the demand slows down.	M

Requirement ID	High Level Requirement – Non-Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-NFR-040	Provide the ability to scale up the utilisation of Compute, across all environments, at times when utilisation of the Video Hearings Service is above 75% of Capacity.	The Video Engine should have dynamic scaling capabilities to allocate resources as the volume increases.	M
VHE-NFR-041	When scaling up, additional Compute Minutes will be available for consumption within 90 seconds of activation.		S
VHE-NFR-042	When the load increases suddenly (up to double normal usage), system response times will remain unaffected.		M
VHE-NFR-043	Applications to respond to User interaction within the time limits specified as the Target Performance Level for KPI 2 or KPI 3 in Annex 1 of Schedule 3 (*Performance Levels*) (as applicable).		M
VHE-NFR-044	Deliver Video Hearing or User related event notifications (as specified by the Authority), at a speed of near real time at Peak Load.	This includes delivering events for Telephone Users and fixed video Endpoints.	M
VHE-NFR-045	Provide performance load testing capability within the Development Test Environment and Production Environment.	It will be expected to load the environments to the full working capacity for concurrent Users and Hearings prior to UAT regression testing. This is to ensure that end User impacting changes will work satisfactorily under load.	M

Requirement ID	High Level Requirement – Non-Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-NFR-046	The Video Engine must report security critical events to ITSM. The User must be prevented from tampering with the reporting of events from their device. The logs must be retained for the minimum period of 3 months.		M
VHE-NFR-047	*Not used*		
VHE-NFR-048	The Supplier must have a Protective Monitoring Policy to assist in identifying security incidents quickly and to provide the Authority with information that will assist in initiating the incident response policy as early as possible.	It must be possible to access incidents via the Supplier Interface.	M
VHE-NFR-049	The Supplier must conduct penetration testing at least every 12 months and provide evidence of penetration testing on all the applications within the Video Engine and Supplier Interface within the preceding 12 months. The Supplier must demonstrate that no critical or high vulnerabilities exist and that any medium or low vulnerabilities are being addressed (as defined in Paragraph 7 of Part B to Annex 1 of Schedule 3 (*Performance Levels*).	The penetration testing should be logged in the Authority ITSM prior to testing.	M
VHE-NFR-050	The Supplier is not permitted to extract / export any data relating to Users or the Service without the prior written consent from the Authority and shall not permit any such data to be used in the Sandbox Environment, Staging Environment, Training Environment or Development Test Environment.		M

Requirement ID	High Level Requirement – Non-Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-NFR-051	The functions exposed through the User interface by the Supplier and rendered in the Authority Solution must be authenticated using single sign on for secure access.	When Administrators access the Administrator Dashboard, they do not need to sign in again to access information about the Hearing (e.g. User connectivity status, editing display name, initiating one to one video calls with Users).	M
VHE-NFR-052	Not used		
VHE-NFR-053	Supplier must undertake tests to identify the nature of any reported Service Incident and the results of such tests must be passed to the Authority as appropriate. If such results indicate a potential Service Incident within any element of the Service, the Supplier must initiate detailed diagnostic and/or Service Incident repair activity in accordance with Part C of Schedule 3.		M
VHE-NFR-054	All updates or modifications to the Supplier Solution must be able to be fully rolled back.	The roll back must be completed within the approved change window.	M
VHE-NFR-055	The Supplier must work collaboratively alongside any/all other of the Authority's suppliers to provide a seamless, integrated, end to end service. Given the nature of the service, the approach of “Fix first, discuss later” must be adopted. The Supplier must support the Authority or its nominated representative, in the development, implementation and execution of an operational working agreement defining the responsibilities and relationships between the various parties involved in delivering the end-to-end service.		M

Requirement ID	High Level Requirement – Non-Functional	Additional Requirements/Comments/Example/Guidelines	MoSCoW
VHE-NFR-056	The Supplier must produce, maintain and assure up-to-date information for inclusion in the Supplier's knowledge management data base within the ITSM to include without limitation: (i) methods to resolve Service Incidents; (ii) known errors; (iii) Service Desk scripts; (iv) self help articles; and (v) frequently asked questions (FAQs).		M
VHE-NFR-057	The Video Engine and Supplier Interface must facilitate seamless integration of the Authority Solution to the Supplier smart phone/tablet app by providing all necessary protocols.	This requirement is to be met when the Supplier smart phone/tablet app is developed.	C
VHE-NFR-058	The Video Engine and Supplier Interface must enable the seamless integration of the Authority's planned smart phone/tablet app, with the same capabilities as its browser-based application, by providing the necessary protocols.	This requirement may be considered further once the Authority's smart phone/tablet app is developed.	C
VHE-NFR-059	A disaster recovery test must be scheduled and executed annually, at a time agreed by the Authority, to demonstrate that RPO and RTO can be achieved		M
VHE-NFR-060	The Training Environment must have an initial capacity of 60 mock hearings per month with an average duration of 20 mins and up to 4 participants.	Anticipated ongoing demand will be reviewed at the Capacity Planning Meetings.	M
VHE-NFR-061	The Production Environment must be designed and planned, with the capability to scale to meet unforeseen events (e.g. a pandemic), to the Capacity of 8,500 Concurrent Participating Devices.	The requirement is not to be provisioned for, unless required by the Authority in response to an unforeseen event necessitating an upscale in Capacity.	M

Appendix A to Annex 1 - User Role Matrix (as referred to in VHE-FR-0002 and VHE-FR-0012)

	Access to Administrator Dashboard	Access to Self-Test	Ability to access screen sharing, including audio and video content	Ability to turn off own camera in Hearing Room and Consultation Room	Ability to start Participant Consultation Room	Ability to enter Participant Consultation Room	Ability to accept invite into Participant Consultation Room	Ability to start Host Consultation Room	Ability to enter Host Consultation Room	Ability to accept invite into Host Consultation Room	Ability to be start/ pause/ resume/ end Hearing Room	Ability to enter Hearing Room	Ability to be admitted/ dismissed by Host from Hearing Room	Ability to change own display name
Participant	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	Yes	No, except on sign in, if joining via Video Hearing Link
Observer	No	Yes	No	Yes	No	No	No	No	No	Yes	No	Yes	Yes	No, except on sign in if joining via Video Hearing Link
Host	Yes (with appropriate permissions)	Yes	Yes	Yes	No	No	No	Yes	Yes	Yes	Yes	Yes	N/A	Yes
Administrator	Yes	N/A	No	N/A	Yes	Yes	N/A	N/A	Yes	N/A	Yes	No	N/A	N/A

ANNEX 2 THE SUPPLIER INTERFACE

Introduction

1 Purpose

The purpose of this Annex to Schedule 2, is to provide an overview of the interface requirements which the Supplier must comply with when designing, developing, hosting and maintaining the Supplier Interface.

2 Architecture - High Level View

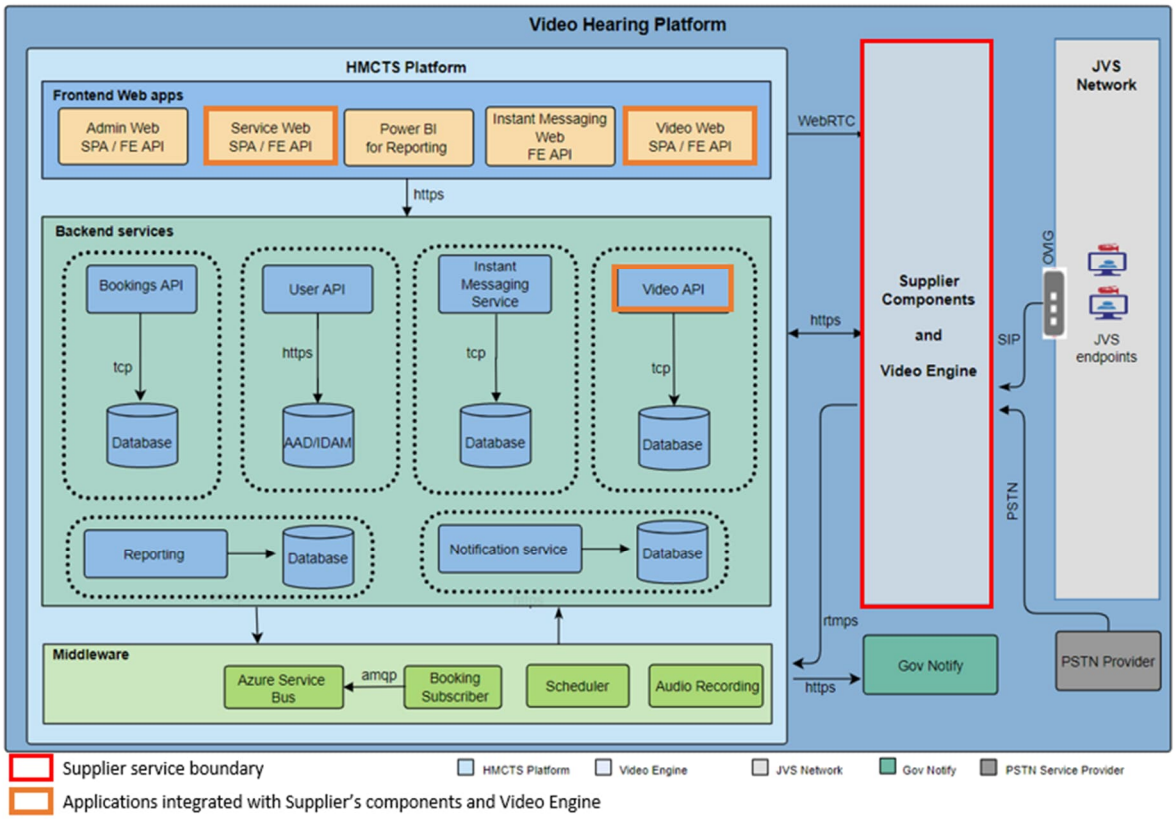
2.1 The diagram below shows how the Video Hearings Service shall be formed of the Authority Solution (comprising both front end services and back end services elements) that will interact with the Video Engine through the Supplier Interface. In summary:

(a) Users interact directly with the front end services elements of the Authority Solution

(b) The front end services elements of the Authority Solution consist of single page applications (SPA) utilising API's

(c) The Authority Solution integrates with other HMCTS and UK Government services, for example Gov Notify, to send Video Hearings notifications

(d) PSTN integration enables Users to join Video Hearings by telephone



2.2 The table below shows the points of service measurement in relation to the different Services and protocols.

Service	Protocol	Purpose	Measurement Type
Video Web and Service Web	WebRTC – connection initiated by the Authority	To enable browser-based web applications to connect to the Video Hearings Service or the Video Engine to transmit the video and audio streams.	Number of concurrent connections Capacity Uptime
Video Web Video API	HTTPS – connection initiated by both the Authority and the Supplier.	To make calls to the APIs exposed by the Supplier Interface and the Supplier Interface to make callbacks to the Authority's APIs.	Response times as per NFRs Uptime

Service	Protocol	Purpose	Measurement Type
Audio Recording	RTMPS – Connection initiated by the Supplier	To enable the Video Engine to connect to an Endpoint and the Authority Solution to stream audio/video of the Video Hearing for recording	Number of concurrent connections Capacity Uptime
Fixed video Endpoints e.g., JVS video Endpoint	SIP/H323 – Connection initiated by the Authority	To connect fixed Endpoints e.g., JVS video Endpoint to the Video Hearing	Number of concurrent connections Capacity Uptime
Telephone - PSTN Provider	PSTN – Connection initiated by the Authority	To enable Telephone Users to access the Video Hearing.	Number of concurrent PSTN connections Capacity Availability

3 Application Component View

The three functions listed below have been designed and developed by the Authority and form part of the Authority Solution. The Supplier shall design, develop, and implement the Supplier Interface so these areas integrate with the Video Engine.

3.1 **Service-web**. This allows Users to use the Self-Test feature before the Video Hearing.

3.2 **Video-web**. This provides the functionality that provides the Users with the Self-Test feature and enables them to join the Video Hearing.

3.3 **Video-API** This integrates with the Supplier API to enable the setup of the Video Hearings on the Video Engine and enabling hosting of the Video Hearing functions. The Video API utilises the Supplier Interface to schedule upcoming Video Hearings on the Video Engine. This includes sending key Hearing details, such as a unique Hearing ID and joining details for an Endpoint.

4 Interactions between the Authority Solution and the Supplier Solution

4.1 Numerous interactions will take place between the Authority Solution and the Video Engine as described in this Paragraph 4.

4.2 The Supplier shall develop and maintain the Supplier Interface to enable these interactions to take place in line with the Functional and Non-Functional Requirements in Annex 1. This shall include reserving a Video Hearing on the Video Engine in advance of any Users joining the Video Hearing.

4.3 The key actions to be initiated by the Authority Solution via the Supplier Interface shall include (but are not limited to):

(a) Book New Hearing (this is the process of creating a Hearing via the Authority Solution)

(b) Retrieve Hearing (this is the process of retrieving a Hearing via the Authority Solution)

(c) Update Hearing (this is the process of updating details of a Hearing via the Authority Solution)

(d) Delete Hearing (this is the process of deleting a Hearing via the Authority Solution)

(e) Start Hearing

(f) Pause Hearing

(g) Suspend Hearing

(h) End Hearing

(i) Create Consultation Room

(j) Transfer User (this is the process of transferring Users to/from/between Waiting Room/Consultation Room/Hearing Room)

(k) Connect to Self-Test

(l) Connect to Waiting Room

(m) Mute/Unmute Audio

(n) Raise/Lower Hand

(o) Heartbeat (this is the safeguard/monitoring of the connection to the Judge or Host device and, if the connection is lost, the Video Hearing is automatically paused and the Participants and any Observers are returned to the Waiting Room)

(p) Screen Sharing – Presenter Start/Stop

(q) Screen Sharing – Receiver

4.4 The key actions initiated by the Video Engine via the Supplier Interface shall include (but are not limited to):

(a) Participant joined the Waiting Room

(b) Participant disconnected from the Hearing

(c) Participant transferred to the Waiting Room

(d) Play back of countdown video is completed

(e) Hearing started

(f) Hearing paused

(g) Hearing closed

(h) Hearing has suspended

(i) Participant has left the Hearing

(j) Participant is in private consultation

(k) Participant has failed Self-Test

(l) Participant in call with Administrator

(m) Participant for video Endpoint has joined the Waiting Room

(n) Participant for video Endpoint disconnected

(o) Participant for video Endpoint transferred to/from the Hearing Room/Consultation Room/Waiting Room

(p) Participant for Interpreter/Panel Member has joined Waiting Room

(q) Participant for Interpreter/Panel Member disconnected

(r) Participant for Interpreter/Panel Member transferred to/from Hearing Room/Consultation Room/Waiting Room

(s) Streaming –The Video Engine is required to send either live audio or audio and video streams of Hearings hosted on the Video Engine to the Authority Solution for recording by the Authority

5 Protocols

The Supplier Interface shall support the following protocols:

5.1 HTTPS protocol to enable the Authority to securely communicate with services/components hosted by the Supplier.

5.2 WebRTC to provide web applications running in the browser with real time communication capability to send and receive media (video and audio) from web pages.

5.3 SIP protocol to enable Endpoints to connect to the relevant Video Hearing and Consultation Rooms.

5.4 PSTN to enable landline and mobile telephone devices to dial in to the Video Hearing as audio only Participants/Observers.

5.5 RTMPS to enable streaming of audio and video by maintaining low latency connections.

6 Security View

API call Authentication:

6.1 The Supplier shall design the Supplier Interface on the basis that the communication between the Video Engine and the Authority Solution shall be authenticated using JWT authentication as follows:

(a) The Authority Solution shall generate a JWT token which will be used in the authorisation header of the http request made to the Supplier Interface.

(b) The public key created in respect of the JWT token referred to in Paragraph 6.1(a) will be shared between the Authority Solution and the Supplier Interface to validate the JWT tokens (using ‘key pair’ authentication).

(c) Communications between the Authority Solution and the Supplier Interface shall be authenticated using JWT tokens.

(d) The JWT token shall be validated by the Authority Solution / Supplier Interface based on its authority, lifetime and audience claim.

6.2 The Supplier shall use TLS 1.2 (or higher), HTTPS, WebRTC with SRTP, RTMPS, and SIP-TLS protocols to secure the communications between the Authority Solution and the Supplier Solution and/or Users and the Authority and/or the Supplier Interface to ensure the privacy of the transmitted data. WebRTC uses secure protocol SRTP (secure-real time protocol) to encrypt media streams.

6.3 The Supplier shall ensure that data is encrypted by default, whether at rest within the infrastructure, in transit within the infrastructure or in transit between the infrastructure and another environment. Users on Endpoints shall use unique SIP address and PIN to connect to a Video Hearing.

6.4 Telephone Users shall use unique conference PIN to connect to a Video Hearing.

6.5 Audio streams shall be sent over the private connections by extending the Microsoft Azure Cloud Services ExpressRoute interface or replacement thereof. Additionally, the Video Engine IP address range shall be whitelisted to allow it as the source of streams over RTMPS connections.

ANNEX 3 SERVICE MANAGEMENT

1 Overview

The Supplier shall:

1.1 interface with ITSM including ensuring that all relevant key performance data including but not limited to the number of Service Incidents, response times to Service Incidents (as set out in Paragraph 3 of Part C to Schedule 3), and vulnerability management (as set out in Paragraph 7 of Part B of Annex 1 to Schedule 3) is regularly uploaded to ITSM at intervals agreed with the Authority (in any event no less than weekly);

1.2 produce, maintain, and assure up-to-date information for inclusion in the Supplier's knowledge management data base within the ITSM as set out in VHE-NFR-056;

1.3 provide Service management in a cost effective and efficient manner;

1.4 provide the Authority with holistic and real-time visibility of the end-to-end Services; and

1.5 adopt pro-active monitoring and management of the Services, identifying, raising, and working collaboratively with the Authority in the resolution of issues / Service Incidents.

2 The Supplier Service Desk

2.1 The Supplier shall establish the Supplier Service Desk to interact with the Authority Service Desk. The Supplier Service Desk shall:

(a) perform an initial diagnosis of the nature of any request received from the Authority with the aim of resolving the request without the need for a follow-up contact with the Authority, and

(b) pass the request to the correct party for resolution where this cannot be resolved by the Supplier Service Desk and inform the Authority Service Desk that this has occurred.

2.2 The Supplier shall ensure that all communications between the Authority and the Supplier Service Desk, including analysis, investigations and recovery actions taken, are recorded in the ITSM.

2.3 The Supplier shall provide suitable service desk capability within the Supplier Service Desk for the logging, tracking and escalation of Service Incidents.

3 Capacity Planning

3.1 Within six (6) months of the Effective Date, the Authority shall provide to the Supplier its initial estimated Capacity demand forecast covering the Authority’s minimum Capacity requirements and anticipated scale of use for the Video Hearings Service during the six-month period from the Operational

Services Commencement Date, which (subject to Paragraph 4.3.3 of Schedule 15 (*Charges and Invoicing*)) shall be indicative only and will be superseded by any subsequent forecasts provided in accordance with Paragraph 3.2 below.

3.2 With effect from the Operational Service Commencement Date, the Supplier shall organise and attend a monthly capacity planning review meeting with the Authority ("**Capacity Planning Meeting**"). All capacity aspects will be presented and discussed at the Capacity Planning Meetings, including existing consumption, available headroom capacities and the Authority's estimated six-monthly rolling Capacity demand forecast (however, subject to Paragraph 4.3.3 of Schedule 15 (*Charges and Invoicing*), this forecast shall be indicative only and shall not limit any obligations of the Supplier in relation to the flexibility of the Services).

4 Maintenance

4.1 The Supplier shall schedule and undertake all maintenance to minimise any risk of interruption to the Video Hearings Service.

4.2 Prior to undertaking any planned maintenance, the Supplier shall:

(a) place a notification on ITSM at least 24 hours prior to undertaking any planned maintenance (except where it is prevented from doing so in cases of emergency); and

(b) seek the prior written permission of the Authority to undertake the planned maintenance, which permission shall not be unreasonably withheld or delayed.

Unless there are exceptional circumstances all planned maintenance shall be undertaken within the permitted maintenance hours, as detailed in Paragraph 4.3 below,

4.3 The permitted maintenance hours are as set out in the following table:

Area of the Service	Permitted maintenance hours
Any maintenance which will impact the Video Hearings Service	Between 19:00hrs and 08:00hrs Monday - Friday or 15:00hrs Saturday to 08:00hrs Monday inclusive.
Any maintenance which will impact on the ability of Users to undertake Self-Tests	Between 22:00hrs to 06:00hrs 7 days a week
Staging Environment	Between 22:00hrs to 06:00hrs 7 days a week

Area of the Service	Permitted maintenance hours
Development Test Environment	Between 20:00hrs and 08:00hrs, 7 days a week
Sandbox Environment	By agreement with the Authority, may, with adequate prior notice, be able to access at any time.
Training Environment	Between 19:00hrs and 08:00hrs Monday - Friday or 15:00hrs Saturday to 08:00hrs Monday inclusive.

SCHEDULE 3

PERFORMANCE LEVELS

Schedule 3 (*Performance Levels*)

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

"Available"	has the meaning given in Paragraph 1.1 of Annex 1 Part B;
"Core Operating Hours"	shall be 08:00 to 18:00 Monday – Friday and 08:00 to 14:00 Saturday;
"Core Operating Hours Maintenance Window"	shall be 19:00 to 07:00 (next day) Monday - Saturday and 15:00 Saturday to 07:00 Monday;
"End User"	any person authorised by the Authority to use the IT Environment and/or the Services;
"Impact Assessment Turnaround"	has the meaning given in Paragraph 9 of Annex 1 Part B;
"Major Incident Management Policy"	means the Authority's Major Incident Management Policy as referred to in Schedule 33 (*Policies and Procedures*);
"Non-Available"	in relation to the IT Environment or the Services, that the IT Environment or the Services are not Available;
"Performance Monitoring Report"	has the meaning given in Paragraph 1.2(a) of Part B;
"Performance Review Meeting"	the regular meetings between the Supplier and the Authority to manage and review the Supplier's performance under this Contract, as further described in Paragraph 1.6 of Part B;
"Problem Ticket"	a notification raised by the Authority in accordance with Paragraph 5.1 of Part C in situations where a Service Incident has exposed underlying problems with the Service that need further investigation and review;
"Repeat KPI Failure"	has the meaning given in Paragraph 3.1 of Part A;
"Response Time"	has the meaning given in Paragraph 5 of Annex 1 Part B;

"Service Availability"	has the meaning given in Paragraph 2 of Annex 1 Part B;
"Service Downtime"	any period of time during which any of the Services are not Available;
"System Response Time"	has the meaning given in Paragraph 3.1 of Annex 1 Part B;
"Time to Restore"	has the meaning given in Paragraph 6.1 of Annex 1 Part B;
"User Self-Testing Window"	shall be 24 hours a day, 7 days a week;
"User Self-Testing Maintenance Window"	shall be from 22:00 to 06:00 7 days a week; and
"Vulnerability Patch"	means the implementation of code to existing software to improve functionality or to remove vulnerabilities that have been identified.

This Schedule comprises:

Part A: Performance Indicators and Service Credits

Part B: Performance Monitoring

Part C: Service Incident Management

Annex 1, Part A: Key Performance Indicators and Subsidiary Performance Indicators

Annex 1, Part B: Definitions of Key Performance Indicators and Subsidiary Performance Indicators

PART A: PERFORMANCE INDICATORS AND SERVICE CREDITS

1 PERFORMANCE INDICATORS

1.1 Annex 1 sets out the Key Performance Indicators and Subsidiary Performance Indicators which the Parties have agreed shall be used to measure the performance of the Services and Social Value by the Supplier.

1.2 The Supplier shall monitor its performance against each Performance Indicator and shall send the Authority a report detailing the level of service achieved in accordance with Part B of this Schedule.

1.3 Service Points, and therefore Service Credits, shall accrue for any KPI Failure and shall be calculated in accordance with Paragraphs 2, 3 and 5.

2 SERVICE POINTS

2.1 If the level of performance of the Supplier during a Measurement Period achieves the Target Performance Level in respect of a Key Performance Indicator, no Service Points shall accrue to the Supplier in respect of that Key Performance Indicator.

2.2 If the level of performance of the Supplier during a Measurement Period is below the Target Performance Level in respect of a Key Performance Indicator, Service Points shall accrue to the Supplier in respect of that Key Performance Indicator as set out in Paragraph 2.3.

2.3 The number of Service Points that shall accrue to the Supplier in respect of a KPI Failure shall be the applicable number as set out in Annex 1 depending on whether the KPI Failure is a Minor KPI Failure, a Serious KPI Failure or a Severe KPI Failure, unless the KPI Failure is a Repeat KPI Failure when the provisions of Paragraph 3.2 shall apply.

3 REPEAT KPI FAILURES AND RELATED KPI FAILURES

Repeat KPI Failures

3.1 If a KPI Failure occurs in respect of the same Key Performance Indicator in any two consecutive Measurement Periods, the second and any subsequent such KPI Failure shall be a "**Repeat KPI Failure**".

3.2 The number of Service Points that shall accrue to the Supplier in respect of a KPI Failure that is a Repeat KPI Failure shall be calculated as follows:

SP = P x 2

where:

SP = the number of Service Points that shall accrue for the Repeat KPI Failure; and

P = the applicable number of Service Points for that KPI Failure as set out in Annex 1 depending on whether the Repeat KPI Failure is a Minor KPI

Failure, a Serious KPI Failure, a Severe KPI Failure or a failure to meet the KPI Service Threshold.

Below is a worked example based on the following Service Points regime for Service Availability:

Service Availability Severity Levels		**Service Points**
Target Performance Level:	99.95%	0
Minor KPI Failure:	99.5% - 99.94%	1
Serious KPI Failure:	99.0% - 99.49%	2
Severe KPI Failure:	98.0% - 98.99%	3
KPI Service Threshold:	below 98%	4

Example 1:

If the Supplier achieves Service Availability of 98.99% in a given Measurement Period, it will incur a Severe KPI Failure for Service Availability in that Measurement Period and accordingly accrue 3 Service Points. If, in the next Measurement Period, it achieves Service Availability of 96.5%, the Supplier will have not met the KPI Service Threshold and accordingly accrue a further 4 Service Points, but as the failure is a Repeat Failure, this amount is doubled and so the Supplier will incur 8 Service Points for the failure (i.e. SP = 4 x 2). If in the next Measurement Period it achieves Service Availability of 96.5%, the Supplier will again incur 8 Service Points.

Related KPI Failures

3.3 If any specific Key Performance Indicators refer to both Service Availability and System Response Times, the System Response Times achieved by the Supplier for any period of time during a Service Period during which the relevant Service or element of a Service is determined to be Non-Available shall not be taken into account in calculating the average System Response Times over the course of that Service Period. Accordingly, the Supplier shall not incur any Service Points for failure to meet System Response Times in circumstances where such failure is a result of, and the Supplier has already incurred Service Points for, the Service being Non-Available.

4 PERMITTED MAINTENANCE

4.1 The Supplier shall be allowed to book Service Downtime for Permitted Maintenance during the Core Operating Hours Maintenance Window or the User Self-Testing Maintenance Window by submitting a request, stating the proposed dates and duration of the Service Downtime, on the ITSM system for prior approval by the Authority.

5 SERVICE CREDITS

5.1 Schedule 15 (*Charges and Invoicing*) sets out the mechanism by which Service Points shall be converted into Service Credits.

5.2 The Authority shall use the Performance Monitoring Reports provided pursuant to Part B, among other things, to verify the calculation and accuracy of the Service Credits (if any) applicable to each Service Period.

6 CHANGE AND RELEASE MANAGEMENT

The Supplier shall comply with the Authority's Service Change Management Process set out in Schedule 33 (*Policies and Procedures*) in relation to change and release management.

PART B: PERFORMANCE MONITORING

1 PERFORMANCE MONITORING AND PERFORMANCE REVIEW

1.1 The performance of the Supplier against each of the Performance Indicators shall be monitored and measured as follows:

(a) Service Availability (KPI 1), System Response Times (KPI 2 and KPI 3), Response Times to Service Incidents (KPI 4), Time to Restore (KPI 5) and Vulnerability Patch Performance (KPI 6) shall be monitored and measured in the ITSM system and reports provided to the Authority in accordance with Paragraph 1.2 below;

(b) Proactive Reporting of Compute Minutes (KPI 7), Fighting Climate Change (KPI 8), Impact Assessment Turnaround (KPI 9), Health and Wellbeing (PI 1) and Supply Chain Payments (PI 2) shall be monitored and measured by the Supplier in accordance with the provisions of this Schedule and reports provided to the Authority in accordance with Paragraph 1.2 below.

1.2 During each Service Period, the Parties shall update and maintain all records in the ITSM relevant to the Performance Indicators in Paragraph 1.1(a) of this Part B above, in accordance with the Authority's processes relating to the ITSM (as set out in Annex 3 of Schedule 2 (*Service Description*)).

(a) Within 5 Working Days of the end of each Service Period, the Supplier shall provide a report to the Authority Representative which summarises the performance by the Supplier against each of the Performance Indicators as more particularly described in Paragraph 1.3 (the "Performance Monitoring Report").

(b) Within 10 Working Days of the end of each Quarter, the Supplier shall provide a report created by the Supplier to the Authority's senior responsible officer which summarises the Supplier's performance over the relevant Quarter as more particularly described in Paragraph 1.5 (the "Balanced Scorecard Report").

Performance Monitoring Report

1.3 The Performance Monitoring Report shall be in such format as agreed between the Parties from time to time and contain, as a minimum, the following information:

Information in respect of the Service Period just ended

(a) for each Key Performance Indicator and Subsidiary Performance Indicator, the actual performance achieved over the Service Period, and that achieved over the previous 3 Measurement Periods;

(b) a summary of all Performance Failures that occurred during the Service Period;

(c) the severity level of each KPI Failure which occurred during the Service Period and whether each PI Failure which occurred during the Service Period fell below the PI Service Threshold;

(d) which Performance Failures remain outstanding and progress in resolving them;

(e) for any Material KPI Failures or Material PI Failures occurring during the Service Period, the cause of the relevant KPI Failure or PI Failure and the action being taken to reduce the likelihood of recurrence;

(f) the status of any outstanding Rectification Plan processes, including:

(i) whether or not a Rectification Plan has been agreed; and

(ii) where a Rectification Plan has been agreed, a summary of the Supplier's progress in implementing that Rectification Plan;

(g) for any Repeat Failures, actions taken to resolve the underlying cause and prevent recurrence;

(h) the number of Service Points awarded in respect of each KPI Failure;

(i) the Service Credits to be applied, indicating the KPI Failure(s) to which the Service Credits relate;

(j) the conduct and performance of any agreed periodic tests that have occurred, such as the annual failover test of the IT Service Continuity Management Plan;

(k) relevant particulars of any aspects of the Supplier's performance which fail to meet the requirements of this Contract;

(l) such other details as the Authority may reasonably require from time to time; and

Information in respect of previous Service Periods

(m) a rolling total of the number of Performance Failures that have occurred over the past six Service Periods;

(n) the amount of Service Credits that have been incurred by the Supplier over the past six Service Periods;

(o) the conduct and performance of any agreed periodic tests that have occurred in such Service Period such as the annual failover test of the IT Service Continuity Management Plan; and

Information in respect of the next Service Period

(p) any scheduled Service Downtime for Permitted Maintenance and Updates that has been agreed between the Authority and the Supplier for the next Service Period.

Balanced Scorecard Report

1.4 The Balanced Scorecard Report shall be presented in the form of an online accessible dashboard and, as a minimum, shall contain a high-level summary of the Supplier's performance over the relevant Quarter, including details of the following:

(a) financial indicators;

(b) the Target Performance Levels achieved;

(c) performance against its obligation to pay its Sub-contractors within 30 days of receipt of an undisputed invoice;

(d) performance against its obligation to pay its Unconnected Sub-contractors within 60 days of receipt of an invoice;

(e) Milestone trend chart, showing performance of the overall programme, and the performance in relation to any programme agreed in relation to any Change;

(f) sustainability indicators, for example net zero carbon, waste minimisation or performance to support a circular economy; and

(g) Social Value (as applicable) in addition to performance against the KPIs and PIs linked to Social Value.

1.5 The Performance Monitoring Report and, where applicable, the Balanced Scorecard Report shall be reviewed, and their contents agreed by the Parties at the next Performance Review Meeting held in accordance with Paragraph 1.6.

1.6 The Parties shall attend meetings on a monthly basis (unless otherwise agreed) to review the Performance Monitoring Reports, and where applicable, the Balanced Scorecard Reports. The Performance Review Meetings shall (unless otherwise agreed):

(a) take place within 5 Working Days of the Performance Monitoring Report being issued by the Supplier;

(b) take place at such location and time (within normal business hours) as the Authority shall reasonably require (unless otherwise agreed in advance); and

(c) be attended by the Supplier Representative and the Authority Representative.

1.7 The Authority shall be entitled to raise any additional questions and/or request any further information from the Supplier regarding any KPI Failure and/or PI Failure.

2 PERFORMANCE RECORDS

2.1 The Supplier shall keep appropriate documents and records (including Supplier Service Desk records, staff records, timesheets, training programmes, staff training records, goods received documentation, supplier accreditation records, complaints received etc) in relation to the Services being delivered. Without prejudice to the generality of the foregoing, the Supplier shall maintain accurate records of call histories for a minimum of 12 months and provide prompt access to such records to the Authority upon the Authority's request. The records and documents of the Supplier shall be available for inspection by the Authority and/or its nominee at any time and the Authority and/or its nominee may make copies of any such records and documents.

2.2 In addition to the requirement in Paragraph 2.1 to maintain appropriate documents and records, the Supplier shall provide to the Authority such supporting documentation as the Authority may reasonably require in order to verify the level of the performance of the Supplier both before and after the Operational Service Commencement Date and the calculations of the amount of Service Credits for any specified period.

2.3 The Supplier shall ensure that the Performance Monitoring Report, the Balanced Scorecard Report (as well as historic Performance Monitoring Reports and historic Balance Scorecard Reports) and any variations or amendments thereto, any reports and summaries produced in accordance with this Schedule and any other document or record reasonably required by the Authority are available to the Authority online and are capable of being printed.

3 PERFORMANCE VERIFICATION

3.1 The Authority reserves the right to verify the Availability of the IT Environment and/or the Services and the Supplier’s performance under this Contract against the Performance Indicators including by sending test transactions through the IT Environment or otherwise.

PART C: SERVICE INCIDENT MANAGEMENT

1 INCIDENT MANAGEMENT

1.1 If either Party becomes aware of a Service Incident or circumstances which are likely to lead to a Service Incident occurring, it will notify the other as soon as practical.

1.2 The Supplier will be responsible for managing any bridge calls to allow for effective troubleshooting and centralised communication remotely between relevant suppliers and the Authority in the event of a major Service Incident (P1/P2) occurring out of hours.

2 INCIDENT CLASSIFICATION

2.1 Service Incidents shall be classified in accordance with the priority definitions set out in the table below. Any terms used in this table and not defined in this Agreement shall have the meanings as given in the Major Incident Management Policy. The Video Hearings Service is classified as a 'Gold' Service for the purpose of the Major Incident Management Policy.

Priority	**Criteria**
P1	• Significant Service disruption or outage; or • Significant impact on service being provided to multiple users or locations; or • Any loss of service or functionality affecting all users meaning that no access to services or applications can be processed.
P2	• Functionality / performance of the Service is significantly degraded / impaired and has material impact on the ability to use the Video Hearings Service; or • An infrastructure failure that leads to reliance on a single point of failure; or • An element of a Service is unavailable; or • Can include any loss of service or functionality.
P3	• Multiple users report the service partially impaired; or • Functionality/performance is degraded/impaired but can be circumvented; or • Non-system critical issues where a minor incident that does not generate processing failures for users or departments but affects part of the functionality intermittently or has potential for minor impact on the Service.
P4	• Password resets or single user access issues; or • Issues for individual users / single user faults; or • Non-technical enquiry.

2.2 All Service Incidents in the categories P1 and P2 shall be classified as Major Incidents and the Supplier shall comply with the Major Incident Management Policy in respect of such Service Incidents.

3 RESPONSE TO INCIDENTS

3.1 The Supplier shall use the ITSM system to raise or record and respond to a Service Incident and create and maintain an entry in respect of that Service Incident in the Incident Log.

3.2 The Supplier shall undertake tests to identify the nature of the reported Service Incident and the results will be passed to the Authority. If such results confirm a potential Service Incident within the Service, the Supplier will initiate appropriate further diagnostic and/or Service Incident repair activity.

3.3 Where a Service Incident is confirmed, the Supplier will investigate and establish the reason for the Service Incident and resolve the issue (if necessary, on a 24 hours a day, 7 days a week basis). The Supplier shall provide updates to the Authority in respect of each Service Incident as follows:

(a) hourly for each P1 Service Incident;

(b) every 2 hours for each P2 Service Incident;

(c) once per day for each P3 Service Incident; and

(d) once every 2 days for each P4 Service Incident,

until the relevant Service Incident has been resolved.

3.4 The Supplier shall provide a root cause analysis report to the Authority in relation to each P1 or P2 Service Incident no later than 5 Working Days from Service Incident closure. A copy of this report shall also be uploaded to the ITSM system. Where applicable this report will include recommendations for avoidance of future similar Service Incidents.

3.5 The Supplier shall ensure that all Service Incidents are rectified within the target Time to Restore as set out in Key Performance Indicator 5. Notwithstanding these target times the Supplier shall endeavour to rectify any Incident as soon as possible.

3.6 The time that a Service Incident is rectified, and the Service is restored will be recorded by the Authority in the Incident Log (the "**Restore Time Stamp**"). When the Service Incident has been rectified the Supplier will notify the Authority Service Desk, any individual appointed by the Authority to manage the Service Incident and update the ITSM system.

3.7 The "**Incident Log**" is a log in the ITSM sytem to record all Service Incidents including information on:

(a) their possible root causes;

(b) any actions taken; and

(c) whether stakeholders have been notified.

3.8 The Supplier is responsible for:

(a) creating and maintaining the Incident Log in the ITSM system including but not limited to:

(i) recording relevant details of each Service Incident; and

(ii) documenting actions taken in respect of each Service Incident;

(b) notifying all relevant stakeholders of a Service Incident; and

(c) determining the root cause of each Service Incident.

3.9 The Supplier shall provide a copy of the Incident Log to the Authority every month.

4 CLOSURE OF AN INCIDENT LOG

4.1 The Supplier shall keep the Incident Log relating to the Service Incident open until the Restore Time Stamp is entered by the Authority.

4.2 If a Restore Time Stamp is entered, but the Authority subsequently reports that the Service Incident has not been resolved, the Authority Service Desk shall re-open the Service Incident in the Service Incident Log and the time to rectify the Service Incident shall be from the time of first notification of the Service Incident (as if the Service Incident had not been prematurely closed).

5 PROBLEM TICKETS

5.1 Following the closure of a Service Incident the Authority will review the background and circumstances leading up to the Service Incident including the root cause analysis provided by the Supplier and, if improvements are identified that may prevent a similar Service Incident recurring, may raise a Problem Ticket.

5.2 The Problem Ticket will identify factors which may have led or contributed to the Service Incident and request that the Supplier addresses these factors to prevent re-occurrence.

5.3 The Supplier shall investigate the factors leading to a Service Incident and propose rectification measures to be agreed in writing with the Authority. The Supplier will carry out such agreed rectification measures within the timescales agreed with the Authority.

5.4 Details of the Problem Ticket and any actions taken as a result of the Problem Ticket will be recorded on the ITSM system by the Supplier.

ANNEX 1: KEY PERFORMANCE INDICATORS AND SUBSIDIARY PERFORMANCE INDICATORS

Part A: Key Performance Indicators and Subsidiary Performance Indicators Tables

The Key Performance Indicators and Subsidiary Performance Indicators that shall apply to the Operational Services and the Key Performance Indicators relating to Social Value are set out below:

1 KEY PERFORMANCE INDICATORS

No.	Key Performance Indicator Title	Definition	Frequency of Measurement	Severity Levels	Service Points	Publishable Performance Information
KPI 1	Service Availability	See Paragraph 2 of Annex 1 Part B	Monthly	**Target Performance Level**: 99.95%	0	Yes
				Minor KPI Failure: 99.50%-99.94%	1	
				Serious KPI Failure: 99.00%-99.49%	2	
				Severe KPI Failure: 98.00%-98.99%	3	
				KPI Service Threshold: below 98%	4	
KPI 2	System	See Paragraph 3	Monthly	**Target Performance**	0	Yes

No.	Key Performance Indicator Title	Definition	Frequency of Measurement	Severity Levels	Service Points	Publishable Performance Information
	Response Times under Normal Load	of Annex 1 Part B		**Level**: ≤ 1 second		
				Minor KPI Failure: > 1 second - ≤ 2 seconds	1	
				Serious KPI Failure: > 2 seconds - ≤ 2.5 seconds	2	
				Severe KPI Failure: > 2.5 seconds	4	
				KPI Service Threshold: Severe KPI Failure	As per Severe KPI Failure	
KPI 3	System Response Times under Peak Load	See Paragraph 3 of Annex 1 Part B	Monthly	**Target Performance Level:** ≤ 2 seconds	0	Yes
				Minor KPI Failure: > 2 seconds - ≤ 2.5 seconds	1	
				Serious KPI Failure: > 2.5 seconds - ≤ 3 seconds	2	

No.	Key Performance Indicator Title	Definition	Frequency of Measurement	Severity Levels	Service Points	Publishable Performance Information
				Severe KPI Failure: > 3 seconds	4	
				KPI Service Threshold: Severe KPI Failure	As per Severe KPI Failure	
KPI 4	Response Times to Service Incidents	See Paragraph 5 of Annex 1 Part B	Monthly	**<u>Target Performance Level:</u>** P1 < 15 minutes P2 < 30 minutes P3 < 1 hour P4 < 2 hours	0	Yes
				Minor KPI Failure: P1 ≥ 15 minutes - < 20 minutes P2 ≥ 30 minutes - <45 minutes P3 ≥ 1 hour - < 1 hour	1	

No.	Key Performance Indicator Title	Definition	Frequency of Measurement	Severity Levels	Service Points	Publishable Performance Information
				30 minutes P4 ≥ 2 hours - < 2 hour 30 minutes		
				Serious KPI Failure: P1 ≥ 20 minutes - < 25 minutes P2 ≥ 45 minutes - < 1 hour P3 ≥ 1 hour 30 minutes - < 2 hours P4 ≥ 2 hours 30 minutes - < 3 hours	2	
				Severe KPI Failure: P1 ≥ 25 minutes P2 ≥ 1 hour P3 ≥ 2 hours P4 ≥ 3 hours	3	

No.	Key Performance Indicator Title	Definition	Frequency of Measurement	Severity Levels	Service Points	Publishable Performance Information
				KPI Service Threshold: Severe KPI Failure	As per Severe KPI Failure	
KPI 5	Time to Restore following Service Incidents	See Paragraph 6 of Annex 1 Part B	Monthly	**<u>Target Performance Level:</u>** P1 < 4 hours P2 < 8 hours P3 < 16 hours P4 < 35 hours	0	Yes
				Minor KPI Failure: P1 ≥4 hours - < 4 hours 30 minutes P2 ≥ 8 hours - < 9 hours P3 ≥ 16 hours - < 18 hours P4 ≥ 35 hours - < 40 hours	1	

No.	Key Performance Indicator Title	Definition	Frequency of Measurement	Severity Levels	Service Points	Publishable Performance Information
				Serious KPI Failure: P1 ≥ 4 hours 30 minutes - < 5 hours P2 ≥ 9 hours - < 10 hours P3 ≥18 hours - < 20 hours P4 ≥ 40 hours - < 50 hours	2	
				Severe KPI Failure: P1 ≥ 5 hours P2 ≥ 10 hours P3 ≥ 20 hours P4 ≥ 50 hours	3	
				KPI Service Threshold: Severe KPI Failure	As per Severe KPI Failure	

No.	Key Performance Indicator Title	Definition	Frequency of Measurement	Severity Levels	Service Points	Publishable Performance Information
KPI 6	Vulnerability Patch Performance	See Paragraph 7 of Annex 1 Part B	Monthly	**Target Performance Level:** Critical < 1 day High < 7 days Medium < 28 days Low < 90 days	0	No
				Minor KPI Failure: Critical ≥ 1 day - < 2 days High ≥ 7 days - < 10 days Medium ≥ 28 days - < 35 days Low ≥ 90 days - < 100 days	1	
				Serious KPI Failure: Critical ≥ 2 days - < 3	2	

No.	Key Performance Indicator Title	Definition	Frequency of Measurement	Severity Levels	Service Points	Publishable Performance Information
				days High ≥10 days - < 12 days Medium ≥ 35 days - < 40 days Low ≥100 days - < 110 days		
				Severe KPI Failure: Critical ≥ 3 days High ≥ 12 days Medium ≥ 40 days Low ≥ 110 days	3	
				KPI Service Threshold: Severe KPI Failure	As per Severe KPI Failure	
KPI 7	Proactive reporting of the Compute Minutes	See Paragraph 8 of Annex 1 Part B	Monthly	**Target Performance Level:** a report of Compute Minutes	0	No

No.	Key Performance Indicator Title	Definition	Frequency of Measurement	Severity Levels	Service Points	Publishable Performance Information
	utilised			utilised provided to the Authority by 17:00 on the Working Day following the day on which the Compute Minutes are used		
				Minor KPI Failure: a report of Compute Minutes utilised provided to the Authority after 17:00 on the Working Day following the day on which the Compute Minutes are used but within 2 Working Days from the day on which the Compute Minutes are used	1	
				Serious KPI Failure: a report of Compute Minutes utilised provided to the Authority more than 2 Working	2	

No.	Key Performance Indicator Title	Definition	Frequency of Measurement	Severity Levels	Service Points	Publishable Performance Information
				Days but within 4 Working Days from the day on which the Compute Minutes are used		
				Severe KPI Failure: a report of Compute Minutes utilised provided to the Authority more than 4 Working Days after the Compute Minutes are used	3	
				KPI Service Threshold: Severe KPI Failure	As per Severe KPI Failure	
KPI 8	Fighting Climate Change	Reduction in emissions of greenhouse gases arising from the performance of the Contract,	Annually	**Target Performance Level:** Carbon emissions measured and reported for year 1; at least 5% reduction from baseline achieved annually.	0 for all Severity Levels	Yes

No.	Key Performance Indicator Title	Definition	Frequency of Measurement	Severity Levels	Service Points	Publishable Performance Information
		measured in metric tonnes carbon dioxide equivalents		**Minor KPI Failure:** Carbon emissions measured and reported for year 1; reduction of less than 5% from baseline achieved annually.		
				Serious KPI Failure: Carbon emissions measured and reported for year 1; annual increase in emissions from baseline year.		
				Severe KPI Failure: Failure to provide baseline emissions data or annual reports; or increase in emissions of more than 5% from baseline year.		
				KPI Service Threshold: Severe KPI		

No.	Key Performance Indicator Title	Definition	Frequency of Measurement	Severity Levels	Service Points	Publishable Performance Information
				Failure.		
KPI 9	**Impact Assessment Turnaround**	See Paragraph 9 of Annex 1 Part B	Monthly	**Target Performance Level:** < 10 Working Days	0	No
				Minor KPI Failure: ≥ 10 Working Days - < 15 Working Days	1	
				Serious KPI Failure: ≥ 15 Working Days - < 20 Working Days	2	
				Severe KPI Failure: ≥ 20 Working Days	4	
				KPI Service Threshold: Severe KPI Failure	As per Severe KPI Failure	

2 SUBSIDIARY PERFORMANCE INDICATORS

No.	Subsidiary Performance Indicator Title	Definition	Frequency of Measurement	Severity Levels	Publishable Performance Information
PI 1	Health and Wellbeing	Number of health initiatives / training sessions undertaken.	Quarterly	**Target Performance Level:** Every member of staff working on the Contract to have been offered the opportunity to attend presentations on health and wellbeing on an annual basis **PI Service Threshold:** At least 80% of staff to have had this opportunity	No
PI 2	Supply Chain Payments		Quarterly	**Target Performance Level:** All undisputed invoices from Sub-contractors to be paid in less than 30 days **PI Service Threshold:** 90% of undisputed invoices from Sub-contractors paid in less than 30 days	No

PART B: DEFINITIONS

1 AVAILABLE

1.1 The IT Environment and/or the Services shall be **"Available"** when:

(a) End Users can access and utilise all the functions of the Supplier System and/or the Services; and

(b) the Supplier System can process the Authority Data and provide any required reports within the timescales set out in the Services Description (as measured on a 24 x 7 basis); and

(c) all Performance Indicators other than Service Availability are above the KPI Service Threshold.

2 SERVICE AVAILABILITY

2.1 "**Service Availability**" shall be measured as a percentage of the Core Operating Hours in a Service Period, in accordance with the following formula:

Service Availability % = $\frac{(MP-SD) \times 100}{MP}$

where:

MP = total number of minutes, excluding Permitted Maintenance, of Core Operating Hours within the relevant Service Period; and

SD = total number of minutes of Service Downtime, excluding Permitted Maintenance, in the relevant Service Period.

2.2 When calculating Service Availability in accordance with this Paragraph 2:

(a) Service Downtime arising due to Permitted Maintenance that is carried out by the Supplier in accordance with Clause 9.4 (Maintenance) shall be subtracted from the total number of hours in the relevant Service Period; and

(b) Service Points shall accrue if:

(i) any Service Downtime occurs as a result of Emergency Maintenance undertaken by the Supplier; or

(ii) where maintenance undertaken by the Supplier exceeds 8 hours in any Service Period.

3 SYSTEM RESPONSE TIME (KPIS 2 AND 3)

3.1 The "**System Response Time**" is the round-trip time taken to process a message or request of the Services and shall be measured from the moment the last packet of data which relates to a particular message is received at the external interface of the IT Environment until a response is generated and the first block of data leaves the external interface (including the time taken for any necessary processing).

3.2 The System Response Time shall be measured as the average System Response Time over the course of a Service Period separately for when the system is under Normal Load and Peak Load (as two separate KPIs).

4 RESPONSE AND TIME TO RESTORE TIMES (KPIS 4 AND 5)

4.1 The Priority classifications (P1, P2, P3 and P4) are as defined in Paragraph 2.1 of 0 above.

5 RESPONSE TIMES (KPI 4)

5.1 The "**Response Time**" to a Service Incident is the period of time from the point that the Supplier is aware of the Service Incident to the point that the Supplier responds. In this context 'respond' shall mean when the Supplier assigns the Service Incident to an individual for resolution and confirms this assignment both in the ITSM system and by an email to the Authority.

5.2 The Response Time in relation to each individual Service Incident shall be measured individually and shall accrue Service Points in accordance with the table set out in Paragraph 1 of this Annex 1 Part A in each Service Period.

Worked example: if there are two P1 Service Incidents in a Service Period and the response to the first is 16 minutes (accruing 1 Service Point) and the second is 24 minutes (accruing 2 Service Points) there are 3 Service Points accrued in respect of KPI 4 for this Service Period.

5.3 Response times for P1 and P2 Service Incidents shall be measured 24 x 7.

5.4 Response Times for P3 and P4 Service Incidents shall be measured during the Core Operating Hours unless related to the User Self-Testing Window which shall be measured 24 x 7.

Worked example: if a P3 or P4 Service Incident occurs on a Monday the 'clock stops' in calculating the response time at 18:00 Monday and starts again at 08:00 Tuesday).

6 TIME TO RESTORE (KPI 5)

6.1 The "**Time to Restore**" a Service Incident is the period from the time that the Service Incident has been reported to the Supplier (or that they are aware of the Service Incident) to the point of its Resolution and "**Resolution**" means in relation to a Service Incident either:

(a) the root cause of the Service Incident has been removed and the Services are being provided in accordance with the Services Description and Performance Indicators; or

(b) the Authority has been provided with a workaround in relation to the Service Incident deemed acceptable by the Authority.

6.2 The Time to Restore in relation to each individual Service Incident shall be measured individually and shall accrue Service Points in accordance with the table set out in Paragraph 1 of this Annex 1 Part A in each Service Period.

6.3 The Time to Restore for P1 and P2 Service Incidents shall be measured 24 x 7.

6.4 The Time to Restore for P3 and P4 Service Incidents shall be measured in during the Core Operational Hours unless related to the User Self-Testing Window which shall be measured 24 x 7.

Worked example: if a P3 or P4 Service Incident occurs on a Monday the 'clock stops' in calculating the Resolution time at 18:00 Monday and starts again at 08:00 Tuesday).

7 VULNERABILITY MANAGEMENT (KPI 6)

7.1 The Supplier shall apply a Vulnerability Patch where a patch is required to address security threats. The time for applying a Vulnerability Patch shall be calculated as the period from the time that the vulnerability has been reported to, or located by, the Supplier to the point of its Resolution. "**Resolution**" means in relation to a Vulnerability Patch, that the root cause of the vulnerability has been removed or remedied.

7.2 The timescales for applying a Vulnerability Patch shall vary according to whether the security threat is Critical, High, Medium, or Low as defined in the Classification Table set out at Paragraph 7.3 below. The reference to CVSS is a reference to the

Common Vulnerability Scoring System version 3.1: Specification Document which is an open industry standard for assessing the severity of computer system security vulnerabilities.

7.3 The relevant tiers as referred to in the following Classification Table are defined as follows:

(a) Tier 1 – Exposed / Internet Facing (e.g. Any Internet Facing application) – Attack is likely to originate from an area of unknown origin, e.g. Unauthenticated or Single Factor exposed to any/UK source.

(b) Tier 2 – Veiled / EUD / Consumer – Attack is likely to originate from a known origin but from a device of unknown hygiene. E.g. End User Devices. Devices an attacker is likely to pivot off. VPN network ranges. Internet Facing Application with MFA.

(c) Tier 3 – Sheltered/ DMZ / Bastion facing – Vulnerability can only be exploited from an existing foothold or a device that has gone through some control validation. Also, Internet exposed service with mTLS.

(d) Tier 4 – Back end/Server to Server – An attack would have to be forwarded through multiple layers or rogue infrastructure would have to be spun up inside the VNET for the attack to occur. Environments with Host-based firewalling or NSGs sit here as well.

Classification Table	**Isolated LAN/Backend Server-to-Server**	**DMZ/ Bastion Facing**	**EUD/ Consumer Facing**	**Internet Facing**
	TIER 4	TIER 3	TIER 2	TIER 1
CVSS 8 - 10 and Exploit Code publicly available	Medium	High	Critical	Critical
CVSS 8 – 10 and No known Exploit, OR CVSS 7 – 7.9	Medium	High	High	Critical
CVSS 4.0 – 6.9	Medium	Medium	Medium	Medium

CVSS 0.1 – 3.9	Low	Low	Low	Low

7.4 The fix time for applying a Vulnerability Patch shall be measured individually in relation to every individual occasion when a Vulnerability Patch is required and shall accrue Service Points in accordance with the table set out in Paragraph 1 of Part A to this Annex 1 in each Service Period.

7.5 The terms used in the Classification Table in Paragraph 7.4 are defined as follows:

Term	**Meaning**
DMZ	A demilitarized zone network is a network segment that sits between an organization's internal network and an external network, typically the internet. The DMZ is designed to provide an additional layer of security by isolating the most sensitive or critical resources from external access
EUD	An end-user device refers to any electronic device or equipment that is used directly by an individual or user
MFA	Multi Factor Authentication
VPN	Virtual Private Network
mTLS	mutual Transport Layer Security
VNet	Virtual Network
NSG	Network Security Group

PAM	Privilege Access Management

8 PROACTIVE REPORTING OF COMPUTE MINUTES UTILISED (KPI 7)

8.1 Paragraph 3.3(a) of Schedule 2 requires the Supplier to provide a facility for the Authority to access figures on the total amount of Compute Minutes utilised in the Video Engine, Supplier Interface and each of the relevant environments (Sandbox Environment, Staging Environment, Training Environment, Development Test Environment and Production Environment) either in real time or by 17:00 the following Working Day. This Performance Indicator shall be measured on an individual basis.

8.2 The time for the provision of such reports shall be calculated from the end of the Working Day on which the Compute was utilised, as set out in examples 1, 2 and 3 below.

Example 1: Compute utilised up to 17:00 on Monday. The report on Compute Minutes in all the environments shall be provided to the Authority by 17:00 on the next Working Day, therefore by 17:00 on Tuesday.

Example 2: Compute utilised up to 18:00 on Friday. The report on Compute Minutes in all environments shall be provided to the Authority by 17:00 on the next Working Day, therefore 17:00 Monday.

Example 3: Compute utilised on Saturday and Sunday. The report on Compute Minutes in all environments shall be provided to the Authority by 17:00 on the next Working Day, therefore 17:00 Monday.

9 IMPACT ASSESSMENT TURNAROUND (KPI 9)

9.1 "**Impact Assessment Turnaround**" is the length of time measured from when the Authority submits a Change Request as referred in Paragraph 4.3 of Schedule 22 (*Change Control Procedure*) until the Authority receives the completed Impact Assessment. Each Impact Assessment Turnaround shall be measured individually in Working Days.

9.2 The Impact Assessment Turnaround shall exclude:

(a) Fast-track Changes as set out in Paragraph 8 of Schedule 22 (Change Control Procedure) and/or

(b) situations where a longer period for the production of the Impact Assessment has been agreed by the Authority in accordance with Paragraph 4.3 of Schedule 22 (Change Control Procedure).

9.3 Change Requests that are withdrawn by the Authority before an Impact Assessment has been provided by the Supplier shall be excluded from the measurement of Impact Assessment Turnaround.

SCHEDULE 4

STANDARDS

Schedule 4 (*Standards*)

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

"Authority's OISM Policy"	means the Authority's Overarching Information Security Management Policy as set out in Schedule 33 (Policies and Procedures) as updated from time to time in accordance with the Change Control Procedure;
"Standards Hub"	the Government's open and transparent standards adoption process as documented at http://standards.data.gov.uk/; and
"Suggested Challenge"	a submission to suggest the adoption of new or emergent standards in the format specified on Standards Hub.

2 GENERAL

2.1 Throughout the term of this Contract, the Parties shall monitor and notify each other of any new or emergent standards which could affect the Supplier's provision, or the Authority's receipt, of the Services. Any changes to the Standards, including the adoption of any such new or emergent standard, shall be agreed in accordance with the Change Control Procedure.

2.2 Where a new or emergent standard is to be developed or introduced by the Authority, the Supplier shall be responsible for ensuring that the potential impact on the Supplier's provision, or the Authority's receipt, of the Services is explained to the Authority (in a reasonable timeframe), prior to the implementation of the new or emergent standard.

2.3 Where Standards referenced conflict with each other or with Good Industry Practice, then where there is a conflict between Standards the later published Standard shall prevail, and where there is a conflict between Standards and Good Industry Practice, Good Industry Practice shall prevail unless the relevant Standard in question is mandatory under Law. Any such alteration to any Standard(s) shall require the prior written agreement of the Authority and shall be implemented within an agreed timescale.

3 TECHNOLOGY AND DIGITAL SERVICES PRACTICE

3.1 The Supplier shall (when designing, implementing and delivering the Services) adopt the applicable elements of:

(a) HM Government's Technology Code of Practice as documented at https://www.gov.uk/service-manual/technology/code-of-practice.html; and

(b) the Authority's OISM Policy.

4 OPEN DATA STANDARDS & STANDARDS HUB

4.1 The Supplier shall comply to the extent within its control with UK Government's Open Standards Principles as documented at https://www.gov.uk/government/publications/open-standards-principles/open-standards-principles, as they relate to the specification of standards for software interoperability, data and document formats in the IT Environment.

4.2 Without prejudice to the generality of Paragraph 2.2, the Supplier shall, when implementing or updating a technical component or part of the Software or Supplier Solution where there is a requirement under this Contract or opportunity to use a new or emergent standard, submit a Suggested Challenge compliant with the UK Government's Open Standards Principles (using the process detailed on Standards Hub and documented at http://standards.data.gov.uk/). Each Suggested Challenge submitted by the Supplier shall detail, subject to the security and confidentiality provisions in this Contract, an illustration of such requirement or opportunity within the IT Environment, Supplier Solution and Government's IT infrastructure and the suggested open standard.

4.3 The Supplier shall ensure that all documentation published on behalf of the Authority pursuant to this Contract is provided in a non-proprietary format (such as PDF or Open Document Format (ISO 26300 or equivalent)) as well as any native file format documentation in accordance with the obligation under Paragraph 4.1 to comply with the UK Government's Open Standards Principles, unless the Authority otherwise agrees in writing.

5 TECHNOLOGY ARCHITECTURE STANDARDS

5.1 The Supplier shall produce full and detailed technical architecture documentation for the Supplier Solution in accordance with the following:

(a) Good Industry Practice;

(b) Open Group Architecture Framework 9.2 or its equivalent;

(c) Business Process Modelling Notation (BPMN) 2.0 or any successor thereof for process designs and models; and

(d) Unified Modelling Language (UML) 2.5 or any successor thereof for any and all systems designs.

6 ACCESSIBLE DIGITAL STANDARDS

6.1 The Supplier shall comply with (or with equivalents to):

(a) the World Wide Web Consortium (W3C) Web Accessibility Initiative (WAI) Web Content Accessibility Guidelines (WCAG) 2.1 Conformance Level AA; and

(b) ISO/IEC 13066-1: 2011 Information Technology – Interoperability with assistive technology (AT) – Part 1: Requirements and recommendations for interoperability.

7 SERVICE MANAGEMENT SOFTWARE & STANDARDS

7.1 Subject to Paragraphs 2 to 4 (inclusive), the Supplier shall adopt relevant industry and HM Government standards, the Authority's OISM Policy and best practice guidelines in the management of the Services, including the following and/or their equivalents and shall provide evidence of such certification or compliance when requested by the Authority:

(a) ITIL v4;

(b) ISO/IEC 20000-1 2018 "Information technology — Service management – Part 1";

(c) ISO/IEC 20000-2 2019 "Information technology — Service management – Part 2";

(d) ISO 10007: 2017 "Quality management systems – Guidelines for configuration management";

(e) ISO 22313:2020 "Security and resilience. Business continuity management systems. Guidance on the use of ISO 22301" and, ISO/IEC 27031:2011 and ISO 22301:2019 and

(f) ISO 27001:2013 certification for the system(s) used for the video hearing solution and all related procedures;

(g) ISOIEC 20000-1:2018 certification for the management of the End to End services being provided and all related processes and procedures; and

(h) ISAE 3402/3000.

7.2 For the purposes of management of the Services and delivery performance the Supplier shall make use of Software that complies with Good Industry Practice including availability, change, incident, knowledge, problem, release & deployment, request fulfilment, service asset and configuration, service catalogue, service level and service portfolio management. If such Software has been assessed under the ITIL Software Scheme as being compliant to "Bronze Level", then this shall be deemed acceptable.

8 SUSTAINABILITY

8.1 The Supplier shall comply with the sustainability requirements set out in Annex 1 to this Schedule.

9 HARDWARE SAFETY STANDARDS

9.1 The Supplier shall comply with those BS or other standards relevant to the provision of the Services, including the following or their equivalents:

(a) any new hardware required for the delivery of the Services shall conform to BS EN IEC 62368-1:2020+A11:2020 or subsequent replacements;

(b) any new audio, video and similar electronic apparatus required for the delivery of the Services, shall conform to the following standard: BS EN IEC 62368-1:2020+A11:2020 or any subsequent replacements; and

(c) any new apparatus for connection to any telecommunication network, and required for the delivery of the Services, shall conform to the following safety Standard: BS EN 62949:2017 or any subsequent replacements.

10 GENERAL OPERATIONAL STANDARDS

10.1 The Supplier warrants that it has obtained ISO 9001 certification from an accredited body and shall comply with and maintain such certification requirements throughout the Term. Where the Supplier has not obtained ISO 9001 certification upon the Effective Date, it must achieve such accreditation no later than 12 months from the Effective Date.

ANNEX 1: SUSTAINABILITY

1 DEFINITIONS

1.1 In this Annex, the following definitions shall apply:

"Prohibited Items"	means those items which are not permissible under this Contract as set out at Table A of this Annex;
"Sustainability Reports"	written reports to be completed by the Supplier containing the information as set out in Annex 1 to Schedule 24 (Reports and Records); and
"Waste Hierarchy"	means prioritisation of waste management in the following order of preference as set out in the Waste (England and Wales) Regulation 2011: (a) Prevention; (a) Preparing for re-use; (b) Recycling; (c) Other Recovery; and (d) Disposal.

2 PUBLIC SECTOR EQUALITY DUTY

2.1 In addition to legal obligations, where the Supplier is providing a Service to which the Public Sector Equality duty applies, the Supplier shall support the Authority in fulfilling the Authority's Public Sector Equality duty under S149 of the Equality Act 2010 by ensuring that the Supplier fulfils its obligations under the Contract in a way that seeks to:

2.1.1 eliminate discrimination, harassment or victimisation and any other conduct prohibited by the Equality Act 2010; and

2.1.2 advance:

(a) equality of opportunity; and

(b) good relations,

between those with a protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage and civil partnership) and those who do not share such protected characteristic.

2.2 In delivering the Service, the Supplier will comply with the Authority's equality, diversity and inclusion requirements, the prevailing version of which can be found at Civil Service Diversity and Inclusion Strategy 2022-2025 and a link to which is in Schedule 33 (Policies and Procedures).

2.3 The Supplier shall ensure that it fulfils its obligations under the Contract in a way that does not discriminate against individuals because of socio-economic background, working pattern or having parental or other caring responsibilities.

2.4 In addition to its obligations under the Equality Act 2010, the Supplier shall take account of the neurodiversity needs of the Authority's staff, stakeholders and Participants in performing the Services.

3 ENVIRONMENTAL REQUIREMENTS

3.1 The Supplier must perform its obligations meeting in all material respects the requirements of all applicable Laws Contract regarding the environment.

3.2 The Supplier warrants that it has obtained relevant Environment Management System (EMS) certified to ISO 14001 or an equivalent certification from a UKAS accredited body and shall comply with and maintain such certification requirements throughout the Term.

3.3 In performing its obligations under the Contract the Supplier shall, where applicable to the Contract, to the reasonable satisfaction of the Authority:

(a) demonstrate low carbon resource efficiency, including minimising the use of resources and responding promptly to the Authority's reasonable questions;

(b) prioritise waste management in accordance with the Waste Hierarchy as set out in Law;

(c) be responsible for ensuring that any waste generated by the Supplier that is sent for recycling, disposal or other recovery as a consequence of this Contract is taken by a licensed waste carrier to an authorised site for treatment or disposal and that the disposal or treatment of waste complies with the law;

(d) ensure that it and any third parties used to undertake recycling disposal or other recovery as a consequence of this Contract do so in a legally compliant way, and can demonstrate that reasonable checks are undertaken to ensure this on a regular basis and provide relevant data and evidence of recycling, recovery and disposal;

(e) in circumstances that a permit, licence or exemption to carry or send waste generated under this Contract is revoked, the Supplier shall cease to carry or send waste or allow waste to be carried by any Sub-contractor until authorisation is obtained from the Environment Agency; minimise the release of greenhouse gases (including carbon dioxide emissions), air pollutants, volatile organic

compounds and other substances damaging to health and the environment; and

(f) reduce and minimise carbon emissions by taking into account factors including, but not limited to, the locations from which materials are sourced, the transport of materials, the locations from which the work force are recruited and emissions from offices and on-site equipment.

3.4 In performing its obligations under the Contract, the Supplier shall to the reasonable satisfaction of the Authority (where the anticipated Charges in any Contract Year are above [redacted], where related to and proportionate to the contract in accordance with PPN 06/21), publish and maintain a credible Carbon Reduction Plan in accordance with PPN 06/21.

3.5 The Supplier shall not provide to the Authority Goods or Deliverables which comprise wholly or partly of Prohibited Items.

3.6 The Supplier shall not use anything which comprises wholly or partly of the Prohibited Items to provide the Services under this Contract unless the use is primarily related to the management of the Supplier's own facilities or internal operations as opposed to the provision of Services.

3.7 In delivering the Services, the Supplier must comply with the Authority's sustainability requirements, to be provided to the Supplier by the Authority.

3.8 The Supplier must have a documented management system and controls in place to manage the environmental impacts of delivering the Services.

3.9 The Supplier shall ensure that any Services are designed, sourced and delivered in a manner which is environmentally and socially responsible.

3.10 In performing its obligations under the Contract, the Supplier shall to the reasonable satisfaction of the Authority:

3.10.1 demonstrate that the whole life cycle impacts (including end of use) associated with the Services that extend beyond direct operations into that of the supply chain have been considered and reduced;

3.10.2 minimise the consumption of resources and use them efficiently (including water and energy), working towards a circular economy including designing out waste and non-renewable resources, using re-use and closed loop systems; and

3.10.3 achieve continuous improvement in environmental performance.

3.11 The Supplier shall support the Authority in its commitment to the Greening Government Commitments (as documented at https://www.gov.uk/government/collections/greening-government-commitments) by:

3.11.1 undertaking a baseline exercise within the 6 month period following the Effective Date and producing a roadmap and action plan, including targets, within one further month, demonstrating how the Supplier will progress towards a net zero delivery model throughout the life of the Contract;

3.11.2 preventing any ICT equipment used within and during the Services from going to landfill;

3.11.3 using an asset log to demonstrate 100% traceability of ICT throughout the Contract; and

3.11.4 utilizing renewable energy and/or carbon neutral suppliers in the delivery of the Services.

3.11.5 Within six months of contract award, the Supplier will fully assess the carbon footprint of the Compute and associated infrastructure. The Supplier will report to the Authority the energy consumption and cooling requirements, setting out further opportunities for carbon reduction.

3.11.6 Annual Supplier reporting will provide the Authority with emissions data specific to the VHS in a tailored and agreed format; this will include:

(a) Scope 1 (direct) emissions associated with the services, e.g. from travel

(b) Scope 2 emissions from electricity used, e.g. at datacentres. For infrastructure using Google Cloud, the Supplier will produce usage estimates based on the CPU specification provided by Google.

(c) Scope 3 emissions, including purchased goods and services.

3.11.7 The Supplier will maximise energy efficiency by:

(a) Replacing older hardware components with energy-efficient models

(b) Managing power supplies, processors and memory

(c) Use server virtualisation to consolidate workloads onto fewer servers to further reduce energy consumption.

(d) Power monitoring and management that includes features such as CPU throttling, dynamic voltage scaling, and power capping.

(e) Throughout the term, the Supplier will explore options to reduce carbon emissions, such as options for scheduled device shutdowns at certain times. These will be discussed and agreed with the Authority before proceeding.

(f) New sustainable services will be presented by the Supplier at regular quarterly review sessions with the Authority.

3.12 The Supplier shall meet the applicable Government Buying Standards applicable to Services as detailed in Schedule 33 (*Policies and Procedures*).

4 SUPPLIER CODE OF CONDUCT

4.1 In February 2019, HM Government published a Supplier Code of Conduct setting out the standards and behaviours expected of suppliers who work with government as detailed in Schedule 33 (*Policies and Procedures*). The Authority expects to meet, and expects the Supplier and Sub-contractors to meet, the standards set out in that Code.

5 REPORTING REQUIREMENTS

5.1 Notwithstanding Paragraph 5.2 below, the Supplier shall comply with reasonable requests by the Authority for information evidencing compliance:

5.1.1 with Paragraphs 2.1, 3.1 to 3.6, 3.8 and 4 of this Annex within 14 days of such request; and

5.1.2 with Paragraphs 2.2, 2.3 and 3.7 of this Annex within 30 days of such request,

provided that such requests are limited to no more than 2 per Contract Year.

5.2 The Supplier shall complete the Sustainability Report in relation its provision of the Services under this Contract and provide the Sustainability Report to the Authority as set out in Schedule 24 (*Reports and Records*).

TABLE A – PROHIBITED ITEMS

The following consumer single use plastics are Prohibited Items:	**Office Supplies** a. Plastic envelopes b. Plastic wrapping for brochures c. Paper or card which is bleached with chlorine
Authority specific Prohibitions	***None***

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SCHEDULE 5

SECURITY MANAGEMENT

Schedule 5 (*Security Management*)

PART A: SECURITY ASSURANCE

1 Definitions

1.1 In this Schedule:

"Anti-Malicious Software"	means software that scans for and identifies possible Malicious Software in the IT Environment;
"Breach of Security"	an event that results, or could result, in: (a) any unauthorised access to or use of the Authority Data, the Services and/or the Information Management System; and/or (b) the loss, corruption and/or unauthorised disclosure of any information or data (including the Confidential Information and the Authority Data), including any copies of such information or data, used by the Authority and/or the Supplier in connection with this Contract;
"Certification Requirements"	means the information security requirements set out in Paragraph 5;
"CHECK Service Provider"	means a company which has been certified by the National Cyber Security Centre, holds "Green Light" status and is authorised to provide the IT Health Check services required by Paragraph 6.1;
"Commercial off the shelf Software" or "COTS Software"	means the Supplier COTS Software and the Third Party COTS Software;
"CREST Service Provider"	means a company with a SOC Accreditation from CREST International;
"Cyber Essentials"	means the Cyber Essentials certificate issued under the Cyber Essentials Scheme;
"Cyber Essentials Plus"	means the Cyber Essentials Plus certificate issued under the Cyber Essentials Scheme;
"Cyber Essentials Scheme"	means the Cyber Essentials scheme operated by the National Cyber Security Centre;

"Higher Risk Sub-contractor" means a Sub-contractor that Processes Authority Data, where:

(a) that data includes the Personal Data of 1000 or more individuals in aggregate during the period between the first Operational Service Commencement Date and the date on which this Contract terminates in accordance with Clause 4.1(b); or

(b) any part of that data includes any of the following:

(i) any information relating to actual or alleged criminal offences (including criminal records);

(ii) any information relating to children and/or vulnerable persons;

(iii) any information relating to social care; or

(iv) Special Category Personal Data;

(c) the Authority in its discretion, designates a Sub-contractor as a Higher Risk Sub-Contractor in any procurement document related to this Contract; or

(d) the Authority considers in its discretion, that any actual or potential Processing carried out by the Sub-contractor is high risk;

"Information Assurance Assessment" means the set of policies, procedures, systems and processes which the Supplier shall implement, maintain and update in accordance with Paragraph 3 in order to manage, mitigate and, where possible, avoid information security risks including cyber-attacks, hacks, data leaks, Personal Data Breaches and/or theft and which shall be prepared by the Supplier;

"Information Management System" means

(a) those parts of the Supplier System, and those of the Sites, that the Supplier or its Sub-contractors will use to provide the parts of the Services that require Processing Authority Data; and

(b) the associated information assets and systems (including organisational structure, controls, policies, practices, procedures, processes and resources);

"Information Security Approval Statement" means a notice issued by the Authority which sets out the information risks which the Supplier has identified as being associated with using the Information Management System and confirms that:

(a) the Authority is satisfied that the identified risks have been adequately and appropriately addressed;

(b) the Authority has accepted the residual risks; and

(c) the Supplier may use the Information Management System to Process Authority Data;

"IT Health Check" means a series of controlled ethical hacking tests and actions designed to deliberately identify and expose security vulnerabilities that might be present in the Services (including in the Supplier Interface and/or Video Engine), and including the tests required as set out in Paragraph 6.1 of this Schedule 5 (*Security Management*);

"Medium Risk Sub-contractor" means a Sub-contractor that Processes Authority Data, where that data:

(a) includes the Personal Data of between 100 and 999 individuals (inclusive) in the period between the first Operational Service Commencement Date and the date on which this Contract terminates in accordance with Clause 4.1(b); and

(b) does not include Special Category Personal Data;

"Process" means any operation which is performed on data, whether or not by automated means, including collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available,

	alignment or combination, restriction, erasure or destruction;
"Remediation Action Plan"	has the meaning given in Paragraph 6.3(c)(i);
"Required Changes Register"	mean the register within the Security Management Plan which is to be maintained and updated by the Supplier and which shall record each of the changes that the Supplier shall make to the Information Management System and/or the Security Management Plan as a consequence of the occurrence of any of the events set out in Paragraph 4.2 together with the date by which such change shall be implemented and the date on which such change was implemented;
"Security Incident Management Process"	means the process which the Supplier shall implement immediately after it becomes aware of a Breach of Security which is intended to restore normal operations as quickly as possible, minimising any adverse impact on the Authority Data, the Authority, the Services and/or users of the Services and which shall form part of the Security Management Plan;
"Security Management Plan"	means the document prepared by the Supplier using the template in Annex 3, and as subsequently developed and revised pursuant to Paragraphs 3 and 4, comprising: (a) the Information Assurance Assessment; (b) the Required Changes Register; and (c) the Security Incident Management Process;
"Special Category Personal Data"	means the categories of Personal Data set out in article 9(1) of the UK GDPR; and
"Sub-contractor Security Requirements"	means those requirements set out in Annex 2.

1 INTRODUCTION

1.1 This Part A of this Schedule sets out:

(a) the arrangements the Supplier must implement before, and comply with when, providing the Services and performing its other obligations under this Contract to ensure the security of the Authority Data and the Information Management System;

(b) the Certification Requirements applicable to the Supplier and each of those Sub-contractors which Processes Authority Data;

(c) the security requirements in Annex 1, with which the Supplier must comply;

(d) the tests which the Supplier shall conduct on the Information Management System during the Term; and

(e) the Supplier's obligations to:

(i) return or destroy Authority Data on the expiry or earlier termination of this Contract; and

(ii) prevent the introduction of Malicious Software into the Supplier System and to scan for, contain the spread of, and minimise the impact of Malicious Software which is introduced into the Supplier System in Paragraph 8; and

(iii) report Breaches of Security to the Authority.

2 PRINCIPLES OF SECURITY

2.1 The Supplier acknowledges that the Authority places great emphasis on the confidentiality, integrity and availability of the Authority Data and, consequently on the security of:

(a) the Sites;

(b) the IT Environment;

(c) the Information Management System; and

(d) the Services.

2.2 Notwithstanding the involvement of the Authority in assessing the arrangements which the Supplier implements to ensure the security of the Authority Data and the Information Management System, the Supplier shall be, and shall remain, responsible for:

(a) the security, confidentiality, integrity and availability of the Authority Data whilst that Authority Data is under the control of the Supplier or any of its Sub-contractors; and

(b) the security of the Information Management System.

2.3 The Supplier shall:

(a) comply with the security requirements in Annex 1; and

(b) ensure that each Sub-contractor that Processes Authority Data complies with the Sub-contractor Security Requirements.

2.4 The Supplier shall provide the Authority with access to Supplier Personnel responsible for information assurance to facilitate the Authority's assessment of the Supplier's compliance with its obligations set out in this Schedule at reasonable times on reasonable notice.

3 INFORMATION SECURITY APPROVAL STATEMENT

3.1 The Supplier must ensure that its Implementation Plan sets out in sufficient detail how it will ensure compliance with the requirements of this Schedule, including any requirements imposed on Sub-contractors by Annex 2, from the first Operational Services Commencement Date.

3.2 The Supplier may not use the Information Management System to Process Authority Data unless and until:

(a) the Supplier has procured the conduct of an IT Health Check of the Supplier System by a CHECK Service Provider or a CREST Service Provider in accordance with Paragraph 6.1; and

(b) the Authority has issued the Supplier with an Information Security Approval Statement in accordance with the process set out in this Paragraph 3.

3.3 The Supplier shall document in the Security Management Plan how the Supplier and its Sub-contractors shall comply with the requirements set out in this Schedule and the Contract in order to ensure the security of the Authority Data and the Information Management System.

3.4 The Supplier shall prepare and submit to the Authority within 20 Working Days of the date of this Contract, the Security Management Plan, which comprises:

(a) an Information Assurance Assessment;

(b) the Required Changes Register; and

(c) the Security Incident Management Process.

3.5 The Authority shall review the Supplier's proposed Security Management Plan as soon as possible, and in any event within 20 Working Days of receipt, and shall either issue the Supplier with:

(a) an Information Security Approval Statement, which shall confirm that the Supplier may use the Information Management System to Process Authority Data; or

(b) a rejection notice, which shall set out the Authority's reasons for rejecting the Security Management Plan.

3.6 If the Authority rejects the Supplier's proposed Security Management Plan, the Supplier shall take the Authority's reasons into account in the preparation of a revised Security Management Plan, which the Supplier shall submit to the

Authority for review within 10 Working Days or such other timescale as agreed with the Authority.

3.7 The Authority may require, and the Supplier shall provide the Authority and its authorised representatives with:

(a) access to the Supplier Personnel;

(b) access to the Information Management System to audit the Supplier and its Sub-contractors' compliance with this Contract; and

(c) such other information and/or documentation that the Authority or its authorised representatives may reasonably require,

to assist the Authority to establish whether the arrangements which the Supplier and its Sub-contractors have implemented in order to ensure the security of the Authority Data and the Information Management System are consistent with the representations in the Security Management Plan. The Supplier shall provide the access required by the Authority in accordance with this Paragraph within 10 Working Days of receipt of such request, except in the case of a Breach of Security in which case the Supplier shall provide the Authority with the access that it requires within 24 hours of receipt of such request.

4 COMPLIANCE REVIEWS

4.1 The Supplier shall regularly review and update the Security Management Plan at least once each year and as required by this Paragraph. Any updated Security Management Plan shall be provided to the Authority for written approval.

4.2 The Supplier shall notify the Authority within one Working Day after becoming aware of:

(a) a significant change to the components or architecture of the Information Management System;

(b) a new risk to the components or architecture of the Information Management System;

(c) a vulnerability to the components or architecture of the Services;

(d) a change in the threat profile;

(e) a significant change to any risk component;

(f) a significant change in the quantity of Personal Data held within the Service;

(g) a proposal to change any of the Sites from which any part of the Services are provided; and/or

(h) an ISO/IEC 27001 (at least ISO/IEC 27001:2013) audit report produced in connection with the Certification Requirements indicates significant concerns.

4.3 Within 10 Working Days of such notifying the Authority or such other timescale as may be agreed with the Authority, the Supplier shall make the necessary changes to the Required Changes Register and submit the updated Required Changes Register to the Authority for review and written approval.

4.4 Where the Supplier is required to implement a change, including any change to the Information Management System, the Supplier shall effect such change at its own cost and expense.

5 CERTIFICATION REQUIREMENTS

5.1 The Supplier shall be certified as compliant with:

(a) ISO/IEC 27001 (at least ISO/IEC 27001:2013) by a UK Accreditation Service-approved certification body or is included within the scope of an existing certification of compliance with ISO/IEC 27001 (at least ISO/IEC 27001:2013); and

(b) Cyber Essentials PLUS,

and shall provide the Authority with a copy of each such certificate of compliance before the Supplier shall be permitted to receive, store or Process Authority Data.

5.2 The Supplier shall ensure that each Higher Risk Sub-contractor is certified as compliant with either:

(a) ISO/IEC 27001 (at least ISO/IEC 27001:2013) by a UK Accreditation Service-approved certification body or is included within the scope of an existing certification of compliance with ISO/IEC 27001 (at least ISO/IEC 27001:2013); or

(b) Cyber Essentials PLUS,

and shall provide the Authority with a copy of each such certificate of compliance before the Higher-Risk Sub-contractor shall be permitted to receive, store or Process Authority Data.

5.3 The Supplier shall ensure that each Medium Risk Sub-contractor is certified compliant with Cyber Essentials.

5.4 The Supplier shall ensure that the Supplier and each Sub-contractor who is responsible for the secure destruction of Authority Data:

(a) securely destroys Authority Data only on Sites which are included within the scope of an existing certification of compliance with ISO/IEC 27001 (at least ISO/IEC 27001:2013);

(b) should satisfy the Authority that their data destruction/deletion practices comply with UK GDPR requirements and follows all relevant NCSC guidance; and

(c) must maintain an asset register of all Authority supplied information, data and equipment to ensure Authority assets are returned and/or deleted.

5.5 The Supplier shall provide the Authority with evidence of its and its Sub-contractor's compliance with the requirements set out in this Paragraph 5 before the Supplier or the relevant Sub-contractor (as applicable) may carry out the secure destruction of any Authority Data.

5.6 The Supplier shall notify the Authority as soon as reasonably practicable and, in any event within 2 Working Days, if the Supplier or any Sub-contractor ceases to be compliant with the Certification Requirements and, on request from the Authority, shall or shall procure that the relevant Sub-contractor shall:

(a) immediately ceases using the Authority Data; and

(b) procure that the relevant Sub-contractor promptly returns, destroys and/or erases the Authority Data in accordance with the requirements set out in this Paragraph.

5.7 The Authority may agree to exempt, in whole or part, the Supplier or any Sub-contractor from the requirements of this Paragraph 5. Any exemption must be in writing to be effective. The Supplier must include the exemption in the Security Management Plan.

6 SECURITY TESTING

6.1 The Supplier shall, at its own cost and expense procure and conduct an IT Health Check of the Information Management System by a CHECK Service Provider or a CREST Service Provider, and such other security tests as may be required by the Authority.

6.2 The Supplier shall:

(a) complete all of the above security tests before:

(i) the Supplier is given permission by the Authority to Process or manage any Authority Data; and

(b) repeat the IT Health Check not less than once every 12 months during the Term and submit the results of each such test to the Authority for review in accordance with this Paragraph.

6.3 In relation to each IT Health Check, the Supplier shall:

(a) agree with the Authority the aim and scope of the IT Health Check;

(b) promptly, and no later than 5 Working Days, following the receipt of each IT Health Check report, provide the Authority with a copy of the full report;

(c) if the IT Health Check report identifies any vulnerabilities, the Supplier shall:

(i) prepare a remedial plan for approval by the Authority (each a "**Remediation Action Plan**") which sets out in respect of each vulnerability identified in the IT Health Check report:

(A) how the vulnerability will be remedied;

(B) unless otherwise agreed in writing between the Parties, the date by which the vulnerability will be remedied, which must be:

(1) within four weeks of the date the Supplier received the IT Health Check report in the case of any vulnerability categorised with a severity of “medium”;

(2) within two weeks of the date the Supplier received the IT Health Check report in the case of any vulnerability categorised with a severity of “high”; and

(3) within one week of the date the Supplier received the IT Health Check report in the case of any vulnerability categorised with a severity of “critical”;

(C) the tests which the Supplier shall perform or procure to be performed (which may, at the discretion of the Authority, include a further IT Health Check) to confirm that the vulnerability has been remedied;

(ii) comply with the Remediation Action Plan; and

(iii) conduct such further tests on the Service as are required by the Remediation Action Plan to confirm that the Remediation Action Plan has been complied with.

6.4 The Supplier shall ensure that any testing which could adversely affect the Supplier System shall be designed and implemented by the Supplier so as to minimise the impact on the delivery of the Services and the date, timing, content and conduct of such tests shall be agreed in advance with the Authority.

6.5 If any testing conducted by or on behalf of the Supplier identifies a new risk, new threat, vulnerability or exploitation technique that has the potential to affect the security of the Information Management System, the Supplier shall within 1 Working Day of becoming aware of such risk, threat, vulnerability or exploitation technique provide the Authority with a copy of the test report and:

(a) propose interim mitigation measures to vulnerabilities in the Information Management System known to be exploitable where a security patch is not immediately available; and

(b) where and to the extent applicable, remove or disable any extraneous interfaces, services or capabilities that are not needed for the provision of the Services (in order to reduce the attack surface of the Supplier System) within the timescales set out in the test report or such other timescales as may be agreed with the Authority.

6.6 The Supplier shall conduct such further tests of the Supplier System as may be required by the Authority from time to time to demonstrate compliance with its obligations set out this Schedule and the Contract.

6.7 The Supplier shall notify the Authority immediately if it fails to, or believes that it will not, mitigate the vulnerability within the timescales set out in Paragraph 6.3.

7 SECURITY MONITORING AND REPORTING

7.1 The Supplier shall:

(a) monitor the delivery of assurance activities;

(b) maintain and update the Security Management Plan in accordance with Paragraph 4;

(c) agree a document which presents the residual security risks to inform the Authority's decision to give approval to the Supplier to Process and transit the Authority Data;

(d) monitor security risk impacting upon the operation of the Service;

(e) report Breaches of Security in accordance with the approved Security Incident Management Process;

(f) agree with the Authority the frequency and nature of the security reports to be prepared and submitted by the Supplier to the Authority within 20 Working Days of the Effective Date.

8 MALICIOUS SOFTWARE

8.1 The Supplier shall install and maintain Anti-Malicious Software or procure that Anti-Malicious Software is installed and maintained on any part of the Information Management System which may Process Authority Data and ensure that such Anti-Malicious Software is configured to perform automatic software and definition updates as well as regular scans of the Information Management System to check for, prevent the introduction of Malicious Software or where Malicious Software has been introduced into the Information Management System, to identify, contain the spread of, and minimise the impact of Malicious Software.

8.2 If Malicious Software is found, the parties shall cooperate 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.

8.3 Any cost arising out of the actions of the parties taken in compliance with the provisions of Paragraph 8.2 shall be borne by the parties as follows:

(a) by the Supplier where the Malicious Software originates from:

(i) the Supplier Software;

(ii) the Third Party Software supplied by the Supplier; or

(iii) the Authority Data whilst the Authority Data is or was under the control of the Supplier,

unless, in the case of the Authority Data only, the Supplier can demonstrate that such Malicious Software was present in the Authority Data and not quarantined or otherwise identified by the Authority when the Authority provided the Authority Data to the Supplier; and

(b) by the Authority, in any other circumstance.

9 BREACH OF SECURITY

9.1 If either party becomes aware of a Breach of Security it shall notify the other in accordance with the Security Incident Management Process.

9.2 The Security Incident Management Process shall, as a minimum, require the Supplier to do the following upon it becoming aware of a Breach of Security or attempted Breach of Security:

(a) immediately take all reasonable steps necessary to:

(i) minimise the extent of actual or potential harm caused by such Breach of Security;

(ii) remedy such Breach of Security to the extent possible;

(iii) apply a tested mitigation against any such Breach of Security; and

(iv) prevent a further Breach of Security in the future which exploits the same root cause failure;

(b) as soon as reasonably practicable and, in any event, within 2 Working Days following the Breach of Security or attempted Breach of Security, provide to the Authority full details of the Breach of Security or attempted Breach of Security, including a root cause analysis where required by the Authority.

9.3 In the event that any action is taken in response to a Breach of Security or attempted Breach of Security as a result of non-compliance by the Supplier, its Sub-contractors and/or all or any part of the Information Management System with this Contract, then such remedial action shall be completed at no additional cost to the Authority.

ANNEX 1: SECURITY REQUIREMENTS

1 SECURITY CLASSIFICATION OF INFORMATION

1.1 If the provision of the Services requires the Supplier to Process Authority Data which is classified as:

(a) OFFICIAL-SENSITIVE, the Supplier shall implement such additional measures as agreed with the Authority from time to time in order to ensure that such information is safeguarded in accordance with the applicable Standards; and/or

(b) SECRET or TOP SECRET, the Supplier shall only do so where it has notified the Authority prior to receipt of such Authority Data and the Supplier shall implement additional measures as agreed with the Authority from time to time in order to ensure that such information is safeguarded in accordance with the applicable Standards.

2 END USER DEVICES

2.1 The Supplier must manage, and must ensure that all Sub-contractors manage, all end-user devices used by the Supplier on which Authority Data is Processed in accordance the following requirements:

2.1.1 the operating system and any applications that Process or have access to Authority Data must be in current support by the vendor, or the relevant community in the case of Open Source operating systems or applications;

2.1.2 users must authenticate before gaining access;

2.1.3 all Authority Data must be encrypted using an encryption tool agreed to by the Authority;

2.1.4 the end-user device must lock and require any user to re-authenticate after a period of time that is proportionate to the risk environment, during which the end-user device is inactive;

2.1.5 the end-user device must be managed in a way that allows for the application of technical policies and controls over applications that have access to Authority Data;

2.1.6 the Suppler or Sub-contractor, as applicable, can, without physical access to the end-user device, remove or make inaccessible all Authority Data on the device and prevent any user or group of users from accessing the device;

2.1.7 all end-user devices are within in the scope of any current Cyber Essentials Plus certificate held by the Supplier, or any ISO/IEC 27001 (at least ISO/IEC 27001:2013) certification issued by a UKAS-approved certification body, where the scope of that certification includes the Services.

2.2 The Supplier must comply, and ensure that all Sub-contractors comply, with the recommendations in NCSC Device Guidance, as updated, amended or replaced from time to time, as if those recommendations were incorporated as specific obligations under this Contract.

2.3 Where there any conflict between the requirements of this Schedule 5 (Security Management) and the requirements of the NCSC Device Guidance, the requirements of this Schedule will take precedence.

3 ENCRYPTION

3.1 The Supplier must ensure, and must ensure that all Sub-contractors ensure, that Authority Data is encrypted:

3.1.1 when stored at any time when no operation is being performed on it; and

3.1.2 when transmitted.

3.2 Where the Supplier, or a Sub-contractor, cannot encrypt Authority Data the Supplier must:

3.2.1 immediately inform the Authority of the subset or subsets of Authority Data it cannot encrypt and the circumstances in which and the reasons why it cannot do so;

3.2.2 provide details of the protective measures the Supplier or Sub-contractor (as applicable) proposes to take to provide equivalent protection to the Authority as encryption; and

3.2.3 provide the Authority with such information relating to the Authority Data concerned, the reasons why that Authority Data cannot be encrypted and the proposed protective measures as the Authority may require.

3.3 The Authority, the Supplier and, where the Authority requires, any relevant Sub-contractor shall meet to agree appropriate protective measures for the unencrypted Authority Data.

3.4 Where the Authority and Supplier reach agreement, the Supplier must update the Security Management Plan to include:

3.4.1 the subset or subsets of Authority Data not encrypted and the circumstances in which that will occur; and

3.4.2 the protective measure that the Supplier and/or Sub-contractor will put in please in respect of the unencrypted Authority Data.

3.5 Where the Authority and Supplier do not reach agreement within 40 Working Days of the date on which the Supplier first notified the Authority that it could not encrypt certain Authority Data, either party may refer the matter to be determined in accordance with the Dispute Resolution Procedure.

4 PERSONNEL SECURITY

4.1 All Supplier Personnel shall be subject to a pre-employment check before they may participate in the provision and or management of the Services. Such pre-employment checks must include all pre-employment checks which are required by the HMG Baseline Personnel Security Standard including: verification of the individual's identity; verification of the individual's nationality and immigration status; and, verification of the individual's employment history; verification of the individual's criminal record.

4.2 The Authority and the Supplier shall review the roles and responsibilities of the Supplier Personnel who will be involved in the management and/or provision of the Services in order to enable the Authority to determine which roles require additional vetting and a specific national security vetting clearance (e.g. a Counter Terrorist Check; a Security Check). Roles which are likely to require additional vetting and a specific national security vetting clearance include system administrators whose role would provide those individuals with privileged access to IT systems which Process Authority Data or data which, if it were Authority Data, would be classified as OFFICIAL-SENSITIVE.

4.3 The Supplier shall not permit Supplier Personnel who fail the security checks required by Paragraphs 4.1 and 4.2 to be involved in the management and/or provision of the Services except where the Authority has expressly agreed in writing to the involvement of the named individual in the management and/or provision of the Services.

4.4 The Supplier shall ensure that Supplier Personnel are only granted such access to Authority Data as is necessary to enable the Supplier Personnel to perform their role and to fulfil their responsibilities.

4.5 The Supplier shall ensure that Supplier Personnel who no longer require access to the Authority Data (e.g. they cease to be employed by the Supplier or any of its Sub-contractors), have their rights to access the Authority Data revoked within 1 Working Day.

4.6 The Supplier shall ensure that Supplier Staff that have access to the Sites, the IT Environment or the Authority Data receive regular training on security awareness that reflects the degree of access those individuals have to the Sites, the IT Environment or the Authority Data.

4.7 The Supplier shall ensure that the training provided to Supplier Staff under Paragraph 4.6 includes training on the identification and reporting fraudulent communications intended to induce individuals to disclose Personal Data or any other information that could be used, including in combination with other Personal Data or information, or with other techniques, to facilitate unauthorised access to the Sites, the IT Environment or the Authority Data ("phishing").

5 IDENTITY, AUTHENTICATION AND ACCESS CONTROL

5.1 The Supplier shall operate an access control regime to ensure:

(a) all users and administrators of the Supplier System are uniquely identified and authenticated when accessing or administering the Services; and

(b) all persons who access the Sites are identified and authenticated before they are allowed access to the Sites.

5.2 The Supplier shall apply the 'principle of least privilege' when allowing persons access to the Supplier System and Sites so that such persons are allowed access only to those parts of the Sites and the Supplier System they require.

5.3 The Supplier shall retain records of access to the Sites and to the Supplier System and shall make such record available to the Authority on request.

6 DATA DESTRUCTION OR DELETION

6.1 The Supplier shall:

(a) prior to securely sanitising any Authority Data or when requested the Supplier shall provide the Government with all Authority Data in an agreed open format;

(b) have documented processes to ensure the availability of Authority Data in the event of the Supplier ceasing to trade;

(c) securely erase in a manner agreed with the Authority any or all Authority Data held by the Supplier when requested to do so by the Authority;

(d) securely destroy in a manner agreed with the Authority all media that has held Authority Data at the end of life of that media in accordance with any specific requirements in this Contract and, in the absence of any such requirements, as agreed by the Authority; and

(e) implement processes which address the CPNI and NCSC guidance on secure sanitisation.

7 Audit and Protective Monitoring

7.1 The Supplier shall collect audit records which relate to security events in the Information Management System or that would support the analysis of potential and actual compromises. In order to facilitate effective monitoring and forensic readiness such Supplier audit records should (as a minimum) include regular reports and alerts setting out details of access by users of the Information Management System, to enable the identification of (without limitation) changing access trends, any unusual patterns of usage and/or accounts accessing higher than average amounts of Authority Data.

7.2 The Supplier and the Authority shall work together to establish any additional audit and monitoring requirements for the Information Management System.

7.3 The retention periods for audit records and event logs must be agreed with the Authority and documented in the Security Management Plan.

8 LOCATION OF AUTHORITY DATA

8.1 The Supplier shall not and shall procure that none of its Sub-contractors Process Authority Data outside the UK.

9 VULNERABILITIES AND CORRECTIVE ACTION

9.1 The Authority and the Supplier acknowledge that from time to time vulnerabilities in the Information Management System will be discovered which unless mitigated will present an unacceptable risk to the Authority Data.

9.2 The severity of any vulnerabilities shall be categorised as set out in Paragraph 7 of Part B of Annex 1 of Schedule 3 (*Performance Levels*).

9.3 The Supplier shall procure the application of security patches to vulnerabilities in the Information Management System within the timescales as set out in KPI 6 of Paragraph 1 of Part B of Annex 1 of Schedule 3 (*Performance Levels*).

9.4 The Supplier shall comply with the Vulnerability Management Policy as referred to in Schedule 33 (*Policies and Procedures*).

9.5 The Security Management Plan shall include provisions for major version upgrades of all COTS Software to be kept up to date such that all COTS Software are always in mainstream support throughout the Term unless otherwise agreed by the Authority in writing. All COTS Software should be no more than N-1 versions behind the latest software release.

10 SECURE ARCHITECTURE

10.1 The Supplier shall design the Information Management System in accordance with:

(a) the NCSC "Security Design Principles for Digital Services", a copy of which can be found at: https://www.ncsc.gov.uk/guidance/security-design-principles-digital-services-main;

(b) the NCSC "Bulk Data Principles", a copy of which can be found at https://www.ncsc.gov.uk/guidance/protecting-bulk-personal-data-main; and

(c) the NSCS "Cloud Security Principles", a copy of which can be found at: https://www.ncsc.gov.uk/guidance/implementing-cloud-security-principles and which are summarised below:

(i) "Cloud Security Principle 1: data in transit protection" which, amongst other matters, requires that user data transiting networks should be adequately protected against tampering and eavesdropping;

(ii) "Cloud Security Principle 2: asset protection and resilience" which, amongst other matters, requires that user data, and the assets storing or processing it, should be protected against physical tampering, loss, damage or seizure;

(iii) "Cloud Security Principle 3: separation between users" which, amongst other matters, requires that a malicious or compromised user of the service should not be able to affect the service or data of another;

(iv) "Cloud Security Principle 4: governance framework" which, amongst other matters, requires that the Supplier should have a security governance framework which coordinates and directs its management of the Services and information within it;

(v) "Cloud Security Principle 5: operational security" which, amongst other matters, requires that the Services need to be operated and managed securely in order to impede, detect or prevent a Breach of Security;

(vi) "Cloud Security Principle 6: personnel security" which, amongst other matters, requires that where Supplier Personnel have access to Authority Data and/or the Authority System that those personnel be subject to appropriate security screening and regular security training;

(vii) "Cloud Security Principle 7: secure development" which, amongst other matters, requires that the Services be designed and developed to identify and mitigate threats to their security;

(viii) "Cloud Security Principle 8: supply chain security" which, amongst other matters, requires the Supplier to ensure that appropriate security controls are in place with its Sub-contractors and other suppliers;

(ix) "Cloud Security Principle 9: secure user management" which, amongst other matters, requires the Supplier to make the tools available for the Authority to securely manage the Authority's use of the Service;

(x) "Cloud Security Principle 10: identity and authentication" which, amongst other matters, requires the Supplier to implement appropriate controls in order to ensure that access to Service interfaces is constrained to authenticated and authorised individuals;

(xi) "Cloud Security Principle 11: external interface protection" which, amongst other matters, requires that all external or less trusted interfaces with the Services should be identified and appropriately defended;

(xii) "Cloud Security Principle 12: secure service administration" which, amongst other matters, requires that any ICT system which is used for administration of a cloud service will have highly privileged access to that service;

(xiii) "Cloud Security Principle 13: audit information for users" which, amongst other matters, requires the Supplier to be able to provide the Authority with the audit records it needs to monitor access to the Service and the Authority Data held by the Supplier and/or its Sub-contractors; and

(xiv) "Cloud Security Principle 14: secure use of the service" which, amongst other matters, requires the Supplier to educate Supplier Personnel on the safe and secure use of the Information Management System.

ANNEX 2: SECURITY REQUIREMENTS FOR SUB-CONTRACTORS

1 APPLICATION OF ANNEX

1.1 This Annex applies to all Sub-contractors that Process Authority Data.

1.2 The Supplier must:

(a) ensure that those Sub-contractors comply with the provisions of this Annex;

(b) keep sufficient records to demonstrate that compliance to the Authority; and

(c) ensure that its Implementation Plan includes Deliverables, Milestones and Milestone Dates that relate to the design, implementation and management of any systems used by Sub-contractors to Process Authority Data.

2 DESIGNING AND MANAGING SECURE SOLUTIONS

2.1 The Sub-contractor shall design and implement their solution(s) to mitigate the security risks in accordance with the NCSC's Cyber Security Design Principles https://www.ncsc.gov.uk/collection/cyber-security-design-principles.

2.2 The Sub-contractor must assess their systems against the NCSC Cloud Security Principles: https://www.ncsc.gov.uk/collection/cloud-security?curPage=/collection/cloud-security/implementing-the-cloud-security-principles at their own cost and expense to demonstrate that the people, process, technical and physical controls have been delivered in an effective way. The Sub-contractor must document that assessment and make that documentation available to the Authority on the Authority's request.

3 DATA PROCESSING, STORAGE, MANAGEMENT AND DESTRUCTION

3.1 The Sub-contractor must not Process any Authority Data outside the UK.

3.2 The Sub-contractor must when requested to do so by the Authority:

(a) securely destroy Authority Data only on Sites which are included within the scope of an existing certification of compliance with ISO/IEC 27001 (at least ISO/IEC 27001:2013);

(b) satisfy the Authority that their data destruction/deletion practices comply with UK GDPR requirements and follows all relevant NCSC guidance; and

(c) maintain an asset register of all Authority supplied information, data and equipment to ensure Authority Assets are returned and/or deleted.

4 PERSONNEL SECURITY

4.1 The Sub-contractor must perform appropriate checks on their staff before they may participate in the provision and or management of the Services. Those checks must include all pre-employment checks required by the HMG Baseline Personnel Security Standard including: verification of the individual's identity; verification of the individual's nationality and immigration status; verification of the individual's employment history; and verification of the individual's criminal record. The HMG Baseline Personnel Security Standard is at https://www.gov.uk/government/publications/government-baseline-personnel-security-standard.

4.2 The Sub-contractor must, if the Authority requires, at any time, ensure that one or more of the Sub-contractor's staff obtains Security Check clearance in order to Process Authority Data containing Personal Data above certain volumes specified by the Authority, or containing Special Category Personal Data.

4.3 Any Sub-contractor staff who will, when performing the Services, have access to a person under the age of 18 years must undergo Disclosure and Barring Service checks.

5 END USER DEVICES

5.1 The Supplier must manage, and must ensure that all Sub-contractors manage, all end-user devices used by the Supplier on which Authority Data is Processed in accordance the following requirements:

5.1.1 the operating system and any applications that Process or have access to Authority Data must be in current support by the vendor, or the relevant community in the case of Open Source operating systems or applications;

5.1.2 users must authenticate before gaining access;

5.1.3 all Authority Data must be encrypted using an encryption tool agreed to by the Authority;

5.1.4 the end-user device must lock and require any user to re-authenticate after a period of time that is proportionate to the risk environment, during which the end-user device is inactive;

5.1.5 the end-user device must be managed in a way that allows for the application of technical policies and controls over applications that have access to Authority Data;

5.1.6 the Supplier or Sub-contractor, as applicable, can, without physical access to the end-user device, remove or make inaccessible all Authority Data on the device and prevent any user or group of users from accessing the device;

5.1.7 all end-user devices are within in the scope of any current Cyber Essentials Plus certificate held by the Supplier, or any ISO/IEC 27001 (at least ISO/IEC 27001:2013) certification issued by a UKAS-approved certification body, where the scope of that certification includes the Services.

5.2 The Supplier must comply, and ensure that all Sub-contractors comply, with the recommendations in NCSC Device Guidance, as updated, amended or replaced from time to time, as if those recommendations were incorporated as specific obligations under this Contract.

5.3 Where there any conflict between the requirements of this Schedule 5 (Security Management) and the requirements of the NCSC Device Guidance, the requirements of this Schedule will take precedence.

6 ENCRYPTION

6.1 The Supplier must ensure, and must ensure that all Sub-contractors ensure, that Authority Data is encrypted:

6.1.1 when stored at any time when no operation is being performed on it; and

6.1.2 when transmitted.

6.2 Where the Supplier, or a Sub-contractor, cannot encrypt Authority Data the Supplier must:

6.2.1 immediately inform the Authority of the subset or subsets of Authority Data it cannot encrypt and the circumstances in which and the reasons why it cannot do so;

6.2.2 provide details of the protective measures the Supplier or Sub-contractor (as applicable) proposes to take to provide equivalent protection to the Authority as encryption; and

6.2.3 provide the Authority with such information relating to the Authority Data concerned, the reasons why that Authority Data cannot be encrypted and the proposed protective measures as the Authority may require.

6.3 The Authority, the Supplier and, where the Authority requires, any relevant Sub-contractor shall meet to agree appropriate protective measures for the unencrypted Authority Data.

6.4 Where the Authority and Supplier reach agreement, the Supplier must update the Security Management Plan to include:

6.4.1 the subset or subsets of Authority Data not encrypted and the circumstances in which that will occur; and

6.4.2 the protective measure that the Supplier and/or Sub-contractor will put in please in respect of the unencrypted Authority Data.

6.5 Where the Authority and Supplier do not reach agreement within 40 Working Days of the date on which the Supplier first notified the Authority that it could not encrypt certain Authority Data, either party may refer the matter to be determined in accordance with the Dispute Resolution Procedure

7 PATCHING AND VULNERABILITY SCANNING

7.1 The Sub-contractor must proactively monitor supplier vulnerability websites and ensure all necessary patches and upgrades are applied to maintain security, integrity and availability in accordance with the NCSC Cloud Security Principles.

8 THIRD PARTY SUB-CONTRACTORS

8.1 The Sub-contractor must not transmit or disseminate the Authority Data to any other person unless specifically authorised by the Authority. Such authorisation must be in writing to be effective and may be subject to conditions.

8.2 The Sub-contractor must not, when performing any part of the Services, use any software to Process the Authority Data where the licence terms of that software purport to grant the licensor rights to Process the Authority Data greater than those rights strictly necessary for the use of the software.

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ANNEX 3: SECURITY MANAGEMENT PLAN TEMPLATE

Security Management Plan Template

Insert Supplier Logo

HM Courts & Tribunals Service

Security Management Plan

Version *{insert}*

Date

This is a template for a document to be produced by the supplier to explain how their ISMS is applied to the information security requirements placed upon them by HMCTS.

There are two types of helpful suggestions included in this template. Where it is judged that text is likely to be boilerplate it is in normal font; suppliers are requested to review such text in the light of their solution and delete, modify and/or add to it as appropriate. Where the contents are likely to be more solution dependent a prompt as to the expected content is given.

The document presented is expected to be devoid of all blue italicised material and to be the standalone SMP from the supplier.

Document History

Version	Date	Comments

Document References

Ref	Title
A	
B	
C	
D	
E	
F	

Abbreviations & Glossary

Title	Definition

Engagement Details (Supplier use only)

Agreement Name	

1. Introduction

1.1 Purpose

This document is the baseline Security Management Plan (SMP) to be used by *Name of Supplier* (hereafter referred to as "Supplier") for the work undertaken for the HM Courts and Tribunals Service (hereafter referred to as 'the Customer') under Agreement reference *xxxxx* [A].

The SMP sets out the security controls to be implemented and maintained by the Supplier in relation to the security aspects and processes associated with the delivery of its services to the Customer ("the Services").

The Supplier implements, operates, maintains and continuously improves an Information Security Management System (ISMS). In line with this the Supplier has developed and maintains an SMP. *The Supplier's ISMS is certified compliant with the requirements of International Standards Organisation (ISO) 27001:2013 [B] by the {Insert certifying body}. (If true – the supplier may not be contractually required to be ISO27001 certified. If not true, the supplier still has to have an ISMS whose scope encompasses the service provided).*

The Supplier shall comply with its obligations set out in the SMP.

1.2 Scope

Both the ISMS and the SMP shall, unless otherwise specified by the Customer, aim to protect all aspects of the Services and all processes associated with the delivery of the Services, including Customer Premises, the Sites, the Supplier System and any information and communication technology (ICT), information and data (including Customer Confidential Information and Customer Data) to the extent used by the Customer or the Supplier in connection with this Agreement.

The scope of The Supplier's work is illustrated in Figure 1 below.

Insert figures as appropriate

Figure 1 - Scope

The SMP is not intended to define or document the operational processes, procedures, or associated work instructions or documentation records to be deployed for HMCTS.

1.3 Approval of the SMP

If the SMP, or any subsequent revision to it, is approved by the Customer, it will be adopted immediately. If the SMP is not approved by the Customer, the Supplier shall amend it within 5 Working Days of a notice of non-approval from the Customer and re-submit to the Customer for approval. The parties will seek to ensure that the approval process takes no longer than 10 Working Days (or such other period as the parties may agree in writing) from the date of its first submission to the Customer.

1.4 Content of the SMP

The SMP sets out the security measures to be implemented and maintained by the Supplier in relation to all aspects of the Services and all processes associated with the delivery of the Services and shall always comply with and specify security measures and procedures which are sufficient to ensure that the Services comply with the provisions set out in the Agreement.

Specifically, the SMP:

- Sets out the security controls to be implemented and maintained by the Supplier in relation to security requirements and processes associated with the delivery of the services to be delivered under the agreed contractual terms.
- Demonstrates that the security policies, controls, procedures and services provisioned comply with the provisions and principles set out in line with the relevant client and regulatory framework.
- Aims “to protect the aspects of the services and the processes associated with the delivery of the Services, including the Customer premises, the sites, the contractor system and any ICT system.”

The security controls and procedures set out in this document demonstrate that the Services provided comply with the provisions and principles set out in the Agreement reference *xxxxx* [A].

It is the responsibility of the Customer to notify the Supplier, through the review process for this document, of any required controls above and beyond those detailed in this document or of any changes required to the baseline security controls detailed in this document. If no notification is provided the Customer acknowledges that the baseline security controls detailed in this document are adequate.

1.5 Customer Responsibilities

The Customer will:

- Promptly notify the Supplier of any security risks, policies or procedures relevant to the Services that require additional security controls in addition to those listed below;
- Have robust and adequate security arrangements with respect to the receipt of the Services;
- Be responsible for the adequacy of its security arrangements and for monitoring compliance against them;
- Undertake regular monitoring of this SMP; and
- Notify the Supplier in a timely manner of any proposed changes to their Security Policy and/or security requirements and the parties will then agree what consequential changes need to be made to this SMP.

1.6 Amendment and Revision

The SMP will be normally reviewed by the Supplier on an annual basis to reflect:

- Significant emerging changes relating to industry good practice;
- Any changes in Agreement or Framework requirements; and
- Any specific and agreed changes to security policy advised by the Customer that impact the services.

The Supplier will provide the Customer with the results of any reviews of this document and will only implement any proposed changes or amendments to the document following approval in writing by the Customer. Any changes to the SMP requested by the Customer will require the Supplier to be informed using Clause *xxxx* (Variation Procedure).

1.7 Processing, Storage and Classification

This section should:

- *Follow the Security Aspects Letter (SAL) in stating the maximum Government Security Classification attracted by the work.*
- *Explain that OFFICIAL can normally be processed and stored on the Supplier's standard corporate ICT infrastructure.*
- *Explain that where additional controls are required for some data classified at OFFICIAL-SENSITIVE and all data at higher classifications these will be described in this SMP.*

1.8 Security Roles & Responsibilities

The following table lists the Supplier's security roles, the expected security responsibilities and the name of the person(s) assigned to each role.

Security Roles and Assignments		
Security Role	**Name and Contact Information**	**Security Responsibilities**
Compliance Officer	Name: Title: Email address: Phone number:	
Chief Information Officer (CIO) – Board Member responsible for security	Name: Title: Email address: Phone number:	
Configuration Management, Change Manager (CM)	Name: Title: Email address: Phone number:	

Security Roles and Assignments		
Security Role	**Name and Contact Information**	**Security Responsibilities**
Contracts, Procurement Officer/Manager	Name: Title: Email address: Phone number:	
Contracting Officer's Technical Representative	Name: Title: Email address: Phone number:	
Information System Security Officer	Name: Title: Email address: Phone number:	
Information Technology Architect	Name: Title: Email address: Phone number:	
Legal Advisor / Representative	Name: Title: Email address: Phone number:	
Privacy or Data Protection Officer	Name: Title: Email address: Phone number:	

Security Roles and Assignments		
Security Role	**Name and Contact Information**	**Security Responsibilities**
Other Participants	Name: Title: Email address: Phone number:	

2. Staff Security Training & Awareness

The following table identifies the person responsible for assuring that training and education is provided to all parties responsible for performing security awareness activities as part of the application System's process.

Security Role	**Name and Contact Information**
Responsible Person	Name: Title: Email address: Phone number:

Explain how the supplier delivers security training at induction and refresher training annually.

Explain other forms of security training and security awareness undertaken.

3. Risk Management

Describe your information risk management policy and process. Include how you categorise risk, capture risk, set tolerances, mitigate, accept risks etc.

Respond to any specific risk related requirements in the contract.

4. Security Controls

This section summarises the Supplier's Baseline Security Controls, in accordance with ISO 27001, which will be applied to the delivery of the services. Where the Customer security requirements mean that additional controls or amendments to controls are needed, then this is detailed after the description of each control.

4.1 Security Policy

It is expected that the following words would apply to most organisations but modify as necessary.

All Staff and the Suppliers have an individual responsibility to ensure their personal compliance with the Supplier security policies within the ISMS.

Describe any security certifications which demand policy (eg ISO 27001); state who provides the certification and the frequency of review.

Supplier ICT operational procedures and the security controls documented in the security policies set are compliant with ISO 27001. The policies are approved by the Supplier senior management and are published for all Supplier staff and temporary workers to view. Furthermore, the Supplier reviews the policies annually and in response to significant changes or new threats (e.g. new risks, regulatory or legislative changes and new technological developments). All Supplier personnel, whether contractors or employees, are responsible for ensuring that Customer and the Supplier confidential information, in whatever form, is handled securely and confidentially.

All Supplier staff, contractors and temporary workers are required to comply with the Supplier Security Policies. *Describe how this is achieved – eg induction training, continuation training, declaration that they will comply and easy access to the policies, SyOPs.*

4.2 Organisation of Information Security

4.2.1 Internal Organisation

It is expected that the following words would apply to most organisations but modify as necessary.

All queries regarding security for the delivery of Services are referred and escalated to the following individuals in the following order:

- The Supplier's Security Representative
- The Customer's Security Representative.

The Supplier assigns responsibilities for security, seeks to understand the Customer's policies, and communicates the relevant aspects to the Supplier team members in an effective way. Supplier team members and managers have accountability and responsibility respectively for the security of the Services delivered. Authority is delegated to *{insert}* for day-to-day compliance and, where appropriate, to the relevant project managers of any supporting sub-contractors. *Describe whether and how you separate roles and responsibilities where there is potential for malicious or accidental breach of information security. If this is impracticable (eg due to the small size of the team) describe any compensating controls.*

4.2.2 Contract Purpose

{Insert contract purpose}. A high-level risk assessment has been created and will be under continual review as the project moves forward. The security measures to manage the risks identified are dealt with in the remainder of this plan.

4.3 Human Resource Security

4.3.1 Prior to Employment

It is expected that the following words would apply to most organisations but modify as necessary.

The Supplier, and its partners, maintain formal personnel security procedures as part of their information security programme which include comprehensive background checks for all employees.

All employees acknowledge company policies, non-disclosure agreements (NDA), and other confidentiality agreements. Information security awareness training is mandatory; *explain how this is recorded and administered.*

Explain how you apply NCSC guidance on personnel security including how you conduct vetting and clearance. Ensure that this also covers your supply chain and state whether you sponsor third parties to obtain appropriate clearance.

4.3.2 During Employment

It is expected that the following words would apply to most organisations but modify as necessary.

All Supplier personnel are held responsible for the protection of Customer information entrusted to them, or information to which they are otherwise exposed. As such, the Supplier project team should be aware of the engagement security requirements, understand their responsibilities and the need to adhere to all applicable Customer security policies, procedures and standards to ensure compliance, and will be required to sign-off this process at the commencement of the engagement.

The Supplier has a clearly defined, documented disciplinary policy and procedures which are communicated to all employees. *Explain how this is available and how employees and contractors are reminded of its importance.*

Information security awareness is covered during new employee onboarding and additional training is provided to employees with privileged access.

Detail any extra controls required for this contract – e.g., any requirements for SC and how you will meet them, or any extra specific confidentiality undertakings.

4.3.3 Termination and Change of Employment

It is expected that the following words would apply to most organisations but modify as necessary.

Upon termination of employment, there is a process in place to ensure that individuals return any Supplier property in their possession. Access rights are removed automatically from Supplier systems when an individual's employment is terminated. On change of employment there is a process to ensure that only access rights relevant to the new role are retained.

4.4 Asset Management

4.4.1 Responsibilities for Assets

Your current asset management processes should be briefly described here.

Record any additional asset management information specific to this contract here.

4.4.2 Information Classification

The United Kingdom (UK) Government Security Classification System currently comprises three tiers of OFFICIAL, SECRET and TOP SECRET assets. The majority of government information assets fall into the first of these. In accordance with Cabinet Office guidance, information classified as OFFICIAL can be routinely managed within the Supplier's enterprise-level ICT systems and subject to controls aligned with the Supplier's *{insert certification, ISMS etc here}*. In summary, the following approach will be taken to hold and process Government Information Assets:

- **OFFICIAL –** The assets may usually be stored within the Supplier's standard corporate network unless the volume and sensitivity of the data demands an increased classification and additional controls. Data held on the Supplier's laptops are protected by Whole Disk Encryption and all personnel working on information at this level are required to hold a valid BPSS.

- **OFFICIAL-SENSITIVE** – Should the Customer Senior Information Risk Owner (SIRO) seek additional controls for OFFICIAL-SENSITIVE the Supplier will work with Customer security teams to agree appropriate risk mitigation and the implementation and management of any additional controls or processes.

Information assets will be treated in accordance with their classification and in accordance with any other requirements agreed between the Supplier and the Customer throughout their life. *Record here how any contract specific information assets will be handled.*

Describe what will happen to the information assets at the end of the contract.

4.4.3 Media Handling

Describe how you control removable media within your IT estate.

Describe any particular extra, or changed, controls required for this contract.

4.5 Access Control

4.5.1 Business Requirements

It is expected that the following words would apply to most organisations but modify as necessary.

There are access control policies for both physical and logical access to information assets. These policies are supported by processes to ensure that access rights are aligned with user roles and the security risk assessment. In addition, the need to know principle is applied and the classification of information is considered in all access decisions. Access is formally granted by the asset owner, is reviewed on a regular basis and is withdrawn on change of need or termination of employment. The roles involved in the management of access are segregated.

4.5.2 User Access Management

It is expected that the following words would apply to most organisations but modify as necessary.

To achieve the requirements of paragraph 3.5.1, there are formal processes around the granting, monitoring and revoking of access. Privileged user access is strictly controlled to conform to a "need to use" basis and privileged access is only allowed through a different user ID than for general business activities.

Describe your user access management policies.

Describe any variations or additions for this contract.

4.5.3 User Responsibilities

User responsibility for protecting their passwords is covered in *{insert}.*

Describe any extra controls for this contract.

4.5.4 System and Application Access Control

Unauthorised access to systems and applications is restricted in accordance with the Supplier's *{insert}.*

Briefly describe your password management system and the controls surrounding it.

Briefly describe your privileged access management systems.

Describe any extra, or changed, controls for this contract.

4.6 Cryptographic Controls

It is expected that the following words would apply to most organisations but modify as necessary.

The Supplier has developed and implemented a Cryptography Policy which covers the circumstances under which encryption is mandatory. The policy also covers key management throughout the lifecycle of key material.

Describe any extra, or changed, controls for this contract.

4.7 Physical and Environmental Security

4.7.1 Secure Areas

Describe the physical security measures implemented at any locations involved in the provision of this contracts. Include perimeter measures, building measures, physical access mechanisms, CCTV, guarding, deliveries, despatches etc. Describe how these apply to this contract.

4.7.2 Equipment

Describe the physical security measures applicable to equipment. Include storage, printer use, storage of documents, environmental protection, UPS, power, telecommunications, remote working, decommissioning etc. Describe how these apply to this contract.

4.8 Operations Security

4.8.1 Operational Procedures and Responsibilities

There are documented operational procedures for all operational activities associated with information processing and communications.

Describe the security aspects of change management processes, capacity management, environment management etc.

Describe how these apply to this contract.

4.8.2 Protection from Malware

Describe how all systems are protected from malware. Describe how this applies to this contract.

4.8.3 Backup

It is expected that the following words would apply to most organisations but modify as necessary.

The Supplier has both policy and procedure for back-ups. Backups are logged, and the logs are held indefinitely. The Supplier implements multiple layers of redundancy and backup for business-critical systems such as database, email and storage. The Supplier's IT team can restore systems with up to date backups and this capability is regularly tested.

Describe any extra, or changed, controls for this contract.

4.8.4 Logging and Monitoring

Describe the protective monitoring used by the Supplier.

Describe how any requirements to provide protective monitoring to the Customer will be met.

4.8.5 Control of Operational Software

It is expected that the following words would apply to most organisations but modify as necessary.

The installation of software on operational systems is strictly controlled to protect the integrity of the systems. The process ensures that appropriate authorisation is obtained, and that vendor supplied software is maintained and in support.

Describe any extra, or changed, controls for this contract.

4.8.6 Technical Vulnerability Management

Describe your policy and processes for technical threat and vulnerability management from recognition of threats and vulnerabilities through the risk management process to the remediation and testing of that remediation.

Describe any extra, or changed, controls for this contract.

4.8.7 Information Systems Audit Considerations

It is expected that the following words would apply to most organisations but modify as necessary.

Audit requirements (including external penetration and vulnerability testing) on operational systems are carefully controlled and subject to appropriate authorisation.

Describe any extra, or changed, controls for this contract.

4.9 Communications Security

4.9.1 Network Security Management

Describe the Supplier network security controls. Include controls relating to network service suppliers, how network service provision is monitored, network access controls, network segregation, visitor access etc.

Describe any extra, or changed, controls for this contract.

4.9.2 Information Transfer

It is expected that the following words would apply to most organisations but modify as necessary.

Personal responsibility for adherence to information transfer policies and procedures is reinforced in awareness training and through the medium of the *{insert here}* document. This is further enhanced by the SyOPs.

Describe the policy and processes used for the transfer of sensitive data. Describe any use of codes of connection if applicable.

Describe any extra, or changed, controls for this contract.

4.10 System Acquisition, Development and Maintenance

4.10.1 Security Requirements

It is expected that the following words would apply to most organisations but modify as necessary.

The Supplier uses a formal process to capture and approve requirements for any system acquisition or development. This includes the security requirements.

Where applications are accessed on public networks the sensitivity of the data involved informs decisions on the application of controls such as mutual authentication and encryption.

Describe any extra, or changed, controls for this contract.

4.10.2 Security in Development and Support

It is expected that the following words would apply to most organisations but modify as necessary.

Secure development is supported by a Technical Specification document which gives the detailed technical solution that will be developed to deliver the development in question. The purpose of this document is to give detailed and replicable content for the building and review of the proposed solution. The document template includes significant security content and will ensure that security is built into the solution from the earliest stage.

Describe your applicable change control procedures from a security perspective, the testing regime for change, the security applied to the development environment etc.

Describe any extra, or changed, controls for this contract.

4.10.3 Test Data

It is expected that the following words would apply to most organisations but modify as necessary.

Test data is selected to have the least level of value, while still being viable, and may be created specifically for test purposes (for example, where personally identifiable information (PII) is required).

Describe any extra, or changed, controls for this contract.

4.11 Supplier Relationships

4.11.1 Information Security in Supplier Relationships

It is expected that the following words would apply to most organisations but modify as necessary.

All individuals contracted to work as sub-contractors are employed using approved recruitment agencies or on-boarding processes. Contracts of employment for contractors and third parties include

non-disclosure and confidentiality terms. Sub-contractors are risk-assessed and, subject to the complexity and scale of any projects they may be required to work on, engagement specific training will be provided to ensure compliance with the Security Policies and SMP.

Other sub-contractors, usually small and medium enterprises or above, are selected with their ability to conform to these security policies in mind, as well as the quality of services that they can offer, and any formal contractual security requirements will be disseminated through their contracts with the Supplier for the provision of the specific services.

All relevant security requirements in the contract are flowed down to sub-contractors.

Describe how these controls apply in this specific contract.

4.11.2 Supplier Service Delivery Management

It is expected that the following words would apply to most organisations but modify as necessary.

Monitoring and review of supplier service delivery is the responsibility of the contracting department within the Supplier. However, it is incumbent on them to involve the security team to ensure that the information security provisions of the agreement are being adhered to and that security incidents are managed properly.

Any service changes will be reviewed by the owner of the supplier relationship, to ensure they meet requirements and any new risks, including information security risks, assessed and dealt with/mitigated as required.

Describe any extra, or changed, controls for this contract.

4.12 Information Security Incident Management

Describe your security incident reporting policy and processes including how it caters for suspected weaknesses in addition to actual incidents. Describe such matters as security triaging, forensic factors, lessons learned etc.

Describe how these controls apply in this specific contract.

Describe any extra, or changed, controls for this contract.

4.13 Business Continuity Management

4.13.1 Information Security Continuity

It is expected that the following words would apply to most organisations but modify as necessary.

The Supplier's business continuity (BC)/disaster recovery (DR) plans cater for the requirement for continuity of information security during incidents, crises or disasters. To achieve this the information security team are a stakeholder in the BC/DR plans. As far as is practicable, information security resilience and recovery are tested during BC/DR exercises.

Describe how BC/DR applies to this contract including how, if necessary, it will fit in with the Customers BC/DR plans and processes.

4.13.2 Redundancies

Describe your standard redundancy mechanisms and how these will be assessed for whether they meet the requirements of this contract. If they do not, then describe any extra or changed redundancy mechanisms.

4.14 Compliance

4.14.1 Compliance with Legal and Contractual Requirements

It is expected that the following words would apply to most organisations but modify as necessary.

All legal, regulatory and contractual requirements have been identified and are documented in the *{insert document title}.*

The Supplier has an Intellectual Property Rights (IPR) Policy to embed its responsibility to ensure that staff and business processes recognise and act in accordance with legislation governing IPR and the use of proprietary software.

The Supplier operates controls to ensure that records are retained according to the legal requirements.

The Supplier has a policy on data protection for PII in conformance with the Data Protection Act 2018. Privacy is a key part of staff awareness training.

Where cryptographic controls are implemented, the environment in which they are used shall be assessed to ensure relevant parties are aware of all legislation and regulations that relate to that environment.

Describe any extra, or changed, controls for this contract.

4.14.2 Information Security Reviews

The Supplier is formally certified to ISO 27001 (the international standard for information security management). The scope of the certificate (Certificate No: IS 636555) applies to the ISMS relating to the Supplier's common processes used to handle, process and store a client's confidential information, including Protectively Marked Material, in order for the Supplier to carry out client engagements.

The Supplier is subject to six monthly independent surveillance visits by our auditors and is scheduled to undergo a complete re-inspection in Q4 2019.

5. Document Sign-Off

The following people have been assigned with sign-off responsibility for this document:

Responsibility	Name	Sign-off Date
Supplier Security representative	*XXXXXXXX*	*[insert date]*
Other sign off as required	*XXXXXXXX*	*[insert date]*
Other sign off as required	*XXXXXXXX*	*[insert date]*
Customer Security representative	*XXXXXXXX*	*[insert date]*

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SCHEDULE 6

INSURANCE REQUIREMENTS

Schedule 6 (*Insurance Requirements*)

1 OBLIGATION TO MAINTAIN INSURANCES

1.1 Without prejudice to its obligations to the Authority under this Contract, including its indemnity and liability obligations, the Supplier shall for the periods specified in this Schedule take out and maintain, or procure the taking out and maintenance of the insurances as set out in Annex 1 and any other insurances as may be required by applicable Law (together the "**Insurances**"). The Supplier shall ensure that each of the Insurances is effective no later than the date on which the relevant risk commences.

1.2 The Insurances shall be maintained in accordance with Good Industry Practice and (so far as is reasonably practicable) on terms no less favourable than those generally available to a prudent contractor in respect of risks insured in the international insurance market from time to time.

1.3 The Insurances shall be taken out and maintained with insurers who are:

(a) of good financial standing;

(b) appropriately regulated;

(c) regulated by the applicable regulatory body and is in good standing with that regulator; and

(d) except in the case of any Insurances provided by an Affiliate of the Supplier, of good repute in the international insurance market.

1.4 The Supplier shall ensure that the public and products liability policy shall contain an indemnity to principals clause under which the Authority shall be indemnified in respect of claims made against the Authority in respect of death or bodily injury or third party property damage arising out of or in connection with the Contract and for which the Supplier is legally liable.

2 GENERAL OBLIGATIONS

2.1 Without limiting the other provisions of this Contract, the Supplier shall:

(a) take or procure the taking of all reasonable risk management and risk control measures in relation to the Services as it would be reasonable to expect of a prudent contractor acting in accordance with Good Industry Practice, including the investigation and reports of relevant claims to insurers;

(b) promptly notify the insurers in writing of any relevant material fact under any Insurances of which the Supplier is or becomes aware; and

(c) hold all policies in respect of the Insurances and cause any insurance broker effecting the Insurances to hold any insurance

slips and other evidence of placing cover representing any of the Insurances to which it is a party.

3 FAILURE TO INSURE

3.1 The Supplier shall not take any action or fail to take any action or (insofar as is reasonably within its power) permit anything to occur in relation to it which would entitle any insurer to refuse to pay any claim under any of the Insurances.

3.2 Where the Supplier has failed to purchase any of the Insurances or maintain any of the Insurances in full force and effect, the Authority may elect (but shall not be obliged) following written notice to the Supplier to purchase the relevant Insurances, and the Authority shall be entitled to recover the reasonable premium and other reasonable costs incurred in connection therewith as a debt due from the Supplier.

4 EVIDENCE OF INSURANCES

4.1 The Supplier shall upon the Effective Date and within 15 Working Days after the renewal or replacement of each of the Insurances, provide evidence, in a form satisfactory to the Authority, that the Insurances are in force and effect and meet in full the requirements of this Schedule. Receipt of such evidence by the Authority shall not in itself constitute acceptance by the Authority or relieve the Supplier of any of its liabilities and obligations under this Contract.

5 CANCELLATION

5.1 Subject to Paragraph 6.2, the Supplier shall notify the Authority in writing at least 5 Working Days prior to the cancellation, suspension, termination or non-renewal of any of the Insurances.

5.2 Without prejudice to the Supplier's obligations under Paragraph 4, Paragraph 6.1 shall not apply where the termination of any Insurances occurs purely as a result of a change of insurer in respect of any of the Insurances required to be taken out and maintained in accordance with this Schedule.

6 INSURANCE CLAIMS, PREMIUMS AND DEDUCTIBLES

6.1 The Supplier shall promptly notify to insurers any matter arising from, or in relation to, the Services and/or this Contract for which it may be entitled to claim under any of the Insurances. In the event that the Authority receives a claim relating to or arising out of the Services and/or this Contract, the Supplier shall co-operate with the Authority and assist it in dealing with such claims at its own expense including without limitation providing information and documentation in a timely manner.

6.2 The Supplier shall maintain a register of all claims under the Insurances in connection with this Contract and shall allow the Authority to review such register at any time.

6.3 Where any Insurance requires payment of a premium, the Supplier shall be liable for and shall promptly pay such premium.

6.4 Where any Insurance is subject to an excess or deductible below which the indemnity from insurers is excluded, the Supplier shall be liable for such excess or deductible. The Supplier shall not be entitled to recover from the Authority any sum paid by way of excess or deductible under the Insurances whether under the terms of this Contract or otherwise.

ANNEX 1: REQUIRED INSURANCES

PART A: INSURANCE CLAIM NOTIFICATION

Except where the Authority is the claimant party, the Supplier shall give the Authority notice within 20 Working Days after any insurance claim in excess of [redacted] relating to or arising out of the provision of the Services or this Contract on any of the Insurances or which, but for the application of the applicable policy excess, would be made on any of the Insurances and (if required by the Authority) full details of the incident giving rise to the claim.

PART B: THIRD PARTY PUBLIC AND PRODUCTS LIABILITY INSURANCE

1 Insured

1.1 The Supplier

2 Interest

2.1 To indemnify the Insured in respect of all sums which the Insured shall become legally liable to pay as damages, including claimant's costs and expenses, in respect of accidental:

(a) death or bodily injury to or sickness, illness or disease contracted by any person; and

(b) loss of or damage to physical property;

happening during the period of insurance (as specified in Paragraph 5) and arising out of or in connection with the provision of the Services and in connection with this Contract.

3 Limit of indemnity

3.1 Not less than [redacted] in respect of any one occurrence, the number of occurrences being unlimited in any annual policy period with the exception of claims in relation to Products and Pollution which shall be limited to [redacted] in the aggregate per annum.

4 Territorial limits

United Kingdom

5 Period of insurance

5.1 From the date of this Contract for the Term and renewable on an annual basis unless agreed otherwise by the Authority in writing.

6 Cover features and extensions

6.1 Indemnity to principals clause under which the Authority shall be indemnified in respect of claims made against the Authority in respect of death or bodily injury or third party property damage arising out of or in connection with the Contract and for which the Supplier is legally liable.

7 Principal exclusions

7.1 War and related perils.

7.2 Nuclear and radioactive risks.

7.3 Liability for death, illness, disease or bodily injury sustained by employees of the Insured arising out of the course of their employment.

7.4 Liability arising out of the use of mechanically propelled vehicles whilst required to be compulsorily insured by applicable Law in respect of such vehicles.

7.5 Liability in respect of predetermined penalties or liquidated damages imposed under any contract entered into by the Insured.

7.6 Liability arising out of technical or professional advice other than in respect of death or bodily injury to persons or damage to third party property.

7.7 Liability arising from the ownership, possession or use of any aircraft or marine vessel.

7.8 Liability arising from seepage and pollution unless caused by a sudden, unintended and unexpected occurrence.

8 Maximum deductible threshold

8.1 Not to exceed [redacted] for each and every third party property damage claim (personal injury claims to be paid in full).

PART C: UNITED KINGDOM COMPULSORY INSURANCES

The Supplier shall meet its insurance obligations under applicable Law in full, including, UK employers' liability insurance and motor third party liability insurance.

Part D: PROFESSIONAL INDEMNITY INSURANCE

1 Insured

1.1 The Supplier

2 Interest

2.1 To indemnify the Insured in respect of all sums which the Insured shall become legally liable to pay (whether contractually or otherwise) as damages, including claimant's costs and expenses, as a result of claims first made against the Insured during the Period of Insurance by reason of any negligent act, error and/or omission arising out of or in connection with the provision of professional advice and/or services in connection with this Contract.

3 Limit of indemnity

3.1 Not less than [redacted] in respect of any one claim and in the aggregate per annum.

4 Territorial limits

United Kingdom

5 Period of insurance

5.1 From the date of this Contract for the Term and renewable on an annual basis unless agreed otherwise by the Authority in writing and a period of 6 years following the earlier of the expiry or termination of this Contract.

6 Cover features and extensions

6.1 In respect of any claims made the policy wording must have full retroactive cover or a retroactive date to be no later than the date of this Contract.

7 Principal exclusions

None

8 Maximum deductible threshold

8.1 Not to exceed [redacted] for each and every claim.

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SCHEDULE 7

AUTHORITY RESPONSIBILITIES

Schedule 7 (*Authority Responsibilities*)

1 INTRODUCTION

1.1 The responsibilities of the Authority set out in this Schedule shall constitute the Authority Responsibilities under this Contract. Any obligations of the Authority in Schedule 2 (Services Description) and Schedule 8 (Supplier Solution) shall not be Authority Responsibilities and the Authority shall have no obligation to perform any such obligations unless they are specifically stated to be "Authority Responsibilities" and cross referenced in the table in Paragraph 3.

1.2 The responsibilities specified within this Schedule shall be provided to the Supplier free of charge, unless otherwise agreed between the Parties.

2 GENERAL OBLIGATIONS

2.1 The Authority shall:

(a) perform those obligations of the Authority which are set out in the Clauses of this Contract and the Paragraphs of the Schedules (except Schedule 2 (Services Description) and Schedule 8 (Supplier Solution));

(b) use its reasonable endeavours to provide the Supplier with access to appropriate members of the Authority's staff, as such access is reasonably requested by the Supplier in order for the Supplier to discharge its obligations throughout the Term and the Termination Assistance Period;

(c) provide sufficient and suitably qualified staff to fulfil the Authority's roles and duties under this Contract as defined in the Implementation Plan;

(d) use its reasonable endeavours to provide such documentation, data and/or other information that the Supplier reasonably requests that is necessary to perform its obligations under the terms of this Contract provided that such documentation, data and/or information is available to the Authority and is authorised for release by the Authority;

(e) procure for the Supplier such agreed access and use of the Authority Premises (as a licensee only) and facilities (including relevant IT systems) as is reasonably required for the Supplier to comply with its obligations under this Contract, such access to be provided during the Authority's normal working hours on each Working Day or as otherwise agreed by the Authority (such agreement not to be unreasonably withheld or delayed);

(f) be responsible for the provision of all hardware infrastructure (such as the Endpoint equipment, microphones, cameras and similar)

used in the courts or other buildings where Video Hearings are conducted;

(g) be responsible for the internet / wi-fi connectivity in the courts or other buildings where Video Hearings are conducted;

(h) require that the judiciary, professionals and court staff undertake all required training in relation to the use of the Services;

(i) specify the naming convention to be used for each audio / video filename;

(j) upon request by the Supplier, arrange for the Supplier to have access to the Authority's IT Management System as may be strictly necessary for the Supplier to provide the Services (subject to a maximum of four licences, unless otherwise agreed by the Authority in writing and providing any such additional licences are at the Supplier's cost);

(k) provide the watermark(s) which can be displayed in the corner of the Judicial Office Holder's video tile for the duration of the Video Hearing;

(l) subject to the Supplier having complied with its obligations under Paragraph 4 of Annex 2 to Schedule 2 (Services Description), send Users information on how to join the relevant Video Hearing;

(m) provide reasonable guidance to the Supplier on uploading and accessing documents on the ITSM;

(n) host and maintain the Authority Solution;

(o) provide and manage an Authority Help Desk for Users experiencing problems accessing the Video Hearings Service; and

(p) notify the Supplier (within 24 hours where practical) if there are any planned maintenance, updates or identified security threats associated with the Authority Solution.

3 SPECIFIC OBLIGATIONS

3.1 The Authority shall, in relation to this Contract perform the Authority's responsibilities identified as such in this Contract the details of which are set out below:

Document	Location (Paragraph)
Schedule 8	Paragraph 5.1 – 5.4

SCHEDULE 8

SUPPLIER SOLUTION

Schedule 8 (*Supplier Solution*)

1 Background

1.1 Vodafone and its key supplier New Era, are video Integrators with in-depth knowledge of the Justice sector, providing a whole market view of video conferencing technologies. We are experienced providers of managed video services and have managed numerous integrations with leading vendors' products, enabling video conferencing workflows to be embedded in applications.

1.2 We have provided video conferencing services to the Authority for over 10 years – including the Justice Video Service (JVS), and the Voice Video & Integration (VVI) contract – providing end-to-end managed services, supporting over 2500 video endpoints. Recently we developed video offerings to include the Justice Secure Cloud, Virtual meeting rooms and a Virtual Courts application similar to the HMCTS Video Hearings (VH) application. In developing this application, we have acquired in-depth knowledge of the integration capabilities of the Pexip Infinity application that the Authority Solution has been designed to work with and have developed a 'Supplier Interface' to broker and secure requests from our own Virtual Courts application to Pexip APIs.

2 Overview

2.1 Vodafone's video hearings 'engine' (Video Engine) solution is based on Pexip Infinity. The Authority Solution application will access the service via a Supplier developed Supplier Interface that will allow the Authority Solution to dynamically create, launch and schedule video conferences on the Vodafone platform.

2.2 Vodafone has an existing multi-service Pexip platform known as the Justice Secure Cloud (JSC) that we will utilise and enhance to support the Video Engine service. The platform is uniquely located in a

The JSC platform is currently hosted

2.6 The following diagram details the platform architecture:

Figure1: Platform Architecture

[redacted]

3 Design Principles

3.1 The Vodafone solution has been designed based on the following design principles:

Feature	Description
High Availability	[redacted]
Scalability	[redacted]

	[redacted]
Capacity	[redacted]
Optimise Compute resources	[redacted]
Security	[redacted]
Robust Design	[redacted]
Monitoring	

Table 1: Design Principles

4 Platforms

4.1 To support the overall service, we will create/deploy the following environments:

- Production – hosted in [redacted]
- Staging – hosted in [redacted]
- Sandbox – [redacted]
- Development – [redacted]
- Training – [redacted]

[redacted]

4.4 The following diagram details where the various platforms will be hosted:

[redacted]

Figure2: Production, Staging and Development Environments

5 Supplier Interface

5.1 The Supplier will develop, maintain, and host the Supplier Interface which will interface between the Video Engine and the Authority Solution. The Supplier intends, where possible, to re-use existing developments. In delivery of the Supplier Interface, there is a dependency on the Authority to provide the following resources and/or teams:

- Access to Authority Solution.
- Video Hearing Developers
- Project Management
- Security Assurance
- Authority Service Owner
- Business Process Owners – required for governance.
- Video Hearing Senior/Power Users – required during the quality assurance phase.
- User Acceptance Testing

5.2 The Authority is expected to provide resources for Board meetings at the appropriate level of seniority.

5.3 Where there is a requirement for the Supplier to work with the Authority's other Video Hearing suppliers, the Authority shall arrange meetings and require the Authority's other Video Hearing suppliers to respond in a timely manner to Supplier requests.

5.4 The Authority Solution must be designed following industry best practice and the Authority Solution shall follow Pexip's guidelines and best practices to ensure performance. In line with this industry best practice, there is a requirement for the Authority to provide details and specifications of the Authority Solution to the Supplier.

5.5 During the Discovery and Planning Workshops Phase (Discovery) as outlined in the Outline Implementation Plan), the Supplier requires the following from the Authority:

- Detailed information regarding the Video Hearing API calls – the request and the expected response:
- The purpose of each call
- The structure/format of the call
- The expected results/information from a successful call including formats
- The expected results/information from an unsuccessful call including formats
- How quickly the call should be responded to
- Expected volume of calls
- Details regarding the latency expectations for specific API calls
- Detailed designs for each of the user journeys
- Details of where the application uses native API calls

6 Details of how the Authority Solution calls the Management API. Storage and backup

[redacted]

7 Data Protection and Encryption

[redacted]

[redacted]

8 Scalability

[redacted]Our solution design is based on [redacted]

8.3 The following diagram details how we will manage and overflow capacity into GCP:

[redacted]

Figure 3: Capacity and Call Overflow

[redacted]

8.5 The Supplier Interface will be resilient and scalable.

9 Handling a critical event/pandemic load

[redacted]

10 Capacity management/planning

10.1 We have real-life performance statistics from [redacted] that allows us to accurately model and predict Compute capacity and therefore performance. We will [redacted] substituting gateway load with Video Engine load. [redacted] we can offer scaling beyond the stated requirements and can tailor how we route calls to take advantage of either environment in terms of efficient use of resources or taking opportunities to reduce cost.

[redacted]

10.3 Additionally, we have real-life data [redacted] that shows how calls ramp-up. We will use this information to ensure that our new service is capable of rapidly expanding to meet demand and ensure availability of the service. Therefore, ensuring effective use of resources and providing availability on demand.

11 User Self-Test capability

11.1 To enable Users to self-test their environment prior to a hearing, Vodafone propose to [redacted]

11.2 The test service will allow users to check that their local camera, microphone and speakers are working properly and that they can connect the VH service and stay connected. We currently offer [redacted]

11.3 The test service will be accessed via a dedicated URL that can be embedded in VH invite message or accessed directly from help pages. Additionally, the test service can be called from within the Authority Solution. We will provide documentation/training on how users can self-test.

12 Handling fluctuations in bandwidth

12.1 Our solution will ensure optimal video quality during the VH by [redacted]

12.2 The solution [redacted] to optimise bandwidth and handle fluctuations in bandwidth by dynamically adjusting the video quality based on available bandwidth, ensuring a smooth experience without overwhelming network connections. The solution [redacted] for

down speeding, bandwidth throttling, and other packet loss concealment technologies to enhance the reliability and quality of real-time media streams, over local access with packet loss or latency issues.

[redacted]In addition to the adaptive optimisations, the Video Engine [redacted]

12.4 Although we cannot influence fluctuations in a connecting User's broadband connection, we can ensure no bottlenecks in the datacentre bandwidth through [redacted] Additionally, via the Supplier Interface we can provide Administrators with real-time call statistics enabling them to identify if call quality has been impaired due to the User's local connection. [redacted] portal we provide real-time call quality statics including latency and jitter and can alert when specific thresholds are exceeded. These are the practical steps we will take to manage fluctuations in bandwidth.

13 Ensuring that our solution will not be impacted by any changes made to the main browsers

13.1 We have a close working relationship with the Video Engine [redacted] get early visibility of new functionality and changes to the supported browser versions. This allows us ample time to research and test new releases prior to launch. [redacted] automated tests on all the leading desktop browsers. tests are performed twice daily for the released versions of all major browsers. We will maintain the Video Engine software at a minimum of (N-2) where N is the latest recommended major release.

14 Audio Conferencing

[redacted]

15 Number porting

15.1 Vodafone will port the Authority's existing 0800 numbers onto Vodafone's platform subject to Ofcom's Non-Geographic Number Portability (NGNP) process.

15.2 Vodafone has an established number porting process which aligns to Ofcom's Non-Geographic Number Portability (NGNP) process that will ensure a seamless experience for end users.

16 Managing and Optimising Compute Capacity

16.1 **How we will work with the Authority to optimise the use of Compute**. To ensure effective use of Compute, Vodafone's solution uses [redacted]

16.2 The following diagram details how the overall compute resources will be reduced with our solution:

Figure 4: Comparison of Compute

Our methodology to develop and implement scaling plans and report consumption of Compute.

16.5 The diagram below demonstrates how Vodafone will provide insightful information trend analysis.

16.6 The following diagram correlating call volumes with compute usage:

Figure 5: Call volume vs Compute Usage

16.7 There is a commercial advantage in using We will monitor the costs of both environments and will move workload where appropriate, to ensure the

16.8 In addition to the measures above we will undertake the following activities to reduce use of Compute to the Authority:

- Collaborate with the Authority to fine tune the capacity thresholds
- Consider time limiting the availability of the lab environments
- Consider a 'tidy-up' programme to clear down calls
- Fine tune the number of conferencing nodes
- Evaluate alternative cloud provider costs and consider moving resources
- Evaluate new technologies/more efficient compute – as compute technology evolves
- Work closely with the vendor to ensure our virtual server builds conform to recommendations and upgrade where appropriate

[redacted] Our event management and monitoring alert service will [redacted]

16.10 **Our approach to setting targets for year-on-year reduction in the volume of Compute utilised.** Our approach is, in-line with Paragraph 3 of Annex 3 to Schedule 2 – to review with the Authority at each capacity planning meeting, its forecast for the peak number of Concurrent Participating Devices in each Service Period covered by that forecast period. This will determine expected load for the future defined period. We will also work with you to identify inefficient use of resources such as calls that are left connected for the full day when not in use [redacted]

17 Security

Ensuring our solution is protected against unauthorised changes

17.1 The controls relevant to protecting against unauthorised changes are covered by our Information Security Management System (ISMS) policies. We currently provide the [redacted] have not experienced a security breach on our platform since its inception. Unauthorised changes are prevented by stringent change processes, which:

- Mandate security reviews
- Define roles and responsibilities
- Outline change board requirements
- Ensure all device access is correlated against a valid change request ticket.

17.2 We will also align to your change processes to ensure joint visibility and approval of changes implemented across the platform.

Ensuring continuing compliance with HMCTS/HM Government Policies

17.3 This is our approach to ensuring continuing compliance:

[redacted]

[redacted]

Protective Monitoring

[redacted]

Log data

17.5 We will retain audit data for a minimum of three months.

18 Development Approach and Methodology

18.1 Vodafone will follow [redacted] methodology allowing us to introduce new functionality quickly, whilst maintaining quality.

18.2 Our teams have significant experience in developing video conferencing applications and specifically [redacted]

18.3 Our development approach is centred around the following principles:

[redacted]

18.4 By [redacted] we aim to deliver the new features early. The methodology enables early and iterative feedback and ensures that features deliver the required outcomes.

Authority engagement

18.5 On Project initiation, we will work with your Project, Design and Customer Success teams to plan, design, develop, implement, test, and validate features. Projects are [redacted]

18.6 Our process starts with [redacted]

[redacted]

19 New Feature Development

19.1 Vodafone will work with the Authority to develop the following new features.

VHE-FR-0082 (Interpreter solution)

[redacted] We will collaborate to jointly identify the desired user experience for the Interpreter solution. There are several options regarding adding Interpreter workflow into the Authority Solution, including [redacted]

[redacted]

- Interpreter VMRs: Audio only or video
- Participant spoken language selected during the joining process
- interpretation 'button' on screen in the Authority Solution
- Volume selection for the Main VMR and the Interpreter

VHE-FR-0083 (Special Measures)

19.4 We will collaborate to jointly identify the requirements and desired user experience for the Special Measures Solution. [redacted]

[redacted]

19.6 We recommend dedicated design meetings inside the M2 implementation phase to fully understand and agree on the functionality to be developed.

19.7 As each feature is deployed our QA team will validate (pass/fail) new features as fit for purpose, ensuring that the desired outcomes are met. New features will be developed, implemented and tested [redacted]

[redacted]

Additional Features and Options

19.8 The Vodafone solution is uniquely placed to offer the following features/enhancements that we would be happy to discuss with the Authority:

[redacted]

20 Service Continuity

[redacted]The Video Engine service will be delivered [redacted]

[redacted]

[redacted]

[redacted]

20.4 Within 40 working days from Contract Award, we will create a Service Continuity Plan (SCP) for the Video Engine service. The SCP will incorporate all of the meetings and documents as set out in the contract. The plan will be reviewed monthly. Any invocations will be reviewed, documented and assessed against the plan.

Methodology to identify risks

20.5 Vodafone follows a comprehensive and continuous risk identification process that is aligned to ISO/IEC 27005:2018, governed by a dedicated Risk function. This ensures risks are identified, recorded, managed and mitigated as/when appropriate.

20.6 Our methodology includes the following steps:

[redacted]

[redacted]

21 Continuous Improvement

21.1 For the Authority Video Hearings solution, Vodafone will implement Processes to ensure we deliver Continuous Service Improvement (CSI).

Tools and techniques used to proactively look for service and technical innovation:

21.2 Our approach uses various proactive mechanisms and sources for identifying improvements to services and increased efficiencies. These include such tools/techniques as:

[redacted]

21.3 Our Research and Development team proactively monitors and evaluates new and updated products in the marketplace, from customer facing items to the underlying compute and monitoring tools. [redacted] Based on your continual feedback we will adapt and optimise workflows to improve services without additional cost, where possible.

22 Review of services delivered

22.1 CSI techniques are integral to our service delivery eco-system. We will collaborate with you to establish a Continuous Service Improvement Plan (CSIP) and continually evolve and improve the service. We will also analyse outputs from external/internal audits, as well as established triggers from CSIPs and lessons learnt.

23 Feedback:

23.1 Feedback is regularly obtained from a range of forums such as:

- Customer/user feedback
- Findings from operational processes (Major Incident, Problem, risks, or lessons learned)
- Service reports
- Internal/External audits
- Quality Assurance i.e., Ticket quality.

24 Assessing, developing, and implementing opportunities:

24.1 Utilising the above key forums to provide a view of current and historic performance, enables our team to contribute and assess and develop ideas for new technical and service initiatives. These will be presented to you at monthly governance meetings (with the reasons and benefits), for your review and approval.

24.2 By way of internal and customer service reviews, feedback or lessons learnt from incidents, we will continually improve the user experience. For example, on an existing [redacted] Vodafone discussions identified an opportunity for improvement in recording quality [redacted]). Following discussion at your monthly service board, the change was agreed. This will now be implemented without additional cost for the MoJ, providing the tangible benefit of higher quality images for use during court evidence.

25 Validating opportunities, including monetary benefits, improved security, standardisation of technology, and user experience benefits:

25.1 We will undertake CSI activities within all our ITIL processes, with all opportunities reviewed by our Service, Security and Commercial teams. This will ensure they deliver commercially viable benefits and validated to meet or exceed agreed Authority Security principles.

25.2 As part of our CSI Process, opportunities are [redacted]

25.3 CSIPs are tracked and managed by the Authority aligned Service Manager using our SAM tool. CSIPs will be reviewed and agreed at monthly Service Management meetings and subsequently delivered in accordance with the Change Management process.

25.4 The following regular forums will be leveraged to ensure collaboration and governance:

- Monthly Service review
- Weekly Change forum
- Weekly collaborative problem reviews.

26 Monitoring and reporting on improvements and impacts:

26.1 In-line with your CSI process, we will create [redacted]

26.2 We will agree with you a monitoring period and key deliverables to ensure we measure success, such as reduction in related incidents or reduced resolution time and we will use [redacted]

26.3 CSI opportunity updates will be maintained within ServiceNow, enabling monitoring, tracking and validation versus success criteria. Successful CSI deliveries will be closed following Authority approval.

26.4 Reports detailing the progress and outcome of CSI items will be created for review during monthly Supplier Performance Review Boards.

27 Carbon Footprint Reduction

Method Statement

27.1 Vodafone is committed to cutting carbon emissions and helping our customers do the same. We were the first telecoms operator to develop 'Science-Based' net zero targets that follow the ICT Sector pathway developed by the Science Based Targets initiative.

27.2 We publish our Carbon Reduction Plan annually, reporting our progress against targets. This year we reduced our UK operational emissions by 92% from our baseline by reducing energy consumption, decarbonising travel and switching to 100% renewable electricity.

27.3 Our environmental targets are:

- Eliminate carbon emissions from UK operations (scope 1 and 2) by 2027
- Halve emissions from the value chain (scope 3) by 2030
- Net zero across the full carbon footprint by 2040
- Enable customers to avoid 350m tonnes CO2e globally by 2030.

27.4 The Authority will receive significant value-added benefit from Vodafone's focus on de-carbonisation, with UK operations powered by 100% renewable electricity that underpins the HMCTS Video Hearing Services (VHS).

Tailored Customer Environmental Plan:

27.5 Within six months of contract award, Vodafone will fully assess the carbon footprint of the Compute and associated infrastructure. We will report to the Authority the energy consumption and cooling requirements, setting out further opportunities for carbon reduction.

27.6 Annual reporting will provide the Authority with emissions data specific to the VHS in a tailored and agreed format; this will include:

- Scope 1 (direct) emissions associated with the services, e.g., from travel
- Scope 2 emissions from electricity used, e.g., at datacentres. For infrastructure using [redacted]
- Scope 3 emissions, including purchased goods and services.

27.7 New sustainable services will be presented quarterly (see below). Table 1 below sets out the draft plan.

Achieving HMCTS Environment Commitments:

27.8 Carbon reduction for the Video Engine and Supplier Interface will be facilitated by the chassis and server blade architecture through:

- Higher density reducing rack space footprint
- Server blades sharing chassis power supply
- Efficient cooling

27.9 Vodafone will maximise energy efficiency by:

- Replacing older hardware components with energy-efficient models
- Managing power supplies, processors and memory
- Use server virtualisation to consolidate workloads onto fewer servers to further reduce energy consumption
- Power monitoring and management will be enabled that includes features such as CPU throttling, dynamic voltage scaling, and power capping.

27.10 Throughout the term, Vodafone will explore options to reduce carbon emissions, such as options for scheduled device shutdowns at certain times. These will be discussed and agreed with the Authority.

27.11 We will use experience from other contracts where we have successfully delivered carbon reporting and reductions, e.g. [redacted]

27.12 Our supplier approval process requires sub-contractors to have environmental management in place, including appropriate carbon reduction targets.

27.13 Vodafone has actively contributed to the Government Digital Sustainability Alliance (GDSA) since its foundation in 2022. Through GDSA we collaborate with our peers and sustainability teams from Government departments.

27.14 We have signed the 'Greener Litigation' pledge, which brings together litigation practices and associates. It engages with Courts to consider how emissions can be reduced (e.g. through civil procedure rules) and promotes sustainable practices through technology.

27.15 In partnership with Barnardo's, our 'Great British Tech Appeal' enables the Authority to donate un-wanted handsets and tablets. These are collected, checked, data-wiped and distributed to disadvantaged communities.

27.16 **Monitoring, measuring, and reporting:**

27.16.1 Metrics: We use the National Themes Outcomes and Measures to quantify the social value generated by this contract. Vodafone is a member of the Social Value Portal which we will use to manage contract reporting for the Authority.

27.16.2 Gathering data: Our ISO14001 and ISO50001 certified systems for environmental and energy management give assurance that carbon data is gathered, tracked, audited and reported effectively from relevant processes.

27.16.3 Reporting and communicating: Success against each commitment will be reported at contract review meetings. We will be transparent on tools and processes used.

27.16.4 Feedback and improvement: During the quarterly reviews, we will make appropriate recommendations for improvements and are open to receiving the Authority's feedback and will act upon in an agreed timely manner.

27.16.5 Influencing: Employees in our 'Red Loves Green' network receive briefings on the latest initiatives to promote to their teams, such as Green Travel Week, and have an open ideas forum. Employees can take three paid volunteering days annually, which can support nature-based causes.

New Sustainable Services and Other Significant Value-Added Benefits

27.17 Throughout the contract term, we propose a standing agenda item at Quarterly Reviews for new sustainable services. Vodafone will make the Authority aware of solutions to help meet its environmental commitments, such as:

- Vodafone's Internet of Things (IoT) products for Buildings and Facilities which monitor and control spaces and energy consuming services, resulting in energy savings of up to 30%.
- IoT sensors which can save billions of litres of water by detecting underground leaks.
- Schemes to protect nature and biodiversity. Since 2020, we have co-funded a tree monitoring solution for Defra supporting vital research into the contribution that trees make to tackling climate change.
- Our Smart Hubs offer pop-up 4G/5G connectivity at sites where broadband is limited, to connect to MoJ Section 28 video services. Vulnerable groups in society are connected, with benefits of reduced travel and court time.

27.18 Vodafone's services continuously evolve and we horizon scan for innovation. We will invite the Authority to specific Innovation Sessions to explore new products and services with sustainability benefits.

Action	How we will achieve	Delivered by	Commitment timescale	Metric
Emissions reporting	Deploy monitoring, e.g., smart power bars	Vodafone; sub-contractors	Deployment phase	Tonnes CO_2e
Emissions reporting	Report contract carbon emissions to the Authority		Within six months of contract award; Annually	
Reduce carbon emissions	Collaborate on Authority preference for options such as scheduled shutdowns	Vodafone	Q1-4 of the first year of the project	
Reduce carbon emissions	Decarbonise services. Actions include 'online first' meeting policy, switch to electric vehicles, improved network energy efficiency	Vodafone; sub-contractors	Scope 1 & 2 – 2027 Scope 1,2,3 – 2040	
New sustainable services	Agenda item at regular reviews	Vodafone	Quarterly	Minutes of meetings
New sustainable services	Customer Innovation Session	Hosted by Vodafone	Within first year	Outputs from session

Table 2: Sustainability Commitments

28 Wellbeing

28.1 At Vodafone, all employees have access to support across all areas of mental health, physical health, and wellbeing. Our team of professional wellbeing experts ensure all our employees can maintain their wellbeing through a range of actively promoted services and support options.

28.2 The wellbeing of the contract workforce – our staff and contractors – is a key focus. We provide remote service options to ensure wellbeing services are accessible to all staff, wherever and whenever they need support.

28.3 In the delivery of this contract for the Authority, we will:

- Proactively engage with the contract workforce to gain feedback on issues important to them, including health, wellbeing, physical and mental health. Use feedback to create the Health and Wellbeing Plan for the contract.
- Continue to improve environments where everyone can thrive, tracking outcomes through regular check-ins in addition to anonymous surveys.
- Ensure awareness of the Vodafone Employee Assistance Programme for in-the-moment care and Vodafone's Mental Health Service to provide a variety of therapeutic support such as Cognitive Behavioural Therapy (CBT) and Counselling. Our employees can also access free remote GP services when required.
- Promote physical health and provide a 20% discount on membership at Nuffield Health fitness centres.
- Ensure access to our established team of over 300 Mental Health First Aiders. These volunteers have been trained to provide support to aid workplace resilience, with focus topics including anxiety, loneliness, and isolation.

28.4 Our primary sub-contractor New Era is similarly committed to supporting the wellbeing of its employees. Its methods mirror ours, including an Employee Assistance Programme and workplace buddy scheme. Wellbeing data reported quarterly on this contract will include New Era employees.

28.5 We will deliver our Method Statement through the project plan, processes and specific Social Value initiatives described below.

28.6 **Timed Project Plan and Process**:

28.6.1 Project Plan

Vodafone will work closely with the Authority to develop a bespoke Health and Wellbeing Plan within the first quarter following contract award. This will be presented to the Authority for its agreement. Our draft Health and Wellbeing Plan is set out in Table 1 with details on the processes that we will employ to deliver and monitor progress.

Action	How we will achieve	Delivered by	Timescale	Metric
Workforce engagement	Staff feedback survey and suggestions Line Managers to activity promote health and wellbeing. All staff working on the Contract will have access presentations on health and wellbeing on an annual basis	Line Managers; HR	Quarterly reporting	Number of interactions on wellbeing

Action	How we will achieve	Delivered by	Timescale	Metric
Supply Chain implementation	Regular agenda item at account and sub-contractor meetings with sub-contractors to report on relevant measures	Account Management team; New Era; Supply Chain Management (SCM)	Quarterly	Percentage of companies in the supply chain to have implemented measures to improve the physical and mental health and wellbeing of employees
Improving wellbeing standards	Regular agenda item at account and sub-contractor meetings with sub-contractors to report on relevant measures	Account Management team; New Era; Supply Chain Management (SCM)	Quarterly	Percentage of companies in the supply chain to have implemented relevant standards such as the six standards in the 'Mental Health at Work commitment' or for companies with more than 500 employees, in 'Thriving at Work'.

Action	How we will achieve	Delivered by	Timescale	Metric
Influence community wellbeing through 'everyone.connected'	Co-create an initiative with the Authority which offers connectivity, access to devices and/or training to digitally excluded sectors of the community	Account team; Sustainable Business team	First year of the contract with delivery on-going through the contract period	Number of people impacted; Social value added (£)
Annual Wellbeing review	Annual summary report on key data and feedback discussion with the Authority	Account team; New Era; Sustainable Business	Annual	Summary of the above; Quantified Social Value where applicable

Table 3: Draft Health and Wellbeing Plan

28.6.2 Monitoring, measuring, reporting:

a) Use of Metrics: Where applicable, we will use the National Themes Outcomes and Measures to quantify the social value generated by this contract and these will be mapped against the Social Value Model's assessment criteria.

b) Tools and processes for gathering data: Vodafone is a member of the Social Value Portal, which will be used for social value reporting for this contract. We have ISO45001 accreditation for Health & Safety Management System, which gives assurance that data collection techniques are robust and audited.

c) Reporting: Reporting of success against each commitment will be provided at contract review meetings in the agreed format, with data provided quarterly where possible and at least annually, and in line with GDPR data protection guidelines

d) Feedback and improvement: Collaboration between Vodafone, sub-contractors and the Authority will be crucial for successful delivery of the Social Value Plan. We will be open to receiving feedback and suggestions for improvement and will act upon these in a timely manner. During the term of the contract, we will offer additional social value measures, including new initiatives and innovation to deliver our commitments to wellbeing.

e) Employee surveys, such as our bi-annual Spirit Beat survey, enable us to gain anonymous feedback. We also host regular feedback meetings with our Employee Networks and run ad hoc focus groups and exercises to gain further feedback.

Our Initiatives:

28.7 Vodafone has a long history of recognising and raising awareness of wellbeing as a key priority across our business. Company initiatives, which will benefit this contract, include:

- We have built a network of over 300 Mental Health First Aiders. These are volunteers who have undergone training to understand common issues, support people who may be struggling and signpost them to appropriate professional services. We support this group with regular learning and facilitate additional training for employees wishing to join the network.
- We introduced Mental Health Awareness modules on our Grow learning platform. The modules help users understand emotional wellbeing, what stress is and how it affects behaviour along with providing practical advice for managing individual stress and supporting colleagues.
- All our employees have free access to our dedicated Mental Health Service, an expert-led assessment and treatment service giving personalised emotional support. Initial contact and telephone triage is conducted before allowing access to quick support across different intensities.
- All our employees and their dependants can access Remote GP, a free platform giving direct access to GP consultations (telephone or video) available 24/7, offering advice, diagnosis, a private prescription, a private fit note, or referral to consultation.
- Last year, we launched ‘Nudge’, a financial education tool, giving handy money-saving advice, useful tips and helping set financial goals and benchmarks against them.
- We have identified the need to help managers better support the mental health of their teams. We deliver a half-day (virtual) Manager’s Mental Health Awareness course. Since the beginning of training in 2020, 900 managers have completed training.
- Our partner Nuffield Health provides employees with free access to the ‘My Wellbeing’ app which includes home workouts, nutritional content and emotional wellbeing support.
- Our annual month-long Global Wellbeing Challenge, linked to World Heart Day on 28th September, is an opportunity for our people to compete as they enjoy their favourite sports and exercise. Our Wellbeing Challenge Workplace group supports and celebrates our exercise achievements through the year.
- The ISO45001 certified Health & Safety Management System that we have in place across all Vodafone operations in the UK, including this contract, ensures that risks to physical and mental health are assessed and managed. Our system is audited to ensure that it is effective, and we hold regular reviews to drive continuous improvement.
- All employees take a day once a quarter to focus on wellbeing. Known as ‘Spirit Days’, employees are told not to schedule any meetings or respond to any emails

but instead to focus on activities to improve their physical and mental health and development.

- All employees can take three volunteering days annually to support charities of their choice, promoting community engagement.

Action to support health and wellbeing in the contract workforce:

28.8 Following contract award in line with The Mental Health at Work commitment, we will implement and communicate a wellbeing and mental health at work plan. This will draw on best practice and represent the views of employees, specifically exploring feedback from people with mental health problems.

28.9 We will routinely monitor employee mental health and wellbeing using available data and seek feedback from the contract workforce to support continuous improvements. One-to-one informal and formal staff/manager meetings, within an open and supportive culture, provide opportunities for employees to discuss emerging issues. Managers, trained in mental health and wellbeing, provide support or signpost to appropriate services including our in-house GP or mental health first aiders.

28.10 An annual programme of activities, prioritising workplace mental health will be supported by the workforce having flexible access to training courses, support services and awareness-raising activities. The programme will be in line with our clear ethos, communicated from board level.

28.11 To provide additional support and in line with our flexible ways of working, we have moved onsite medical services to online, including GP and Cognitive Behavioural Therapy ('CBT') services. The provision of employee assistance programmes and psychological support services will enable the workforce to access the right level of support at the right time to support ongoing wellbeing.

Influencing staff, suppliers, customers, and communities through the contract:

28.12 Our approach to influencing includes:

- Publishing our Annual Report which details our wellbeing approaches, results, and future strategies
- Recognition of national and global wellbeing days, regular updates, webinars and training courses.
- Sharing 'good news' stories on our News centre of how we have supported our staff and communities to achieve wellbeing and mental health resilience, including via our 'everyone.connected' campaign to enable four million people to cross the digital divide by 2025

Influencing Staff:

28.13 Throughout the contract period, Vodafone will maintain a proactive approach to support health and wellbeing, including physical and mental health. Our proactive approach will include webinars, workplace posts, Wellbeing Days, events and resources. Our wellbeing intranet site includes guides, tips, templates, videos, courses, and podcasts to ensure full understanding of workplace mental health and best practice across the contract workforce.

Influencing Suppliers:

28.14 We include health and safety in our supplier assessment process. We engage with suppliers of all sizes on wellbeing at our annual Supplier Health, Safety, Environment and Wellbeing Conference.

28.15 On this contract, wellbeing will be a standard agenda item with our sub-contractors, including New Era. New Era's own systems promote wellbeing, for example:

- Through their Company Handbook, informing employees of commitments and arrangements for health and safety, including 'Well-being and reducing work-related stress', referring to measures such as the right to disconnect.
- Holding forums (called 'HR hour'), which are an opportunity for employees to give their suggestions and feedback. The sessions cover topics such as company wellbeing support, company culture, and performance management.

Influencing Customers:

28.16 During the contract we will discuss wellbeing performance with the Authority quarterly, including:

- Sharing information
- Best practice
- Influencing culture
- Opportunities to collaborate on wellbeing initiatives.

Influencing Communities:

28.17 Our 'everyone.connected' campaign delivers support to those who need it most including those with disabilities, people living alone, families, jobseekers, small businesses, remote communities, and the elderly. We provide connectivity, devices, training and support through a number of community-based initiatives. Everyone.connected enables remote working, education, connection and access to online resources to support wellbeing and good mental health. Our initiatives include:

- 'Charities.connected' through which SIMs loaded with data and free connectivity for six months are distributed via charities, including the Trussell Trust (foodbanks)
- Bespoke training for those not confident in the use of online services such as banking
- Re-distribution of redundant handsets and tablets through our Great British Tech Appeal, benefitting families and young people through our partnership with Barnardo's.

28.18 We offer to co-create a community campaign with the Authority and its partners as part of this contract.

Value to the Authority:

28.19 Vodafone is fully aware of the importance of the Authority's commitment to health and wellbeing. Our response shows compelling evidence that we currently improve

the health and wellbeing for our staff and wider communities and sets out our plans to evidence the measures and improvements specific to this contract in support of wider Government targets and aligned with the Authority's culture.

SCHEDULE 8

SUPPLIER SOLUTION

Schedule 8 (*Supplier Solution*)

1 Background

1.1 Vodafone and its key supplier New Era, are video Integrators with in-depth knowledge of the Justice sector, providing a whole market view of video conferencing technologies. We are experienced providers of managed video services and have managed numerous integrations with leading vendors' products, enabling video conferencing workflows to be embedded in applications.

[redacted]

2 Overview

2.1 Vodafone's video hearings 'engine' (Video Engine) solution is based [redacted] The Authority Solution application will access the service via a Supplier developed Supplier Interface that will allow the Authority Solution to dynamically create, launch and schedule video conferences on the Vodafone platform.

2.2 Vodafone has an existing multi-service [redacted] known as the Justice Secure Cloud (JSC) that we will utilise and enhance to support the Video Engine service. The platform is uniquely located in a [redacted]

[redacted] The JSC platform is currently hosted [redacted]

2.6 The following diagram details the platform architecture:

[redacted]

Figure1: Platform Architecture

[redacted]

3 Design Principles

3.1 The Vodafone solution has been designed based on the following design principles:

Feature	Description
High Availability	[redacted]
Scalability	[redacted]

	[redacted]
Capacity	[redacted]
Optimise Compute resources	[redacted]
Security	[redacted]
[redacted]	[redacted]
Monitoring	

Table 1: Design Principles

4 Platforms

4.1 To support the overall service, we will create/deploy the following environments:

- Production – hosted in [redacted]
- Staging – hosted in [redacted]
- Sandbox – [redacted]
- Development – [redacted]
- Training – [redacted]

[redacted]

[redacted]

4.4 The following diagram details where the various platforms will be hosted:

Figure2: Production, Staging and Development Environments

5 Supplier Interface

5.1 The Supplier will develop, maintain, and host the Supplier Interface which will interface between the Video Engine and the Authority Solution. The Supplier intends, where possible, to re-use existing developments. In delivery of the Supplier Interface, there is a dependency on the Authority to provide the following resources and/or teams:

- Access to Authority Solution.
- Video Hearing Developers
- Project Management
- Security Assurance
- Authority Service Owner
- Business Process Owners – required for governance.
- Video Hearing Senior/Power Users – required during the quality assurance phase.
- User Acceptance Testing

5.2 The Authority is expected to provide resources for Board meetings at the appropriate level of seniority.

5.3 Where there is a requirement for the Supplier to work with the Authority's other Video Hearing suppliers, the Authority shall arrange meetings and require the Authority's other Video Hearing suppliers to respond in a timely manner to Supplier requests.

5.4 The Authority Solution must be designed following industry best practice and the Authority Solution shall follow Pexip's guidelines and best practices to ensure performance. In line with this industry best practice, there is a requirement for the Authority to provide details and specifications of the Authority Solution to the Supplier.

5.5 During the Discovery and Planning Workshops Phase (Discovery) as outlined in the Outline Implementation Plan), the Supplier requires the following from the Authority:

- Detailed information regarding the Video Hearing API calls – the request and the expected response:
- The purpose of each call
- The structure/format of the call
- The expected results/information from a successful call including formats
- The expected results/information from an unsuccessful call including formats
- How quickly the call should be responded to
- Expected volume of calls
- Details regarding the latency expectations for specific API calls
- Detailed designs for each of the user journeys
- Details of where the application uses native API calls

6 Details of how the Authority Solution calls the Management API. Storage and backup

[redacted]

7 Data Protection and Encryption

[redacted]

[redacted]

8 Scalability

[redacted] Our solution design is based on [redacted]

8.3 The following diagram details how we will manage and overflow capacity into GCP:

[redacted]

Figure 3: Capacity and Call Overflow

[redacted]

8.5 The Supplier Interface will be resilient and scalable.

9 Handling a critical event/pandemic load

[redacted]

10 Capacity management/planning

10.1 We have real-life performance statistics from [redacted] that allows us to accurately model and predict Compute capacity and therefore performance. We will [redacted] substituting gateway load with Video Engine load. [redacted] we can offer scaling beyond the stated requirements and can tailor how we route calls to take advantage of either environment in terms of efficient use of resources or taking opportunities to reduce cost.

[redacted]

10.3 Additionally, we have real-life data [redacted] that shows how calls ramp-up. We will use this information to ensure that our new service is capable of rapidly expanding to meet demand and ensure availability of the service. Therefore, ensuring effective use of resources and providing availability on demand.

11 User Self-Test capability

11.1 To enable Users to self-test their environment prior to a hearing, Vodafone propose to [redacted]

11.2 The test service will allow users to check that their local camera, microphone and speakers are working properly and that they can connect the VH service and stay connected. We currently offer [redacted]

11.3 The test service will be accessed via a dedicated URL that can be embedded in VH invite message or accessed directly from help pages. Additionally, the test service can be called from within the Authority Solution. We will provide documentation/training on how users can self-test.

12 Handling fluctuations in bandwidth

12.1 Our solution will ensure optimal video quality during the VH by [redacted]

12.2 The solution [redacted] to optimise bandwidth and handle fluctuations in bandwidth by dynamically adjusting the video quality based on available bandwidth, ensuring a smooth experience without overwhelming network connections. The solution [redacted] for

down speeding, bandwidth throttling, and other packet loss concealment technologies to enhance the reliability and quality of real-time media streams, over local access with packet loss or latency issues.

[redacted] In addition to the adaptive optimisations, the Video Engine [redacted]

12.4 Although we cannot influence fluctuations in a connecting User's broadband connection, we can ensure no bottlenecks in the datacentre bandwidth through [redacted] Additionally, via the Supplier Interface we can provide Administrators with real-time call statistics enabling them to identify if call quality has been impaired due to the User's local connection. [redacted] portal we provide real-time call quality statics including latency and jitter and can alert when specific thresholds are exceeded. These are the practical steps we will take to manage fluctuations in bandwidth.

13 Ensuring that our solution will not be impacted by any changes made to the main browsers

13.1 We have a close working relationship with the Video Engine [redacted] get early visibility of new functionality and changes to the supported browser versions. This allows us ample time to research and test new releases prior to launch. [redacted] automated tests on all the leading desktop browsers. tests are performed twice daily for the released versions of all major browsers. We will maintain the Video Engine software at a minimum of (N-2) where N is the latest recommended major release.

14 Audio Conferencing

[redacted]

15 Number porting

15.1 Vodafone will port the Authority's existing 0800 numbers onto Vodafone's platform subject to Ofcom's Non-Geographic Number Portability (NGNP) process.

15.2 Vodafone has an established number porting process which aligns to Ofcom's Non-Geographic Number Portability (NGNP) process that will ensure a seamless experience for end users.

16 Managing and Optimising Compute Capacity

16.1 **How we will work with the Authority to optimise the use of Compute**. To ensure effective use of Compute, Vodafone's solution uses [redacted]

16.2 The following diagram details how the overall compute resources will be reduced with our solution:

Figure 4: Comparison of Compute

Our methodology to develop and implement scaling plans and report consumption of Compute.

16.5 The diagram below demonstrates how Vodafone will provide insightful information trend analysis.

16.6 The following diagram correlating call volumes with compute usage:

Figure 5: Call volume vs Compute Usage

16.7 There is a commercial advantage in using We will monitor the costs of both environments and will move workload where appropriate, to ensure the

16.8 In addition to the measures above we will undertake the following activities to reduce use of Compute to the Authority:

- Collaborate with the Authority to fine tune the capacity thresholds
- Consider time limiting the availability of the lab environments
- Consider a 'tidy-up' programme to clear down calls
- Fine tune the number of conferencing nodes
- Evaluate alternative cloud provider costs and consider moving resources
- Evaluate new technologies/more efficient compute – as compute technology evolves
- Work closely with the vendor to ensure our virtual server builds conform to recommendations and upgrade where appropriate

[redacted] Our event management and monitoring alert service will [redacted]

16.10 **Our approach to setting targets for year-on-year reduction in the volume of Compute utilised.** Our approach is, in-line with Paragraph 3 of Annex 3 to Schedule 2 – to review with the Authority at each capacity planning meeting, its forecast for the peak number of Concurrent Participating Devices in each Service Period covered by that forecast period. This will determine expected load for the future defined period. We will also work with you to identify inefficient use of resources such as calls that are left connected for the full day when not in use [redacted]

17 Security

Ensuring our solution is protected against unauthorised changes

17.1 The controls relevant to protecting against unauthorised changes are covered by our Information Security Management System (ISMS) policies. We currently provide the [redacted] have not experienced a security breach on our platform since its inception. Unauthorised changes are prevented by stringent change processes, which:

- Mandate security reviews
- Define roles and responsibilities
- Outline change board requirements
- Ensure all device access is correlated against a valid change request ticket.

17.2 We will also align to your change processes to ensure joint visibility and approval of changes implemented across the platform.

Ensuring continuing compliance with HMCTS/HM Government Policies

17.3 This is our approach to ensuring continuing compliance:

[redacted]

[redacted]

Protective Monitoring

[redacted]

Log data

17.5 We will retain audit data for a minimum of three months.

18 Development Approach and Methodology

18.1 Vodafone will follow [redacted] methodology allowing us to introduce new functionality quickly, whilst maintaining quality.

18.2 Our teams have significant experience in developing video conferencing applications and specifically [redacted]

18.3 Our development approach is centred around the following principles:

[redacted]

18.4 By [redacted] we aim to deliver the new features early. The methodology enables early and iterative feedback and ensures that features deliver the required outcomes.

Authority engagement

18.5 On Project initiation, we will work with your Project, Design and Customer Success teams to plan, design, develop, implement, test, and validate features. Projects are [redacted]

18.6 Our process starts with [redacted]

[redacted]

19 New Feature Development

19.1 Vodafone will work with the Authority to develop the following new features.

VHE-FR-0082 (Interpreter solution)

[redacted]We will collaborate to jointly identify the desired user experience for the Interpreter solution. There are several options regarding adding Interpreter workflow into the Authority Solution, including [redacted]

- Interpreter VMRs: Audio only or video
- Participant spoken language selected during the joining process
- interpretation 'button' on screen in the Authority Solution
- Volume selection for the Main VMR and the Interpreter

VHE-FR-0083 (Special Measures)

19.4 We will collaborate to jointly identify the requirements and desired user experience for the Special Measures Solution. [redacted]

19.6 We recommend dedicated design meetings inside the M2 implementation phase to fully understand and agree on the functionality to be developed.

19.7 As each feature is deployed our QA team will validate (pass/fail) new features as fit for purpose, ensuring that the desired outcomes are met. New features will be developed, implemented and tested [redacted]

[redacted]

Additional Features and Options

19.8 The Vodafone solution is uniquely placed to offer the following features/enhancements that we would be happy to discuss with the Authority:

[redacted]

20 Service Continuity

[redacted] The Video Engine service will be delivered [redacted]

[redacted]

[redacted]

[redacted]

20.4 Within 40 working days from Contract Award, we will create a Service Continuity Plan (SCP) for the Video Engine service. The SCP will incorporate all of the meetings and documents as set out in the contract. The plan will be reviewed monthly. Any invocations will be reviewed, documented and assessed against the plan.

Methodology to identify risks

20.5 Vodafone follows a comprehensive and continuous risk identification process that is aligned to ISO/IEC 27005:2018, governed by a dedicated Risk function. This ensures risks are identified, recorded, managed and mitigated as/when appropriate.

20.6 Our methodology includes the following steps:

[redacted]

[redacted]

21 Continuous Improvement

21.1 For the Authority Video Hearings solution, Vodafone will implement Processes to ensure we deliver Continuous Service Improvement (CSI).

Tools and techniques used to proactively look for service and technical innovation:

21.2 Our approach uses various proactive mechanisms and sources for identifying improvements to services and increased efficiencies. These include such tools/techniques as:

[redacted]

21.3 Our Research and Development team proactively monitors and evaluates new and updated products in the marketplace, from customer facing items to the underlying compute and monitoring tools. [redacted] Based on your continual feedback we will adapt and optimise workflows to improve services without additional cost, where possible.

22 Review of services delivered

22.1 CSI techniques are integral to our service delivery eco-system. We will collaborate with you to establish a Continuous Service Improvement Plan (CSIP) and continually evolve and improve the service. We will also analyse outputs from external/internal audits, as well as established triggers from CSIPs and lessons learnt.

23 Feedback:

23.1 Feedback is regularly obtained from a range of forums such as:

- Customer/user feedback
- Findings from operational processes (Major Incident, Problem, risks, or lessons learned)
- Service reports
- Internal/External audits
- Quality Assurance i.e., Ticket quality.

24 Assessing, developing, and implementing opportunities:

24.1 Utilising the above key forums to provide a view of current and historic performance, enables our team to contribute and assess and develop ideas for new technical and service initiatives. These will be presented to you at monthly governance meetings (with the reasons and benefits), for your review and approval.

24.2 By way of internal and customer service reviews, feedback or lessons learnt from incidents, we will continually improve the user experience. For example, on an existing [redacted] Vodafone discussions identified an opportunity for improvement in recording quality [redacted]. Following discussion at your monthly service board, the change was agreed. This will now be implemented without additional cost for the MoJ, providing the tangible benefit of higher quality images for use during court evidence.

25 Validating opportunities, including monetary benefits, improved security, standardisation of technology, and user experience benefits:

25.1 We will undertake CSI activities within all our ITIL processes, with all opportunities reviewed by our Service, Security and Commercial teams. This will ensure they deliver commercially viable benefits and validated to meet or exceed agreed Authority Security principles.

25.2 As part of our CSI Process, opportunities are [redacted]

25.3 CSIPs are tracked and managed by the Authority aligned Service Manager using our SAM tool. CSIPs will be reviewed and agreed at monthly Service Management meetings and subsequently delivered in accordance with the Change Management process.

25.4 The following regular forums will be leveraged to ensure collaboration and governance:

- Monthly Service review
- Weekly Change forum
- Weekly collaborative problem reviews.

26 Monitoring and reporting on improvements and impacts:

26.1 In-line with your CSI process, we will create [redacted]

26.2 We will agree with you a monitoring period and key deliverables to ensure we measure success, such as reduction in related incidents or reduced resolution time and we will use [redacted]

26.3 CSI opportunity updates will be maintained within ServiceNow, enabling monitoring, tracking and validation versus success criteria. Successful CSI deliveries will be closed following Authority approval.

26.4 Reports detailing the progress and outcome of CSI items will be created for review during monthly Supplier Performance Review Boards.

27 Carbon Footprint Reduction

Method Statement

27.1 Vodafone is committed to cutting carbon emissions and helping our customers do the same. We were the first telecoms operator to develop 'Science-Based' net zero targets that follow the ICT Sector pathway developed by the Science Based Targets initiative.

27.2 We publish our Carbon Reduction Plan annually, reporting our progress against targets. This year we reduced our UK operational emissions by 92% from our baseline by reducing energy consumption, decarbonising travel and switching to 100% renewable electricity.

27.3 Our environmental targets are:

- Eliminate carbon emissions from UK operations (scope 1 and 2) by 2027
- Halve emissions from the value chain (scope 3) by 2030
- Net zero across the full carbon footprint by 2040
- Enable customers to avoid 350m tonnes CO2e globally by 2030.

27.4 The Authority will receive significant value-added benefit from Vodafone's focus on de-carbonisation, with UK operations powered by 100% renewable electricity that underpins the HMCTS Video Hearing Services (VHS).

Tailored Customer Environmental Plan:

27.5 Within six months of contract award, Vodafone will fully assess the carbon footprint of the Compute and associated infrastructure. We will report to the Authority the energy consumption and cooling requirements, setting out further opportunities for carbon reduction.

27.6 Annual reporting will provide the Authority with emissions data specific to the VHS in a tailored and agreed format; this will include:

- Scope 1 (direct) emissions associated with the services, e.g., from travel
- Scope 2 emissions from electricity used, e.g., at datacentres. For infrastructure using [redacted]
- Scope 3 emissions, including purchased goods and services.

27.7 New sustainable services will be presented quarterly (see below). Table 1 below sets out the draft plan.

Achieving HMCTS Environment Commitments:

27.8 Carbon reduction for the Video Engine and Supplier Interface will be facilitated by the chassis and server blade architecture through:

- Higher density reducing rack space footprint
- Server blades sharing chassis power supply
- Efficient cooling

27.9 Vodafone will maximise energy efficiency by:

- Replacing older hardware components with energy-efficient models
- Managing power supplies, processors and memory
- Use server virtualisation to consolidate workloads onto fewer servers to further reduce energy consumption
- Power monitoring and management will be enabled that includes features such as CPU throttling, dynamic voltage scaling, and power capping.

27.10 Throughout the term, Vodafone will explore options to reduce carbon emissions, such as options for scheduled device shutdowns at certain times. These will be discussed and agreed with the Authority.

27.11 We will use experience from other contracts where we have successfully delivered carbon reporting and reductions, e.g. [redacted]

27.12 Our supplier approval process requires sub-contractors to have environmental management in place, including appropriate carbon reduction targets.

27.13 Vodafone has actively contributed to the Government Digital Sustainability Alliance (GDSA) since its foundation in 2022. Through GDSA we collaborate with our peers and sustainability teams from Government departments.

27.14 We have signed the 'Greener Litigation' pledge, which brings together litigation practices and associates. It engages with Courts to consider how emissions can be reduced (e.g. through civil procedure rules) and promotes sustainable practices through technology.

27.15 In partnership with Barnardo's, our 'Great British Tech Appeal' enables the Authority to donate un-wanted handsets and tablets. These are collected, checked, data-wiped and distributed to disadvantaged communities.

27.16 **Monitoring, measuring, and reporting:**

27.16.1 Metrics: We use the National Themes Outcomes and Measures to quantify the social value generated by this contract. Vodafone is a member of the Social Value Portal which we will use to manage contract reporting for the Authority.

27.16.2 Gathering data: Our ISO14001 and ISO50001 certified systems for environmental and energy management give assurance that carbon data is gathered, tracked, audited and reported effectively from relevant processes.

27.16.3 Reporting and communicating: Success against each commitment will be reported at contract review meetings. We will be transparent on tools and processes used.

27.16.4 Feedback and improvement: During the quarterly reviews, we will make appropriate recommendations for improvements and are open to receiving the Authority's feedback and will act upon in an agreed timely manner.

27.16.5 Influencing: Employees in our 'Red Loves Green' network receive briefings on the latest initiatives to promote to their teams, such as Green Travel Week, and have an open ideas forum. Employees can take three paid volunteering days annually, which can support nature-based causes.

New Sustainable Services and Other Significant Value-Added Benefits

27.17 Throughout the contract term, we propose a standing agenda item at Quarterly Reviews for new sustainable services. Vodafone will make the Authority aware of solutions to help meet its environmental commitments, such as:

- Vodafone's Internet of Things (IoT) products for Buildings and Facilities which monitor and control spaces and energy consuming services, resulting in energy savings of up to 30%.
- IoT sensors which can save billions of litres of water by detecting underground leaks.
- Schemes to protect nature and biodiversity. Since 2020, we have co-funded a tree monitoring solution for Defra supporting vital research into the contribution that trees make to tackling climate change.
- Our Smart Hubs offer pop-up 4G/5G connectivity at sites where broadband is limited, to connect to MoJ Section 28 video services. Vulnerable groups in society are connected, with benefits of reduced travel and court time.

27.18 Vodafone's services continuously evolve and we horizon scan for innovation. We will invite the Authority to specific Innovation Sessions to explore new products and services with sustainability benefits.

Action	How we will achieve	Delivered by	Commitment timescale	Metric
Emissions reporting	Deploy monitoring, e.g., smart power bars	Vodafone; sub-contractors	Deployment phase	Tonnes CO_2e
Emissions reporting	Report contract carbon emissions to the Authority		Within six months of contract award; Annually	
Reduce carbon emissions	Collaborate on Authority preference for options such as scheduled shutdowns	Vodafone	Q1-4 of the first year of the project	
Reduce carbon emissions	Decarbonise services. Actions include 'online first' meeting policy, switch to electric vehicles, improved network energy efficiency	Vodafone; sub-contractors	Scope 1 & 2 – 2027 Scope 1,2,3 – 2040	
New sustainable services	Agenda item at regular reviews	Vodafone	Quarterly	Minutes of meetings
New sustainable services	Customer Innovation Session	Hosted by Vodafone	Within first year	Outputs from session

Table 2: Sustainability Commitments

28 Wellbeing

28.1 At Vodafone, all employees have access to support across all areas of mental health, physical health, and wellbeing. Our team of professional wellbeing experts ensure all our employees can maintain their wellbeing through a range of actively promoted services and support options.

28.2 The wellbeing of the contract workforce – our staff and contractors – is a key focus. We provide remote service options to ensure wellbeing services are accessible to all staff, wherever and whenever they need support.

28.3 In the delivery of this contract for the Authority, we will:

- Proactively engage with the contract workforce to gain feedback on issues important to them, including health, wellbeing, physical and mental health. Use feedback to create the Health and Wellbeing Plan for the contract.
- Continue to improve environments where everyone can thrive, tracking outcomes through regular check-ins in addition to anonymous surveys.
- Ensure awareness of the Vodafone Employee Assistance Programme for in-the-moment care and Vodafone's Mental Health Service to provide a variety of therapeutic support such as Cognitive Behavioural Therapy (CBT) and Counselling. Our employees can also access free remote GP services when required.
- Promote physical health and provide a 20% discount on membership at Nuffield Health fitness centres.
- Ensure access to our established team of over 300 Mental Health First Aiders. These volunteers have been trained to provide support to aid workplace resilience, with focus topics including anxiety, loneliness, and isolation.

28.4 Our primary sub-contractor New Era is similarly committed to supporting the wellbeing of its employees. Its methods mirror ours, including an Employee Assistance Programme and workplace buddy scheme. Wellbeing data reported quarterly on this contract will include New Era employees.

28.5 We will deliver our Method Statement through the project plan, processes and specific Social Value initiatives described below.

28.6 **Timed Project Plan and Process**:

28.6.1 Project Plan

Vodafone will work closely with the Authority to develop a bespoke Health and Wellbeing Plan within the first quarter following contract award. This will be presented to the Authority for its agreement. Our draft Health and Wellbeing Plan is set out in Table 1 with details on the processes that we will employ to deliver and monitor progress.

Action	How we will achieve	Delivered by	Timescale	Metric
Workforce engagement	Staff feedback survey and suggestions Line Managers to activity promote health and wellbeing. All staff working on the Contract will have access presentations on health and wellbeing on an annual basis	Line Managers; HR	Quarterly reporting	Number of interactions on wellbeing

Action	How we will achieve	Delivered by	Timescale	Metric
Supply Chain implementation	Regular agenda item at account and sub-contractor meetings with sub-contractors to report on relevant measures	Account Management team; New Era; Supply Chain Management (SCM)	Quarterly	Percentage of companies in the supply chain to have implemented measures to improve the physical and mental health and wellbeing of employees
Improving wellbeing standards	Regular agenda item at account and sub-contractor meetings with sub-contractors to report on relevant measures	Account Management team; New Era; Supply Chain Management (SCM)	Quarterly	Percentage of companies in the supply chain to have implemented relevant standards such as the six standards in the 'Mental Health at Work commitment' or for companies with more than 500 employees, in 'Thriving at Work'.

Action	How we will achieve	Delivered by	Timescale	Metric
Influence community wellbeing through 'everyone.connected'	Co-create an initiative with the Authority which offers connectivity, access to devices and/or training to digitally excluded sectors of the community	Account team; Sustainable Business team	First year of the contract with delivery on-going through the contract period	Number of people impacted; Social value added (£)
Annual Wellbeing review	Annual summary report on key data and feedback discussion with the Authority	Account team; New Era; Sustainable Business	Annual	Summary of the above; Quantified Social Value where applicable

Table 3: Draft Health and Wellbeing Plan

28.6.2 Monitoring, measuring, reporting:

a) Use of Metrics: Where applicable, we will use the National Themes Outcomes and Measures to quantify the social value generated by this contract and these will be mapped against the Social Value Model's assessment criteria.

b) Tools and processes for gathering data: Vodafone is a member of the Social Value Portal, which will be used for social value reporting for this contract. We have ISO45001 accreditation for Health & Safety Management System, which gives assurance that data collection techniques are robust and audited.

c) Reporting: Reporting of success against each commitment will be provided at contract review meetings in the agreed format, with data provided quarterly where possible and at least annually, and in line with GDPR data protection guidelines

d) Feedback and improvement: Collaboration between Vodafone, sub-contractors and the Authority will be crucial for successful delivery of the Social Value Plan. We will be open to receiving feedback and suggestions for improvement and will act upon these in a timely manner. During the term of the contract, we will offer additional social value measures, including new initiatives and innovation to deliver our commitments to wellbeing.

e) Employee surveys, such as our bi-annual Spirit Beat survey, enable us to gain anonymous feedback. We also host regular feedback meetings with our Employee Networks and run ad hoc focus groups and exercises to gain further feedback.

Our Initiatives:

28.7 Vodafone has a long history of recognising and raising awareness of wellbeing as a key priority across our business. Company initiatives, which will benefit this contract, include:

- We have built a network of over 300 Mental Health First Aiders. These are volunteers who have undergone training to understand common issues, support people who may be struggling and signpost them to appropriate professional services. We support this group with regular learning and facilitate additional training for employees wishing to join the network.
- We introduced Mental Health Awareness modules on our Grow learning platform. The modules help users understand emotional wellbeing, what stress is and how it affects behaviour along with providing practical advice for managing individual stress and supporting colleagues.
- All our employees have free access to our dedicated Mental Health Service, an expert-led assessment and treatment service giving personalised emotional support. Initial contact and telephone triage is conducted before allowing access to quick support across different intensities.
- All our employees and their dependants can access Remote GP, a free platform giving direct access to GP consultations (telephone or video) available 24/7, offering advice, diagnosis, a private prescription, a private fit note, or referral to consultation.
- Last year, we launched ‘Nudge’, a financial education tool, giving handy money-saving advice, useful tips and helping set financial goals and benchmarks against them.
- We have identified the need to help managers better support the mental health of their teams. We deliver a half-day (virtual) Manager’s Mental Health Awareness course. Since the beginning of training in 2020, 900 managers have completed training.
- Our partner Nuffield Health provides employees with free access to the ‘My Wellbeing’ app which includes home workouts, nutritional content and emotional wellbeing support.
- Our annual month-long Global Wellbeing Challenge, linked to World Heart Day on 28th September, is an opportunity for our people to compete as they enjoy their favourite sports and exercise. Our Wellbeing Challenge Workplace group supports and celebrates our exercise achievements through the year.
- The ISO45001 certified Health & Safety Management System that we have in place across all Vodafone operations in the UK, including this contract, ensures that risks to physical and mental health are assessed and managed. Our system is audited to ensure that it is effective, and we hold regular reviews to drive continuous improvement.
- All employees take a day once a quarter to focus on wellbeing. Known as ‘Spirit Days’, employees are told not to schedule any meetings or respond to any emails

but instead to focus on activities to improve their physical and mental health and development.

- All employees can take three volunteering days annually to support charities of their choice, promoting community engagement.

Action to support health and wellbeing in the contract workforce:

28.8 Following contract award in line with The Mental Health at Work commitment, we will implement and communicate a wellbeing and mental health at work plan. This will draw on best practice and represent the views of employees, specifically exploring feedback from people with mental health problems.

28.9 We will routinely monitor employee mental health and wellbeing using available data and seek feedback from the contract workforce to support continuous improvements. One-to-one informal and formal staff/manager meetings, within an open and supportive culture, provide opportunities for employees to discuss emerging issues. Managers, trained in mental health and wellbeing, provide support or signpost to appropriate services including our in-house GP or mental health first aiders.

28.10 An annual programme of activities, prioritising workplace mental health will be supported by the workforce having flexible access to training courses, support services and awareness-raising activities. The programme will be in line with our clear ethos, communicated from board level.

28.11 To provide additional support and in line with our flexible ways of working, we have moved onsite medical services to online, including GP and Cognitive Behavioural Therapy ('CBT') services. The provision of employee assistance programmes and psychological support services will enable the workforce to access the right level of support at the right time to support ongoing wellbeing.

Influencing staff, suppliers, customers, and communities through the contract:

28.12 Our approach to influencing includes:

- Publishing our Annual Report which details our wellbeing approaches, results, and future strategies
- Recognition of national and global wellbeing days, regular updates, webinars and training courses.
- Sharing 'good news' stories on our News centre of how we have supported our staff and communities to achieve wellbeing and mental health resilience, including via our 'everyone.connected' campaign to enable four million people to cross the digital divide by 2025

Influencing Staff:

28.13 Throughout the contract period, Vodafone will maintain a proactive approach to support health and wellbeing, including physical and mental health. Our proactive approach will include webinars, workplace posts, Wellbeing Days, events and resources. Our wellbeing intranet site includes guides, tips, templates, videos, courses, and podcasts to ensure full understanding of workplace mental health and best practice across the contract workforce.

Influencing Suppliers:

28.14 We include health and safety in our supplier assessment process. We engage with suppliers of all sizes on wellbeing at our annual Supplier Health, Safety, Environment and Wellbeing Conference.

28.15 On this contract, wellbeing will be a standard agenda item with our sub-contractors, including New Era. New Era's own systems promote wellbeing, for example:

- Through their Company Handbook, informing employees of commitments and arrangements for health and safety, including 'Well-being and reducing work-related stress', referring to measures such as the right to disconnect.
- Holding forums (called 'HR hour'), which are an opportunity for employees to give their suggestions and feedback. The sessions cover topics such as company wellbeing support, company culture, and performance management.

Influencing Customers:

28.16 During the contract we will discuss wellbeing performance with the Authority quarterly, including:

- Sharing information
- Best practice
- Influencing culture
- Opportunities to collaborate on wellbeing initiatives.

Influencing Communities:

28.17 Our 'everyone.connected' campaign delivers support to those who need it most including those with disabilities, people living alone, families, jobseekers, small businesses, remote communities, and the elderly. We provide connectivity, devices, training and support through a number of community-based initiatives. Everyone.connected enables remote working, education, connection and access to online resources to support wellbeing and good mental health. Our initiatives include:

- 'Charities.connected' through which SIMs loaded with data and free connectivity for six months are distributed via charities, including the Trussell Trust (foodbanks)
- Bespoke training for those not confident in the use of online services such as banking
- Re-distribution of redundant handsets and tablets through our Great British Tech Appeal, benefitting families and young people through our partnership with Barnardo's.

28.18 We offer to co-create a community campaign with the Authority and its partners as part of this contract.

Value to the Authority:

28.19 Vodafone is fully aware of the importance of the Authority's commitment to health and wellbeing. Our response shows compelling evidence that we currently improve

the health and wellbeing for our staff and wider communities and sets out our plans to evidence the measures and improvements specific to this contract in support of wider Government targets and aligned with the Authority's culture.

SCHEDULE 9

COMMERCIALLY SENSITIVE INFORMATION

Schedule 9 (*Commercially Sensitive Information*)

1 In this Schedule the Parties have sought to identify the Supplier's Confidential Information that is genuinely commercially sensitive and the disclosure of which would be the subject of an exemption under the FOIA and the EIRs.

2 Where possible, the Parties have sought to identify when any relevant Information will cease to fall into the category of Information to which this Schedule applies in the table below (please see the column "Duration of Confidentiality").

3 Without prejudice to the Authority's obligation to disclose Information in accordance with FOIA or Clause 19 (Confidentiality), the Authority will, in its sole discretion, acting reasonably, seek to apply the relevant exemption set out in the FOIA to the following Information:

Commercially Sensitive Information

No.	Date	Item(s)	Duration of Confidentiality
1	Date of submission	The Supplier's charges including tender responses, rate cards and any volume and utilisation discounts provided.	Term plus 6 years
2	Date of submission	Breakdown of pricing information to give input costs, capital and operating costs, overheads, revenue, margins and profits.	Term plus 6 years
3	Date of submission	How any payments due to the Supplier on termination of the whole or any part of the Agreement have been or will be calculated but excluding the actual amounts of such payments.	Term plus 6 years
4	Date of submission	Any financial data relating to the Supplier's business as a whole including the financial standing of the Supplier provided in connection with this Agreement, including but not limited to any information relating to financial distress reporting.	Term plus 6 years
5	Date of submission	Liability and indemnities; including the amount of any caps, any unlimited heads of losses and any excluded heads of losses.	Term plus 6 years
6	Date of submission	The cover and amounts of the Supplier's insurances.	Term plus 6 years
7	Date of submission	How any Service Credits are financially calculated under the Agreement, but excluding the details regarding the applicable service thresholds, or any performance related information or requirements, or information	Term plus 6 years

		relating to the actual amounts of any Service Credits paid or credited to the Buyer.	
8	Date of submission	Technical details of the Supplier's network (including topology, network diagrams, detailed network coverage, route maps, The Supplier's Points of Presence and/or street furniture/chambers etc.)	Term plus 6 years
9	Date of submission	Design documents relating to the Services and any notes or minutes of technical design meetings held in relation to the aforementioned but excluding any documents set out in the Agreement as being Deliverables to the Buyer.	Term plus 6 years
10	Date of submission	Any Supplier proposals in response to Variations to the extent that the information falls within one of the other items set out in this table and innovation proposals provided under the Agreement including in a response to a Variation.	Term plus 6 years
11	Date of submission	Staff information generally including personal details.	Term plus 6 years.
12	Date of submission	The Supplier's own Business Continuity and Disaster Recovery Plan (including any Business Incident Plans, Disaster Recovery Manuals and Procedures, Security Plan and Related Business Security Processes) but excluding any Buyer specific plans or procedures to be provided by the Supplier under the Agreement.	Term plus 6 years.

SCHEDULE 10

NOTIFIED KEY SUB-CONTRACTORS

Schedule 10 (*Notified Key Sub-Contractors*)

1 In accordance with Clause 15.11 (*Appointment of Key Sub-contractors*), the Supplier is entitled to sub-contract its obligations under this Contract to the Key Sub-contractors listed in the table below.

2 The Parties agree that they will update this Schedule periodically to record any Key Sub-contractors appointed by the Supplier with the consent of the Authority after the Effective Date for the purposes of the delivery of the Services.

Key Sub-contractor name and address (if	Registered office and	Related product/Service description	Key Sub-contract price expressed as a percentage of total	Key role in delivery of the Services	Credit Score Threshold

not the same as the registered office)	company number		projected Charges over the Term		
BCS Global Networks Ltd, t/a Pinnaca (a New Era Technology UK owned company)	Registered Office: Keypoint, 17-23 High Street, Slough, SL1 1DY Company Number: 05239560	1. Video Engine Licensing and Platform Management, 2. Supplier Interface 3. Development and Management, 4. Project Services, 5. Engineering Services, 6. Software Development Services, 7. Support Services, 8. Service Management	[redacted]	[redacted]	51

SCHEDULE 11

THIRD PARTY CONTRACTS

Schedule 11 (*Third Party Contracts*)

1 The contracts listed in the table below constitute Third Party Contracts entered into exclusively for the purposes of delivering the Services.

2 The Supplier shall be entitled to update this Schedule in accordance with Clause 15.9 (*Appointment of Sub-contractors*).

Third party supplier name and address (if not the same as the registered office)	Registered office and company number	Related product/Service description
BCS Global Networks Ltd, t/a Pinnaca (a New Era Technology UK owned company)	Registered Office: Keypoint, 17-23 High Street, Slough, SL1 1DY Company Number: 05239560	1. Video Engine Licensing and Platform Management, 2. Supplier Interface 3. Development and Management, 4. Project Services, 5. Engineering Services, 6. Software Development Services, 7. Support Services, 8. Service Management

SCHEDULE 12

SOFTWARE

Schedule 12 (*Software*)

1 THE SOFTWARE

1.1 The Software below is licensed to the Authority in accordance with Clause 16 (*Intellectual Property Rights*) and Schedule 32 (Intellectual Property Rights)**.**

1.2 The Parties agree that they will update this Schedule regularly, and in any event no less than every 6 Months from the Effective Date, to record any Supplier Software or Third Party Software subsequently licensed by the Supplier or third parties for the purposes of the delivery of the Services.

2 SUPPLIER SOFTWARE

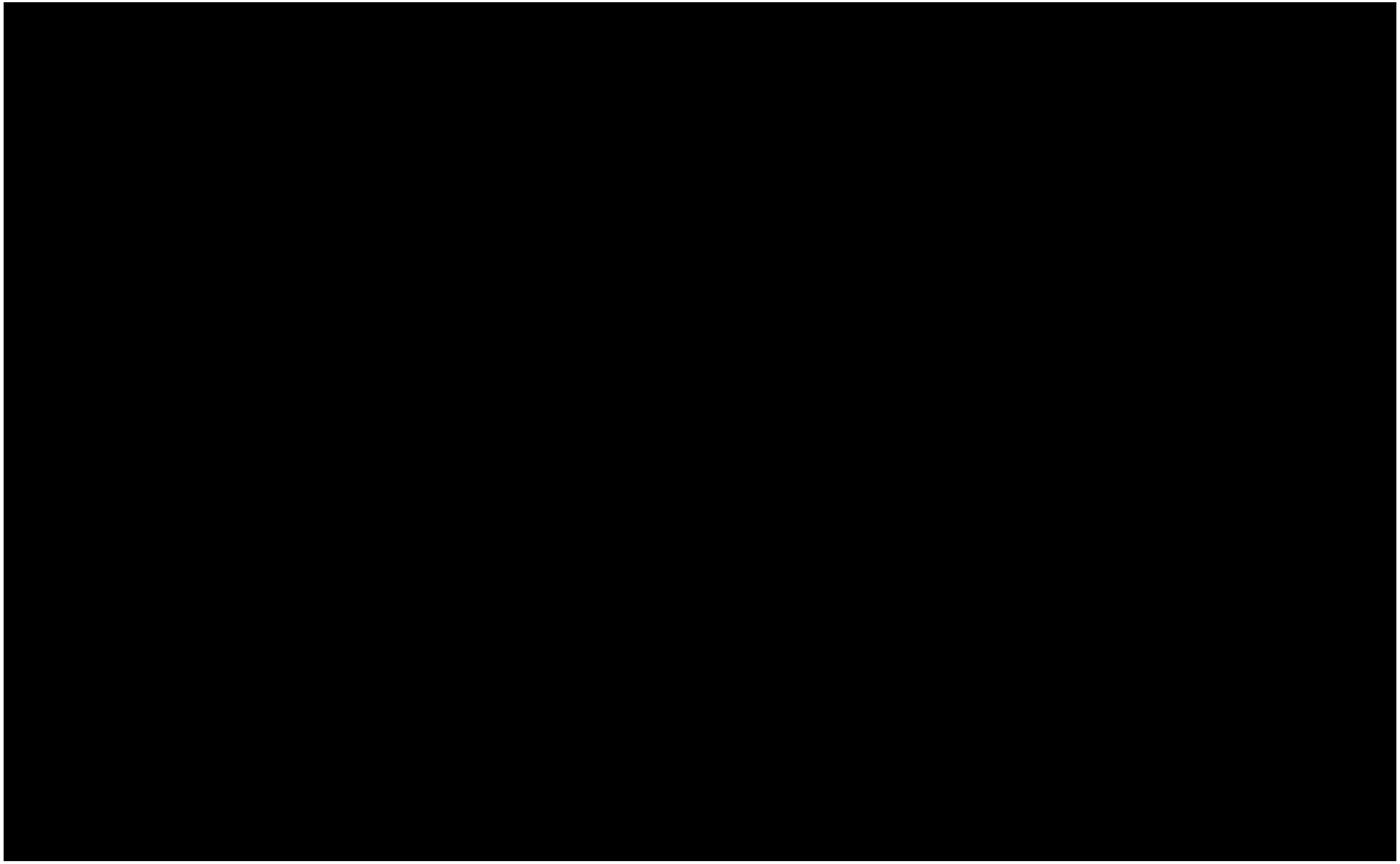
The Supplier Software includes the following items:

Software	Supplier (if an Affiliate of the Supplier)	Purpose	Number of Licences	Restrictions	Number of Copies	Type (COTS or Non-COTS)	Term/Expiry

3 THIRD PARTY SOFTWARE

The Third Party Software shall include the following items:

Third Party Software	Supplier	Purpose	Number of Licences	Restrictions	Number of Copies	Type (COTS or Non-COTS)	Term/Expiry
[redacted]							



ANNEX 1: FORM OF LETTER RE SUB-LICENSING OF SUPPLIER COTS SOFTWARE AND SUPPLIER COTS BACKGROUND IPRs

[Supplier letterhead]

[insert Authority name and address]

[Date]

Dear Sirs

LICENCES FOR SUPPLIER COTS SOFTWARE AND SUPPLIER COTS BACKGROUND IPRs

We refer to the agreement between us dated [*insert date*] in respect of [*brief summary of subject of the Contract*] (the "**Contract**"). Capitalised expressions used in this letter have the same meanings as in the Contract.

In accordance with Paragraph 2.4(b) of Schedule 32 (Intellectual Property Rights) of the Contract we confirm that:

1 the Authority is licensed by the Supplier to use the Supplier COTS Software and Supplier COTS Background IPRs identified in the first column of the Appendix to this letter (the "Appendix") on the terms of the licences identified in the second column of the Appendix (the "Licences"); and

2 notwithstanding any provision to the contrary in the Licences, it is agreed that the Authority may sub-license, assign and novate the Supplier COTS Software and Supplier COTS Background IPRs as referred to in Paragraph 2.4(b) of Schedule 32 (Intellectual Property Rights) of the Contract.

Yours faithfully,

Signed:

On behalf of [*name of the Supplier*]

ANNEX 2: FORM OF CONFIDENTIALITY UNDERTAKING

CONFIDENTIALITY AGREEMENT

THIS AGREEMENT is made on [***date***] 20

BETWEEN:

(1) **[*insert name*]** of [*insert address*] (the "**Sub-licensee**"); and

(2) **[*insert name*]** of [*insert address*] (the "**Supplier**" and together with the Supplier, the "**Parties**").

WHEREAS:

(A) [*insert name of Authority*] (the "**Authority**") and the Supplier are party to a contract dated [*insert date*] (the "**Contract**") for the provision by the Supplier of [*insert brief description of services*] to the Authority.

(B) The Authority wishes to grant a sub-licence to the Sub-licensee in respect of certain software and intellectual property rights licensed to the Authority pursuant to the Contract (the "**Sub-licence**").

(C) It is a requirement of the Contract that, before the Authority grants such sub-licence to the Sub-licensee, the Sub-licensee execute a confidentiality agreement in favour of the Supplier in or substantially in the form of this Agreement to protect the Confidential Information of the Supplier.

IT IS AGREED as follows:

1 Interpretation

1.1 In this Agreement, unless the context otherwise requires:

"Confidential Information" means:

(a) Information, including all personal data within the meaning of the Data Protection Act 2018, and however it is conveyed, provided by the Authority to the Sub-licensee pursuant to or in connection with the Sub-licence that relates to:

(i) the Supplier; or

(ii) the operations, business, affairs, developments, intellectual property rights, trade secrets, know-how and/or personnel of the Supplier;

(b) the source code and the object code of the software sub-licensed to the Sub-licensee

pursuant to the Sub-licence together with build information, relevant design and development information, technical specifications of all functionality including those not included in standard manuals (such as those that modify system performance and access levels), configuration details, test scripts, user manuals, operating manuals, process definitions and procedures, and all such other documentation supplied by the Supplier to the Authority pursuant to or in connection with the Sub-licence;

(c) other Information provided by the Authority pursuant to this Agreement to the Sub-licensee that is clearly designated as being confidential or equivalent or that ought reasonably to be considered to be confidential which comes (or has come) to the Sub-licensee's attention or into the Sub-licensee's possession in connection with the Sub-licence; and

(d) Information derived from any of the above,

but not including any Information that:

(a) was in the possession of the Sub-licensee without obligation of confidentiality prior to its disclosure by the Authority;

(b) was already generally available and in the public domain at the time of disclosure otherwise than by a breach of this Agreement or breach of a duty of confidentiality; or

(c) was independently developed without access to the Information;

"Information" means all information of whatever nature, however conveyed and in whatever form, including in writing, orally, by demonstration, electronically and in a tangible, visual or machine-readable medium (including CD-ROM, magnetic and digital form); and

"Sub-licence" has the meaning given to that expression in recital (B) to this Agreement.

1.2 In this Agreement:

(a) a reference to any gender includes a reference to other genders;

(b) the singular includes the plural and vice versa;

(c) the words "include" and cognate expressions shall be construed as if they were immediately followed by the words "without limitation";

(d) references to any statutory provision include a reference to that provision as modified, replaced, amended and/or re-enacted from time to time (before or after the date of this Agreement) and any prior or subsequent subordinate legislation made under it;

(e) headings are included for ease of reference only and shall not affect the interpretation or construction of this Agreement; and

(f) references to Clauses are to clauses of this Agreement.

2 Confidentiality Obligations

2.1 In consideration of the Authority entering into the Sub-licence, the Sub-licensee shall:

(a) treat all Confidential Information as secret and confidential;

(b) have in place and maintain proper security measures and procedures to protect the confidentiality of the Confidential Information (having regard to its form and nature);

(c) not disclose or permit the disclosure of any of the Confidential Information to any other person without obtaining the prior written consent of the Supplier or except as expressly set out in this Agreement;

(d) not transfer any of the Confidential Information outside the United Kingdom;

(e) not use or exploit any of the Confidential Information for any purpose whatsoever other than as permitted under the Sub-licence;

(f) immediately notify the Supplier in writing if it suspects or becomes aware of any unauthorised access, copying, use or disclosure in any form of any of the Confidential Information; and

(g) upon the expiry or termination of the Sub-licence:

(i) destroy or return to the Supplier all documents and other tangible materials that contain any of the Confidential Information;

(ii) ensure, so far as reasonably practicable, that all Confidential Information held in electronic, digital or other machine-readable form ceases to be readily accessible (other than by

the information technology staff of the Sub-licensee) from any computer, word processor, voicemail system or any other device; and

(iii) make no further use of any Confidential Information.

3 Permitted Disclosures

3.1 The Sub-licensee may disclose Confidential Information to those of its directors, officers, employees, consultants and professional advisers who:

(a) reasonably need to receive the Confidential Information in connection with the Sub-licence; and

(b) have been informed by the Sub-licensee of the confidential nature of the Confidential Information; and

(c) have agreed to terms similar to those in this Agreement.

3.2 The Sub-licensee shall be entitled to disclose Confidential Information to the extent that it is required to do so by applicable law or by order of a court or other public body that has jurisdiction over the Sub-licensee.

3.3 Before making a disclosure pursuant to Clause 3.2, the Sub-licensee shall, if the circumstances permit:

(a) notify the Supplier in writing of the proposed disclosure as soon as possible (and if possible before the court or other public body orders the disclosure of the Confidential Information); and

(b) ask the court or other public body to treat the Confidential Information as confidential.

4 General

4.1 The Sub-licensee acknowledges and agrees that all property, including intellectual property rights, in Confidential Information disclosed to it by the Supplier shall remain with and be vested in the Supplier.

4.2 This Agreement does not include, expressly or by implication, any representations, warranties or other obligations:

(a) to grant the Sub-licensee any licence or rights other than as may be expressly stated in the Sub-licence;

(b) to require the Supplier to disclose, continue disclosing or update any Confidential Information; or

(c) as to the accuracy, efficacy, completeness, capabilities, safety or any other qualities whatsoever of any Information or materials provided pursuant to or in anticipation of the Sub-licence.

4.3 The rights, powers and remedies provided in this Agreement are cumulative and not exclusive of any rights, powers or remedies provided by law. No

failure or delay by either Party to exercise any right, power or remedy will operate as a waiver of it nor will any partial exercise preclude any further exercise of the same, or of some other right, power or remedy.

4.4 Without prejudice to any other rights or remedies that the Supplier may have, the Sub-licensee acknowledges and agrees that damages alone may not be an adequate remedy for any breach by the Sub-licensee of any of the provisions of this Agreement. Accordingly, the Sub-licensee acknowledges that the Supplier shall be entitled to the remedies of injunction and specific performance as well as any other equitable relief for any threatened or actual breach of this Agreement and/or breach of confidence and that no proof of special damages shall be necessary for the enforcement of such remedies.

4.5 The maximum liability of the Sub-licensee to the Supplier for any breach of this Agreement shall be limited to [redacted]

4.6 For the purposes of the Contracts (Rights of Third Parties) Act 1999 no one other than the Parties has the right to enforce the terms of this Agreement.

4.7 Each Party shall be responsible for all costs incurred by it or on its behalf in connection with this Agreement.

4.8 This Agreement may be executed in any number of counterparts and by the Parties on separate counterparts, but shall not be effective until each Party has executed at least one counterpart. Each counterpart shall constitute an original of this Agreement, but all the counterparts shall together constitute but one and the same instrument.

5 Notices

5.1 Any notice to be given under this Agreement (each a "**Notice**") shall be given in writing and shall be delivered by hand and shall be deemed to have been duly given at the time of delivery provided that such Notice is sent to the relevant physical address, and expressly marked for the attention of the relevant individual, set out in Clause 5.2.

5.2 Any Notice:

(a) if to be given to the Supplier shall be sent to:

[*Address*]

Attention: [*Contact name and/or position, e.g. "The Finance Director"*]

(b) if to be given to the Sub-licensee shall be sent to:

[*Name of Organisation*]
[*Address*]

Attention: [ ]

6 Governing law

6.1 This Agreement shall be governed by, and construed in accordance with, English law and any matter claim or dispute arising out of or in connection with this Agreement whether contractual or non-contractual, shall be governed by and determined in accordance with English law.

6.2 Each Party hereby irrevocably submits to the exclusive jurisdiction of the English courts in respect of any claim or dispute arising out of or in connection with this Agreement.

IN WITNESS of the above this Agreement has been signed by the duly authorised representatives of the Parties on the date which appears at the head of page 1.

For and on behalf of [*name of Supplier*]

Signature: Date:

_____

Name: Position:

For and on behalf of [*name of Sub-licensee*]

Signature: Date:

_____

Name: Position:

SCHEDULE 13

IMPLEMENTATION PLAN

Schedule 13 (*Implementation Plan*)

1 INTRODUCTION

1.1 This Schedule:

(a) defines the process for the preparation and implementation of the Outline Implementation Plan and Detailed Implementation Plan; and

(b) identifies the Milestones (and associated Deliverables) including the Milestones which trigger payment to the Supplier of the applicable Milestone Payments following the issue of the applicable Milestone Achievement Certificate.

2 OUTLINE IMPLEMENTATION PLAN

2.1 The Outline Implementation Plan is set out in Annex 1.

2.2 All changes to the Outline Implementation Plan shall be subject to the Change Control Procedure provided that the Supplier shall not attempt to postpone any of the Milestones using the Change Control Procedure or otherwise (except in accordance with Clause 28 (*Authority Cause*)).

3 APPROVAL OF THE DETAILED IMPLEMENTATION PLAN

3.1 The Supplier shall submit a draft of the Detailed Implementation Plan to the Authority for approval within 20 Working Days of the Effective Date.

3.2 The Supplier shall ensure that the draft Detailed Implementation Plan:

(a) incorporates all of the Milestones and Milestone Dates set out in the Outline Implementation Plan;

(b) includes (as a minimum) the Supplier's proposed timescales in respect of the following for each of the Milestones:

(i) the completion of each design document;

(ii) the completion of the build phase;

(iii) the completion of any Testing to be undertaken in accordance with Schedule 14 (*Testing Procedures*); and

(iv) training and roll-out activities;

(c) clearly outlines all the steps required to implement the Milestones in conformity with the Authority Requirements;

(d) clearly outlines the required roles and responsibilities of both Parties, including staffing requirements; and

(e) is produced using a software tool as specified, or agreed by the Authority.

3.3 Prior to the submission of the draft Detailed Implementation Plan to the Authority in accordance with Paragraph 3.1, the Authority shall have the right:

(a) to review any documentation produced by the Supplier in relation to the development of the Detailed Implementation Plan, including:

(i) details of the Supplier's intended approach to the Detailed Implementation Plan and its development;

(ii) copies of any drafts of the Detailed Implementation Plan produced by the Supplier; and

(iii) any other work in progress in relation to the Detailed Implementation Plan; and

(b) to require the Supplier to include any reasonable changes or provisions in the Detailed Implementation Plan.

3.4 Following receipt of the draft Detailed Implementation Plan from the Supplier, the Authority shall:

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

(b) notify the Supplier in writing that it approves or rejects the draft Detailed Implementation Plan no later than 20 Working Days after the date on which the draft Detailed Implementation Plan is first delivered to the Authority.

3.5 If the Authority rejects the draft Detailed Implementation Plan:

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

(b) the Supplier shall then revise the draft Detailed Implementation Plan (taking reasonable account of the Authority's comments) and shall re-submit a revised draft Detailed Implementation Plan to the Authority for the Authority's approval within 20 Working Days of the date of the Authority's notice of rejection. The provisions of Paragraph 3.4 and this Paragraph 3.5 shall apply again to any resubmitted draft Detailed Implementation Plan, provided that either Party may refer any disputed matters for resolution by the Dispute Resolution Procedure at any time.

3.6 If the Authority approves the draft Detailed Implementation Plan, it shall replace the Outline Implementation Plan from the date of the Authority’s notice of approval.

4 UPDATES TO AND MAINTENANCE OF THE DETAILED IMPLEMENTATION PLAN

4.1 Following the approval of the Detailed Implementation Plan by the Authority:

(a) the Supplier shall submit a revised Detailed Implementation Plan to the Authority every month starting 1 month from the date of the Authority's notice of approval of the Detailed Implementation Plan;

(b) without prejudice to Paragraph 4.1(a), the Authority shall be entitled to request a revised Detailed Implementation Plan at any time by giving written notice to the Supplier and the Supplier shall submit a draft revised Detailed Implementation Plan to the Authority within 10 Working Days of receiving such a request from the Authority (or such longer period as the Parties may agree provided that any failure to agree such longer period shall be referred to the Dispute Resolution Procedure);

(c) any revised Detailed Implementation Plan shall (subject to Paragraph 4.2) be submitted by the Supplier for approval in accordance with the procedure set out in Paragraph 3; and

(d) the Supplier's performance against the Implementation Plan shall be monitored at meetings of the Board (as defined in Schedule 21 (*Governance*)). In preparation for such meetings, the current Detailed Implementation Plan shall be provided by the Supplier to the Authority not less than 5 Working Days in advance of each meeting of the Board.

4.2 Save for any amendments which are of a type identified and notified by the Authority (at the Authority's discretion) to the Supplier in writing as not requiring approval, any material amendments to the Detailed Implementation Plan shall be subject to the Change Control Procedure provided that:

(a) any amendments to elements of the Detailed Implementation Plan which are based on the contents of the Outline Implementation Plan shall be deemed to be material amendments; and

(b) in no circumstances shall the Supplier be entitled to alter or request an alteration to any Milestone Date except in accordance with Clause 28 (*Authority Cause*).

4.3 Any proposed amendments to the Detailed Implementation Plan shall not come into force until they have been approved in writing by the Authority.

5 GOVERNMENT REVIEWS

The Supplier acknowledges that the Services may be subject to Government review at key stages of the project. The Supplier shall cooperate with any bodies undertaking such review and shall allow for such reasonable assistance as may be required for this purpose within the Charges.

ANNEX 1: OUTLINE IMPLEMENTATION PLAN

Milestone	**Deliverables** ***(bulleted list showing all Deliverables (and associated tasks) required for each Milestone)***	**Duration (Working Days)**[1]	**Milestone Date**[2] **(Where "T" = Effective Date)**	**Authority Responsibilities** ***(if applicable)***	**Link to ATP/CPP**
M1 ('Hello World')	A demonstration of initial interaction from the Video Engine, through the software being developed as the Supplier Interface to the front end service element of the Authority Solution to show a pass/fail connectivity test, i.e., opening of a Virtual Meeting Room with the ability for Users to join.	2	*T + 103 Working Days* *25 Mar 24*		CPP
M2 (Demonstrate enhanced functionality/ integration capability)	Evidence of the completion of functionality tests, including moving Users between the Waiting Room, Consultation Rooms and Hearing Room and evidence that dual Host controls and the Interpreter functionality are working as designed and in line with the requirements set out in Schedule 2 (*Services Description*). This is a demonstration of capability. This shall be evidenced in pre-production, with	12	*T + 111 Working Days* *8 Apr 24*		CPP

[1] The duration covers the Working Days during the testing and validation activities required for the deliverables set in the table.
[2] The Milestone Dates set out in this column have been calculated on the basis that the Effective Date is 30th October 2023. The Milestone Dates may be varied in accordance with paragraph 2.2 of Schedule 13 on finalisation of the Detailed Implementation Plan. For the avoidance of doubt, 'T + Working Days', takes precedence.

Milestone	**Deliverables** ***(bulleted list showing all Deliverables (and associated tasks) required for each Milestone)***	**Duration (Working Days)[1]**	**Milestone Date[2]** **(Where "T" = Effective Date)**	**Authority Responsibilities** ***(if applicable)***	**Link to ATP/CPP**
	evidence to be presented that the Production Environment is in place.				
M3 (Performance Testing Completed)	• A demonstration of the Video Engine in operation, and that the Supplier Interface functions as expected in accordance with the requirements as set out in Schedule 2 (*Services Description*). • A report evidencing that the Video Engine and Supplier Interface have passed synthetic load testing to 3500 User devices. • Evidence (via design architecture or test outputs) that the maximum throughput / Capacity for the specified number of Concurrent Participating Devices and Hearing Rooms will be delivered from the Milestone Date.	10	*T + 204 Working Days* *19 Aug 24*		CPP

M4 (IT Health Check Completed)	• A report showing successful completion of an IT Health Check undertaken by a third party approved by the Authority and appointed by the Supplier including the provision of all certification (eg Cyber Essentials plus) and completion of penetration testing as required by the Authority. • A Remediation Action Plan with assigned action owners to be prepared by the Supplier and presented to the Authority to address any vulnerabilities identified in the IT Health Check. • Evidence that all medium, high and critical vulnerabilities have been corrected to the satisfaction of the Authority, and any minor vulnerabilities are accompanied by a Remediation Action Plan which is approved by the Authority. • Provision of all information required by the Authority to complete a Data Protection Impact Assessment in relation to the Services.	1	*T + 205 Working Days* *20 Aug 24*		CPP

Milestone	**Deliverables** ***(bulleted list showing all Deliverables (and associated tasks) required for each Milestone)***	**Duration (Working Days)[1]**	**Milestone Date[2]** **(Where "T" = Effective Date)**	**Authority Responsibilities** ***(if applicable)***	**Link to ATP/CPP**
M5a (User Acceptance Testing Completed) (ATP Milestone)	Evidence of successful completion of all user acceptance testing in accordance with Schedule 14 (*Testing Procedures*) and evidencing to the Authority that all 'must have' and 'should have' Functional and Non-Functional Requirements set out in Schedule 2 (*Services Description*) have been delivered and the Operational Service is ready to roll out (other than those referred to in Milestone 5b below).	10	*T + 214 Working Days* *03 Sep 24*		ATP
M5b (Post-ATP Milestone)	Evidence of successful implementation of Functional Requirements VHE-FR-0082 and VHE-FR-0083 as detailed in Annex 1 of Schedule 2 (*Services Description*).	10	Linked to M5a (M5b to be delivered within 30 Working Days of successful completion of M5a, or no later than 12 months of the Effective Date, whichever is sooner). T + 226 Working Days 17/9/24		CPP

SCHEDULE 14

TESTING PROCEDURES

Schedule 14 (*Testing Procedures*)

1 DEFINITIONS

In this Schedule, the following definitions shall apply:

"Component"	any constituent parts of the infrastructure for a Service, hardware or Software;
"Material Test Issue"	a Test Issue of Severity Level 1 or Severity Level 2;
"Severity Level"	the level of severity of a Test Issue, the criteria for which are described in Annex 1;
"Test Certificate"	a certificate materially in the form of the document contained in Annex 2 issued by the Authority when a Deliverable has satisfied its relevant Test Success Criteria;
"Test Issue"	any variance or non-conformity of a Deliverable from its requirements (such requirements being set out in the relevant Test Success Criteria);
"Test Issue Threshold"	in relation to the Tests applicable to a Milestone, a maximum number of Severity Level 3, Severity Level 4 and Severity Level 5 Test Issues as set out in the relevant Test Plan;
"Test Issue Management Log"	a log for the recording of Test Issues as described further in Paragraph 9.1;
"Test Plan"	a plan: (a) for the Testing of Deliverables; and (b) setting out other agreed criteria related to the achievement of Milestones, as described further in Paragraph 5;
"Test Reports"	the reports to be produced by the Supplier setting out the results of Tests;
"Test Specification"	the specification that sets out how Tests will demonstrate that the Test Success Criteria have been satisfied, as described in more detail in Paragraph 7;

"Test Strategy"	a strategy for the conduct of Testing as described further in Paragraph 4;
"Test Success Criteria"	in relation to a Test, the test success criteria for that Test as referred to in Paragraph 6;
"Test Witness"	any person appointed by the Authority pursuant to Paragraph 10.1; and
"Testing Procedures"	the applicable testing procedures and Test Success Criteria set out in this Schedule.

2 RISK

2.1 The issue of a Test Certificate, a Milestone Achievement Certificate and/or a conditional Milestone Achievement Certificate shall not:

(a) operate to transfer any risk that the relevant Deliverable or Milestone is complete or will meet and/or satisfy the Authority's requirements for that Deliverable or Milestone; or

(b) affect the Authority's right subsequently to reject:

(i) all or any element of the Deliverables to which a Test Certificate relates; or

(ii) any Milestone to which the Milestone Achievement Certificate relates.

2.2 Notwithstanding the issuing of any Milestone Achievement Certificate (including the Milestone Achievement Certificate in respect of Authority to Proceed), the Supplier shall remain solely responsible for ensuring that:

(a) the Supplier Solution as designed and developed is suitable for the delivery of the Services and meets the Authority Requirements;

(b) the Services are implemented in accordance with this Contract; and

(c) each Target Performance Level is met from the relevant Operational Service Commencement Date.

3 TESTING OVERVIEW

3.1 All Tests conducted by the Supplier shall be conducted in accordance with the Test Strategy, the Test Plans and the Test Specifications.

3.2 The Supplier shall not submit any Deliverable for Testing:

(a) unless the Supplier is reasonably confident that it will satisfy the relevant Test Success Criteria;

(b) until the Authority has issued a Test Certificate in respect of any prior, dependant Deliverable(s); and

(c) until the Parties have agreed the Test Plan and the Test Specification relating to the relevant Deliverable(s).

3.3 The Supplier shall use reasonable endeavours to submit each Deliverable for Testing or re-Testing by or before the date set out in the Implementation Plan for the commencement of Testing in respect of the relevant Deliverable.

3.4 Prior to the issue of a Test Certificate, the Authority shall be entitled to review the relevant Test Reports and the Test Issue Management Log.

3.5 Any Disputes between the Authority and the Supplier regarding Testing shall be referred to the Dispute Resolution Procedure using the Expedited Dispute Timetable.

4 TEST STRATEGY

4.1 The Supplier shall develop the final Test Strategy as soon as practicable after the Effective Date but in any case no later than 20 Working Days (or such other period as the Parties may agree in writing) after the Effective Date.

4.2 The final Test Strategy shall include:

(a) an overview of how Testing will be conducted in accordance with the Implementation Plan. In particular, the Test Strategy shall describe the Tests to be undertaken to demonstrate that each of the Milestones in relation to the development of the Supplier Interface (as set out in Annex 4) meet the relevant requirements.

(b) the process to be used to capture and record Test results and the categorisation of Test Issues;

(c) the method for mapping the expected Test results to the Test Success Criteria;

(d) the procedure to be followed if a Deliverable fails to satisfy the Test Success Criteria or produces unexpected results, including a procedure for the resolution of Test Issues;

(e) the procedure to be followed to sign off each Test;

(f) the process for the production and maintenance of Test Reports and reporting, including templates for the Test Reports and the Test Issue Management Log, and a sample plan for the resolution of Test Issues;

(g) the names and contact details of the Authority's and the Supplier's Test representatives;

(h) a high level identification of the resources required for Testing, including facilities, infrastructure, personnel and Authority and/or third party involvement in the conduct of the Tests;

(i) the technical environments required to support the Tests; and

(j) the procedure for managing the configuration of the Test environments.

5 TEST PLANS

5.1 The Supplier shall develop Test Plans and submit these for the approval of the Authority as soon as practicable but in any case no later than 20 Working Days (or such other period as the Parties may agree in the Test Strategy or otherwise agree in writing) prior to the start date for the relevant Testing (as specified in the Implementation Plan).

5.2 Each Test Plan shall include as a minimum:

(a) the relevant Test definition and the purpose of the Test, the Milestone to which it relates, the requirements being tested and, for each Test, the specific Test Success Criteria to be satisfied;

(b) a detailed procedure for the Tests to be carried out, including:

(i) the timetable for the Tests, including start and end dates;

(ii) the Testing mechanism;

(iii) dates and methods by which the Authority can inspect Test results or witness the Tests in order to establish that the Test Success Criteria have been met;

(iv) the mechanism for ensuring the quality, completeness and relevance of the Tests;

(v) the format and an example of Test progress reports and the process with which the Authority accesses daily Test schedules;

(vi) the process which the Authority will use to review Test Issues and the Supplier's progress in resolving these in a timely basis;

(vii) the Test Schedule;

(viii) the re-Test procedure, the timetable and the resources which would be required for re-Testing; and

(c) the process for escalating Test Issues from a re-test situation to the taking of specific remedial action to resolve the Test Issue.

5.3 The Authority shall not unreasonably withhold or delay its approval of the Test Plans provided that the Supplier shall incorporate any reasonable requirements of the Authority in the Test Plans.

6 TEST SUCCESS CRITERIA

The Test Success Criteria for:

(a) each Test that must be Achieved for the Supplier to Achieve either a Milestone, the ATP Milestone or a CPP Milestone are set out in Annex 4; and

(b) all other Tests shall be agreed between the Parties as part of the relevant Test Plan pursuant to Paragraph 5.

7 TEST SPECIFICATION

7.1 Following approval of a Test Plan, the Supplier shall develop the Test Specification for the relevant Deliverables as soon as reasonably practicable and in any event at least 10 Working Days (or such other period as the Parties may agree in the Test Strategy or otherwise agree in writing) prior to the start of the relevant Testing (as specified in the Implementation Plan).

7.2 Each Test Specification shall include as a minimum:

(a) the specification of the Test data, including its source, scope, volume and management, a request (if applicable) for relevant Test data to be provided by the Authority and the extent to which it is equivalent to live operational data;

(b) a plan to make the resources available for Testing;

(c) Test scripts;

(d) Test pre-requisites and the mechanism for measuring them; and

(e) expected Test results, including:

(i) a mechanism to be used to capture and record Test results; and

(ii) a method to process the Test results to establish their content.

8 TESTING

8.1 Before submitting any Deliverables for Testing the Supplier shall subject the relevant Deliverables to its own internal quality control measures.

8.2 The Supplier shall manage the progress of Testing in accordance with the relevant Test Plan and shall carry out the Tests in accordance with the relevant Test Specification. Tests may be witnessed by the Test Witnesses in accordance with Paragraph 10.

8.3 The Supplier shall notify the Authority at least 10 Working Days (or such other period as the Parties may agree in writing) in advance of the date, time and location of the relevant Tests and the Authority shall ensure that the Test Witnesses attend the Tests, except where the Authority has specified in writing that such attendance is not necessary.

8.4 The Authority may raise and close Test Issues during the Test witnessing process.

8.5 The Supplier shall provide to the Authority in relation to each Test:

(a) a draft Test Report not less than 2 Working Days (or such other period as the Parties may agree in writing) prior to the date on which the Test is planned to end; and

(b) the final Test Report within 5 Working Days (or such other period as the Parties may agree in writing) of completion of Testing.

8.6 Each Test Report shall provide a full report on the Testing conducted in respect of the relevant Deliverables, including:

(a) an overview of the Testing conducted;

(b) identification of the relevant Test Success Criteria that have been satisfied;

(c) identification of the relevant Test Success Criteria that have not been satisfied together with the Supplier's explanation of why those criteria have not been met;

(d) the Tests that were not completed together with the Supplier's explanation of why those Tests were not completed;

(e) the Test Success Criteria that were satisfied, not satisfied or which were not tested, and any other relevant categories, in each case grouped by Severity Level in accordance with Paragraph 9.1; and

(f) the specification for any hardware and software used throughout Testing and any changes that were applied to that hardware and/or software during Testing.

9 TEST ISSUES

9.1 Where a Test Report identifies a Test Issue, the Parties shall agree the classification of the Test Issue using the criteria specified in Annex 1 and the Test Issue Management Log maintained by the Supplier shall log Test Issues reflecting the Severity Level allocated to each Test Issue.

9.2 The Supplier shall be responsible for maintaining the Test Issue Management Log and for ensuring that its contents accurately represent the current status of each Test Issue at all relevant times. The Supplier shall make the Test Issue Management Log available to the Authority upon request.

9.3 The Authority shall confirm the classification of any Test Issue unresolved at the end of a Test in consultation with the Supplier. If the Parties are unable to agree the classification of any unresolved Test Issue, the Dispute shall be dealt with in accordance with the Dispute Resolution Procedure using the Expedited Dispute Timetable.

10 TEST WITNESSING

10.1 The Authority may, in its sole discretion, require the attendance at any Test of one or more Test Witnesses selected by the Authority, each of whom shall have appropriate skills to fulfil the role of a Test Witness.

10.2 The Supplier shall give the Test Witnesses access to any documentation and Testing environments reasonably necessary and requested by the Test Witnesses to perform their role as a Test Witness in respect of the relevant Tests.

10.3 The Test Witnesses:

(a) shall actively review the Test documentation;

(b) will attend and engage in the performance of the Tests on behalf of the Authority so as to enable the Authority to gain an informed view of whether a Test Issue may be closed or whether the relevant element of the Test should be re-Tested;

(c) shall not be involved in the execution of any Test;

(d) shall be required to verify that the Supplier conducted the Tests in accordance with the Test Success Criteria and the relevant Test Plan and Test Specification;

(e) may produce and deliver their own, independent reports on Testing, which may be used by the Authority to assess whether the Tests have been Achieved;

(f) may raise Test Issues on the Test Issue Management Log in respect of any Testing; and

(g) may require the Supplier to demonstrate the modifications made to any defective Deliverable before a Test Issue is closed.

11 TEST QUALITY AUDIT

11.1 Without prejudice to its rights pursuant to Clause 12.2(c) (*Records, Reports and Audits*), the Authority may perform on-going quality audits in respect of any part of the Testing (each a "**Testing Quality Audit**") subject to the provisions set out in the agreed Quality Plan.

11.2 The focus of the Testing Quality Audits shall be on:

(a) adherence to an agreed methodology;

(b) adherence to the agreed Testing process;

(c) adherence to the Quality Plan;

(d) review of status and key development issues; and

(e) identification of key risk areas.

11.3 The Supplier shall allow sufficient time in the Test Plan to ensure that adequate responses to a Testing Quality Audit can be provided.

11.4 The Authority will give the Supplier at least 5 Working Days' written notice of the Authority's intention to undertake a Testing Quality Audit and the Supplier may request, following receipt of that notice, that any Testing Quality Audit be delayed by a reasonable time period if in the Supplier's reasonable opinion, the carrying out of a Testing Quality Audit at the time specified by the Authority will materially and adversely impact the Implementation Plan.

11.5 A Testing Quality Audit may involve document reviews, interviews with the Supplier Personnel involved in or monitoring the activities being undertaken pursuant to this Schedule, the Authority witnessing Tests and demonstrations of the Deliverables to the Authority. Any Testing Quality Audit shall be limited in duration to a maximum time to be agreed between the Supplier and the Authority on a case by case basis (such agreement not to be unreasonably withheld or delayed). The Supplier shall provide all reasonable necessary assistance and access to all relevant documentation required by the Authority to enable it to carry out the Testing Quality Audit.

11.6 If the Testing Quality Audit gives the Authority concern in respect of the Testing Procedures or any Test, the Authority shall:

(a) discuss the outcome of the Testing Quality Audit with the Supplier, giving the Supplier the opportunity to provide feedback in relation to specific activities; and

(b) subsequently prepare a written report for the Supplier detailing its concerns,

and the Supplier shall, within a reasonable timeframe, respond in writing to the Authority's report.

11.7 In the event of an inadequate response to the Authority's report from the Supplier, the Authority (acting reasonably) may withhold a Test Certificate (and consequently delay the grant of a Milestone Achievement Certificate) until the issues in the report have been addressed to the reasonable satisfaction of the Authority.

12 OUTCOME OF TESTING

12.1 The Authority shall issue a Test Certificate as soon as reasonably practicable when the Deliverables satisfy the Test Success Criteria in respect of that Test without any Test Issues.

12.2 If the Deliverables (or any relevant part) do not satisfy the Test Success Criteria then the Authority shall notify the Supplier and:

(a) the Authority may issue a Test Certificate conditional upon the remediation of the Test Issues;

(b) where the Parties agree that there is sufficient time prior to the relevant Milestone Date, the Authority may extend the Test Plan by

such reasonable period or periods as the Parties may reasonably agree and require the Supplier to rectify the cause of the Test Issue and re-submit the Deliverables (or the relevant part) to Testing; or

(c) where the failure to satisfy the Test Success Criteria results, or is likely to result, in the failure (in whole or in part) by the Supplier to meet a Milestone, then without prejudice to the Authority's other rights and remedies, such failure shall constitute a Notifiable Default for the purposes of Clause 25.1 (*Rectification Plan Process*).

12.3 The Authority shall be entitled, without prejudice to any other rights and remedies that it has under this Contract, to recover from the Supplier any reasonable additional costs it may incur as a direct result of further review or re-Testing which is required for the Test Success Criteria for that Deliverable to be satisfied.

13 ISSUE OF MILESTONE ACHIEVEMENT CERTIFICATE

13.1 The Authority shall issue a Milestone Achievement Certificate in respect of a given Milestone as soon as is reasonably practicable following:

(a) the issuing by the Authority of Test Certificates and/or conditional Test Certificates in respect of all Deliverables related to that Milestone which are due to be Tested; and

(b) performance by the Supplier to the reasonable satisfaction of the Authority of any other tasks identified in the Implementation Plan as associated with that Milestone (which may include the submission of a Deliverable that is not due to be Tested, such as the production of Documentation).

13.2 The grant of a Milestone Achievement Certificate shall entitle the Supplier to the receipt of a payment in respect of that Milestone in accordance with the provisions of Schedule 15 (*Charges and Invoicing*).

13.3 If a Milestone is not Achieved, the Authority shall promptly issue a report to the Supplier setting out:

(a) the applicable Test Issues; and

(b) any other reasons for the relevant Milestone not being Achieved.

13.4 If there are Test Issues but these do not exceed the Test Issues Threshold, then provided there are no Material Test Issues, the Authority shall issue a Milestone Achievement Certificate.

13.5 Without prejudice to the Authority's other remedies the following shall constitute a Notifiable Default for the purposes of Clause 25.1 (*Rectification Plan Process*) and the Authority shall refuse to issue a Milestone Achievement Certificate where:

(a) there is one or more Material Test Issue(s); or

(b) the information required under Schedule 24 (*Reports and Records Provisions*) (Annex 3: *Records To Upload To Virtual Library*) has not been uploaded to the Virtual Library in accordance with Paragraph 4 of that Schedule.

13.6 If there are Test Issues which exceed the Test Issues Threshold but there are no Material Test Issues, the Authority may at its discretion (without waiving any rights in relation to the other options) choose to issue a Milestone Achievement Certificate conditional on the remediation of the Test Issues in accordance with an agreed Rectification Plan provided that:

(a) any Rectification Plan shall be agreed before the issue of a conditional Milestone Achievement Certificate unless the Authority agrees otherwise (in which case the Supplier shall submit a Rectification Plan for approval by the Authority within 10 Working Days of receipt of the Authority's report pursuant to Paragraph 13.3); and

(b) where the Authority issues a conditional Milestone Achievement Certificate, it may (but shall not be obliged to) revise the failed Milestone Date and any subsequent Milestone Date.

ANNEX 1: TEST ISSUES – SEVERITY LEVELS

1 **Severity Level 1 Test Issue:** a Test Issue that causes non-recoverable conditions, e.g. it is not possible to continue using a Component, a Component crashes, there is database or file corruption, or data loss;

2 **Severity Level 2 Test Issue:** a Test Issue for which, as reasonably determined by the Authority, there is no practicable workaround available, and which:

2.1 causes a Component to become unusable;

2.2 causes a lack of functionality, or unexpected functionality, that has an impact on the current Test; or

2.3 has an adverse impact on any other Component(s) or any other area of the Services;

3 **Severity Level 3 Test Issue:** a Test Issue which:

3.1 causes a Component to become unusable;

3.2 causes a lack of functionality, or unexpected functionality, but which does not impact on the current Test; or

3.3 has an impact on any other Component(s) or any other area of the Services;

but for which, as reasonably determined by the Authority, there is a practicable workaround available;

4 **Severity Level 4 Test Issue:** a Test Issue which causes incorrect functionality of a Component or process, but for which there is a simple, Component based, workaround, and which has no impact on the current Test, or other areas of the Services; and

5 **Severity Level 5 Test Issue:** a Test Issue that causes a minor problem, for which no workaround is required, and which has no impact on the current Test, or other areas of the Services

ANNEX 2: TEST CERTIFICATE

To: [***NAME OF SUPPLIER***]

FROM: THE LORD CHANCELLOR, ACTING AS PART OF THE CROWN

[***Date***]

Dear Sirs,

TEST CERTIFICATE

Deliverables: [***insert description of Deliverables***]

We refer to the agreement (the "**Contract**") relating to the provision of the Services between the Lord Chancellor, acting as part of the Crown (the "**Authority**") and [***name of Supplier***] (the "**Supplier**") dated [***date***].

Capitalised terms used in this certificate have the meanings given to them in Schedule 1 (Definitions) or Schedule 14 (Testing Procedures) of the Contract.

[We confirm that the Deliverables listed above have been tested successfully in accordance with the Test Plan relevant to those Deliverables.]

OR

[This Test Certificate is issued pursuant to Paragraph 12.1 of Schedule 14 (Testing Procedures) of the Contract on the condition that any Test Issues are remedied in accordance with the Rectification Plan attached to this certificate.]*

**delete as appropriate*

Yours faithfully

[***Name***]

[***Position***]

acting on behalf of the Lord Chancellor

ANNEX 3: MILESTONE ACHIEVEMENT CERTIFICATE

To: [***NAME OF SUPPLIER***]

FROM: THE LORD CHANCELLOR, ACTING AS PART OF THE CROWN

[***Date***]

Dear Sirs,

MILESTONE ACHIEVEMENT CERTIFICATE

Milestone: [***insert description of Milestone***]

We refer to the agreement (the "**Contract**") relating to the provision of the Services between the Lord Chancellor, acting as part of the Crown (the "**Authority**") and [***name of Supplier***] (the "**Supplier**") dated [***date***].

Capitalised terms used in this certificate have the meanings given to them in Schedule 1 (Definitions) or Schedule 14 (Testing Procedures) of the Contract.

[We confirm that all the Deliverables relating to Milestone [***number***] have been tested successfully in accordance with the Test Plan relevant to this Milestone [or that a conditional Test Certificate has been issued in respect of those Deliverables that have not satisfied the relevant Test Success Criteria.]]*

OR

[This Milestone Achievement Certificate is granted pursuant to Paragraph 13.1 of Schedule 14 (Testing Procedures) of the Contract on the condition that any Test Issues are remedied in accordance with the Rectification Plan attached to this certificate.]*

[You may now issue an invoice in respect of the Milestone Payment associated with this Milestone in accordance with the provisions of Schedule 15 (Charges and Invoicing)]*

**delete as appropriate*

Yours faithfully

[***Name***]

[***Position***]

acting on behalf of the Lord Chancellor

ANNEX 4: TEST SUCCESS CRITERIA

1 Tests to be Achieved in order to Achieve each Milestone and the ATP Milestone

Milestone	Test	Pre-conditions	Test Success Criteria
1. 'Hello World'	To be proposed by the Supplier and agreed by the Authority in accordance with Paragraph 5 of this Schedule	None	Demonstration of initial interaction from Video Engine, through the software being developed as the Supplier Interface to the front end service element of the Authority Solution to show a pass/fail connectivity test, i.e., opening of a Virtual Meeting Room with the ability for Users to join.
2. Enhanced functionality/integration capability	To be proposed by the Supplier and agreed by the Authority in accordance with Paragraph 5 of this Schedule	Achievement of Milestone 1	Building on Milestone 1, the Supplier will evidence the completion of functionality tests, including moving Users between the Waiting Room, Consultation Rooms and Hearing Room and evidence that dual Host controls and the Interpreter functionality are working as designed and in line with the requirements set out in Schedule 2 (*Services Description*). This is a demonstration of capability. This shall be evidenced in pre-production, with evidence that the Production Environment is in place.
3. Performance Testing Completed	To be proposed by the Supplier and agreed by the Authority in accordance with Paragraph 5 of this Schedule	Achievement of Milestone 2	Demonstration that the Video Engine operates, and the Supplier Interface functions, in accordance with the requirements as set out in Schedule 2 (*Services Description*). The Video Engine and Supplier Interface shall be capable of passing synthetic load testing to 3500 User devices. Evidence should also be provided (via design architecture or

Milestone	Test	Pre-conditions	Test Success Criteria
			test outputs) that the maximum throughput / Capacity for the specified number of Concurrent Participating Devices and Hearing Rooms will be delivered from the Milestone Date.
4. IT Health Check Completed	To be proposed by the Supplier and agreed by the Authority in accordance with Paragraph 5 of this Schedule	Achievement of Milestone 3	Successful completion of an IT Health Check undertaken by a third party approved by the Authority and appointed by the Supplier. The IT Health Check will include the provision of all certification (eg Cyber Essentials plus) and completion of penetration testing as required by the Authority. A Remediation Action Plan with assigned action owners to be prepared by the Supplier and presented to the Authority to address any vulnerabilities identified in the IT Health Check. To achieve this Milestone 4, all medium, high and critical vulnerabilities will have been corrected to the satisfaction of the Authority, and any minor vulnerabilities will be accompanied by a Remediation Action Plan which is approved by the Authority. Provision of all information required by the Authority to complete a Data Protection Impact Assessment in relation to the Services.
5a. User Acceptance Testing Completed (ATP Milestone)	To be proposed by the Supplier and agreed by the Authority in accordance with Paragraph 5 of this Schedule	Achievement of Milestone 4	Successful completion of all user acceptance testing and evidencing to the Authority that all 'must have' and 'should have' Functional and Non-Functional Requirements set out in Schedule 2 (*Service Description*) have been delivered and the Operational Services are ready to roll out (other than those referred to in Milestone 5b below). *. Final user

Milestone	Test	Pre-conditions	Test Success Criteria
			acceptance testing will be undertaken by the Authority and a range of stakeholders selected by the Authority.
5b. Post-ATP Milestone	To be proposed by the Supplier and agreed by the Authority in accordance with Paragraph 5 of this Schedule.	Achievement of Milestone 4	Successful implementation of Functional Requirements VHE-FR-0082 and VHE-FR-0083 as detailed in Annex 1 of Schedule 2 (*Services Description*).

SCHEDULE 15

CHARGES AND INVOICING

Schedule 15 (*Charges and Invoicing*)

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

"Bank Holiday"	a national public holiday in England and Wales as set out in a statute or declared by royal proclamation;
"Concurrent Participating Devices"	the number of Participating Devices simultaneously connected to the Video Hearings Service;
"Delay Payment Rate"	has the meaning given in Paragraph 3.5.1;
"European Standard"	in relation to an electronic invoice means the European standard and any of the syntaxes published in Commission Implementing Decision (EU) 2017/1870;
"Indexation" and "Index"	the adjustment of an amount or sum in accordance with Paragraph 8;
"Participating Device"	a device (such as a laptop, tablet or smart phone) connected to a Video Hearing;
"Personnel Core Working Hours"	09:00 to 17:00 Monday to Friday excluding Bank Holidays;
"SFIA Level of Responsibility"	the descriptions of professional skills and generic attributes using a 7-level structure as set out in skills model prepared by the SFIA Foundation as further detailed on their website: (sfia-online.org);
"Supporting Documentation"	sufficient information in writing to enable the Authority reasonably to assess whether the Charges and other sums due from the Authority detailed in the information are properly payable, including copies of any applicable Milestone Achievement Certificates or receipts;
"Volume Charges"	means those volume based Charges which are payable by the Authority to the Supplier on a consumption basis in accordance with Paragraph 4;

"Work Day"	8 hours properly worked by one of the Supplier Personnel on the Services, whether or not such hours are worked consecutively and whether or not they are worked on the same day; and
"0800 Service Minutes"	the number of minutes that the telephone lines provided as part of the 0800 Service are used in a given Service Period.

2 OVERVIEW

2.1 The Charges for the provision of the Services comprise the following:

2.1.1 Milestone Payments in relation to the design, development and implementation of the Supplier Interface as further detailed in Paragraph 3 below;

2.1.2 Service Charges comprising:

(a) **"Volume Charges"** in relation to the provision of access for Participating Devices, Compute Minutes and the 0800 Service Minutes, as detailed in Paragraph 4 below;

(b) **"Fixed Charges"** for hosting of the Video Engine, Supplier Interface, Sandbox Environment, Staging Environment, Development Test Environment, Training Environment, and management of the 0800 Service, as detailed in Paragraph 5 below; and

2.1.3 **"Time and Materials"** rates that apply to Supplier Personnel engaged in the delivery of Services to be charged on a time and materials basis introduced in accordance with Schedule 22 (*Change Control Procedure*) (if any) as detailed in Paragraph 6 below.

2.2 The Charges stated in the Annexes to this Schedule are net of VAT and the Supplier shall add VAT at the rate applicable when the invoice is raised.

2.3 The Charges shall include all costs and expenses incurred by the Supplier in the delivery of the Services and/or the Supplier's performance of its obligations under this Contract and no further amounts shall be payable by the Authority to the Supplier in respect of such performance, including in respect of matters such as:

2.3.1 attendance at all meetings, preparation of reports, the costs of IT Health Checks, testing, provision of performance data, provision of the Supplier Service Desk;

2.3.2 any incidental expenses that the Supplier incurs, including travel, subsistence and lodging, document and report reproduction, shipping, desktop and office equipment costs required by the Supplier Personnel, including network or data interchange costs or other telecommunications charges;

2.3.3 the Supplier's profit and other administration costs; and/or

2.3.4 any amount for any services provided or costs incurred by the Supplier prior to the Effective Date.

3 MILESTONE PAYMENTS FOR THE DEVELOPMENT OF THE SUPPLIER INTERFACE

3.1 Subject to the deduction of any Delay Payment in accordance with Paragraph 3.5, on the Achievement of a Milestone the Supplier shall be entitled to invoice the Authority for the Milestone Payment associated with that Milestone in accordance with this Paragraph 3. The criteria set for the Achievement of each Milestone and the Milestone Payment in relation to each Milestone are set out in Schedule 14 (*Testing Procedures*).

3.2 Each invoice relating to a Milestone Payment shall be supported by a Milestone Achievement Certificate confirming the Milestone has been Achieved.

3.3 Milestone Payments shall not be subject to adjustment by way of Indexation.

3.4 The Milestone Payments shall constitute full consideration for the design, development and implementation of the Supplier Interface and shall be fully inclusive of all costs and expenses.

3.5 Milestone 5a (User Acceptance Testing Completed) and Milestone 5b (Post-ATP Milestone) shall each be Achieved by the Supplier as soon as practical but in any event by the Milestone Date associated with the relevant Milestone. If either of Milestone 5a or Milestone 5b is not Achieved by the corresponding Milestone Date the Supplier shall pay a Delay Payment to the Authority (for the avoidance of doubt, where both Milestone 5a and Milestone 5b are not Achieved by their respective Milestone Dates, Delay Payments shall be payable in respect of each Milestone). The Delay Payments shall accrue:

3.5.1 at the daily rate (the **"Delay Payment Rate"**) of:

(a) [redacted]per day during the first 30 days of any such Delay; and

(b) [redacted]for each day of Delay thereafter;

3.5.2 from (but excluding) the relevant Milestone Date to (and including) the earlier of:

(a) the date on which the Milestone is Achieved; and

(b) the expiry of the Delay Deduction Period; and

3.5.3 on a daily basis, with any part day's Delay counting as a day.

3.6 The Parties agree that the Delay Payments stated in Paragraph 3.5 are a genuine pre-estimate covering an agreed proportion of the Losses which the Authority will incur as a result of a failure by the Supplier to Achieve Milestone

5a or Milestone 5b by the relevant Milestone Date. Delay Payment Rates are stated exclusive of VAT.

3.7 Any Delay Payments in respect of Milestone 5a or Milestone 5b shall be shown as a deduction from the amount due from the Authority to the Supplier in the next invoice due to be issued by the Supplier after the date on which the relevant Milestone is Achieved or the expiry of the Delay Deduction Period (as the case may be). If the relevant Milestone is not Achieved by the expiry of the Delay Deduction Period and no invoice is due to be issued by the Supplier within 10 Working Days of expiry of the Delay Deduction Period, then the Supplier shall within 10 Working Days of expiry of the Delay Deduction Period:

3.7.1 issue a credit note to the Authority in respect of the total amount of the Delay Payments; and

3.7.2 pay to the Authority as a debt a sum equal to the total amount of the Delay Payments together with interest on such amount at the applicable rate under the Late Payment of Commercial Debts (Interest) Act 1998, accruing on a daily basis from (and including) the due date up to (but excluding) the date of actual payment, whether before or after judgment.

4 VOLUME CHARGES

4.1 Subject to the remainder of this Paragraph 4, the Supplier shall be entitled to invoice the Authority according to the volume of Concurrent Participating Devices, Compute Time, and 0800 Service Minutes used in the preceding Service Period. The prices for these Services are set out in the following tables in Annex 2:

Concurrent Participating Devices	Table 1
Compute Minutes	Table 2
0800 Service Minutes	Table 3

4.2 The Supplier acknowledges and agrees that the Authority gives no warranty, guarantee or representation as to any actual volumes. The volume banding in Annex 2 is provided for pricing purposes only.

4.3 Concurrent Participating Devices

4.3.1 The Volume Charges in respect of Concurrent Participating Devices accessing the Video Hearings Service in the preceding Service Period shall be calculated using the prices in Table 1 of Annex 2 and based on the highest number of Concurrent Participating Devices (as opposed to number of Participants) at any point in time in that Service Period. By way of explanation, Participants can join a Video Hearing singularly, for example one person using a single device, or jointly, with several Participants using a shared device, such as several solicitors joining a Video Hearing from a shared Endpoint device in a meeting room.

4.3.2 In order to calculate the Volume Charge in respect of Concurrent Participating Devices in a Service Period, the relevant volume band in Table 1 of Annex 2 shall be identified based on the peak number of Concurrent Participating Devices accessing the Video Hearings Service at any point within the relevant Service Period. The Volume Charge will then be calculated by multiplying the price per Concurrent Participating Device for that volume band by such peak number of Concurrent Participating Devices in the relevant Service Period.

By way of example (where prices shown are for the purposes of the examples only):

Example 1

The below example is based on a peak of 100 Concurrent Participating Devices in a Service Period:

Volume Bands	Price per Concurrent Participating Device (£)	Volume Charge
Up to 150 Concurrent Participating Devices	25	100 x £25 = £2,500
151 to 500 Concurrent Participating Devices	24	
501 to 1,000 Concurrent Participating Devices	23	
1,001 to 1,500 Concurrent Participating Devices	22	
1,501 to 3,000 Concurrent Participating Devices	21	
3,001 to 5000 Concurrent Participating Devices	20	
Over 5000 Concurrent Participating Devices	19	

Example 2

The below example is based on a peak of 1,600 Concurrent Participating Devices in a Service Period:

Volume Bands	Price per Concurrent Participating Device (£)	Volume Charge
Up to 150 Concurrent Participating Devices	25	
151 to 500 Concurrent Participating Devices	24	
501 to 1,000 Concurrent Participating Devices	23	
1,001 to 1,500 Concurrent Participating Devices	22	
1,501 to 3,000 Concurrent Participating Devices	21	1,600 x 21 = £33,600

3,001 to 5000 Concurrent Participating Devices	20	
Over 5000 Concurrent Participating Devices	19	

4.3.3 As part of its rolling six-monthly forecast provided at each Capacity Planning Meeting (as set out in Paragraph 3 of Annex 3 to Schedule 2 (Services Description)), the Authority will provide its forecast for the peak number of Concurrent Participating Devices in each Service Period covered by that forecast period. This forecast shall be indicative only, however the Authority commits to purchase 70% of the forecast amount for peak number of Concurrent Participating Devices in each of the first three Service Periods covered by each forecast. As such, the amount the Supplier may invoice the Authority in respect of the Volume Charges for Concurrent Participating Devices, in each Service Period, will be the greater of:

(a) the amount which is equal to 70% of the forecast peak Concurrent Participating Devices in that Service Period; and

(b) the actual peak Concurrent Participating Devices for that Service Period.

4.3.4 The Supplier shall not require or otherwise seek to introduce any formal licence agreement in relation to Participating Devices accessing the Video Hearings Service which:

(a) revises or seeks to revise the provisions of this Agreement and, in particular, the Charges set out in this Schedule and/or the provisions of Schedule 32 in relation to Intellectual Property;

(b) seeks to impose any charge in relation to accessing the Service on any third party; or

(c) requires any third party to enter into any agreement with, or provide any additional details to, the Supplier.

4.4 Compute Minutes Volume Charges

The Volume Charges for Compute Minutes shall be calculated by multiplying the number of Compute Minutes incurred in the relevant Service Period by the price per minute for the relevant volume band set out in Table 2 Annex 2.

4.5 0800 Service Minutes Volume Charges

The Volume Charges for 0800 Service Minutes shall be calculated by multiplying the number of 0800 Service Minutes incurred in the relevant Service Period by the price per minute set out in Table 3 Annex 2.

4.6 The Supplier shall keep records of the volumes of Concurrent Participating Devices, Compute Minutes and 0800 Service Minutes used in each Service Period and shall submit details of the same to the Authority with each invoice.

4.7 Volume Charges shall be subject to adjustment by way of Indexation.

5 FIXED CHARGES

5.1 The Fixed Charges payable in each Service Period shall be the aggregate of the amounts set out against each Fixed Charge in Annex 3.

5.2 If a Service to which a Fixed Charge applies:

5.2.1 commences on a day other than the first day of a month; and/or

5.2.2 ends on a day other than the last day of a month,

the Fixed Charge for the relevant Service Period shall be pro-rated based on the proportion which the number of days in the month for which the Service is provided bears to the total number of days in that month.

5.3 Fixed Charges shall be subject to adjustment by way of Indexation.

6 PERSONNEL RATE CARD

6.1 Time and Materials Charges do not apply to the Services as at the Effective Date. Time and Materials Charges may be applied to Services introduced in accordance with Schedule 22 (Change Control Procedure). Where the Parties agree that a payment is to be calculated by reference to a Time and Materials pricing mechanism:

6.1.1 the day rates set out in Annex 4 shall be used to calculate the relevant Charges, provided that the Supplier (or its Sub-contractor) shall:

(a) not be entitled to include any uplift for risks or contingencies within its day rates; and

(b) only be entitled to be paid Charges that have been properly and reasonably incurred, taking into account the Supplier's obligation to deliver the Services in a proportionate and efficient manner;

6.1.2 the Supplier shall keep records of hours properly worked by Supplier Personnel (in the form of timesheets) and submit a summary of the relevant records with each invoice. If the Authority requests copies of such records, the Supplier shall make them available to the Authority within 5 Working Days of the Authority's request;

6.1.3 the rates set out in Annex 4 are inclusive of all travel, subsistence, and other costs. No additional costs will be payable in relation to the Supplier Personnel without prior written approval of the Authority prior to such costs being incurred;

6.1.4 the Supplier shall assess the day rate applicable to specific personnel using the SFIA Levels of Responsibility as applicable on the Effective Date. If the Authority questions the rate applicable to any individual, the Supplier shall provide evidence to support the level allocated in accordance with the SFIA Levels of Responsibility within 5 Working Days of the Authority's request;

6.1.5 the Supplier shall state in its invoice whether the Supplier Personnel undertook the work during Personnel Core Working Hours, outside Personnel Core Working Hours or on a Bank Holiday. Wherever possible any work shall be undertaken during Personnel Core Working Hours; and

6.1.6 the Supplier shall not be entitled to charge the higher rates for work undertaken outside Personnel Core Working Hours or a Bank Holiday unless the Authority has given prior written approval to the work being undertaken at these times.

6.2 The rates for Work Days set out in Annex 4 will be subject to adjustment by way of Indexation.

7 PROVISIONS APPLICABLE TO ALL SERVICE CHARGES

7.1 Each Service to which a Service Charge relates shall commence on the Operational Service Commencement Date.

7.2 Service Charges shall be invoiced by the Supplier in arrears for each Service Period in accordance with Paragraph 9.

7.3 Any Service Credits that accrue during a Service Period shall be deducted from the Service Charges payable for the following Service Period. An invoice for a Service Charge shall not be payable by the Authority unless all adjustments (including Service Credits) relating to the Service Charges for the immediately preceding Service Period have been agreed. The Parties shall use all reasonable endeavours to reach such agreement as soon as practical.

8 INDEXATION

8.1 Any amounts or sums in this Contract which are expressed to be "subject to Indexation" shall be adjusted in accordance with the provisions of this Paragraph 8 to reflect the effects of such Indexation.

8.2 Where Indexation applies, the relevant adjustment for Indexation (which could be an increase or decrease) shall be:

8.2.1 applied on the first anniversary of the Effective Date and every anniversary of the Effective Date thereafter (each such date an **"adjustment date"**) until the expiry or termination of the Contract; and

8.2.2 determined by multiplying the relevant amount or sum by the percentage increase or decrease in the Consumer Price Index as

published by the Office of National Statistics for the 12 calendar months immediately preceding the adjustment date.

8.3 Except as set out in in this Paragraph 8 no other costs, expenses, fees, or Charges shall be adjusted for changes related to inflation, exchange rates, interest rates or other costs.

9 INVOICING AND PAYMENT TERMS

Supplier Invoices

9.1 The Authority shall accept for processing any electronic invoice that complies with the European Standard, provided that it is valid and undisputed.

9.2 If the Supplier proposes to submit for payment an invoice that does not comply with the European Standard the Supplier shall:

9.2.1 comply with the requirements of the Authority's e-invoicing system;

9.2.2 prepare and provide to the Authority for approval of the format a template invoice within 10 Working Days of the Effective Date which shall include, as a minimum the details set out in Paragraph 9.3 together with such other information as the Authority may reasonably require to assess whether the Charges that will be detailed therein are properly payable; and

9.2.3 make such amendments as may be reasonably required by the Authority if the template invoice outlined in Paragraph 9.2.2 is not approved by the Authority.

9.3 The Supplier shall ensure that each invoice is submitted in the correct format for the Authority's e-invoicing system, or that it contains the following information:

9.3.1 the date of the invoice;

9.3.2 a unique invoice number;

9.3.3 the Service Period or other period(s) to which the relevant Charge(s) relate;

9.3.4 the correct reference for this Contract;

9.3.5 the reference number of the purchase order to which it relates (if any);

9.3.6 the dates between which the Services subject of each of the Charges detailed on the invoice were performed;

9.3.7 a description of the Services;

9.3.8 any payments due in respect of Achievement of a Milestone, including the Milestone Achievement Certificate number for each relevant Milestone;

9.3.9 the total Charges gross and net of any applicable deductions and, separately, any VAT or other sales tax payable in respect of each of the same;

9.3.10 details of any Service Credits or Delay Payments or similar deductions that shall apply to the Charges detailed on the invoice;

9.3.11 reference to any reports required by the Authority in respect of the Services to which the Charges detailed on the invoice relate (or in the case of reports issued by the Supplier for validation by the Authority, then to any such reports as are validated by the Authority in respect of the Services);

9.3.12 a contact name and telephone number of a responsible person in the Supplier's finance department in the event of administrative queries;

9.3.13 the banking details for payment to the Supplier via electronic transfer of funds (i.e. name and address of bank, sort code, account name and number); and

9.3.14 where the Services have been structured into separate Service lines, the information referred to in Paragraphs 9.3.1 – 9.3.13 shall be broken down in each invoice per Service line.

9.4 The Supplier shall invoice the Authority in respect of Services in accordance with the requirements of this Schedule. The Supplier shall first submit to the Authority a draft invoice setting out the Charges payable. The Parties shall endeavour to agree the draft invoice within 5 Working Days of its receipt by the Authority, following which the Supplier shall be entitled to submit its invoice.

9.5 Each invoice shall be accompanied by Supporting Documentation. Any assessment by the Authority as to what constitutes Supporting Documentation shall not be conclusive and the Supplier undertakes to provide to the Authority any other documentation reasonably required by the Authority from time to time to substantiate an invoice.

9.6 The Supplier shall submit all invoices and Supporting Documentation by email to AP-Invoices-CTS-U@GOV.sscl.gov or in the event of any issue with the email submission the invoice can be submitted to:

His Majesty's Courts and Tribunals Service,

PO Box 745

Newport

Gwent

NP10 8FZ

with a copy (again including any Supporting Documentation) to such other person and at such place as the Authority may notify to the Supplier from time to time.

9.7 All Supplier invoices shall be expressed in sterling or such other currency as shall be permitted by the Authority in writing.

9.8 The Authority shall regard an invoice as valid only if it complies with the provisions of this Paragraph 9. Where any invoice does not conform to the Authority's requirements set out in this Paragraph 9, the Authority shall promptly return the disputed invoice to the Supplier and the Supplier shall promptly issue a replacement invoice which shall comply with such requirements.

9.9 If the Authority fails to consider and verify an invoice in accordance with Paragraphs 9.4 and 9.8, or fails to raise any objections to its content or format, the invoice shall be regarded as valid and undisputed for the purpose of Paragraph 9.10 on the expiry of 10 Working Days after the draft invoice has been provided to the Authority in accordance with Paragraph 9.6.

Payment Terms

9.10 Subject to the relevant provisions of this Schedule, the Authority shall make payment to the Supplier within 30 days of verifying that the invoice is valid and undisputed.

9.11 Unless the Parties agree otherwise in writing, all Supplier invoices shall be paid in sterling by electronic transfer of funds to the bank account that the Supplier has specified on its invoice.

10 SERVICE CREDITS

10.1 Service Credits shall be calculated by reference to the number of Service Points accrued in any one Service Period pursuant to the provisions of Schedule 3 (Performance Levels).

10.2 The Supplier shall inform the Authority of the number of Service Points accrued in the preceding Service Period within 3 Working Days of the end of that Service Period.

10.3 For each Service Period, the Service Points accrued shall be converted to a percentage deduction from the Service Charges for the relevant Service Period on the basis of one point equating to a 1% deduction in the Service Charges for that Service Period to calculate the total Service Credits applicable for the Service Period.

10.4 The liability of the Supplier in respect of Service Credits shall be subject to Clause 23.5(c) (Financial and other Limits) provided that neither the operation of the Monthly Service Credit Cap nor the Annual Service Credit Cap shall affect the continued accrual of Service Points in excess of such financial limit in accordance with the provisions of Schedule 3 (Performance Levels).

10.5 Service Credits are a reduction of the Service Charges payable in respect of the relevant Services to reflect the reduced value of the Services received and are stated exclusive of VAT.

10.6 Service Credits shall be shown as a deduction from the amount due from the Authority to the Supplier in the invoice for the Service Period immediately succeeding the Service Period to which they relate.

11 RISK REGISTER

11.1 The Parties shall review the Risk Register set out in Annex 5 from time to time and as otherwise required for the purposes of Schedule 21 (Governance).

ANNEX 1: MILESTONE PAYMENTS

All the Milestones listed below relate to the development of the Supplier Interface

Milestone	Description	Milestone Date[1] (Where "T" = Effective Date)	% of costs in relation to the development of the Supplier Interface	Milestone Payment (£)
1. 'Hello World'	See Annex 1 of Schedule 13 (*Implementation Plan*)	*T + 103 Working Days* *25 Mar 24*	15%	[redacted]
2. Demonstrate enhanced functionality/integration capability	See Annex 1 of Schedule 13 (*Implementation Plan*)	*T + 111 Working Days* *8 Apr 24*	20%	
3. Performance Testing Completed	See Annex 1 of Schedule 13 (*Implementation Plan*)	*T + 204 Working Days* *19 Aug 24*	20%	
4. IT Health Check Completed	See Annex 1 of Schedule 13 (*Implementation Plan*)	*T + 205 Working Days* *20 Aug 24*	15%	
5a. User Acceptance Testing Completed	See Annex 1 of Schedule 13 (*Implementation Plan*)	*T + 214 Working Days* *03 Sep 24*	25%	
5b. Post-ATP Milestone	See Annex 1 of Schedule 13 (*Implementation Plan*)	*T + 224 Working Days* *17 Sep 24*	5%	
Total			100%	

[1] The Milestone Dates set out in this column is when Effective Date is 30th October 2023 and may vary as agreed by both parties on finalisation of the Implementation Plan. For the avoidance of doubt, "T + Working Days" take precedence.

ANNEX 2: VOLUME CHARGES

Table 1: Concurrent Participating Devices

Volume Band	Price per Concurrent Participating Device (£)
Up to 150 Concurrent Participating Devices	[redacted]
151 to 500 Concurrent Participating Devices	
501 to 1,000 Concurrent Participating Devices	
1,001 to 1,500 Concurrent Participating Devices	
1,501 to 3000 Concurrent Participating Devices	
3,001 to 5,000 Concurrent Participating Devices	
Over 5,000 Concurrent Participating Devices	

Table 2: Compute Minutes

Volume Band	Price per Compute Minute (£)
Up to 1,000,000 Compute Minutes	[redacted]

1,000,001 – 4,000,000 Compute Minutes	[redacted]
4,000,001 – 7,000,000 Compute Minutes	[redacted]
Over 7,000,000 Compute Minutes	[redacted]

Table 3: 0800 Service Minutes

	Price per minute
0800 Service	[redacted]

ANNEX 3: FIXED CHARGES

	Fixed Cost (£) per Service Period
Video Engine	[redacted]
Supplier Interface	
Provision of a Sandbox Environment	
Provision of a Staging Environment	
Provision of a Development Test Environment	
Provision of a Training Environment	
Provision of service support including provision of the Supplier Service Desk, updating ITSM, risk management, attendance at meetings, security management and all other obligations placed on the Supplier in relation to the on-going management of the Contract	
Management of the 0800 Service	

ANNEX 4: PRICING MECHANISM FOR SUPPLIER PERSONNEL

Annex 4 Table 1 Rate for each Work Day in Personnel Core Working Hours

Delivery area	Typical roles within this delivery area	Day Rate (£) Personnel Core Working Hours						
	Level (see SFIA Level of Responsibility)	1	2	3	4	5	6	7
Strategy and Design	Lead Developer, Software Developer	[redacted]						
Development and implementation	Business Architect, Software Developer, Testing Manager							
Delivery and operation	Service Delivery Manager, Operations Manager							
Relationship with the Authority	Project Manager, Assistant Project Manager, Account Manager							
Administration	Performance Manager, Administration support							

Annex 4 Table 2 Rate for each Work Day outside Personnel Core Working Hours excluding Bank Holidays

Delivery area	Typical roles within this delivery area	Day Rate (£) Outside Personnel Core Working Hours excluding Bank Holidays						
	Level (see SFIA Level of Responsibility)	1	2	3	4	5	6	7
Strategy and Design	Lead Developer, Software Developer	[redacted]						
Development and implementation	Business Architect, Software Developer, Testing Manager							
Delivery and operation	Service Delivery Manager, Operations Manager							
Relationship with the Authority	Project Manager, Assistant Project Manager, Account Manager							
Administration	Performance Manager, Administration support							

Annex 4 Table 3 Rate for each Work Day on Bank Holidays

Delivery area	Typical roles within this delivery area	Day Rate (£) Bank Holidays						
	Level (see SFIA Level of Responsibility)	1	2	3	4	5	6	7
Strategy and Design	Lead Developer, Software Developer	[redacted]						
Development and implementation	Business Architect, Software Developer, Testing Manager							
Delivery and operation	Service Delivery Manager, Operations Manager							
Relationship with the Authority	Project Manager, Assistant Project Manager, Account Manager							
Administration	Performance Manager, Administration support							

Annex 5 Risk Register

Risk Ser	Risk Name	Description of risk	Timing	Likeli-hood	Impact (£)	Impact (description)	Mitigation (description)	Cost of mitigation	Post-mitigation impact (£)	Fore-cast Conting ency Costs	Owner
R.01	Access to Authority relevant 3rd Parties (incl incumbent Suppliers)	There is a risk that delay is created because there is limited access to Authority 3rd Parties that hinders the Supplier's ability to deliver to scope and programme.	Program me	Very High	[redacted]	Extended Programme Costs	Where there is a requirement for the Supplier to work with the Authority's other Video Hearing suppliers, the Authority shall arrange meetings and require the Authority's other Video Hearing suppliers to respond in a timely manner to Supplier requests such as database software, linking instructions, test scripts, compilation instructions and test instructions.	[redacted]	[redacted]	[redacted]	Authority /Vodafone
R.02	Access to Authority 3rd Parties' Information	There is a risk that delay is created or the programme cannot be delivered due to critical information not being provided to the Supplier from Authority's 3rd Parties (incl incumbent suppliers)	Program me	Very High	[redacted]	Extended Programme Costs	The Authority shall use its reasonable endeavours to procure and/or provide all information listed in Schedule 7.	[redacted]	[redacted]	[redacted]	Authority
R.03	Scope	There is risk that there is a misalignment to the interpretation of the required scope	Program me	Medium	[redacted]	Extended Programme Costs	Supplier to arrange discovery workshops to validate Authority's statement of requirements as set out in the Tender Documentation & Sch 2	[redacted]	[redacted]	[redacted]	Authority / Vodafone

Risk Ser	Risk Name	Description of risk	Timing	Likeli-hood	Impact (£)	Impact (description)	Mitigation (description)	Cost of mitigation	Post-mitigation impact (£)	Fore-cast Conting ency Costs	Owner
R.04	Technology	There is a risk that functionality may be impacted if the Authority make changes to the Authority Solution that requires changes to be made to both the Supplier interface and Video Engine concurrently	Service	Low	[redacted]	Calc as 1x month remediatio n work	Authority to provide notifications of Authority's API or functionality changes, in line with a change process to be agreed	[redacted]	[redacted]	[redacted]	Authority
R.05	TUPE	There is a risk that the Authority incurs unforeseen cost with staff transfer	Mobilisa tion	Very Low	[redacted]	5x staff redundanc y cost	Authority has re-confirmed with it current service provider that there are no eligible TUPE requirements	[redacted]	[redacted]	[redacted]	Authority
R.06	Communica tions	There is risk that the programme is delayed due to an ineffective communications or protracted response times for changes, approval & decisions	Mobilisa tion	Low	[redacted]	Extended Programm e Costs	Comprehensive programme management built into the solution as a low-level project plan and in line with Sch 21. Parties to have single point of contact for decision making	[redacted]	[redacted]	[redacted]	Authority / Vodafone

Risk Ser	Risk Name	Description of risk	Timing	Likeli-hood	Impact (£)	Impact (description)	Mitigation (description)	Cost of mitigation	Post-mitigation impact (£)	Fore-cast Conting ency Costs	Owner
R.07	Technology Changes	There is a risk that changes are required due to technology obsolescence	Service	Low	[redacted]	Mitigation	Vodafone with its Key Sub-contractor will comply with Sch 2, Sec 3 in that it will as far as is reasonably practical, develop the Supplier Interface so that it is agnostic to technology changes, for example, in the event of any future change in video engine technology such as updated/ alternative version	[redacted]	[redacted]	[redacted]	Authority / Vodafone
R.08	Service Integration	There is a risk that Authority does not configure their ITSM platform resulting in Vodafone being unable to comply with SLA	Mobilisation	Low	[redacted]	Impact to Service	The Supplier is already a Resolving Agency in the Authority's ITSM for existing Video Service as such another queue can be created easily. Authority to configure their ITSM platform ServiceNow to create a ticket to be sent to the Supplier.	[redacted]	[redacted]	[redacted]	Authority / Vodafone
R.09	Key Sub-Contractor	This is a risk that services are disrupted by Key Sub-Contractors 3rd Parties ability to trade as a going concern	Service	Very Low	[redacted]	Impact to Service	The Supplier has strict reporting flow downs with its Key Sub-contractor to routinely monitor the performance and financial health as well and business continuity plans.	[redacted]	[redacted]	[redacted]	Vodafone

Risk Ser	Risk Name	Description of risk	Timing	Likeli-hood	Impact (£)	Impact (description)	Mitigation (description)	Cost of mitigation	Post-mitigation impact (£)	Fore-cast Conting ency Costs	Owner
R.10	Authority Obligations	There is a risk that during mobilisation, demands are placed on the Authority's technical teams, at the pace the Supplier requires, which hinders the Authority's ability to meet its obligations to the Supplier.	Mobilisa tion	Medium	[redacted]	Delay to delivery Milestones	Authority to closely monitor resources and plans in place to meet demand	[redacted]	[redacted]	[redacted]	Authority
R.11	Supplier performanc e	There is a risk that the Supplier does not perform as expected and outlined in the contract and that SLA / SLT / KPI are not as effective as envisaged or are unachievable	Service	Medium	[redacted]	Impact to Service and Service Credits	Authority has: 1) Clearly outlined the expectations from Vodafone in the schedules and how the Authority envisions the HMCTS/Vodafone relationship to work 2) The Authority has created a robust internal contract management regime. 3) Developed a clear process for performance failures and/or breaches. 4) Defined service levels, service point and service credits (included in schedules).	[redacted]	[redacted]	[redacted]	Vodafone

Risk Ser	Risk Name	Description of risk	Timing	Likeli-hood	Impact (£)	Impact (description)	Mitigation (description)	Cost of mitigation	Post-mitigation impact (£)	Fore-cast Conting ency Costs	Owner
R.12	Future Change Requests	There is a risk that future Change Requests may not be delivered or delivered on time.	Service	Medium	[redacted]	Impact to Service	Authority has: 1) Articulated expectations around Change Requests in Schedule 22	[redacted]	[redacted]	[redacted]	Vodafone
R.13	Worldwide Political Tensions	There is a risk of additional security requests or changes to specifications due to worldwide political tensions.	Service	Low	[redacted]	Mitigation	Authority to: 1) Liaise with HMCTS IT Security team. 2) Maintain Supplier discussions regarding the issue.	[redacted]	[redacted]	[redacted]	Authority/ Vodafone
R.14	Captured requirement s	The requirements of the service (as set out in Schedule 2 of the Contract) do not reflect current technology, are inflexible or omit key features as they have been developed by the Authority without on-going feedback from Vodafone.	Service	Medium	[redacted]	Impact to Service	Authority has: 1) Undertaken a line-by-line review of Schedule 2 and supporting annexes (FR and NFRs) with Commercial, Technical, Service and DTS colleagues. 2) Engaged a commercial video expert to complete a peer review of the requirements 3) Ensured the Tender requirements did not prescribe a solution where it is not necessary, leaving it open to proposal by the Supplier on how they will deliver.	[redacted]	[redacted]	[redacted]	Authority

Risk Ser	Risk Name	Description of risk	Timing	Likeli-hood	Impact (£)	Impact (description)	Mitigation (description)	Cost of mitigation	Post-mitigation impact (£)	Fore-cast Conting ency Costs	Owner
R.15	Capacity Versus Volume Concerns	There is a risk that the Authority is asking suppliers to increase capacity when volume details cannot be guaranteed.	Service	Medium	[redacted]	Impact to Service	Authority is: 1) Holding Capacity Planning Meetings plan for volumes 6 months out and committing to 3 months' of volumes. The 3-month commitment is to give some comfort to Vodafone and reduce their exposure.	[redacted]	[redacted]	[redacted]	Authority
R16	Access to Authority Resources	There is a risk of delay to develop the Supplier Interface due to limited access to Authority Resources	Mobilisa tion	Medium	[redacted]	Delay to delivery Milestones	Authority to provide appropriate resources as per Schedule 7, 3.1	[redacted]	[redacted]	[redacted]	Authority

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SCHEDULE 18

FINANCIAL DISTRESS

Schedule 18 (*Financial Distress*)

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

"Supplier Board Confirmation"	means written confirmation from the Supplier Board in accordance with Paragraph 8 of this Schedule;
"Supplier Board of Directors"	means the Supplier's board of directors;
"Credit Score"	a credit score as specified in Annex 1 of this Schedule;
"Credit Score Threshold"	the minimum Credit Score for each entity in the FDE Group as set out in Annex 2 of this Schedule;
"FDE Group"	means the Supplier, Key Sub-contractors, [the Guarantor];
"Rating Agency"	the rating agency~~y~~ listed in Annex 1 of this Schedule.

2 WARRANTIES AND DUTY TO NOTIFY

2.1 The Supplier warrants and represents to the Authority for the benefit of the Authority that as at the Effective Date the Credit Score issued for each entity in the FDE Group by the Rating Agency is as set out in Annex 2 of this Schedule.

2.2 The Supplier shall promptly notify (or shall procure that its auditors promptly notify) the Authority in writing if there is any downgrade in the Credit Score issued by the Rating Agency for any entity in the FDE Group which results in such Credit Score reducing below the Credit Score Threshold (and in any event within 5 Working Days of the occurrence of the downgrade).

2.3 The Supplier shall:

(a) regularly monitor the Credit Score of each entity in the FDE Group with the Rating Agency

(b) provide the Authority with the Credit Scores obtained from the Rating Agency at the frequency shown below, such Credit Scores to have been obtained no more than 10 days prior to submission:

Supplier	Quarterly
Guarantor	Annually

Key Sub-Contractors	Annually

(c) promptly notify (or shall procure that its auditors promptly notify) the Authority in writing following the occurrence of a Financial Distress Event or any fact, circumstance or matter which could cause a Financial Distress Event (and in any event, ensure that such notification is made within 10 Working Days of the date on which the Supplier first becomes aware of the Financial Distress Event or the fact, circumstance or matter which could cause a Financial Distress Event).

3 FINANCIAL DISTRESS EVENTS

3.1 The following shall be Financial Distress Events:

(a) the Credit Score of an FDE Group entity dropping below the applicable Credit Score Threshold;

(b) an FDE Group entity issuing a profits warning to a stock exchange or making any other public announcement, in each case about a material deterioration in its financial position or prospects;

(c) there being a public investigation into improper financial accounting and reporting, suspected fraud or any other impropriety of an FDE Group entity;

(d) an FDE Group entity committing a material breach of covenant to its lenders;

(e) a Key Sub-contractor notifying the Authority that the Supplier has not satisfied any material sums properly due under a specified invoice and not subject to a genuine dispute;

(f) any FDE Group entity extends the filing period for filing its accounts with the Registrar of Companies so that the filing period ends more than 9 months after its accounting reference date without an explanation to the Authority which the Authority (acting reasonably) considers to be adequate;

(g) any FDE Group entity is late to file its annual accounts without a public notification or an explanation to the Authority which the Authority, acting reasonably, considers to be adequate;

(h) the directors and/or external auditors of any FDE Group entity conclude that a material uncertainty exists in relation to that FDE Group entity's going concern in the annual report including in a reasonable but plausible downside scenario. This includes, but is not limited to, commentary about liquidity and trading prospects in the reports from directors or external auditors;

(i) any of the following:

(i) any FDE Group entity makes a public announcement which contains adverse commentary with regards to that FDE Group entity's liquidity and trading and trading prospects, such as but not limited to, a profit warning or ability to trade as a going concern;

(ii) commencement of any litigation against an FDE Group entity with respect to financial indebtedness greater than [redacted] or obligations under a service contract with a total contract value greater than [redacted]

(iii) non-payment by an FDE Group entity of any financial indebtedness;

(iv) any financial indebtedness of an FDE Group entity becoming due as a result of an event of default;

(v) the cancellation or suspension of any financial indebtedness in respect of an FDE Group entity; or

(vi) the external auditor of an FDE Group entity expressing a qualified opinion on, or including an emphasis of matter in, its opinion on the statutory accounts of that FDE entity;

in each case which the Authority reasonably believes (or would be likely reasonably to believe) could directly impact on the continued performance and delivery of the Services in accordance with this Contract.

4 CONSEQUENCES OF FINANCIAL DISTRESS EVENTS

4.1 Immediately upon notification by the Supplier of a Financial Distress Event (or if the Authority becomes aware of a Financial Distress Event without notification and brings the event to the attention of the Supplier), the Supplier shall have the obligations and the Authority shall have the rights and remedies as set out in Paragraphs 4.3 to 4.5.

4.2 In the event of a late or non-payment of a Key Sub-contractor pursuant to Paragraph 3.1(e), the Authority shall not exercise any of its rights or remedies under Paragraph 4.3 without first giving the Supplier 10 Working Days to:

(a) rectify such late or non-payment; or

(b) demonstrate to the Authority's reasonable satisfaction that there is a valid reason for late or non-payment.

4.3 The Supplier shall (and shall procure that the Guarantor and/or any relevant Key Sub-contractor shall):

(a) at the request of the Authority, meet the Authority as soon as reasonably practicable (and in any event within 3 Working Days of the initial notification (or awareness) of the Financial Distress Event or such other period as the Authority may permit and notify to the

Supplier in writing) to review the effect of the Financial Distress Event on the continued performance and delivery of the Services in accordance with this Contract; and

(b) where the Authority reasonably believes (taking into account the discussions and any representations made under Paragraph 4.3(a) that the Financial Distress Event could impact on the continued performance and delivery of the Services in accordance with this Contract:

(i) submit to the Authority for its approval, a draft Financial Distress Remediation Plan as soon as reasonably practicable (and in any event, within 10 Working Days of the initial notification (or awareness) of the Financial Distress Event or such other period as the Authority may permit and notify to the Supplier in writing); and

(ii) to the extent that it is legally permitted to do so and subject to Paragraph 4.7, provide such information relating to the Supplier, Key Sub-contractors and/or the Guarantor as the Authority may reasonably require in order to understand the risk to the Services, which may include forecasts in relation to cash flow, orders and profits and details of financial measures being considered to mitigate the impact of the Financial Distress Event.

4.4 The Authority shall not withhold its approval of a draft Financial Distress Remediation Plan unreasonably. If the Authority does not approve the draft Financial Distress Remediation Plan, it shall inform the Supplier of its reasons and the Supplier shall take those reasons into account in the preparation of a further draft Financial Distress Remediation Plan, which shall be resubmitted to the Authority within 5 Working Days of the rejection of the first draft. This process shall be repeated until the Financial Distress Remediation Plan is either:

(a) approved by the Authority;

(b) referred, by notice sent by either Party to the other Party explaining why it thinks the Financial Distress Remediation Plan has not been approved, to commercial negotiation led by senior representatives who have authority to agree the Financial Distress Remediation Plan to be held within 28 days of the date of the notice; or

(c) finally rejected by the Authority.

4.5 Following approval of the Financial Distress Remediation Plan by the Authority, the Supplier shall:

(a) on a regular basis (which shall not be less than fortnightly):

(i) review and make any updates to the Financial Distress Remediation Plan as the Supplier may deem reasonably necessary and/or as may be reasonably requested by the

Authority, so that the plan remains adequate, up to date and ensures the continued performance and delivery of the Services in accordance with this Contract; and

(ii) provide a written report to the Authority setting out its progress against the Financial Distress Remediation Plan, the reasons for any changes made to the Financial Distress Remediation Plan by the Supplier and/or the reasons why the Supplier may have decided not to make any changes;

(b) where updates are made to the Financial Distress Remediation Plan in accordance with Paragraph 4.5(a), submit an updated Financial Distress Remediation Plan to the Authority for its approval, and the provisions of Paragraphs 4.4 and 4.5(a) shall apply to the review and approval process for the updated Financial Distress Remediation Plan; and

(c) comply with the Financial Distress Remediation Plan (including any updated Financial Distress Remediation Plan) and ensure that it achieves the financial and performance requirements set out in the Financial Distress Remediation Plan.

4.6 Where the Supplier reasonably believes that the relevant Financial Distress Event under Paragraph 4.1 (or the circumstance or matter which has caused or otherwise led to it) no longer exists, it shall notify the Authority and the Parties may agree that the Supplier shall be relieved of its obligations under Paragraph 4.5.

4.7 The Supplier shall use reasonable endeavours to put in place the necessary measures to ensure that the information specified at Paragraph 4.3(b)(ii) is available when required and on request from the Authority and within reasonable timescales. Such measures may include:

(a) obtaining in advance written authority from Key Sub-contractors and/or the Guarantor authorising the disclosure of the information to the Authority and/or entering into confidentiality agreements which permit disclosure;

(b) agreeing in advance with the Authority, Key Sub-contractors and/or the Guarantor a form of confidentiality agreement to be entered by the relevant parties to enable the disclosure of the information to the Authority;

(c) putting in place any other reasonable arrangements to enable the information to be lawfully disclosed to the Authority (which may include making price sensitive information available to Authority nominated personnel through confidential arrangements, subject to their consent); and

(d) disclosing the information to the fullest extent that it is lawfully entitled to do so, including through the use of redaction,

anonymisation and any other techniques to permit disclosure of the information without breaching a duty of confidentiality.

5 FINANCIAL INDICATORS

Not used

6 TERMINATION RIGHTS

6.1 The Authority shall be entitled to terminate this Contract under Clause 30.1(b) (*Termination by the Authority*) if:

(a) the Supplier fails to notify the Authority of a Financial Distress Event in accordance with Paragraph 2.3(c);

(b) the Supplier fails to comply with any part of Paragraph 4.3;

(c) the Authority finally rejects a Financial Distress Remediation Plan (or any updated Financial Distress Remediation Plan) in accordance with Paragraphs 4.4 to 4.5(a); and/or

(d) the Supplier fails to comply with the terms of the Financial Distress Remediation Plan (or any updated Financial Distress Remediation Plan) in accordance with Paragraph 4.5(c).

7 PRIMACY OF CREDIT RATINGS

Not used

8 SUPPLIER BOARD CONFIRMATION

8.1 If this Contract has been specified as a Critical Service Contract under Paragraph 1.1 of Part B to Schedule 26 (*IT Service Continuity Management Plan and Corporate Resolution Planning*) then, subject to Paragraph 8.4 of this Schedule, the Supplier shall within 120 days after each Accounting Reference Date or within 15 months of the previous Supplier Board Confirmation (whichever is the earlier) provide a Supplier Board Confirmation to the Authority in the form set out at Annex 3 of this Schedule, confirming that to the best of the Supplier Board's knowledge and belief, it is not aware of and has no knowledge:

(a) that a Financial Distress Event has occurred since the later of the Effective Date or the previous Supplier Board Confirmation or is subsisting; or

(b) of any matters which have occurred or are subsisting that could reasonably be expected to cause a Financial Distress Event.

8.2 The Supplier shall ensure that in its preparation of the Supplier Board Confirmation it exercises due care and diligence and has made reasonable enquiry of all relevant Supplier Personnel and other persons as is reasonably necessary to understand and confirm the position.

8.3 In respect of the first Supplier Board Confirmation to be provided under this Contract, the Supplier shall provide the Supplier Board Confirmation within 15 months of the Effective Date if earlier than the timescale for submission set out in Paragraph 8.1 of this Schedule.

8.4 Where the Supplier is unable to provide a Supplier Board Confirmation in accordance with Paragraphs 8.1 to 8.3 of this Schedule due to the occurrence of a Financial Distress Event or knowledge of subsisting matters which could reasonably be expected to cause a Financial Distress Event, it will be sufficient for the Supplier to submit in place of the Supplier Board Confirmation, a statement from the Supplier Board of Directors to the Authority (and where the Supplier is a Strategic Supplier, the Supplier shall send a copy of the statement to the Cabinet Office Markets and Suppliers Team) setting out full details of any Financial Distress Events that have occurred and/or the matters which could reasonably be expected to cause a Financial Distress Event.

ANNEX 1: RATING AGENCY AND STANDARD RATING SYSTEM

1. The Rating Agency shall be Experian Limited (company number 653331) whose registered office is situated at The Sir John Peace Building, Experian Way, NG2 Business Park, Nottingham NG80 1ZZ, United Kingdom.

2. If the Rating Agency ceases to trade, or no longer provides Credit Scores, the Authority shall propose an alternative Rating Agency and alternative Credit Score Threshold by providing written notice to the Supplier and such alternatives shall substitute the original Rating Agency and Credit Score Threshold from the date of such written notice subject to Paragraph 3 below.

3. If the Supplier objects to the alternative Rating Agency or the alternative Credit Score Threshold on the grounds that these are not reasonably equivalent to the Rating Agency or the Credit Score Threshold it shall provide written notice to the Authority within 10 Working Days explaining the reason for such objection.

4. If following receipt of notice of such objection the parties cannot agree an alternative Rating Agency or alternative Credit Score Threshold within 10 Working Days this shall be referred to the Dispute Resolution Procedure as a Dispute.

ANNEX 2: CREDIT SCORES AND CREDIT SCORE THRESHOLDS

Entity	Credit Score (insert Credit Score issued for the entity at the Effective Date)	Credit Score Threshold
Supplier	[redacted]	
Guarantor		
Key Sub-contractor BCS Global Networks		

ANNEX 3: SUPPLIER BOARD CONFIRMATION

Supplier Name:

Contract Reference Number:

The Supplier Board of Directors acknowledge the requirements set out at paragraph 8 of Schedule 18 (Financial Distress) and confirm that the Supplier has exercised due care and diligence and made reasonable enquiry of all relevant Supplier Personnel and other persons as is reasonably necessary to enable the Supplier Board to prepare this statement.

The Supplier Board of Directors confirms, to the best of its knowledge and belief, that as at the date of this Supplier Board Confirmation it is not aware of and has no knowledge:

(a) that a Financial Distress Event has occurred since the later of the previous Supplier Board Confirmation and the Effective Date or is subsisting; or

(b) of any matters which have occurred or are subsisting that could reasonably be expected to cause a Financial Distress Event

On behalf of the Supplier Board of Directors:

Chair ……

Signed ……

Date ……

Director ……

Signed ……

Date ……

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SCHEDULE 19

FINANCIAL REPORTS AND AUDIT RIGHTS

Schedule 19 (*Financial Reports and Audit Rights*)

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

"Annual Contract Report"	the annual contract report to be provided by the Supplier to the Authority pursuant to Paragraph 1 of Part B;
"Contract Amendment Report"	the contract amendment report to be provided by the Supplier to the Authority pursuant to Paragraph 1 of Part B;
"Final Reconciliation Report"	the final reconciliation report to be provided by the Supplier to the Authority pursuant to Paragraph 1 of Part B;
"Financial Model"	the Contract Inception Report, the latest Annual Contract Report or the latest Contract Amendment Report, whichever has been most recently approved by the Authority in accordance with Paragraph 2 of Part B;
"Financial Reports"	the Contract Inception Report and the reports listed in the table in Paragraph 1.1 of Part B;
"Financial Representative"	a reasonably skilled and experienced member of the Supplier's staff who has specific responsibility for preparing, maintaining, facilitating access to, discussing and explaining the Open Book Data and Financial Reports;
"Financial Transparency Objectives"	has the meaning given in Paragraph 1 of Part A;
"Material Change"	a Change which: (a) materially changes the profile of the Charges; or (a) varies the total Charges payable during the Term (as forecast in the latest Financial Model) by: [redacted]

(ii) [redacted]

"Onerous Contract"	a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, as defined under International Accounting Standard 37;
"Onerous Contract Report"	means a report provided by the Supplier pursuant to Paragraph 3 of Part A to this Schedule;
"Open Book Data	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 Term, including details and all assumptions relating to: (a) the Supplier's Costs broken down against each Service and/or Deliverable, including actual capital expenditure (including capital replacement costs) and the unit cost and total actual costs of all 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 Supplier Personnel (free of any contingency) together with a list of agreed rates against each manpower grade; and (iii) a list of Costs underpinning those rates for each manpower grade, being the agreed rate less the Supplier's Profit Margin; and (c) Overheads.
"Quarterly Contract Report"	the quarterly contract report to be provided by the Supplier to the Authority pursuant to Paragraph 1 of Part B

PART A: FINANCIAL TRANSPARENCY OBJECTIVES AND OPEN BOOK DATA

1 FINANCIAL TRANSPARENCY OBJECTIVES

1.1 The Supplier acknowledges that the provisions of this Schedule are designed (inter alia) to facilitate, and the Supplier shall co-operate with the Authority in order to achieve, the following objectives:

(a) **Understanding the Charges**

(i) for the Authority to understand any payment sought from it by the Supplier including an analysis of the Costs, Overhead recoveries (where relevant), time spent by Supplier Personnel in providing the Services;

(ii) for both Parties to be able to understand the Financial Model and Cost forecasts and to have confidence that these are based on justifiable numbers and appropriate forecasting techniques;

(b) **Agreeing the impact of Change**

(i) for both Parties to agree the quantitative impact of any Changes that affect ongoing costs and to identify how these could be mitigated and/or reflected in the Supplier's Charges;

(ii) for both Parties to be able to review, address issues with and re-forecast progress in relation to the provision of the Services;

(c) **Continuous improvement**

(i) for the Parties to challenge each other with ideas for efficiency and improvements; and

(ii) to enable the Authority to demonstrate that it is achieving value for money for the tax payer relative to current market prices,

(together the "**Financial Transparency Objectives**").

2 OPEN BOOK DATA

2.1 The Supplier acknowledges the importance to the Authority of the Financial Transparency Objectives and the Authority's need for complete transparency in the way in which the Charges are calculated.

2.2 During the Term, and for a period of 7 years following the end of the Term, the Supplier shall:

(a) maintain and retain the Open Book Data; and

(b) disclose and allow the Authority and/or the Audit Agents access to the Open Book Data.

3 ONEROUS CONTRACTS

3.1 If the Supplier publicly designates the Contract as an Onerous Contract (including where the Supplier has identified the Contract as such in any published accounts or public reports and announcements), the Supplier shall promptly notify the Authority of the designation and shall prepare and deliver to the Authority within the timescales agreed by the Parties (and in any event, no later than 2 months following the publication of the designation) a draft Onerous Contract Report which includes the following:

(a) an initial root cause analysis of the issues and circumstances which may have contributed to the Contract being designated as an Onerous Contract;

(b) an initial risk analysis and impact assessment on the provision of the Services as a result of the Supplier's designation of the Contract as an Onerous Contract;

(c) the measures which the Supplier intends to put in place to minimise and mitigate any adverse impact on the provision on the Services; and

(d) details of any other options which could be put in place to remove the designation of the Contract as an Onerous Contract and/or which could minimise and mitigate any adverse impact on the provision of the Services.

3.2 Following receipt of the Onerous Contract Report, the Authority shall review and comment on the report as soon as reasonably practicable and the Parties shall cooperate in good faith to agree the final form of the report, which shall be submitted to the Programme Board, such final form report to be agreed no later than 1 month following the Authority's receipt of the draft Onerous Contract Report.

3.3 The Board shall meet within 14 Working Days of the final Onerous Contract Report being agreed by the Parties to discuss the contents of the report; and the Parties shall procure the attendance at the meeting of any key participants where reasonably required (including the Cabinet Office Markets and Suppliers team where the Supplier is a Strategic Supplier; representatives from any Key Sub-contractors; and the project's senior responsible officers (or equivalent) for each Party).

3.4 The Supplier acknowledges and agrees that the report is submitted to the Authority and Board on an information only basis and the Authority and Board's receipt of and comments in relation to the report shall not be deemed to be an acceptance or rejection of the report nor shall it relieve the Supplier of any liability under this Contract. Any Changes to be agreed by the Parties pursuant to the report shall be subject to the Change Control Procedure.

PART B: FINANCIAL REPORTS

1 PROVISION OF THE FINANCIAL REPORTS

1.1 The Supplier shall provide

(a) the Contract Inception Report on or before the Effective Date; and

(b) during the Term the following financial reports to the Authority, in the frequency specified below:

Financial Report	When to be provided
Contract Amendment Report	Within 1 month of a Material Change being agreed between the Supplier and the Authority
Quarterly Contract Report	Within 1 month of the end of each Quarter
Annual Contract Report	Within 1 month of the end of the Contract Year to which that report relates
Final Reconciliation Report	Within 6 months after the end of the Term

1.2 The Supplier shall provide to the Authority the Financial Reports in the same software package (Microsoft Excel or Microsoft Word), layout and format as the blank templates which have been issued by the Authority to the Supplier on or before the Effective Date for the purposes of this Contract. The Authority shall be entitled to modify the template for any Financial Report by giving written notice to the Supplier, including a copy of the updated template.

1.3 A copy of each Financial Report shall be held by both the Authority and the Supplier. If there is a Dispute regarding a Financial Report, the Authority's copy of the relevant Financial Report shall be authoritative.

1.4 Each Financial Report shall:

(a) be completed by the Supplier using reasonable skill and care;

(b) incorporate and use the same defined terms as are used in this Contract;

(c) quote all monetary values in pounds sterling;

(d) quote all Costs as exclusive of any VAT; and

(e) quote all Costs and Charges based on current prices.

1.5 Each Annual Contract Report and the Final Reconciliation Report shall be certified by the Supplier's Chief Financial Officer or Director of Finance (or equivalent as agreed in writing by the Authority in advance of issue of the relevant Financial Report), acting with express authority, as:

(a) being accurate and not misleading;

(b) having been prepared in conformity with generally accepted accounting principles within the United Kingdom;

(c) being a true and fair reflection of the information included within the Supplier's management and statutory accounts; and

(d) compliant with the requirements of Paragraph 1.6.

1.6 The Supplier shall:

(a) prepare each Financial Report using the same methodology as that used for the Contract Inception Report;

(b) to the extent permitted by Law, ensure that each Annual Contract Report and each Contract Amendment Report (if any) is a true and fair reflection of the Costs forecast by the Supplier;

(c) to the extent permitted by Law, ensure that the Final Reconciliation Report is a true and fair reflection of the Costs; and

(d) not have any other internal financial model in relation to the Services inconsistent with the Financial Model.

1.7 During the Term, and for a period of 18 months following the end of the Term, the Supplier shall make available the Financial Representative at reasonable times and on reasonable notice to answer any queries that the Authority may have on any of the Financial Reports and/or Open Book Data.

1.8 If the Supplier becomes aware of the occurrence, or the likelihood of the future occurrence, of an event which will or may have a material effect on the following:

(a) the Costs incurred (or those forecast to be incurred) by the Supplier; and/or

(b) the forecast Charges for the remainder of the Term,

the Supplier shall, as soon as practicable, notify the Authority in writing of the event in question detailing the actual or anticipated effect. For the avoidance of doubt, notifications provided in accordance with this Paragraph 1.8 shall not have the effect of amending any provisions of this Contract.

2 FINANCIAL MODEL

2.1 Following the delivery by the Supplier of each Annual Contract Report and any Contract Amendment Report:

(a) the Parties shall meet to discuss its contents within 10 Working Days of receipt (or such other period as the Parties shall agree). The Financial Representative shall attend the meeting;

(b) the Supplier shall make appropriate Supplier Personnel and advisers available to discuss any variations between the relevant Financial Report and the Contract Inception Report or immediately preceding Annual Contract Report or Contract Amendment Report (as the case may be) and to explain such variations (with reference to supporting evidence) to the satisfaction of the Authority; and

(c) the Authority shall either within 10 Working Days of the meeting referred to in Paragraph 2.1(a) notify the Supplier that:

(i) the relevant Financial Report contains errors or omissions or that further explanations or supporting information is required, in which event the Supplier shall make any necessary modifications to the Financial Report and/or supply the Authority with such supporting evidence as is required to address the Authority's concerns within 10 Working Days of such notification and the Authority shall following receipt of such amended Financial Report and/or supporting information, approve or reject such Financial Report; or

(ii) the Authority has approved the relevant Financial Report.

2.2 Following approval by the Authority of the relevant Financial Report in accordance with Paragraph 2.1(c), that version shall become, with effect from the date of such approval, the current approved version of the Financial Model for the purposes of this Contract, a version of which shall be held by both the Authority and the Supplier. If there is a Dispute regarding a Financial Report, the Authority's copy of the relevant Financial Report shall be authoritative.

2.3 If the Parties are unable to reach agreement on any Financial Report within 30 Working Days of its receipt by the Authority, the matter shall be referred for determination in accordance with Schedule 23 (*Dispute Resolution Procedure*).

3 DISCUSSION OF QUARTERLY CONTRACT REPORTS AND FINAL RECONCILIATION REPORT

3.1 Following the delivery by the Supplier of each Quarterly Contract Report, the Parties shall meet to discuss its contents within 10 Working Days of receipt (or such other period as the Parties shall agree). The Financial Representative shall attend the meeting.

3.2 Following the delivery by the Supplier of the Final Reconciliation Report, the Parties shall meet to discuss its contents within 10 Working Days of receipt (or such other period as the Parties shall agree). The Financial Representative shall attend the meeting.

4 KEY SUB CONTRACTORS

4.1 The Supplier shall, if requested by the Authority, provide (or procure the provision of) a report or reports including the level of information set out in the Financial Reports in relation to the costs and expenses to be incurred by any of its Key Sub-contractors.

4.2 Without prejudice to Paragraph 1.1 of Part C, the Supplier shall:

(a) be responsible for auditing the financial models/reports of its Key Sub-contractors and for any associated costs and expenses incurred or forecast to be incurred; and

(b) on written request by the Authority, provide the Authority or procure that the Authority is provided with:

(i) full copies of audit reports for the Key Sub-contractors. The Authority shall be entitled to rely on such audit reports; and

(ii) further explanation of, and supporting information in relation to, any audit reports provided.

PART C: AUDIT RIGHTS

1 AUDIT RIGHTS

1.1 The Authority, acting by itself or through its Audit Agents, shall have the right during the Term and for a period of 18 months thereafter, to assess compliance by the Supplier and/or its Key Sub-contractors of the Supplier's obligations under this Contract, including for the following purposes:

(a) to verify the integrity and content of any Financial Report;

(b) to verify the accuracy of the Charges and any other amounts payable by the Authority under this Contract (and proposed or actual variations to such Charges and payments);

(c) to verify the Costs (including the amounts paid to all Sub-contractors and any third party suppliers);

(d) to verify the Open Book Data;

(e) to verify the Supplier's and each Key Sub-contractor's compliance with this Contract and applicable Law;

(f) to identify or investigate actual or suspected fraud, impropriety or accounting mistakes or any breach or threatened breach of security and in these circumstances the Authority shall have no obligation to inform the Supplier of the purpose or objective of its investigations;

(g) to identify or investigate any circumstances which may impact upon the financial stability of the Supplier, the Guarantor and/or any Key Sub-contractors or their ability to perform the Services;

(h) to obtain such information as is necessary to fulfil the Authority's obligations to supply information for parliamentary, ministerial, judicial or administrative purposes including the supply of information to the Comptroller and Auditor General;

(i) to review any books of account and the internal contract management accounts kept by the Supplier in connection with this Contract;

(j) to carry out the Authority's internal and statutory audits and to prepare, examine and/or certify the Authority's annual and interim reports and accounts;

(k) to enable the National Audit Office to carry out an examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority has used its resources;

(l) to verify the accuracy and completeness of any Management Information delivered or required by this Contract;

(m) to review any Performance Monitoring Reports and/or other records relating to the Supplier's performance of the Services and to verify that these reflect the Supplier's own internal reports and records;

(n) to inspect the IT Environment (or any part of it) and the wider service delivery environment (or any part of it);

(o) to review the accuracy and completeness of the Registers;

(p) to review any records created during the design and development of the Supplier System and pre-operational environment such as information relating to Testing;

(q) to review the Supplier's quality management systems (including any quality manuals and procedures);

(r) to review the Supplier's compliance with the Standards;

(s) to inspect the Authority Assets, including the Authority's IPRs, equipment and facilities, for the purposes of ensuring that the Authority Assets are secure and that any register of assets is up to date; and/or

(t) to review the integrity, confidentiality and security of the Authority Data.

1.2 Except where an audit is imposed on the Authority by a regulatory body or where the Authority has reasonable grounds for believing that the Supplier has not complied with its obligations under this Contract, the Authority may not conduct an audit of the Supplier or of the same Key Sub-contractor more than twice in any Contract Year.

1.3 Nothing in this Contract shall prevent or restrict the rights of the Comptroller and/or Auditor General and/or their representatives from carrying out an audit, examination or investigation of the Supplier and/or any of the Key Sub-contractors for the purposes of and pursuant to applicable Law.

2 CONDUCT OF AUDITS

2.1 The Authority shall during each audit comply with those security, sites, systems and facilities operating procedures of the Supplier that the Authority deems reasonable and use its reasonable endeavours to ensure that the conduct of each audit does not unreasonably disrupt the Supplier or delay the provision of the Services.

2.2 Subject to the Authority's obligations of confidentiality, the Supplier shall on demand provide the Authority and the Audit Agents with all reasonable co-operation and assistance (and shall procure such co-operation and assistance from its Sub-contractors) in relation to each audit, including:

(a) all information requested by the Authority within the permitted scope of the audit;

(b) reasonable access to any Sites and to any equipment used (whether exclusively or non-exclusively) in the performance of the Services;

(c) access to the Supplier System; and

(d) access to Supplier Personnel.

2.3 The Supplier shall implement all measurement and monitoring tools and procedures necessary to measure and report on the Supplier's performance of the Services against the applicable Performance Indicators at a level of detail sufficient to verify compliance with the Performance Indicators.

2.4 The Authority shall endeavour to (but is not obliged to) provide at least 15 Working Days' notice of its intention to conduct an audit.

2.5 The Parties agree that they shall bear their own respective costs and expenses incurred in respect of compliance with their obligations under this Paragraph 2, unless the audit identifies a material Default by the Supplier in which case the Supplier shall reimburse the Authority for all the Authority's reasonable costs incurred in connection with the audit.

3 USE OF SUPPLIER'S INTERNAL AUDIT TEAM

3.1 As an alternative to the Authority's right pursuant to Paragraph 1.1 to exercise an audit either itself or through its Audit Agents, the Authority may require in writing that an audit is undertaken by the Supplier's own internal audit function for any of the purposes set out in Paragraph 1.1.

3.2 Following the receipt of a request from the Authority under Paragraph 3.1 above, the Supplier shall procure that the relevant audit is undertaken as soon as reasonably practicable and that the Authority has unfettered access to:

(a) the resultant audit reports; and

(b) all relevant members of the Supplier's internal audit team for the purpose of understanding such audit reports.

4 RESPONSE TO AUDITS

4.1 If an audit undertaken pursuant to Paragraphs 1 or 3 identifies that:

(a) the Supplier has committed a Default, the Authority may (without prejudice to any rights and remedies the Authority may have) require the Supplier to correct such Default as soon as reasonably practicable and, if such Default constitutes a Notifiable Default, to comply with the Rectification Plan Process;

(b) there is an error in a Financial Report, the Supplier shall promptly rectify the error;

(c) the Authority has overpaid any Charges, the Supplier shall pay to the Authority:

(i) the amount overpaid;

(ii) interest on the amount overpaid at the applicable rate under the Late Payment of Commercial Debts (Interest) Act 1998, accruing on a daily basis from the date of overpayment by the Authority up to the date of repayment by the Supplier; and

(iii) the reasonable costs incurred by the Authority in undertaking the audit,

the Authority may exercise its right to deduct such amount from the Charges if it prefers; and

(d) the Authority has underpaid any Charges, the Supplier shall not be entitled to increase the Charges paid or payable by the Authority.

SCHEDULE 21

GOVERNANCE

Schedule 21 (*Governance*)

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

"Board"	the body described in Paragraph 4.
"Board Member"	the initial persons appointed by the Authority and Supplier to the Board as set out in Annex 1 and any replacements from time to time agreed by the Parties in accordance with Paragraph 3.3; and
"Project Managers"	the individuals appointed as such by the Authority and the Supplier in accordance with Paragraph 2.

2 MANAGEMENT OF THE SERVICES

2.1 The Supplier and the Authority shall each appoint a Project Manager for the purposes of this Contract through whom the Services shall be managed at a day-to-day.

2.2 Both Parties shall ensure that appropriate resource is made available on a regular basis such that the aims, objectives and specific provisions of this Contract can be fully realised.

3 BOARD

Establishment and structure of the Board

3.1 The Board shall be established by the Authority for the purposes of this Contract on which both the Supplier and the Authority shall be represented.

3.2 In relation to the Board, the:

(a) Authority's Board Members;

(b) Supplier's Board Members;

(c) frequency that the Board shall meet (unless otherwise agreed between the Parties);

(d) location of the Board's meetings; and

(e) planned start date by which the Board shall be established,

shall be as set out in Annex 1.

3.3 If either Party wishes to replace any of its appointed Board Members, that Party shall notify the other in writing of the proposed change for agreement by the other Party (such agreement not to be unreasonably withheld or delayed). Notwithstanding the foregoing it is intended that each Board Member appointed by the Authority has at all times a counterpart Board Member

appointed by the Supplier of equivalent seniority and expertise. In addition, the Authority shall appoint the chairperson in accordance with Paragraph 3.5.

Board meetings

3.4 Each Party shall ensure that its Board Members shall make all reasonable efforts to attend Board meetings at which that Board Member's attendance is required. If any Board Member is not able to attend a Board meeting, that person shall use all reasonable endeavours to ensure that:

(a) a delegate attends the relevant Board meeting in his/her place who (wherever possible) is properly briefed and prepared; and

(b) that he/she is debriefed by such delegate after the Board Meeting.

3.5 A chairperson shall be appointed by the Authority for the Board as identified in Annex 1. The chairperson shall be responsible for:

(a) scheduling Board meetings;

(b) setting the agenda for Board meetings and circulating to all attendees in advance of such meeting;

(c) chairing the Board meetings;

(d) monitoring the progress of any follow up tasks and activities agreed to be carried out following Board meetings;

(e) ensuring that minutes for Board meetings are recorded and disseminated electronically to the appropriate persons and to all Board meeting participants within seven Working Days after the Board meeting; and

(f) facilitating the process or procedure by which any decision agreed at any Board meeting is given effect in the appropriate manner.

3.6 Board meetings shall be quorate as long as at least two representatives from each Party are present.

3.7 The Parties shall ensure, as far as reasonably practicable, that the Board shall as soon as reasonably practicable resolve the issues and achieve the objectives placed before it. Each Party shall endeavour to ensure that Board Members are empowered to make relevant decisions or have access to empowered individuals for decisions to be made to achieve this.

4 ROLE OF THE BOARD

4.1 The Board shall be responsible for the executive management of the Services and shall:

General

(a) provide senior level guidance, leadership and strategy for the overall delivery of the Services;

(b) provide a comprehensive oversight of the Services and be accountable for senior management of the operational relationship between the Parties;

(c) monitor progress against the high level Implementation Plan;

(d) receive reports from the Project Managers on matters such as issues relating to delivery of existing Services and performance against Performance Indicators, progress against the Implementation Plan and possible future developments;

(e) review service management, co-ordination of individual projects and any integration issues;

(f) deal with the prioritisation of resources and the appointment of Project Managers on behalf of the Parties;

(g) consider and resolve Disputes (including Disputes as to the cause of a Delay or the performance of the Services) in the first instance;

(h) develop operational/supplier relationship and develop and propose the relationship development strategy and ensure the implementation of the same;

(i) ensure that this Contract is operated throughout the Term in a manner which optimises the value for money and operational benefit derived by the Authority and the commercial benefit derived by the Supplier;

(j) receive and review reports on technology, service and other developments that offer potential for improving the benefit that either Party is receiving, in particular value for money;

(k) determine business strategy and provide guidance on policy matters which may impact on the implementation of the Services;

(l) authorise the commissioning and initiation of, and assess opportunities for, any Services to be introduced in accordance with Schedule 22 (Change Control Procedure);

Change Management

(m) analyse and record the impact of all Changes, specifically whether the proposed Change:

(i) has an impact on other areas or aspects of this Contract and/or other documentation relating to the Services;

(ii) has an impact on the ability of the Authority to meet its agreed business needs within agreed time-scales;

(iii) will raise any risks or issues relating to the proposed Change; and

(iv) will provide value for money;

(n) recommend to the Authority whether to approve or reject all proposed Changes.

Risk Management

(o) ensure that risks are being effectively managed across the Services, including reporting and reviewing the 'top 5' risks on a monthly basis;

(p) subject to the Change Control Procedure, accept or reject new risks proposed for inclusion in the Risk Register;

(q) ratify or refuse requests to close risks on the Risk Register;

(r) identify risks relating to or arising out of the performance of the Services and provisional owners of these risks;

Technical

(s) receive and review reports on compliance with the Standards;

(t) grant dispensations for variations from such compliance where appropriate;

(u) assure the coherence and consistency of the systems architecture for the Supplier Solution;

(v) monitor developments in new technology and reporting on their potential benefit to the Services; and

(w) assure that the technical architecture of the Supplier Solution is aligned to the Service Requirements and has sufficient flexibility to cope with future requirements of the Authority.

5 CONTRACT MANAGEMENT MECHANISMS

5.1 Both Parties shall pro-actively manage risks attributed to them under the terms of this Contract.

5.2 The Supplier shall develop, operate, maintain and amend, as agreed with the Authority, processes for:

(a) the identification and management of risks;

(b) the identification and management of issues; and

(c) monitoring and controlling project plans.

5.3 The Risk Register shall be updated by the Supplier and submitted for review by the Board.

6 ANNUAL REVIEW

6.1 An annual review meeting shall be held throughout the Term on a date to be agreed between the Parties.

6.2 The annual review meeting shall be attended by the senior representatives of the Supplier and Authority and any other persons considered by the Authority necessary for the review.

ANNEX 1: REPRESENTATION AND STRUCTURE OF BOARDS

Board

Authority appointed Board Members	[redacted]
Supplier appointed Board Members	[redacted]
Start Date	One month from the Effective Date
Frequency of Service Management Board meetings	Monthly
Location of Service Management Board meetings	Remote unless determined otherwise by the Authority and in which case shall be in London.

SCHEDULE 22

CHANGE CONTROL PROCEDURE

Schedule 22 (*Change Control Procedure*)

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

"Authority Change Manager"	the person appointed to that position by the Authority from time to time and notified in writing to the Supplier or, if no person is notified, the Authority Representative;
"Change Request"	a written request for a Contract Change which shall be substantially in the form of Annex 1;
"Change Communication"	any Change Request, Impact Assessment, Change Authorisation Note or other communication sent or required to be sent pursuant to this Schedule;
"Fast-track Change"	any Contract Change which the Parties agree to expedite in accordance with Paragraph 8;
"Impact Assessment"	an assessment of a Change Request in accordance with Paragraph 5;
"Impact Assessment Estimate"	has the meaning given in Paragraph 4.3;
"Receiving Party"	the Party which receives a proposed Contract Change; and
"Supplier Change Manager"	the person appointed to that position by the Supplier from time to time and notified in writing to the Authority or, if no person is notified, the Supplier Representative.

2 GENERAL PRINCIPLES OF CHANGE CONTROL PROCEDURE

2.1 This Schedule sets out the procedure for dealing with Changes.

2.2 Operational Changes shall be processed in accordance with Paragraph 9. If either Party is in doubt about whether a change falls within the definition of an Operational Change, then it must be processed as a Contract Change.

2.3 The Parties shall deal with Contract Change as follows:

(a) either Party may request a Contract Change which they shall initiate by issuing a Change Request in accordance with Paragraph 4;

(b) unless this Contract otherwise requires, the Supplier shall assess and document the potential impact of a proposed Contract Change

in accordance with Paragraph 5 before the Contract Change can be either approved or implemented;

(c) the Authority shall have the right to request amendments to a Change Request, approve it or reject it in the manner set out in Paragraph 6;

(d) the Supplier shall have the right to reject a Change Request solely in the manner set out in Paragraph 7;

(e) save as otherwise provided in this Contract, no proposed Contract Change shall be implemented by the Supplier until a Change Authorisation Note has been signed and issued by the Authority in accordance with Paragraph 6.2; and

(f) if a proposed Contract Change is a Fast-track Change, it shall be processed in accordance with Paragraph 8.

2.4 To the extent that any Contract Change requires testing and/or a programme for implementation, then the Parties shall follow the procedures set out in Schedule 14 (*Testing Procedures*), and, where appropriate, the Change Authorisation Note relating to such a Contract Change shall specify Milestones and/or a Key Milestone and Milestone Date(s) in respect of such Contract Change for the purposes of such procedures.

2.5 Until a Change Authorisation Note has been signed and issued by the Authority in accordance with Paragraph 6.2, then:

(a) unless the Authority expressly agrees (or requires) otherwise in writing, the Supplier shall continue to supply the Services in accordance with the existing terms of this Contract as if the proposed Contract Change did not apply; and

(b) any discussions, negotiations or other communications which may take place between the Authority and the Supplier in connection with any proposed Contract Change, including the submission of any Change Communications, shall be without prejudice to each Party's other rights under this Contract.

2.6 The Supplier shall:

(a) within 10 Working Days of the Authority's signature and issue of a Change Authorisation Note, deliver to the Authority a copy of this Contract updated to reflect all Contract Changes agreed in the relevant Change Authorisation Note and annotated with a reference to the Change Authorisation Note pursuant to which the relevant Contract Changes were agreed; and

(b) thereafter provide to the Authority such further copies of the updated Contract as the Authority may from time to time request.

3 COSTS

3.1 Subject to Paragraph 3.3:

(a) the costs of preparing each Change Request shall be borne by the Party making the Change Request; and

(b) the costs incurred by the Supplier in undertaking an Impact Assessment shall be borne by the Party making the Change Request provided that the Authority shall not be required to pay any such costs if:

(i) such costs are below [redacted]

(ii) the Supplier is able to undertake the Impact Assessment by using resources already deployed in the provision of the Services; or

(iii) such costs exceed those in the accepted Impact Assessment Estimate.

3.2 The cost of any Contract Change shall be calculated and charged in accordance with the principles and day rates set out in Schedule 15 (*Charges and Invoicing*). The Supplier shall be entitled to increase the Charges only if it can demonstrate in the Impact Assessment that the proposed Contract Change requires additional resources and, in any event, any change to the Charges resulting from a Contract Change (whether the change will cause an increase or a decrease in the Charges) will be strictly proportionate to the increase or decrease in the level of resources required for the provision of the Services as amended by the Contract Change.

3.3 Both Parties' costs incurred in respect of any use of this Change Control Procedure as a result of any error or Default by the Supplier shall be paid for by the Supplier.

4 CHANGE REQUEST

4.1 Either Party may issue a Change Request to the other Party at any time during the Term. A Change Request shall be substantially in the form of Annex 1 and state whether the Party issuing the Change Request considers the proposed Contract Change to be a Fast-track Change.

4.2 If the Supplier issues the Change Request, then it shall also provide an Impact Assessment to the Authority as soon as is reasonably practicable but in any event within 10 Working Days of the date of issuing the Change Request.

4.3 If the Authority issues the Change Request, then the Supplier shall provide as soon as reasonably practical and in any event within 10 Working Days of the date of receiving the Change Request an estimate ("**Impact Assessment Estimate**") of the cost of preparing an Impact Assessment and the timetable for preparing it. The timetable shall provide for the completed Impact Assessment to be received by the Authority within 10 Working Days of

acceptance of the Impact Assessment Estimate or within any longer time period agreed by the Authority.

4.4 If the Authority accepts an Impact Assessment Estimate then following receipt of notice of such acceptance the Supplier shall provide the completed Impact Assessment to the Authority as soon as is reasonably practicable and in any event within the period agreed in the Impact Assessment Estimate. If the Supplier requires any clarification in relation to the Change Request before it can deliver the Impact Assessment, then it shall promptly make a request for clarification to the Authority and provided that sufficient information is received by the Authority to fully understand:

(a) the nature of the request for clarification; and

(b) the reasonable justification for the request;

the time period to complete the Impact Assessment shall be extended by the time taken by the Authority to provide that clarification. The Authority shall respond to the request for clarification as soon as is reasonably practicable.

5 IMPACT ASSESSMENT

5.1 Each Impact Assessment shall be completed in good faith and shall include:

(a) details of the proposed Contract Change including the reason for the Contract Change; and

(b) details of the impact of the proposed Contract Change on the Services and the Supplier's ability to meet its other obligations under this Contract;

(c) any variation to the terms of this Contract that will be required as a result of that impact, including changes to:

(i) the Services Description, the Performance Indicators and/or the Target Performance Levels;

(ii) the format of Authority Data, as set out in the Services Description;

(iii) the Milestones, Implementation Plan and any other timetable previously agreed by the Parties;

(iv) other services provided by third party contractors to the Authority, including any changes required by the proposed Contract Change to the Authority's IT infrastructure;

(d) details of the cost of implementing the proposed Contract Change;

(e) details of the ongoing costs required by the proposed Contract Change when implemented, including any increase or decrease in the Charges, any alteration in the resources and/or expenditure required by either Party and any alteration to the working practices of either Party;

(f) a timetable for the implementation, together with any proposals for the testing of the Contract Change;

(g) details of how the proposed Contract Change will ensure compliance with any applicable Change in Law; and

(h) such other information as the Authority may reasonably request in (or in response to) the Change Request.

5.2 If the Contract Change involves the processing or transfer of any Personal Data outside the European Economic Area, the preparation of the Impact Assessment shall also be subject to Clause 21 (*Protection of Personal Data*).

5.3 Subject to the provisions of Paragraph 5.4, the Authority shall review the Impact Assessment and respond to the Supplier in accordance with Paragraph 6 within 15 Working Days of receiving the Impact Assessment.

5.4 If the Authority is the Receiving Party and the Authority reasonably considers that it requires further information regarding the proposed Contract Change so that it may properly evaluate the Change Request and the Impact Assessment, then within 5 Working Days of receiving the Impact Assessment, it shall notify the Supplier of this fact and detail the further information that it requires. The Supplier shall then re-issue the relevant Impact Assessment to the Authority within 10 Working Days of receiving such notification. At the Authority's discretion, the Parties may repeat the process described in this Paragraph 5.4 until the Authority is satisfied that it has sufficient information to properly evaluate the Change Request and Impact Assessment.

5.5 The calculation of costs for the purposes of Paragraphs 5.1(d) and (e) shall:

(a) be based on the applicable charging model set out in Schedule 15 (*Charges and Invoicing*) and the Financial Model;

(b) facilitate the Financial Transparency Objectives;

(c) include estimated volumes of each type of resource to be employed and the applicable rate card;

(d) include full disclosure of any assumptions underlying such Impact Assessment;

(e) include evidence of the cost of any assets required for the Change; and

(f) include details of any new Sub-contracts necessary to accomplish the Change.

6 AUTHORITY'S RIGHT OF APPROVAL

6.1 Within 15 Working Days of receiving the Impact Assessment from the Supplier or within 10 Working Days of receiving the further information that it may request pursuant to Paragraph 5.4, the Authority shall evaluate the Change Request and the Impact Assessment and shall do one of the following:

(a) approve the proposed Contract Change, in which case the Parties shall follow the procedure set out in Paragraph 6.2;

(b) in its absolute discretion reject the Contract Change, in which case it shall notify the Supplier of the rejection. The Authority shall not reject any proposed Contract Change to the extent that the Contract Change is necessary for the Supplier or the Services to comply with any Changes in Law. If the Authority does reject a Contract Change, then it shall explain its reasons in writing to the Supplier as soon as is reasonably practicable following such rejection; or

(c) if it reasonably believes that a Change Request or Impact Assessment contains errors or omissions, require the Supplier to modify the relevant document accordingly, in which event the Supplier shall make such modifications within 5 Working Days of such request. Subject to Paragraph 5.4, on receiving the modified Change Request and/or Impact Assessment, the Authority shall approve or reject the proposed Contract Change within 10 Working Days.

6.2 If the Authority approves the proposed Contract Change pursuant to Paragraph 6.1 and it has not been rejected by the Supplier in accordance with Paragraph 7, then it shall inform the Supplier and the Supplier shall prepare two copies of a Change Authorisation Note which it shall sign and deliver to the Authority for its signature. Following receipt by the Authority of the Change Authorisation Note, it shall sign both copies and return one copy to the Supplier. On the Authority's signature the Change Authorisation Note shall constitute (or, where the Authority has agreed to or required the implementation of a Change prior to signature of a Change Authorisation Note, shall constitute confirmation of) a binding variation to this Contract.

6.3 If the Authority does not sign the Change Authorisation Note within 10 Working Days, then the Supplier shall have the right to notify the Authority and if the Authority does not sign the Change Authorisation Note within 5 Working Days of such notification, then the Supplier may refer the matter to the Expedited Dispute Timetable pursuant to the Dispute Resolution Procedure.

7 SUPPLIER'S RIGHT OF APPROVAL

7.1 Following an Impact Assessment, if:

(a) the Supplier reasonably believes that any proposed Contract Change which is requested by the Authority would:

(i) materially and adversely affect the risks to the health and safety of any person; and/or

(ii) require the Services to be performed in a way that infringes any Law; and/or

(b) the Supplier demonstrates to the Authority's reasonable satisfaction that the proposed Contract Change is technically impossible to implement and neither the Supplier Solution nor the Services Description state that the Supplier does have the technical capacity and flexibility required to implement the proposed Contract Change,

then the Supplier shall be entitled to reject the proposed Contract Change and shall notify the Authority of its reasons for doing so within 5 Working Days after the date on which it is obliged to deliver the Impact Assessment pursuant to Paragraph 4.3.

8 FAST-TRACK CHANGES

8.1 The Parties acknowledge that to ensure operational efficiency there may be circumstances where it is desirable to expedite the processes set out above.

8.2 If:

(a) the total number of Contract Changes in relation to which this Fast-track Change procedure has been applied does not exceed 4 in any 12 month period; and

(b) both Parties agree the value of the proposed Contract Change over the remaining Term and any period for which Termination Services may be required does not exceed [redacted] and the proposed Contract Change is not significant (as determined by the Authority acting reasonably),

then the Parties shall confirm to each other in writing that they shall use the process set out in Paragraphs 4, 5, 6 and 7 but with reduced timescales, such that any period of 15 Working Days is reduced to 5 Working Days, any period of 10 Working Days is reduced to 2 Working Days and any period of 5 Working Days is reduced to 1 Working Day.

8.3 The Parties may agree in writing to revise the parameters set out in Paragraph 8.2 from time to time or that the Fast-track Change procedure shall be used in relation to a particular Contract Change notwithstanding that the total number of Contract Changes to which such procedure is applied will then exceed 4 in a 12 month period.

9 OPERATIONAL CHANGE PROCEDURE

9.1 Any Operational Changes identified by the Supplier to improve operational efficiency of the Services may be implemented by the Supplier without following the Change Control Procedure for proposed Contract Changes provided they do not:

(a) have an impact on the business of the Authority;

(b) require a change to this Contract;

(c) have a direct impact on use of the Services; or

(d) involve the Authority in paying any additional Charges or other costs.

9.2 The Authority may request an Operational Change by submitting a written request for Operational Change ("**RFOC**") to the Supplier Representative.

9.3 The RFOC shall include the following details:

(a) the proposed Operational Change; and

(b) the timescale for completion of the Operational Change.

9.4 The Supplier shall inform the Authority of any impact on the Services that may arise from the proposed Operational Change.

9.5 The Supplier shall complete the Operational Change by the timescale specified for completion of the Operational Change in the RFOC, and shall promptly notify the Authority when the Operational Change is completed.

10 COMMUNICATIONS

10.1 For any Change Communication to be valid under this Schedule, it must be sent to either the Authority Change Manager or the Supplier Change Manager, as applicable. The provisions of Clause 41 (*Notices*) shall apply to a Change Communication as if it were a notice.

ANNEX 1: CHANGE REQUEST FORM

CR NO.:	TITLE:	TYPE OF CHANGE:
CONTRACT:	REQUIRED BY DATE:	
ACTION:	NAME:	DATE:
RAISED BY:		
AREA(S) IMPACTED (*OPTIONAL FIELD*):		
ASSIGNED FOR IMPACT ASSESSMENT BY:		
ASSIGNED FOR IMPACT ASSESSMENT TO:		
SUPPLIER REFERENCE NO.:		
FULL DESCRIPTION OF REQUESTED CONTRACT CHANGE (INCLUDING PROPOSED CHANGES TO THE WORDING OF THE CONTRACT):		
DETAILS OF ANY PROPOSED ALTERNATIVE SCENARIOS:		
REASONS FOR AND BENEFITS AND DISADVANTAGES OF REQUESTED CONTRACT CHANGE:		
SIGNATURE OF REQUESTING CHANGE OWNER:		
DATE OF REQUEST:		

ANNEX 2: CHANGE AUTHORISATION NOTE

CR NO.:	TITLE:	DATE RAISED:
CONTRACT:	TYPE OF CHANGE:	REQUIRED BY DATE:
[KEY MILESTONE DATE: [*if any*]]		
DETAILED DESCRIPTION OF CONTRACT CHANGE FOR WHICH IMPACT ASSESSMENT IS BEING PREPARED AND WORDING OF RELATED CHANGES TO THE CONTRACT:		
PROPOSED ADJUSTMENT TO THE CHARGES RESULTING FROM THE CONTRACT CHANGE:		
DETAILS OF PROPOSED ONE-OFF ADDITIONAL CHARGES AND MEANS FOR DETERMINING THESE (E.G. FIXED PRICE BASIS):		

SIGNED ON BEHALF OF THE AUTHORITY:	SIGNED ON BEHALF OF THE SUPPLIER:
Signature:_____	Signature:_____
Name:_____	Name:_____
Position:_____	Position:_____
Date:_____	Date:_____

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SCHEDULE 23

DISPUTE RESOLUTION PROCEDURE

Schedule 23 (*Dispute Resolution Procedure*)

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

"CEDR"	the Centre for Effective Dispute Resolution of International Dispute Resolution Centre 1 Patternoster Lane, St Paul's, London, EC4M 7BQ;
"Counter Notice"	has the meaning given in Paragraph 7.2;
"Expert"	in relation to a Dispute, a person appointed in accordance with Paragraph 6.2 to act as an expert in relation to that Dispute;
"Expert Determination"	determination by an Expert in accordance with Paragraph 6;
"Mediation Notice"	has the meaning given in Paragraph 4.2;
"Mediator"	the independent third party appointed in accordance with Paragraph 5.2 to mediate a Dispute;
"Multi-Party Dispute"	a Dispute which involves the Parties and one or more Related Third Parties;
"Multi-Party Dispute Representatives"	has the meaning given in Paragraph 9.6;
"Multi-Party Dispute Resolution Board"	has the meaning given in Paragraph 9.6;
"Related Third Party"	a party to: (a) another contract with the Authority or the Supplier which is relevant to this Contract; or (b) a Sub-contract; and
"Supplier Request"	a notice served by the Supplier requesting that the Dispute be treated as a Multi-Party Dispute, setting out its grounds for that request and specifying each Related Third Party that it believes

should be involved in the Multi-Dispute Resolution Procedure in respect of that Dispute.

2 DISPUTE NOTICES

2.1 If a Dispute arises then:

(a) the Authority Representative and the Supplier Representative shall attempt in good faith to resolve the Dispute; and

(b) if such attempts are not successful within a reasonable period, not being longer than 20 Working Days, either Party may issue to the other a Dispute Notice.

2.2 A Dispute Notice:

(a) shall set out:

(i) the material particulars of the Dispute;

(ii) the reasons why the Party serving the Dispute Notice believes that the Dispute has arisen; and

(iii) if the Party serving the Dispute Notice believes that the Dispute should be dealt with under the Expedited Dispute Timetable, the reason why; and

(b) may specify in accordance with the requirements of Paragraphs 9.2 and 9.3 that the Party issuing the Dispute Notice has determined (in the case of the Authority) or considers (in the case of the Supplier) that the Dispute is a Multi-Party Dispute, in which case Paragraph 2.3 shall apply.

2.3 If a Dispute Notice specifies that the Dispute has been determined or is considered to be a Multi-Party Dispute pursuant to Paragraph 2.2(b), then:

(a) if it is served by the Authority it shall be treated as a Multi-Party Procedure Initiation Notice; and

(b) if it is served by the Supplier it shall be treated as a Supplier Request,

and in each case the provisions of Paragraph 9 shall apply.

2.4 Subject to Paragraphs 2.5 and 3.2 and so long as the Authority has not served a Multi-Party Procedure Initiation Notice in respect of the relevant Dispute, following the issue of a Dispute Notice the Parties shall seek to resolve the Dispute:

(a) first by commercial negotiation (as prescribed in Paragraph 4);

(b) then, if either Party serves a Mediation Notice, by mediation (as prescribed in Paragraph 5); and

(c) lastly by recourse to arbitration (as prescribed in Paragraph 7) or litigation (in accordance with Clause 43 (*Governing Law and Jurisdiction*)).

2.5 Specific issues shall be referred to Expert Determination (as prescribed in Paragraph 6) where specified under the provisions of this Contract and may also be referred to Expert Determination where otherwise appropriate as specified in Paragraph 6.1.

2.6 Unless agreed otherwise in writing, the Parties shall continue to comply with their respective obligations under this Contract regardless of the nature of the Dispute and notwithstanding any issue of a Dispute Notice or a Multi-Party Procedure Initiation Notice or proceedings under Paragraph 8 (*Urgent Relief*).

3 EXPEDITED DISPUTE TIMETABLE

3.1 In exceptional circumstances where the use of the times in this Schedule would be unreasonable, including (by way of example) where one Party would be materially disadvantaged by a delay in resolving the Dispute, the Parties may agree to use the Expedited Dispute Timetable. If the Parties are unable to reach agreement on whether to use the Expedited Dispute Timetable within 5 Working Days of the issue of a Dispute Notice, the use of the Expedited Dispute Timetable shall be at the sole discretion of the Authority.

3.2 If the Expedited Dispute Timetable is to be used pursuant to the provisions of Paragraph 3.1 or is otherwise specified under the provisions of this Contract, then the following periods of time shall apply in lieu of the time periods specified in the applicable Paragraphs:

(a) in Paragraph 4.2(c), 10 Working Days;

(b) in Paragraph 5.2, 10 Working Days;

(c) in Paragraph 6.2, 5 Working Days; and

(d) in Paragraph 7.2, 10 Working Days.

3.3 If at any point it becomes clear that an applicable deadline cannot be met or has passed, the Parties may (but shall be under no obligation to) agree in writing to extend the deadline. If the Parties fail to agree within 2 Working Days after the deadline has passed, the Authority may set a revised deadline provided that it is no less than 5 Working Days before the end of the period of time specified in the applicable Paragraphs (or 2 Working Days in the case of Paragraph 6.2). Any agreed extension shall have the effect of delaying the start of the subsequent stages by the period agreed in the extension. If the Authority fails to set such a revised deadline then the use of the Expedited Dispute Timetable shall cease and the normal time periods shall apply from that point onwards.

4 COMMERCIAL NEGOTIATION

4.1 Following the service of a Dispute Notice, then, so long as the Authority has not served a Multi-Party Procedure Initiation Notice in respect of the relevant

Dispute, the Authority and the Supplier shall make reasonable endeavours to resolve the Dispute as soon as possible by commercial negotiation between the Chief Financial Officer at HMCTS on behalf of the Authority and the Supplier's Senior Commercial Manager.

4.2 If:

(a) either Party is of the reasonable opinion that the resolution of a Dispute by commercial negotiation, or the continuance of commercial negotiation, will not result in an appropriate solution;

(b) the Parties have already held discussions of a nature and intent (or otherwise were conducted in the spirit) that would equate to the conduct of commercial negotiation in accordance with this Paragraph 4; or

(c) the Parties have not settled the Dispute in accordance with Paragraph 4.1 within 30 Working Days of service of the Dispute Notice,

either Party may serve a written notice to proceed to mediation in accordance with Paragraph 5 (a "**Mediation Notice**").

5 MEDIATION

5.1 If a Mediation Notice is served, the Parties shall attempt to resolve the dispute in accordance with the version of CEDR's Model Mediation Procedure which is current at the time the Mediation Notice is served (or such other version as the Parties may agree).

5.2 If the Parties are unable to agree on the joint appointment of an independent person to mediate the Dispute within 20 Working Days from (and including) the service of a Mediation Notice then either Party may apply to CEDR to nominate such a person.

5.3 If the Parties are unable to reach a settlement in the negotiations at the mediation, and only if both Parties so request and the Mediator agrees, the Mediator shall produce for the Parties a non-binding recommendation on terms of settlement. This shall not attempt to anticipate what a court might order but shall set out what the Mediator suggests are appropriate settlement terms in all of the circumstances.

5.4 Any settlement reached in the mediation shall not be legally binding until it has been reduced to writing and signed by, or on behalf of, the Parties (in accordance with the Change Control Procedure where appropriate). The Mediator shall assist the Parties in recording the outcome of the mediation.

6 EXPERT DETERMINATION

6.1 If a Dispute relates to any aspect of the technology underlying the provision of the Services or otherwise relates to a technical matter of an IT, accounting or financing nature and the Dispute has not been resolved by commercial negotiation in accordance with Paragraph 4 or, if applicable, mediation in

accordance with Paragraph 5, then either Party may by written notice to the other request (agreement to which request shall not be unreasonably withheld or delayed) that the Dispute be referred to an expert for determination.

6.2 The Expert shall be appointed by agreement in writing between the Parties, but in the event of a failure to agree within 10 Working Days of the relevant request made pursuant to Paragraph 6.1, or if the person appointed is unable or unwilling to act, the Expert shall be appointed:

(a) if the Dispute relates to any aspect of the technology underlying the provision of the Services or a matter of an IT technical nature, on the instructions of the President of the British Computer Society (or any other association that has replaced the British Computer Society);

(b) if the Dispute relates to a matter of a financial technical nature, on the instructions of the President of the Institute of Chartered Accountants of England and Wales; or

(c) if the Dispute relates to a matter of a technical nature not falling within Paragraphs 6.2(a) or (b), on the instructions of the president (or equivalent) of:

(i) an appropriate body agreed between the Parties; or

(ii) if the Parties do not reach agreement on the relevant body within 15 Working Days of the relevant request made pursuant to Paragraph 6.1, such body as may be specified by the President of the Law Society on application by either Party.

6.3 The Expert shall act on the following basis:

(a) he/she shall act as an expert and not as an arbitrator and shall act fairly and impartially;

(b) the Expert's determination shall (in the absence of a material failure to follow the agreed procedures) be final and binding on the Parties;

(c) the Expert shall decide the procedure to be followed in the determination and shall be requested to make his/her determination within 30 Working Days of his appointment or as soon as reasonably practicable thereafter and the Parties shall assist and provide the documentation that the Expert requires for the purpose of the determination;

(d) any amount payable by one Party to another as a result of the Expert's determination shall be due and payable within 20 Working Days of the Expert's determination being notified to the Parties;

(e) the process shall be conducted in private and shall be confidential; and

(f) the Expert shall determine how and by whom the costs of the determination, including his/her fees and expenses, are to be paid.

7 ARBITRATION

7.1 Subject to compliance with its obligations under Paragraph 4.1 and to the provisions of Paragraph 6, the Authority may at any time before court proceedings are commenced refer the Dispute to arbitration in accordance with the provisions of Paragraph 7.5.

7.2 Before the Supplier commences court proceedings or arbitration, it shall serve written notice on the Authority of its intentions and the Authority shall have 15 Working Days following receipt of such notice to serve a reply (a "**Counter Notice**") on the Supplier requiring the Dispute to be referred to and resolved by arbitration in accordance with Paragraph 7.5 or be subject to the exclusive jurisdiction of the courts of England and Wales. The Supplier shall not commence any court proceedings or arbitration until the expiry of such 15 Working Day period.

7.3 If the Authority serves a Counter Notice, then:

(a) if the Counter Notice requires the Dispute to be referred to arbitration, the provisions of Paragraph 7.5 shall apply; or

(b) if the Counter Notice requires the Dispute to be subject to the exclusive jurisdiction of the courts of England and Wales, the Dispute shall be so referred to those courts and the Supplier shall not commence arbitration proceedings.

7.4 If the Authority does not serve a Counter Notice within the 15 Working Day period referred to in Paragraph 7.2, the Supplier may either commence arbitration proceedings in accordance with Paragraph 7.5 or commence court proceedings in the Courts of England and Wales which shall (in those circumstances) have exclusive jurisdiction.

7.5 The Parties hereby confirm that if any arbitration proceedings are commenced pursuant to Paragraphs 7.1 to 7.4:

(a) the Dispute shall be referred to and finally resolved by arbitration under the Rules of the London Court of International Arbitration ("**LCIA**") (subject to Paragraphs 7.5(e), (f) and (g));

(b) the arbitration shall be administered by the LCIA;

(c) the LCIA procedural rules in force at the date that the Dispute was referred to arbitration shall be applied and are deemed to be incorporated by reference into this Contract and the decision of the arbitrator shall be binding on the Parties in the absence of any material failure to comply with such rules;

(d) if the Parties fail to agree the appointment of the arbitrator within 10 Working Days from the date on which arbitration proceedings are

commenced or if the person appointed is unable or unwilling to act, the arbitrator shall be appointed by the LCIA;

(e) the chair of the arbitral tribunal shall be British;

(f) the arbitration proceedings shall take place in London and in the English language; and

(g) the seat of the arbitration shall be London.

8 URGENT RELIEF

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

(a) for interim or interlocutory remedies in relation to this Contract or infringement by the other Party of that Party's Intellectual Property Rights; and/or

(b) where compliance with Paragraph 2.1 and/or referring the Dispute to mediation may leave insufficient time for that Party to commence proceedings before the expiry of the limitation period.

9 MULTI-PARTY DISPUTES

9.1 All Multi-Party Disputes shall be resolved in accordance with the procedure set out in this Paragraph 9 (the "**Multi-Party Dispute Resolution Procedure**").

9.2 If at any time following the issue of a Dispute Notice, the Authority reasonably considers that the matters giving rise to the Dispute involve one or more Related Third Parties, then the Authority shall be entitled to determine that the Dispute is a Multi-Party Dispute and to serve a notice on the Supplier which sets out the Authority's determination that the Dispute is a Multi-Party Dispute and specifies the Related Third Parties which are to be involved in the Multi-Party Dispute Resolution Procedure, such notice a "**Multi-Party Procedure Initiation Notice**".

9.3 If following the issue of a Dispute Notice but before the Dispute has been referred to Expert Determination or to arbitration in accordance with Paragraph 7, the Supplier has reasonable grounds to believe that the matters giving rise to the Dispute have been contributed to by one or more Related Third Parties, the Supplier may serve a Supplier Request on the Authority.

9.4 The Authority shall (acting reasonably) consider each Supplier Request and shall determine within 5 Working Days whether the Dispute is:

(a) a Multi-Party Dispute, in which case the Authority shall serve a Multi-Party Procedure Initiation Notice on the Supplier; or

(b) not a Multi-Party Dispute, in which case the Authority shall serve written notice of such determination upon the Supplier and the Dispute shall be treated in accordance with Paragraphs 3 to 8.

9.5 If the Authority has determined, following a Supplier Request, that a Dispute is not a Multi-Party Dispute, the Supplier may not serve another Supplier Request with reference to the same Dispute.

9.6 Following service of a Multi-Party Procedure Initiation Notice a Multi-Party Dispute shall be dealt with by a board (in relation to such Multi-Party Dispute, the "**Multi-Party Dispute Resolution Board**") comprising representatives from the following parties to the Multi-Party Dispute, each of whom shall be of a suitable level of seniority to finalise any agreement with the other parties to settle the Multi-Party Dispute:

(a) the Authority;

(b) the Supplier;

(c) each Related Third Party involved in the Multi-Party Dispute; and

(d) any other representatives of any of the Parties and/or any Related Third Parties whom the Authority considers necessary,

(together "**Multi-Party Dispute Representatives**").

9.7 The Parties agree that the Multi-Party Dispute Resolution Board shall seek to resolve the relevant Multi-Party Dispute in accordance with the following principles and procedures:

(a) the Parties shall procure that their Multi-Party Dispute Representatives attend, and shall use their best endeavours to procure that the Multi-Party Dispute Representatives of each Related Third Party attend, all meetings of the Multi-Party Dispute Resolution Board in respect of the Multi-Party Dispute;

(b) the Multi-Party Dispute Resolution Board shall first meet within 10 Working Days of service of the relevant Multi-Party Procedure Initiation Notice at such time and place as the Parties may agree or, if the Parties do not reach agreement on the time and place within 5 Working Days of service of the relevant Multi-Party Procedure Initiation Notice, at the time and place specified by the Authority, provided such place is at a neutral location within England and that the meeting is to take place between 9.00am and 5.00pm on a Working Day; and

(c) in seeking to resolve or settle any Multi-Party Dispute, the members of the Multi-Party Dispute Resolution Board shall have regard to the principle that a Multi-Party Dispute should be determined based on the contractual rights and obligations between the Parties and the Related Third Parties and that any apportionment of costs should reflect the separate components of the Multi-Party Dispute.

9.8 If a Multi-Party Dispute is not resolved between the Parties and all Related Third Parties within 25 Working Days of the issue of the Multi-Party Procedure Initiation Notice (or such longer period as the Parties may agree in writing), then:

(a) either Party may serve a Mediation Notice in respect of the Multi-Party Dispute in which case Paragraph 5 shall apply;

(b) either Party may request that the Multi-Party Dispute is referred to an expert in which case Paragraph 6 shall apply; and/or

(c) subject to Paragraph 9.9, Paragraph 7 shall apply to the Multi-Party Dispute,

and in each case references to the "Supplier" or the "Parties" in such provisions shall include a reference to all Related Third Parties.

9.9 If a Multi-Party Dispute is referred to arbitration in accordance with Paragraph 7 or a Dispute becomes a Multi-Party Dispute during the course of arbitration proceedings and either Party is unable to compel a Related Third Party to submit to such arbitration proceedings, the Authority or the Supplier may discontinue such arbitration proceedings and instead initiate court proceedings. The costs of any such discontinued arbitration proceedings shall be borne by the Party which is in a direct contractual relationship with the Related Third Party or, where the Related Third Party is a Sub-contractor, by the Supplier.

SCHEDULE 24

REPORTS AND RECORDS PROVISIONS

Schedule 24 (*Reports and Records Provisions*)

1 TRANSPARENCY REPORTS

1.1 Within 3 months of the Effective Date the Supplier shall provide to the Authority for its approval (such approval not to be unreasonably withheld or delayed) draft reports in accordance with Annex 1 (once approved, the "**Transparency Reports**").

1.2 If the Authority rejects any draft Transparency Report, the Supplier shall submit a revised version of the relevant report for further approval by the Authority within 5 days of receipt of any notice of rejection, taking account of any recommendations for revision and improvement to the report provided by the Authority. If the Parties fail to agree on a draft Transparency Report the Authority shall determine what should be included.

1.3 The Supplier shall provide accurate and up-to-date versions of each Transparency Report to the Authority at the frequency referred to in Annex 1. If and as requested by the Authority the Supplier shall also upload a copy of each Transparency Report to the Authority's ITSM (SNow or such successor system). Any such request shall apply in addition to the Supplier's obligations under Paragraph 4 (Virtual Library).

1.4 Any disagreement in connection with the preparation and/or approval of Transparency Reports, other than under Paragraph 1.2 above in relation to the contents of a Transparency Report, shall be treated as a Dispute.

1.5 The requirements for Transparency Reports are in addition to any other reporting requirements in this Contract.

2 OTHER REPORTS

2.1 The Authority may require any or all of the following reports:

(a) delay reports;

(b) reports relating to Testing and tests carried out under Schedule 5 (*Security Management*) and Schedule 26 (*IT Service Continuity Management Plan and Corporate Resolution Planning*);

(c) reports which the Supplier is required to supply as part of the Management Information;

(d) annual reports on the Insurances;

(e) security reports (including a list of the security clearances held by the Supplier Personnel and the dates on which such clearances need renewal); and

(f) Force Majeure Event reports.

3 RECORDS

3.1 The Supplier shall retain and maintain all the records (including superseded records) referred to in Paragraph 1 and Annex 2 (together "**Records**"):

(a) in accordance with the requirements of The National Archives and Good Industry Practice;

(b) in chronological order;

(c) in a form that is capable of audit; and

(d) at its own expense.

3.2 The Supplier shall make the Records available for inspection to the Authority on request, subject to the Authority giving reasonable notice.

3.3 Where Records are retained in electronic form, the original metadata shall be preserved together with all subsequent metadata in a format reasonably accessible to the Authority.

3.4 The Supplier shall, during the Term and a period of at least 7 years following the expiry or termination of this Contract, maintain or cause to be maintained complete and accurate documents and records in relation to the provision of the Services including but not limited to all Records.

3.5 Records that contain financial information shall be retained and maintained in safe storage by the Supplier for a period of at least 7 years after the expiry or termination of this Contract.

3.6 Without prejudice to the foregoing, the Supplier shall provide the Authority:

(a) as soon as they are available, and in any event within 60 Working Days after the end of the first 6 months of each financial year of the Supplier during the Term, a copy, certified as a true copy by an authorised representative of the Supplier, of its un-audited interim accounts and, if applicable, of consolidated un-audited interim accounts of the Supplier and its Affiliates which would (if the Supplier were listed on the London Stock Exchange (whether or not it is)) be required to be sent to shareholders as at the end of and for each such 6 month period; and

(b) as soon as they shall have been sent to its shareholders in order to be laid before an annual general meeting of the Supplier, but not later than 130 Working Days after the end of each accounting reference period of the Supplier part or all of which falls during the Term, the Supplier's audited accounts and if applicable, of the consolidated audited accounts of the Supplier and its Affiliates in respect of that period together with copies of all related directors' and auditors' reports and all other notices/circulars to shareholders.

4 Virtual Library

4.1 The Supplier shall, no later than 8 weeks following the Effective Date and without charge to the Authority, create a Virtual Library on which the Supplier

shall (subject to any applicable legislation governing the use or processing of personal data) make information about this Contract available in in accordance with the requirements outlined in this Schedule.

4.2 The Supplier shall ensure that the Virtual Library is:

(a) capable of holding and allowing access to the information described in Annex 3 of this Schedule and includes full and accurate file details of all uploaded items including date and time of upload, version number and the name of the uploader;

(b) structured so that each document uploaded has a unique identifier which is automatically assigned;

(c) structured so that all information specifically relating to each Change Request has the reference number of such Change Request in the file name;

(d) readily accessible by the Authority at all times in full via a user-friendly, password protected interface to such nominated users as are notified to the Supplier by the Authority from time to time;

(e) structured so as to allow nominated users to download either specific documents or the complete Virtual Library (to the extent it has Access Permission) in bulk and store and view the content offline (on a regular and automated basis);

(f) structured and maintained in accordance with the security requirements as set out in this Contract including those set out in Schedule 5 (*Security Management*);

(g) created and based on open standards in Schedule 4 (*Standards*); and

(h) backed up on a secure off-site system.

4.3 The Virtual Library (excluding any Software used to host it) shall form a database which constitute Project Specific IPR which shall be assigned to the Authority pursuant to Paragraph 2.1 of Schedule 32 (Intellectual Property Rights) of this Contract.

4.4 The Supplier shall upload complete and accurate information specified in Annex 3 by the Initial Upload Date (except where prior to the launch of the Virtual Library in which case the date at which the Virtual Library is made available in accordance with Paragraph 4.1) onto the Virtual Library in the format specified.

4.5 Not used.

4.6 Except for notices under Clause 41.4 or items covered by Clause 41.6, where the Supplier is under an obligation to provide information to the Authority in a provision under this Contract, then the Supplier's upload of that information onto the Virtual Library shall satisfy the Supplier's obligation to provide the

Authority with that information provided that the Authority has access in accordance with this Paragraph 4 and the uploaded information meets the requirements more particularly specified in the relevant provision.

4.7 Except to the extent that the requirements provide for earlier and more regular Authority access to up-to-date information, Annex 3 shall not take precedence over any other obligation to provide information in this Contract and the Supplier shall refer to the applicable clause for further details as to the requirement.

4.8 The Supplier shall provide each specified person (as set out in column 6 of the table at Annex 3) access to view and download the specified information in the Virtual Library in Annex 3 subject upon the occurrence of the event specified in the column marked Access Permission in Annex 3 to this Schedule.

4.9 Where Access Permission is not listed (in column 6 of the table at Annex 3) as being subject to the occurrence of a certain event the Supplier shall grant access to the person and information specified (in column 6 of the table at Annex 3) from the Initial Upload Date.

4.10 Where Access Permission is specified as being granted to the Authority's Third Party Auditor (prior to the Authority being granted access) it shall:

(a) be entitled to access, view and download information specified in Annex 3 subject to it entering into a confidentiality agreement with the Supplier to keep the contents confidential (except to the extent disclosure of the confidential information is required under Paragraph 4.10(b) of this Schedule); and

(b) report to the Authority (at its request) as to the completeness and accuracy of the information but not the substance of the information.

4.11 The Supplier shall ensure that the Virtual Library retains in an accessible form all historic or superseded records of the information specified Annex 3. In order to maintain the integrity of the historic archive of the information and documentation and for the purposes of maintaining a clear audit trail, the Supplier shall not delete or overwrite any information that has been stored in the Virtual Library, except for the purposes of maintenance (provided no information is lost during maintenance) or to enable the Supplier to comply with Data Protection Legislation.

4.12 The Supplier warrants that to the best of its knowledge the information uploaded to the Virtual Library is accurate, complete, up-to-date and in accordance with this Contract at the date of upload.

4.13 Where the Supplier becomes aware that any of the information provided on the Virtual Library is materially inaccurate, incomplete or out of date (other than in respect of historic versions of documents) the Supplier shall provide an update to the information within 14 days unless already due to be updated beforehand due to an Update Requirement specified in Annex 3.

4.14 In the event of a conflict between any requirement in this Contract (excluding Annex 3) for the Supplier to provide information to the Authority and the requirements set out in Annex 3 of this Schedule, the requirement elsewhere in this Contract shall prevail.

4.15 The Supplier shall ensure that all approved users of the Virtual Library are alerted by automated notification each time that information in the Virtual Library is uploaded or updated as it occurs.

4.16 No later than one month following the Effective Date, the Supplier shall provide training manuals to the Authority relating to the use of the Virtual Library.

4.17 On request by the Authority the Supplier shall provide the Authority's nominated users with a reasonable level of training and ongoing support to enable them to make use of the Virtual Library.

ANNEX 1: TRANSPARENCY REPORTS

<table>
<tr><th>TITLE</th><th>CONTENT</th><th>FORMAT</th><th>FREQUENCY</th></tr>
<tr><td>Service Management Report</td><td>A report covering the following areas and information:

<table><tr><th>Area</th><th>Information required from the Supplier</th></tr><tr><td>Capacity Management</td><td>Consumption of the Services for the previous Service Period measured against anticipated thresholds (as agreed by the Parties at the Capacity Planning Meetings)</td></tr><tr><td rowspan="2">Incident Management</td><td>Details of Service Incidents raised, closed, and open in the Incident Log</td></tr><tr><td>Progress updates for all Service Incidents. PI and P2 updates to be in accordance with the Authority's Major Incident Management Policy (as set out in Schedule 33 (Policies and Procedures))</td></tr><tr><td>Technical Changes</td><td>Changes to the technical infrastructure or software necessary to keep the Services fit for purpose. Details of the number of changes and the number (if any) which result in a Service Incident</td></tr><tr><td>Problem Management</td><td>Number of new and existing problem tickets raised, status and resolution times.</td></tr></table></td><td>To be provided by the Supplier in a format to be approved and agreed by the Authority.</td><td>Within 5 Working Days of the end of each Service Period</td></tr>
<tr><td>Service Availability</td><td>Overview of Service Availability (as defined in Schedule 3) over the previous 6 months. From Contract Year 2 this shall contain a comparison with the preceding Contract Year</td><td>Excel with data shown graphically</td><td>Every 6 months</td></tr>
<tr><td>Total volume of Compute Minutes used</td><td>Overview of the total Compute Minutes (as defined in Schedule 3) used over the previous 6 months. From Contract Year 2 this shall contain a comparison with the preceding Contract Year</td><td>Excel with data</td><td>Every 6 months</td></tr>
</table>

		shown graphically	
Total Charges	Overview of Charges over the previous Quarter. From Contract Year 2 this shall contain a comparison with the same Quarter in the preceding Contract Year	Excel with data shown graphically	Within 7 Working Days of the end of each Quarter
Sustainability Report Part 1: Carbon Reduction	Carbon usage compared with the commitments made in the Customer Environmental Plan. From Contract Year 2 this shall contain a comparison with the preceding Contract Year.	Excel with data shown graphically	Within 7 Working Days of the anniversary of the Effective Date.
Sustainability Report Part 2: Health and Wellbeing	Annual wellbeing report summarising the key performance data and the social value of initiatives to ensure the health and wellbeing of staff working on the contract, the supply chain, and the wider community.	Excel with data shown graphically	Within 7 Working Days of the anniversary of the Effective Date.

ANNEX 2: RECORDS TO BE KEPT BY THE SUPPLIER

The records to be kept by the Supplier are:

1 This Contract, its Schedules and all amendments to such documents.

2 All other documents which this Contract expressly requires to be prepared.

3 Records relating to the appointment and succession of the Supplier Representative and each member of the Key Personnel.

4 Notices, reports and other documentation submitted by any Expert.

5 All operation and maintenance manuals prepared by the Supplier for the purpose of maintaining the provision of the Services and the underlying IT Environment and Supplier Equipment.

6 Documents prepared by the Supplier or received by the Supplier from a third party relating to a Force Majeure Event.

7 All formal notices, reports or submissions made by the Supplier to the Authority Representative in connection with the provision of the Services.

8 All certificates, licences, registrations or warranties in each case obtained by the Supplier in relation to the provision of the Services.

9 Documents prepared by the Supplier in support of claims for the Charges.

10 Documents submitted by the Supplier pursuant to the Change Control Procedure.

11 Documents submitted by the Supplier pursuant to invocation by it or the Authority of the Dispute Resolution Procedure.

12 Documents evidencing any change in ownership or any interest in any or all of the shares in the Supplier and/or the Guarantor, where such change may cause a change of Control; and including documents detailing the identity of the persons changing such ownership or interest.

13 Invoices and records related to VAT sought to be recovered by the Supplier.

14 Financial records, including audited and un-audited accounts of the Guarantor and the Supplier.

15 Records required to be retained by the Supplier by Law, including in relation to health and safety matters and health and safety files and all consents.

16 All documents relating to the insurances to be maintained under this Contract and any claims made in respect of them.

17 All journals and audit trail data referred to in Schedule 5 (*Security Management*).

18 All other records, notices or certificates required to be produced and/or maintained by the Supplier pursuant to this Contract.

ANNEX 3: RECORDS TO UPLOAD TO VIRTUAL LIBRARY

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
Cl.5.6 (e), (f), 5.9(b), Sch 32 Paragraphs 2.1(a) and 2.2(a)(ii)	Documentation	As appropriate and agreed by the Authority	Within 7 days of the issue of a Milestone Achievement Certificate in respect of the relevant Deliverable.		Authority
Cl 14.3	Key Personnel	Sch 29	Effective Date	On replacement of Key Personnel	Authority
Sch 3, Part B Para 2.3	Performance Monitoring Report and the Balanced Scorecard Report	Sch 3, Part B	Service Commencement	Performance Monitoring Report – within 5 Working Days of the end of each Service Period Balanced Scorecard Report - within 10 Working	Authority

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
				Days of the end of each Service Period	
Sch 3, Part C Para 3.9	Incident Log	Sch 3, Part C, Para 3.7	Service Commencement	Monthly	Authority
Sch 5, Para 3.4	Security Management Plan	Sch 5, Annex 3	Within 20 Working Days of the date of the Contract	Regular review and at least annually	Authority
Sch 5, Para 5.1, 5.2 and 5.3	Security certificates	As appropriate and agreed by the Authority	Prior to receiving, storing or processing any Authority Data	-	-
Sch 6, Para 4	Evidence of Insurances	Sch 6	Effective Date	Within 15 days after policy renewal or replacement	Authority
Sch 9	Commercially Sensitive Information	Sch 9	Effective Date	Upon Agreement by the Authority to vary the information	Authority and/or Auditor

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
Sch 11, Para 1	Third Party Contracts	Sch 11	Effective Date	On appointment of sub-contract	Authority
Cl 15.6 and 15.7	Notified Key Sub-Contractors	Sch 10	Effective Date	With each approved appointment or variation	Authority
Cl 15.28	Supply Chain Transparency Reports	Sch 24, Annex 4	30 days prior to the of the end of each financial year	Every 12 months	Authority
Cl 16 and Schedule 32 (Intellectual Property Rights)	Software	Sch 12 and Annex 1 to Schedule 32 (Intellectual Property Rights)	Operational Services Commencement Date	Upon Agreement by the Authority to vary the information	Authority
Cl 6.1	Detailed Implementation Plan	Sch 13	Within 20 Working Days of Effective Date	Every 3 months from Effective Date	Authority
Cl 32.8(h)	Annual slavery and human trafficking statement	As appropriate and agreed by the Authority	Within 12 months	Every 12 months	Authority

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
Sch 14, Para 4	Test Strategy	As appropriate and agreed by the Authority	Within 20 Working Days of Effective Date	Upon update to the test strategy	Authority
Sch 14, Para 5	Test Plan	As appropriate and agreed by the Authority	20 prior Working Days of relevant test	Upon update to the test plan	Authority
Sch 14, Para 7	Test Specification	As appropriate and agreed by the Authority	10 prior Working Days of relevant test	Upon update to the test specification	Authority
Sch 14, Para 8.5	Test Report	As appropriate and agreed by the Authority	2 Working Days prior to the date on which the test is planned to end for the Draft Test Report 5 days for the Final Test Report following the relevant test completion	Reissue with each retest	Authority

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
Sch 15, Para 9.2.2	Template Invoice	As appropriate and agreed by the Authority	Within 10 Working Days of the Effective Date	Upon Agreement by the Authority to vary the template	Authority
Sch 15, Annex 5	Risk Register	Sch 15, Annex 5	Effective Date	Upon Agreement by the Authority to vary the by the Risk Management Board	Authority
Sch 18, Para 2.3(b)	Credit Score notifications	As appropriate and agreed by the Authority	As specified in Para 2.3(b) of Sch 18	As specified in Para 2.3(b) of Sch 18	Authority
Sch 18 Para 4.3(b)	Financial Distress Remediation Plan	As appropriate and agreed by the Authority	As soon as reasonably practicable and in any event within 10 Working Days of initial notification or awareness of a Financial Distress Event	On a regular basis (not less than fortnightly)	Authority
Sch 19, Part B, Para 1.1	Contract Amendment Report	Sch 19, Part B, Para 1.2	Within one month of a material	-	Authority

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
			change being agreed		
Sch 19, Para 1.1	Quarterly Contract Report	Sch 19, Part B, Para 1.2	Within one month of the end of each Quarter	-	Authority
Sch 19, Part B, para 1.1	Annual Contract Report	Sch 19, Part B, Para 1.2	Within one month of the end of the Contract Year to which that report relates	-	Authority
Sch 19, Part B, para 1.1	Financial Reconciliation Report	Sch 19, Part B, Para 1.2	Within 6 months after the end of the Term	-	Authority
Sch 21, Para 3.3	Representation and Structure of the Board	Sch 21 Annex 1	Within 7 days of receipt of intention, or in the case of a non-Authority board member agreement by the Authority	-	Authority

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
Sch 21, Para 3.5(e)	Minutes of Board meetings	As appropriate and agreed by the Authority	Within 7 days of receipt from chairperson	-	Authority
Sch 22 Para 4.3	Impact Assessment Estimate	As appropriate and agreed by the Authority	Within 10 Working Days of date of receiving change request.	-	Authority
Sch 22 Para 5	Impact Assessment	As appropriate and agreed by the Authority	Within the period agreed by the Impact Assessment Estimate	Within 10 Working Days of request by the Authority to update under Schedule 22 Para 5.4	Authority
Sch 22, Para 2.6	Update full copy of the Agreement and copy of annotated version illustrating changes	PDF and MS Word (editable)	Signature of Variation Date	Any variation	Authority
Sch 22, Para 4	Change Request	Sch 22, Annex 1	Within 10 Working Days of Authority	-	Authority

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
			issuing the Change Request		
Sch 23, Para 2.1	Dispute Notice	Sch 23 Para 2.2	No longer than 20 Working Days from an unresolved dispute arising	Any variation	Authority
Sch 23, Para 2.4b	Mediation Notice	As appropriate	When first served	Any variation	Authority
Sch 24, Para 1	Reports and Records Provisions	Sch 24, Annex 1	Within 3 months of the Effective Date	Frequency specified in Sch 24, Annex 1	Authority
Sch 25, Para 2.1(a)	Register of Assets, Sub-contracts and Other Relevant Agreements	As appropriate and agreed by the Authority	Within 3 months of the Effective Date	Any variation	Authority
Sch 25, Para 2.1(b)	Configuration Database of Technical Infrastructure and Operating Procedures	As appropriate and agreed by the Authority	Within 3 months of the Effective Date	Any variation	Authority

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
Sch 25, Para 3.1	Exit Information	As appropriate and agreed by the Authority	On reasonable notice given by the Authority at any point during the Term	Within 10 Working Days of Authority's written request	Authority and its potential Replacement Suppliers
Sch 25, Para 5.1	Exit Plan	Sch 25, Para 5.3	Within 3 months of the Effective Date	In the first month of each contract year; and Within 14 days if requested by the Authority following a Financial Distress Event Within 20 days after service of Termination Notice or 6 months prior to expiry of the Contract	Authority
Sch 25, Para 6.3(e)	Provide up to date Registers during	As appropriate	As requested by the Authority	As appropriate	

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
	the Termination Assistance Period				
Sch 25, Para 6.7(b)	Authority Data (handback)	Sch 25, Para 3 and/or as appropriate and agreed by the Authority	At the end of the Termination Assistance Period	-	Authority
Sch 25, Annex 1, Para 1.1, Para 1.2 Para 1.3 & Para 1.4	Termination Services supporting documentation and knowledge transfer material	As appropriate and agreed by the Authority	As specified in the Termination Assistance Notice and in any event prior to the end of the Termination Assistance Period	As specified in the Termination Assistance Notice or otherwise requested by the Authority	-
Sch 26, Part A	IT Service Continuity Management Plan	Sch 26, Part A, Para 2.2	Within 40 Working Days from the Effective Date	Sch 26, Part A, Para 7.1	Authority
Sch 26, Part A, Para 7.2	IT Service Continuity Management Plan Review Report	Sch 26, Part A, Para 7.2	Within 20 Working Days of the conclusion of each review of the IT	-	-

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
			Service Continuity Management Plan.		
Sch 26, Part B	Corporate Resolution Planning Information	Sch 26, Part B, Para 2.3	Sch 26 Part B Para 2.2	Sch 26, Part B, Para 11.8	Authority
Sch 18 Para 8	Board Confirmation	As set out at Annex 3 of Sch 18	Within 120 days of the first Accounting Reference Date to occur	Within 15 months of the previous Board Confirmation provided or within 120 days after each Accounting Reference Date (whichever is the earlier)	Authority
Sch 28, Part E, Para 1.1	Supplier's Provisional Supplier Personnel List and, Staffing Information	As appropriate and agreed by the Authority	Sch 28, Para 1.1(a) - (b)	At such intervals as are reasonably requested by the Authority	Authority

Applicable Clause/ Paragraph	Required Data	Format of Data	Initial Upload Date	Update Requirement	Access Permission and Access Event (where applicable)
Sch 28, Part E, Para 1.2	Supplier's Final Supplier Personnel List	As appropriate and agreed by the Authority	At least 20 Working Days prior to the Service Transfer Date	Upon any material change to the list of employees	Authority and, at the discretion of the Authority, the Replacement Supplier and/or any Replacement Subcontractor
Sch 28, Part E, Para 1.6	Information relating to the manner in which the services are organised	As appropriate and agreed by the Authority	Effective Date	-	Authority
Sch 28, Part E, Para 1.7	Payroll and benefits information	As appropriate and agreed by the Authority	Within 5 Working Days following the Service Transfer Date		Authority, any Replacement Supplier and/or Replacement Sub-contractor
Sch 28, Annex E1	List of Notified Sub-contractors	As appropriate and agreed by the Authority	Effective Date	Upon any change	Authority

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ANNEX 4: SUPPLY CHAIN TRANSPARENCY INFORMATION TEMPLATE

	Financial Year 20[ ]			
	Under this Contract		**Supplier as a whole**	
	£	**%**	**£**	**%**
Estimated total contract revenue (£) to be received in this Financial Year	£[ ]	100%	£[ ]	100%
Total value of Sub-contracted revenues (£) in this Financial Year	£[ ]	[ ]	£[ ]	[ ]
Total value of Sub-contracted revenues to SMEs (£) in this Financial Year	£[ ]	[ ]	£[ ]	[ ]
Total value of Sub-contracted revenues to VCSEs (£) in this Financial Year	£[ ]	[ ]	£[ ]	[ ]

SCHEDULE 25

EXIT MANAGEMENT

Schedule 25 (*Exit Management*)

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

"Emergency Exit"	any termination of this Contract which is a: (a) termination of the whole or part of this Contract in accordance with Clause 30 (*Termination Rights*), except where the period of notice given under that Clause is greater than or equal to 6 months; (b) termination of the provision of the Services for any reason prior to the expiry of any period of notice of termination served pursuant to Clause 30 (*Termination Rights*); or (c) wrongful termination or repudiation of this Contract by either Party;
"Ethical Wall Agreement"	an ethical wall agreement in a form similar to the draft ethical wall agreement set out at Annex 2;
"Exclusive Assets"	those Assets used by the Supplier or a Key Sub-contractor which are used exclusively in the provision of the Services;
"Exit Information"	has the meaning given in Paragraph 3.1;
"Exit Manager"	the person appointed by each Party pursuant to Paragraph 2.3 for managing the Parties' respective obligations under this Schedule;
"Net Book Value"	the net book value of the relevant Asset(s) calculated in accordance with the depreciation policy of the Supplier set out in the letter in the agreed form from the Supplier to the Authority of the same date as this Contract;
"Non-Exclusive Assets"	those Assets (if any) which are used by the Supplier or a Key Sub-contractor in connection with the Services but which are also used by the Supplier or Key Sub-contractor for other purposes of material value;
"Ordinary Exit"	any termination of the whole or any part of this Contract which occurs:

(a) pursuant to Clause 30 (*Termination Rights*) where the period of notice given by the Party serving notice to terminate pursuant to such Clause is greater than or equal to 6 months; or

(b) as a result of the expiry of the Initial Term or any Extension Period;

"Registers"	means the register and configuration database referred to in Paragraphs 2.1(a) and 2.1(b);
"Transferable Assets"	those of the Exclusive Assets which are capable of legal transfer to the Authority;
"Transferable Contracts"	the Sub-contracts, licences for Supplier's Software, licences for Third Party Software or other agreements which are necessary to enable the Authority or any Replacement Supplier to perform the Services or the Replacement Services, including in relation to licences all relevant Documentation; and
"Transferring Contracts	has the meaning given in Paragraph 7.2(b).

2 OBLIGATIONS DURING THE TERM TO FACILITATE EXIT

2.1 During the Term, the Supplier shall:

(a) create and maintain a register of all:

(i) Assets, detailing their:

(A) make, model and asset number;

(B) ownership and status as either Exclusive Assets or Non-Exclusive Assets;

(C) Net Book Value;

(D) condition and physical location; and

(E) use (including technical specifications); and

(ii) Sub-contracts and other relevant agreements (including relevant software licences, maintenance and support agreements and equipment rental and lease agreements) required for the performance of the Services;

(b) create and maintain a configuration database detailing the technical infrastructure and operating procedures through which the Supplier

provides the Services, which shall contain sufficient detail to permit the Authority and/or Replacement Supplier to understand how the Supplier provides the Services and to enable the smooth transition of the Services with the minimum of disruption;

(c) agree the format of the Registers with the Authority as part of the process of agreeing the Exit Plan; and

(d) at all times keep the Registers up to date, in particular in the event that Assets, Sub-contracts or other relevant agreements are added to or removed from the Services.

2.2 The Supplier shall procure that all Exclusive Assets listed in the Registers are clearly marked to identify that they are exclusively used for the provision of the Services under this Contract.

2.3 Each Party shall appoint a person for the purposes of managing the Parties' respective obligations under this Schedule and provide written notification of such appointment to the other Party within 3 months of the Effective Date. The Supplier's Exit Manager shall be responsible for ensuring that the Supplier and its employees, agents and Sub-contractors comply with this Schedule. The Supplier shall ensure that its Exit Manager has the requisite authority to arrange and procure any resources of the Supplier as are reasonably necessary to enable the Supplier to comply with the requirements set out in this Schedule. The Parties' Exit Managers will liaise with one another in relation to all issues relevant to the termination of this Contract and all matters connected with this Schedule and each Party's compliance with it.

3 OBLIGATIONS TO ASSIST ON RE-TENDERING OF SERVICES

3.1 On reasonable notice at any point during the Term, the Supplier shall provide to the Authority and/or its potential Replacement Suppliers (subject to the potential Replacement Suppliers entering into reasonable written confidentiality undertakings), the following material and information in order to facilitate the preparation by the Authority of any invitation to tender and/or to facilitate any potential Replacement Suppliers undertaking due diligence:

(a) details of the Service(s);

(b) a copy of the Registers, updated by the Supplier up to the date of delivery of such Registers;

(c) an inventory of Authority Data in the Supplier's possession or control;

(d) details of any key terms of any third party contracts and licences, particularly as regards charges, termination, assignment and novation;

(e) a list of on-going and/or threatened disputes in relation to the provision of the Services;

(f) to the extent permitted by applicable Law, all information relating to Transferring Supplier Employees required to be provided by the Supplier under this Contract; and

(g) such other material and information as the Authority shall reasonably require,

(together, the "**Exit Information**").

3.2 The Supplier acknowledges that the Authority may disclose the Supplier's Confidential Information to an actual or prospective Replacement Supplier or any third party whom the Authority is considering engaging to the extent that such disclosure is necessary in connection with such engagement (except that the Authority may not under this Paragraph 3.2 disclose any Supplier's Confidential Information which is information relating to the Supplier's or its Sub-contractors' prices or costs).

3.3 The Supplier shall:

(a) notify the Authority within 5 Working Days of any material change to the Exit Information which may adversely impact upon the potential transfer and/or continuance of any Services and shall consult with the Authority regarding such proposed material changes; and

(b) provide complete updates of the Exit Information on an as-requested basis as soon as reasonably practicable and in any event within 10 Working Days of a request in writing from the Authority.

3.4 The Supplier may charge the Authority for its reasonable additional costs to the extent the Authority requests more than 4 updates in any 6 month period.

3.5 The Exit Information shall be accurate and complete in all material respects and the level of detail to be provided by the Supplier shall be such as would be reasonably necessary to enable a third party to:

(a) prepare an informed offer for those Services; and

(b) not be disadvantaged in any subsequent procurement process compared to the Supplier (if the Supplier is invited to participate).

4 OBLIGATION TO ENTER INTO AN ETHICAL WALL AGREEMENT ON RE-TENDERING OF SERVICES

4.1 The Authority may require the Supplier to enter into the Ethical Wall Agreement at any point during a re-tendering or contemplated re-tendering of the Services or any part of the Services.

4.2 If required to enter into the Ethical Wall Agreement, the Supplier will return a signed copy of the Ethical Wall Agreement within 10 Working Days of receipt. The Supplier's costs of entering into the Ethical Wall Agreement will be borne solely by the Supplier.

5 EXIT PLAN

5.1 The Supplier shall, within 3 months after the Effective Date, deliver to the Authority an Exit Plan which:

(a) sets out the Supplier's proposed methodology for achieving an orderly transition of the relevant Services from the Supplier to the Authority and/or its Replacement Supplier on the Partial Termination, expiry or termination of this Contract;

(b) complies with the requirements set out in Paragraph 5.2; and

(c) is otherwise reasonably satisfactory to the Authority.

5.2 The Parties shall use reasonable endeavours to agree the contents of the Exit Plan. If the Parties are unable to agree the contents of the Exit Plan within 20 Working Days of its submission, then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure.

5.3 The Exit Plan shall set out, as a minimum:

(a) how the Exit Information is obtained;

(b) separate mechanisms for dealing with Ordinary Exit and Emergency Exit, the provisions relating to Emergency Exit being prepared on the assumption that the Supplier may be unable to provide the full level of assistance which is required by the provisions relating to Ordinary Exit, and in the case of Emergency Exit, provision for the supply by the Supplier of all such reasonable assistance as the Authority shall require to enable the Authority or its sub-contractors to provide the Services;

(c) a mechanism for dealing with Partial Termination on the assumption that the Supplier will continue to provide the remaining Services under this Contract;

(d) the management structure to be employed during both transfer and cessation of the Services in an Ordinary Exit and an Emergency Exit;

(e) the management structure to be employed during the Termination Assistance Period;

(f) a detailed description of both the transfer and cessation processes, including a timetable, applicable in the case of an Ordinary Exit and an Emergency Exit;

(g) how the Services will transfer to the Replacement Supplier and/or the Authority, including details of the processes, documentation, data transfer, systems migration, security and the segregation of the Authority's technology components from any technology components operated by the Supplier or its Sub-contractors (where applicable);

(h) the scope of the Termination Services that may be required for the benefit of the Authority (including such of the services set out in Annex 1 as are applicable);

(i) a timetable and critical issues for providing the Termination Services;

(j) any charges that would be payable for the provision of the Termination Services (calculated in accordance with the methodology that would apply if such Services were being treated as a Contract Change), together with a capped estimate of such charges;

(k) how the Termination Services would be provided (if required) during the Termination Assistance Period;

(l) procedures to deal with requests made by the Authority and/or a Replacement Supplier for Staffing Information pursuant to Schedule 28 (*Staff Transfer*); and

(m) how each of the issues set out in this Schedule will be addressed to facilitate the transition of the Services from the Supplier to the Replacement Supplier and/or the Authority with the aim of ensuring that there is no disruption to or degradation of the Services during the Termination Assistance Period.

5.4 The Parties acknowledge that the migration of the Services from the Supplier to the Authority and/or its Replacement Supplier may be phased, such that certain of the Services are handed over before others.

5.5 The Supplier shall review and (if appropriate) update the Exit Plan on a basis consistent with the principles set out in this Schedule in the first month of each Contract Year (commencing with the second Contract Year) and if requested by the Authority following the occurrence of a Financial Distress Event, within 14 days of such request, to reflect any changes in the Services that have occurred since the Exit Plan was last agreed. Following such update, the Supplier shall submit the revised Exit Plan to the Authority for review. Within 20 Working Days following submission of the revised Exit Plan, the Parties shall meet and use reasonable endeavours to agree the contents of the revised Exit Plan. If the Parties are unable to agree the contents of the revised Exit Plan within that 20 Working Day period, such dispute shall be resolved in accordance with the Dispute Resolution Procedure.

Finalisation of the Exit Plan

5.6 Within 20 Working Days after service of a Termination Notice by either Party or 6 months prior to the expiry of this Contract, the Supplier will submit for the Authority's approval the Exit Plan in a final form that could be implemented immediately. The final form of the Exit Plan shall be prepared on a basis consistent with the principles set out in this Schedule and shall reflect any changes in the Services that have occurred since the Exit Plan was last agreed.

5.7 The Parties will meet and use their respective reasonable endeavours to agree the contents of the final form of the Exit Plan. If the Parties are unable to agree the contents of the Exit Plan within 20 Working Days following its delivery to the Authority then such Dispute shall be resolved in accordance with the Dispute Resolution Procedure. Until the agreement of the final form of the Exit Plan, the Supplier shall provide the Termination Services in accordance with the principles set out in this Schedule and the last approved version of the Exit Plan (insofar as relevant).

6 TERMINATION SERVICES

Notification of Requirements for Termination Services

6.1 The Authority shall be entitled to require the provision of Termination Services at any time during the Term by giving written notice to the Supplier (a "**Termination Assistance Notice**") at least 4 months prior to the date of termination or expiry of this Contract or as soon as reasonably practicable (but in any event, not later than 1 month) following the service by either Party of a Termination Notice. The Termination Assistance Notice shall specify:

(a) the date from which Termination Services are required;

(b) the nature of the Termination Services required; and

(c) the period during which it is anticipated that Termination Services will be required, which shall continue no longer than 3 months after the expiry of the Initial Term or any Extension Period or, in the event that either Party has served a Termination Notice, 6 months from date of termination of this Contract;

6.2 The Authority shall have:

(a) an option to extend the period of assistance beyond the period specified in the Termination Assistance Notice provided that such extension shall be no longer than 2 months, and provided that it shall notify the Supplier to such effect no later than 20 Working Days prior to the date on which the provision of Termination Services is otherwise due to expire; and

(b) the right to terminate its requirement for Termination Services by serving not less than 20 Working Days' written notice upon the Supplier to such effect.

Termination Assistance Period

6.3 Throughout the Termination Assistance Period, or such shorter period as the Authority may require, the Supplier shall:

(a) continue to provide the Services (as applicable) and, if required by the Authority pursuant to Paragraph 6.1, provide the Termination Services;

(b) in addition to providing the Services and the Termination Services, provide to the Authority any reasonable assistance requested by the Authority to allow the Services to continue without interruption following the Partial Termination, termination or expiry of this Contract and to facilitate the orderly transfer of responsibility for and conduct of the Services to the Authority and/or its Replacement Supplier;

(c) use all reasonable endeavours to reallocate resources to provide such assistance as is referred to in Paragraph 6.3(b) without additional costs to the Authority;

(d) provide the Services and the Termination Services at no detriment to the Target Performance Levels, save to the extent that the Parties agree otherwise in accordance with Paragraph 6.5; and

(e) at the Authority's request and on reasonable notice, deliver up-to-date Registers to the Authority.

6.4 Without prejudice to the Supplier's obligations under Paragraph 6.3(c), if it is not possible for the Supplier to reallocate resources to provide such assistance as is referred to in Paragraph 6.3(b) without additional costs to the Authority, any additional costs incurred by the Supplier in providing such reasonable assistance which is not already in the scope of the Termination Services or the Exit Plan shall be subject to the Change Control Procedure.

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

Termination Obligations

6.6 The Supplier shall comply with all of its obligations contained in the Exit Plan in respect of any Partial Termination or termination.

6.7 Upon termination or expiry (as the case may be) or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Services and the Termination Services and its compliance with the other provisions of this Schedule) in respect of the Services that have been terminated, the Supplier shall:

(a) cease to use the Authority Data;

(b) provide the Authority and/or the Replacement Supplier with a complete and uncorrupted version of the Authority Data in electronic form (or such other format as reasonably required by the Authority);

(c) erase from any computers, storage devices and storage media that are to be retained by the Supplier after the end of the Termination Assistance Period all Authority Data and promptly certify to the Authority that it has completed such deletion;

(d) return to the Authority such of the following as is in the Supplier's possession or control:

(i) all copies of the Authority Software and any other software licensed by the Authority to the Supplier under this Contract;

(ii) all materials created by the Supplier under this Contract in which the IPRs are owned by the Authority;

(iii) any parts of the IT Environment and any other equipment which belongs to the Authority; and

(iv) any items that have been on-charged to the Authority, such as consumables;

(e) vacate any Authority Premises unless access is required to continue to deliver the Services;

(f) provide access during normal working hours to the Authority and/or the Replacement Supplier for up to 3 months after the Partial Termination, expiry or termination of this Contract to:

(i) such information relating to the Services as remains in the possession or control of the Supplier; and

(ii) such members of the Supplier Personnel as have been involved in the design, development and provision of the Services and who are still employed by the Supplier, provided that the Authority and/or the Replacement Supplier shall pay the reasonable costs of the Supplier actually incurred in responding to requests for access under this Paragraph 6.7(f)(ii).

6.8 Upon Partial Termination, termination or expiry (as the case may be) or at the end of the Termination Assistance Period (or earlier if this does not adversely affect the Supplier's performance of the Services and the Termination Services and its compliance with the other provisions of this Schedule), each Party shall return to the other Party (or if requested, destroy or delete) all Confidential Information of the other Party in respect of the terminated Services and shall certify that it does not retain the other Party's Confidential Information save to the extent (and for the limited period) that such information needs to be retained by the Party in question for the purposes of providing or receiving any Services or Termination Services or for statutory compliance purposes.

6.9 Except where this Contract provides otherwise, all licences, leases and authorisations granted by the Authority to the Supplier in relation to the

terminated Services shall be terminated with effect from the end of the Termination Assistance Period.

7 ASSETS, SUB-CONTRACTS AND SOFTWARE

7.1 Following notice of termination or Partial Termination of this Contract and during the Termination Assistance Period, the Supplier shall not, in respect of the terminated Services, without the Authority's prior written consent:

(a) terminate, enter into or vary any Sub-contract except to the extent that such change does not or will not affect the provision of Services or the Charges;

(b) (subject to normal maintenance requirements) make material modifications to, or dispose of, any existing Assets or acquire any new Assets; or

(c) terminate, enter into or vary any licence for software in connection with the Services.

7.2 Within 20 Working Days of receipt of the up-to-date Registers provided by the Supplier pursuant to Paragraph 6.3(e), the Authority shall provide written notice to the Supplier setting out:

(a) which, if any, of the Transferable Assets the Authority requires to be transferred to the Authority and/or the Replacement Supplier in respect of the terminated Services ("**Transferring Assets**");

(i) which, if any, of:

(A) the Exclusive Assets that are not Transferable Assets; and

(B) the Non-Exclusive Assets,

the Authority and/or the Replacement Supplier requires the continued use of; and

(b) which, if any, of Transferable Contracts the Authority requires to be assigned or novated to the Authority and/or the Replacement Supplier (the "**Transferring Contracts**"),

in order for the Authority and/or its Replacement Supplier to provide the Services from the expiry of the Termination Assistance Period. Where requested by the Authority and/or its Replacement Supplier, the Supplier shall provide all reasonable assistance to the Authority and/or its Replacement Supplier to enable it to determine which Transferable Assets and Transferable Contracts the Authority and/or its Replacement Supplier requires to provide the Services or Replacement Services. Where requested by the Supplier, the Authority and/or its Replacement Supplier shall discuss in good faith with the Supplier which Transferable Contracts are used by the Supplier in matters unconnected to the Services or Replacement Services.

7.3 With effect from the expiry of the Termination Assistance Period, the Supplier shall sell the Transferring Assets to the Authority and/or its nominated Replacement Supplier for a consideration equal to their Net Book Value, except where:

(a) a Termination Payment is payable by the Authority to the Supplier, in which case, payment for such Assets shall be included within the Termination Payment; or

(b) the cost of the Transferring Asset has been partially or fully paid for through the Charges at the time of expiry or termination of this Contract, in which case the Authority shall pay the Supplier the Net Book Value of the Transferring Asset less the amount already paid through the Charges.

7.4 Risk in the Transferring Assets shall pass to the Authority or the Replacement Supplier (as appropriate) at the end of the Termination Assistance Period and title to the Transferring Assets shall pass to the Authority or the Replacement Supplier (as appropriate) on payment for the same.

7.5 Where the Supplier is notified in accordance with Paragraph 7.2(b) that the Authority and/or the Replacement Supplier requires continued use of any Exclusive Assets that are not Transferable Assets or any Non-Exclusive Assets, the Supplier shall as soon as reasonably practicable:

(a) procure a non-exclusive, perpetual, royalty-free licence (or licence on such other terms that have been agreed by the Authority) for the Authority and/or the Replacement Supplier to use such assets (with a right of sub-licence or assignment on the same terms); or failing which

(b) procure a suitable alternative to such assets and the Authority or the Replacement Supplier shall bear the reasonable proven costs of procuring the same.

7.6 The Supplier shall as soon as reasonably practicable assign or procure the novation to the Authority and/or the Replacement Supplier of the Transferring Contracts. The Supplier shall execute such documents and provide such other assistance as the Authority reasonably requires to effect this novation or assignment.

7.7 The Authority shall:

(a) accept assignments from the Supplier or join with the Supplier in procuring a novation of each Transferring Contract; and

(b) once a Transferring Contract is novated or assigned to the Authority and/or the Replacement Supplier, carry out, perform and discharge all the obligations and liabilities created by or arising under that Transferring Contract and exercise its rights arising under that Transferring Contract, or as applicable, procure that the Replacement Supplier does the same.

7.8 The Supplier shall hold any Transferring Contracts on trust for the Authority until such time as the transfer of the relevant Transferring Contract to the Authority and/or the Replacement Supplier has been effected.

7.9 The Supplier shall indemnify the Authority (and/or the Replacement Supplier, as applicable) against each loss, liability and cost arising out of any claims made by a counterparty to a Transferring Contract which is assigned or novated to the Authority (and/or Replacement Supplier) pursuant to Paragraph 7.6 both:

(a) in relation to any matters arising prior to the date of assignment or novation of such Sub-contract; and

(b) in relation to any matters arising after the date of assignment or novation of such Sub-contract where the loss, liability or cost arises as a result of the Supplier's failure to comply with Clause 16 (*Intellectual Property Rights*) and/or Schedule 32 (*Intellectual Property Rights*).

8 SUPPLIER PERSONNEL

8.1 The Authority and Supplier agree and acknowledge that in the event of the Supplier ceasing to provide the Services or part of them for any reason, Schedule 28 (*Staff Transfer*) shall apply.

8.2 The Supplier shall not take any step (expressly or implicitly or directly or indirectly by itself or through any other person) to dissuade or discourage any employees engaged in the provision of the Services from transferring their employment to the Authority and/or the Replacement Supplier.

8.3 During the Termination Assistance Period, the Supplier shall give the Authority and/or the Replacement Supplier reasonable access to the Supplier's personnel to present the case for transferring their employment to the Authority and/or the Replacement Supplier.

8.4 The Supplier shall immediately notify the Authority or, at the direction of the Authority, the Replacement Supplier of any period of notice given by the Supplier or received from any person referred to in the Staffing Information, regardless of when such notice takes effect.

8.5 The Supplier shall not for a period of 12 months from the date of transfer re-employ or re-engage or entice any employees, suppliers or Sub-contractors whose employment or engagement is transferred to the Authority and/or the Replacement Supplier, except that this Paragraph shall not apply where the employee, supplier or Sub-contractor applies in response to a public advertisement of a vacancy.

9 CHARGES

9.1 During the Termination Assistance Period (or for such shorter period as the Authority may require the Supplier to provide the Termination Services), the Authority shall pay the Charges to the Supplier in respect of the Termination Services in accordance with the rates set out in the Exit Plan (but shall not be

required to pay costs in excess of the estimate set out in the Exit Plan). If the scope or timing of the Termination Services is changed and this results in a change to the costs of such Termination Services, the estimate may be varied in accordance with the Change Control Procedure.

9.2 For the purpose of calculating the costs of providing the Termination Services for inclusion in the Exit Plan or, if no Exit Plan has been agreed, the costs of providing Termination Services shall be determined in accordance with the Change Control Procedure.

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

10 APPORTIONMENTS

10.1 All outgoings and expenses (including any remuneration due) and all rents, royalties and other periodical payments receivable in respect of the Transferring Assets and Transferring Contracts shall be apportioned between the Authority and the Supplier and/or the Replacement Supplier and the Supplier (as applicable) as follows:

(a) the amounts shall be annualised and divided by 365 to reach a daily rate;

(b) the Authority shall be responsible for (or shall procure that the Replacement Supplier shall be responsible for) or entitled to (as the case may be) that part of the value of the invoice pro rata to the number of complete days following the transfer, multiplied by the daily rate; and

(c) the Supplier shall be responsible for or entitled to (as the case may be) the rest of the invoice.

10.2 Each Party shall pay (and/or the Authority shall procure that the Replacement Supplier shall pay) any monies due under Paragraph 10.1 as soon as reasonably practicable.

ANNEX 1: SCOPE OF THE TERMINATION SERVICES

1.1 The Termination Services to be provided by the Supplier shall include such of the following services as the Authority may specify:

(a) ceasing all non-critical Software changes (except where agreed in writing with the Authority);

(b) notifying the Sub-contractors of procedures to be followed during the Termination Assistance Period and providing management to ensure these procedures are followed;

(c) providing assistance and expertise as necessary to examine all operational and business processes (including all supporting documentation) in place and re-writing and implementing processes and procedures such that they are appropriate for use by the Authority and/or the Replacement Supplier after the end of the Termination Assistance Period;

(d) delivering to the Authority the existing systems support profiles, monitoring or system logs, problem tracking/resolution documentation and status reports all relating to the 12 month period immediately prior to the commencement of the Termination Services;

(e) providing details of work volumes and staffing requirements over the 12 month period immediately prior to the commencement of the Termination Services;

(f) with respect to work in progress as at the end of the Termination Assistance Period, documenting the current status and stabilising for continuity during transition;

(g) providing the Authority with any problem logs which have not previously been provided to the Authority;

(h) providing assistance and expertise as necessary to examine all governance and reports in place for the provision of the Services and re-writing and implementing these during and for a period of 12 months after the Termination Assistance Period;

(i) providing assistance and expertise as necessary to examine all relevant roles and responsibilities in place for the provision of the Services and re-writing and implementing these such that they are appropriate for the continuation of the Services after the Termination Assistance Period;

(j) agreeing with the Authority an effective communication strategy and joint communications plan which sets out the implications for Supplier Personnel, Authority staff, customers and key stakeholders;

(k) reviewing all Software libraries used in connection with the Services and providing details of these to the Authority and/or the Replacement Supplier;

(l) providing assistance and expertise as necessary to support the Authority and/or the Replacement Supplier develop the migration plan for business operations and Authority Data to the Replacement Supplier, which may include migration approach, testing of plans, contingency options, and handling of historic or archived Authority Data;

(m) provide all necessary support, equipment, tools, and Software such as data migration services and/or automated programming interfaces, in order to enable and support the execution of the migration plan by the Authority and/or Replacement Supplier;

(n) making available to the Authority and/or the Replacement Supplier expertise to analyse training requirements and provide all necessary training for the use of tools by such staff as are nominated by the Authority (acting reasonably) at the time of termination or expiry;

(o) assisting in establishing naming conventions for any new production site;

(p) analysing and providing information about capacity and performance requirements, processor requirements and bandwidth requirements, and known planned requirements for capacity growth across these areas;

(q) generating a computer listing of the Source Code of all Software utilised in the Supplier Interface in a form and on media reasonably requested by the Authority;

(r) agreeing with the Authority a handover plan for all of the Supplier's responsibilities as set out in the Security Management Plan;

(s) delivering copies of the production databases (with content listings) to the Authority's and/or the Replacement Supplier's operations staff (on appropriate media) as reasonably requested by the Authority;

(t) assisting with the loading, testing and implementation of the production databases;

(u) assisting in the execution of a parallel operation until the effective date of expiry or termination of this Contract;

(v) in respect of the maintenance and support of the Supplier System, providing historical performance data for the previous 12 months;

(w) assisting in the execution of a parallel operation of the maintenance and support of the Supplier System until the end of the Termination Assistance Period or as otherwise specified by the Authority

(provided that these Services shall end on a date no later than the end of the Termination Assistance Period);

(x) providing an information pack listing and describing the Services for use by the Authority in the procurement of the Replacement Services;

(y) answering all reasonable questions from the Authority and/or the Replacement Supplier regarding the Services;

(z) agreeing with the Authority and/or the Replacement Supplier a plan for the migration of the Authority Data to the Authority and/or the Replacement Supplier;

(aa) providing access to the Authority and/or the Replacement Supplier during the Termination Assistance Period for the purpose of the smooth transfer of the Services to the Authority and/or the Replacement Supplier:

(i) to information and documentation relating to the Transferring Services that is in the possession or control of the Supplier or its Sub-contractors (and the Supplier agrees and shall procure that its Sub-contractors do not destroy or dispose of that information within this period) including the right to take reasonable copies of that material; and

(ii) following reasonable notice and during the Supplier's normal business hours, to members of the Supplier Personnel who have been involved in the provision or management of the Services and who are still employed or engaged by the Supplier or its Sub-contractors; and

(bb) knowledge transfer services, including:

(i) transferring all training material and providing appropriate training to those Authority and/or Replacement Supplier staff responsible for internal training in connection with the provision of the Services;

(ii) providing for transfer to the Authority and/or the Replacement Supplier of all knowledge reasonably required for the provision of the Services which may, as appropriate, include information, records and documents;

(iii) providing the Supplier and/or the Replacement Supplier with access to such members of the Supplier's or its Sub-contractors' personnel as have been involved in the design, development, provision or management of the Services and who are still employed or engaged by the Supplier or its Sub-contractors; and

(iv) allowing the Authority and/or the Replacement Supplier to work alongside and observe the performance of the Services

by the Supplier at its Sites used to fulfil the Services (subject to compliance by the Authority and the Replacement Supplier with any applicable security and/or health and safety restrictions,

and any such person who is provided with such knowledge transfer services will sign a confidentiality undertaking in favour of the Supplier (in such form as the Supplier shall reasonably require)).

1.2 **The Supplier shall:**

(a) provide a documented plan relating to the training matters referred to in Paragraph 1.1(n) for agreement by the Authority at the time of termination or expiry of this Contract;

(b) co-operate fully in the execution of the handover plan agreed pursuant to Paragraph 1.1(r), providing skills and expertise of a suitable standard; and

(c) fully co-operate in the execution of the Authority Data migration plan agreed pursuant to Paragraph 1.1(z), providing skills and expertise of a reasonably acceptable standard.

1.3 To facilitate the transfer of knowledge from the Supplier to the Authority and/or its Replacement Supplier, the Supplier shall provide a detailed explanation of the procedures and operations used to provide the Services, the change management process and other standards and procedures to the operations personnel of the Authority and/or the Replacement Supplier.

1.4 The information which the Supplier shall provide to the Authority and/or the Replacement Supplier pursuant to Paragraph 1.1(aa) 1.1(z) shall include:

(a) copies of up-to-date procedures and operations manuals;

(b) product information;

(c) agreements with third party suppliers of goods and services which are to be transferred to the Authority and/or the Replacement Supplier;

(d) key support contact details for third party supplier personnel under contracts which are to be assigned or novated to the Authority pursuant to this Schedule;

(e) information regarding any unresolved faults in progress at the commencement of the Termination Assistance Period as well as those expected to be in progress at the end of the Termination Assistance Period;

(f) details of physical and logical security processes and tools which will be available to the Authority; and

(g) any relevant interface information,

and such information shall be updated by the Supplier at the end of the Termination Assistance Period.

1.5 During the Termination Assistance Period the Supplier shall grant any agent or personnel (including employees, consultants and Suppliers) of the Replacement Supplier and/or the Authority access, during business hours and upon reasonable prior written notice, to any Sites for the purpose of effecting a prompt knowledge transfer provided that:

(a) any such agent or personnel (including employees, consultants and suppliers) having access to any Sites pursuant to this Paragraph 1.5 shall:

(i) sign a confidentiality undertaking in favour of the Supplier (in such form as the Supplier shall reasonably require); and

(ii) during each period of access comply with the security, systems and facilities operating procedures of the Supplier relevant to such Site and that the Authority deems reasonable; and

(b) the Authority and/or the Replacement Supplier shall pay the reasonable, proven and proper costs of the Supplier incurred in facilitating such access.

ANNEX 2: DRAFT ETHICAL WALL AGREEMENT

The Lord Chancellor

and

Vodafone Limited

ETHICAL WALL AGREEMENT

This Agreement is dated [ ] 20[ ] (the "Effective Date").

Between:

(1) **The Lord Chancellor,** acting as part of the Crown, of 102, Petty France, London, SW1H 9AJ (the "**Authority**" or "**MOJ**"); and

(2) **[NAME OF COUNTERPARTY]** a [company]/[limited liability partnership] registered in England and Wales under registered number [insert registered number] whose registered office is at [insert Counterparty's registered address] (the "**Counterparty**"),

together the "**Parties**" and each a "**Party**".

BACKGROUND

A. The Authority is obliged to ensure transparency, fairness, non-discrimination and equal treatment in relation to its procurement process pursuant to the Procurement Regulations (defined below). The purpose of this document ("**Agreement**") is to define the protocols to be followed to prevent, identify and remedy any conflict of interest (whether actual, potential or perceived) in the context of the Purpose (defined below).

B. The Authority is conducting a procurement exercise for the [supply/purchase/provision] of [insert details of project/goods/services] (the "**Purpose**").

C. The Parties wish to enter into this Agreement to ensure that a set of management processes, barriers and disciplines are put in place to ensure that conflicts of interest do not arise, and that the Counterparty does not obtain an unfair competitive advantage over Other Bidders.

IT IS AGREED:

1 DEFINITIONS AND INTERPRETATION

1.1 The following capitalised words and expressions shall have the following meanings in this Agreement and its recitals:

"**Affiliate**" means in relation to a body corporate, any other entity which directly or indirectly Controls, is Controlled by, or is under direct or indirect common Control of that body corporate from time to time;

"**Agreement**" means this ethical walls agreement duly executed by the Parties;

"**Bid Team**" means any Representatives of the Counterparty, any of its Affiliates and/or any Subcontractors connected to the preparation of an ITT Response;

"**Central Government Body**" means a body listed in one of the following sub-categories of the Central Government classification of the Public Sector

Classification Guide, as published and amended from time to time by the Office for National Statistics, including:

a) Government Departments;

b) Non-Departmental Public Bodies or Assembly Sponsored Public Bodies (advisory, executive, or tribunal);

c) Non-Ministerial Departments; or

d) Executive Agencies;

"**Conflicted Personnel**" means any Representatives of:

a) the Counterparty;

b) any of the Counterparty's Affiliates; and/or

c) any Subcontractors,

who, because of the Counterparty's, any of its Affiliates' and/or any Subcontractors' relationship with the Authority under any Contract, have or have had access to information which creates or may create a conflict of interest or provide the Bid Team with an unfair advantage as regards information Other Bidders would not have;

"**Contract**" means any pre-existing or previous contract between the Authority and:

(a) the Counterparty;
(b) any of the Counterparty's Affiliates;
(c) any Subcontractor; and
(d) any other Third Party,

relating to the subject matter of the Purpose at the date of the commencement of the ITT Process;

"**Control**" means the beneficial ownership of more than 50% of the issued share capital of a company or the legal power to direct or cause the direction of the management of the company and "**Controls**" and "**Controlled**" shall be interpreted accordingly;

"**Effective Date**" means the date of this Agreement as set out above;

"**Invitation to Tender**" or "**ITT**" means an invitation to submit tenders issued by the Authority as part of an ITT Process (and shall include an Invitation to Negotiate);

"**ITT Process**" means, with regard to the Purpose, the relevant procedure provided for in the Procurement Regulations (as amended), which the Authority has elected to use to select a contractor or contractors, together with all relevant information, data, correspondence and/or documents issued and/or made available by or on behalf of the Authority as part of that procurement exercise and all information, correspondence and/or documents issued and/or made available by or on behalf of the bidders in response together with any resulting contracts;

"**ITT Response**" means the tender(s) submitted, or to be submitted, by the Counterparty, any of its Affiliates and/or any Subcontractors in response to any invitation(s) to submit bids under the ITT process;

"**Other Bidder**" means any other bidder or potential bidder that is not the Counterparty or any of its Affiliates that has taken or is taking part in the ITT Process;

"**Procurement Process**" means the period commencing on the earlier of: (a) the publication of the first notice in relation to the Purpose; and (b) the execution of this Agreement, and ending on the occurrence of: (i) the publication by the Authority of all contract award notices that result from the ITT Process; or (ii) the abandonment or termination of the ITT Process as notified by the Authority;

"**Procurement Regulations**" means the Public Contracts Regulations 2015, the Public Procurement (Amendment etc.)(EU Exit) Regulations 2020, the Defence and Security Public Contracts Regulations 2011, the Utilities Contracts Regulations 2016, and the Concession Contracts Regulations 2016, each as amended from time to time;

"**Professional Advisor**" means a supplier, subcontractor, advisor or consultant engaged by the Counterparty and/or any of its Affiliates under the auspices of compiling its ITT response;

"**Purpose**" has the meaning given to it in recital B to this Agreement;

"**Representative**" refers to a person's officers, directors, employees, advisers (including the officers, directors, employees, advisers and agents of any Professional Advisors), agents and, where the context admits, providers or potential providers of finance (including their representatives) to the Counterparty, any of its Affiliates and/or any subcontractors engaged in connection with the ITT Process;

"**Subcontractor**" means an existing or proposed subcontractor of:

a) the Counterparty; and/or

b) any of the Counterparty's Affiliates,

who is connected to the preparation of an ITT Response (including key subcontractors named in the ITT Response);

"**Third Party**" means any person who is not a Party, including Other Bidders, their Affiliates and/or their Representatives; and

"**Working Day**" means any day of the week other than a weekend, when Banks in England and Wales are open for business.

1.2 Reference to the disclosure of information includes any communication or making available information and includes both direct and indirect disclosure.

1.3 Reference to the disclosure of information, or provision of access, by or to the Authority, the Counterparty, any of the Counterparty's Affiliates and/or any

Subcontractors includes disclosure, or provision of access, by or to the Representatives of the Authority, the Counterparty, any of its Affiliates and/or any Subcontractors (as the case may be).

1.4 Reference to persons includes legal and natural persons.

1.5 Reference to any enactment is to that enactment as amended, supplemented, re-enacted or replaced from time to time.

1.6 Reference to clauses and recitals is to clauses of and recitals to this Agreement.

1.7 Reference to any gender includes any other.

1.8 Reference to writing includes email.

1.9 The terms "**associate**", "**holding company**", "**subsidiary**", "**subsidiary undertaking**" and "**wholly owned subsidiary**" have the meanings attributed to them in the Companies Act 2006, except that for the purposes of section 1159(1)(a) of that Act, the words 'holds a majority of the voting rights' shall be changed to 'holds 30% or more of the voting rights', and other expressions shall be construed accordingly.

1.10 The words "**include**" and "**including**" are to be construed without limitation.

1.11 The singular includes the plural and vice versa.

1.12 The headings contained in this Agreement shall not affect its construction or interpretation.

2 ETHICAL WALLS

2.1 In consideration of the sum of £1 payable by the Authority to the Counterparty, receipt of which is hereby acknowledged, the Parties agree to be bound by the terms of this Agreement.

Conflicts of Interest

2.2 The Counterparty:

2.2.1 shall take all appropriate steps to ensure that neither the Counterparty, nor its Affiliates, nor any Subcontractors nor any Representatives are 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 pecuniary or personal interests of the Counterparty, any of its Affiliates, any Subcontractors and/or any Representatives and the duties owed to the Authority under any Contract or pursuant to an open and transparent ITT Process; and

2.2.2 acknowledges and agrees that a conflict of interest may arise in situations where the Counterparty, any of its Affiliates, any Subcontractors and/or any Representatives intend to take part in the ITT Process and because of the Counterparty's, any of its Affiliates', any

Subcontractors' and/or any Representatives' relationship with the Authority under any Contract, the Counterparty, any of its Affiliates, any Subcontractors and/or any Representatives have or have had access to information which could provide the Counterparty, any of its Affiliates, any Subcontractors and/or any Representatives with an advantage and render unfair an otherwise genuine and open competitive ITT Process.

2.3 Where there is or is likely to be a conflict of interest, or the perception of a conflict of interest, of any kind in relation to the ITT Process, the Counterparty shall take such steps that are necessary to eliminate the conflict of interest to the Authority's satisfaction, including one or more of the following:

2.3.1 not assigning any of the Conflicted Personnel to the Bid Team at any time;

2.3.2 providing to the Authority promptly upon request a complete and up to date list of any Conflicted Personnel and the personnel comprising the Bid Team and reissue such list to the Authority promptly upon any change to it;

2.3.3 ensuring that no act or omission by itself, its Affiliates, any Subcontractors and/or any Representatives results in information of any kind, however conveyed, or in any format and however so stored:

(a) about the ITT Process (gleaned from the performance of any Contract or otherwise); and/or

(b) which would or could in the opinion of the Authority confer an unfair advantage on the Counterparty in relation to its participation in the ITT Process,

becoming available to the Bid Team where the Authority has not made generally available that information to Other Bidders;

2.3.4 ensuring that by no act or omission by itself, its Affiliates, any Subcontractors and/or any Representatives and in particular the Bid Team results in information of any kind, however conveyed, in any format and however so stored about the ITT Process, its operation and all matters connected or ancillary to it becoming available to the Conflicted Personnel;

2.3.5 ensure that agreements that flow down the Counterparty's obligations in this Agreement, are entered into as necessary, between the Counterparty and its Affiliates and any Subcontractors [in a form to be approved by the Authority];

2.3.6 physically separating the Conflicted Personnel and the Bid Team, either in separate buildings or in areas with restricted access;

2.3.7 providing regular training to its Affiliates, any Subcontractors and/or Representatives to ensure it is complying with this Agreement;

2.3.8 monitoring Conflicted Personnel movements within restricted areas (both physical and electronic online areas) to ensure it is complying with this Agreement and to ensure adherence to the ethical wall arrangements the Counterparty, its Affiliates, any Subcontractors and/or any Representatives have put in place in order to comply with this Agreement;

2.3.9 ensuring that the Conflicted Personnel and the Bid Team are line managed and report independently of each other; and

2.3.10 complying with any other action as the Authority, acting reasonably, may direct in connection with the ITT Process and/or this Agreement.

Notification of Conflicts of Interest

2.4 The Counterparty shall:

2.4.1 notify the Authority immediately in writing of all perceived, potential and/or actual conflicts of interest that arise or have arisen;

2.4.2 submit in writing to the Authority full details of the nature of the perceived, potential and/or actual conflict of interest including full details of the risk assessments undertaken, the impact or potential impact of the perceived, potential and/or actual conflict, the measures and arrangements that have been established and/or are due to be established, to eliminate the perceived, potential and/or actual conflict, and the Counterparty's plans to prevent potential conflicts of interests from arising ("**Proposed Avoidance Measures**"); and

2.4.3 seek the Authority's approval to the Proposed Avoidance Measures which the Authority shall have the right to grant, grant conditionally or deny (if the Authority rejects the Proposed Avoidance Measures the Counterparty shall repeat the process set out in this Clause 2.4 until such time as the Authority grants approval or the Counterparty withdraws from the ITT Process).

2.5 The Counterparty will provide to the Authority, on demand, any and all information in relation to its adherence with its obligations set out under Clauses 2.2 and 2.3 as reasonably requested by the Authority.

2.6 The Authority reserves the right to require the Counterparty to demonstrate the measures put in place by the Counterparty under Clauses 2.2 and 2.3.

2.7 The Counterparty acknowledges that any provision of information or demonstration of measures, in accordance with Clauses 2.5 and 2.6, does not constitute acceptance by the Authority of the adequacy of such measures and does not discharge the Counterparty of its obligations or liability under this Agreement.

Exclusion from the ITT Process

2.8 Where, in the reasonable opinion of the Authority, there has been any breach by the Counterparty of Clauses 2.2, 2.3, or 2.4 or failure to obtain the Authority's approval of the Proposed Avoidance Measures the Authority shall be entitled to exclude the Counterparty, or any of its Affiliates and/or any Representatives, from the ITT Process, and the Authority may, in addition to the right to exclude, take such other steps as it deems necessary.

2.9 The actions of the Authority pursuant to Clause 2.8 shall not prejudice or affect any right of action or remedy under this Agreement or at law which shall have accrued or shall thereafter accrue to the Authority.

Bid Costs

2.10 In no event shall the Authority be liable for any bid costs incurred by:

2.10.1 the Counterparty or any of its Affiliates, any Representatives and/or any Subcontractors; or

2.10.2 any Third Party,

as a result of any breach of this Agreement by the Counterparty, any of its Affiliates, any Subcontractors and/or Representatives, including where the Counterparty, any of its Affiliates, any Subcontractors or Representatives, or any Third Party is or are excluded from the ITT Process.

Specific Remedies

2.11 The Counterparty acknowledges and agrees that:

2.11.1 neither damages nor specific performance are adequate remedies in the event of a breach of the obligations in Clause 2; and

2.11.2 in the event of a breach of any of the obligations in Clause 2 which cannot be effectively remedied the Authority shall have the right to terminate both this Agreement and the Counterparty's participation in the ITT Process in each case with immediate effect on written notice.

3 SOLE RESPONSIBILITY

3.1 It is the sole responsibility of the Counterparty to comply with the terms of this Agreement, including ensuring its Affiliates, any Subcontractors, and/or any Representatives comply with the terms of this Agreement. No approval by the Authority of any procedures, agreements or arrangements provided by the Counterparty, any of its Affiliates, any Subcontractors and/or their Representatives to the Authority shall discharge the Counterparty's obligations.

4 WAIVER AND INVALIDITY

4.1 No failure or delay by any Party in exercising any right, power or privilege under this Agreement or by law shall constitute a waiver of that or any other right, power or privilege, nor shall it restrict the further exercise of that or any other right, power or privilege. No single or partial exercise of such right, power or privilege

shall prevent or restrict the further exercise of that or any other right, power or privilege.

4.2 If any provision of this Agreement is prohibited or unenforceable in any jurisdiction in relation to any Party, such prohibition or unenforceability will not invalidate the remaining provisions of this Agreement, or affect the validity or enforceability of the provisions of this Agreement in relation to any other Party or any other jurisdiction.

5 ASSIGNMENT AND NOVATION

5.1 The Counterparty shall not assign, novate or otherwise dispose of or create any trust in relation to any or all of its rights, obligations or liabilities under this Agreement without the prior written consent of the Authority.

5.2 The Authority may assign, novate or otherwise dispose of any or all of its rights, obligations and liabilities under this Agreement and/or any associated licences to:

5.2.1 any Central Government Body; or

5.2.2 to a body other than a Central Government Body (including any private sector body) which performs any of the functions that previously had been performed by the Authority; and

5.2.3 the Counterparty shall, at the Authority's request, enter into a novation agreement in such form as the Authority may reasonably specify in order to enable the Authority to exercise its rights pursuant to this Clause 5.

5.3 A change in the legal status of the Authority such that it ceases to be a Central Government Body shall not affect the validity of this Agreement and this Agreement shall be binding on any successor body to the Authority.

6 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

6.1 A person who is not a Party to this Agreement has no right under the Contract (Rights of Third Parties) Act 1999 (as amended, updated or replaced from time to time) to enforce any term of this Agreement, but this does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

7 TRANSPARENCY

7.1 The Parties acknowledge and agree that the Authority is under a legal duty pursuant to the Procurement Regulations to run transparent and fair procurement processes. Accordingly, the Authority may disclose the contents of this Agreement to Other Bidders (and/or potential Other Bidders) for the purposes of transparency and in order to evidence that a fair procurement process has been followed.

8 NOTICES

8.1 Any notices sent under this Agreement must be in writing.

8.2 The following table sets out the method by which notices may be served under this Agreement and the respective deemed time and proof of service:

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

8.3 Notices shall be sent to the addresses set out below or at such other address as the relevant Party may give notice to the other Party for the purpose of service of notices under this Agreement:

	Counterparty	**Authority**
Contact		
Address		
Email		

8.4 This Clause 8 does not apply to the service of any proceedings or other documents in any legal action or other method of dispute resolution.

9 WAIVER AND CUMULATIVE REMEDIES

9.1 The rights and remedies under this Agreement may be waived only by notice, and in a manner that expressly states that a waiver is intended. A failure or delay by a Party in ascertaining or exercising a right or remedy provided under this Agreement or by law shall not constitute a waiver of that right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

9.2 Unless otherwise provided in this Agreement, rights and remedies under this Agreement are cumulative and do not exclude any rights or remedies provided by law, in equity or otherwise.

10 TERM

10.1 Each Party's obligations under this Agreement shall continue in full force and effect for period of [ ] years from the Effective Date/[or for the period of the duration of the Procurement Process]

11 GOVERNING LAW AND JURISDICTION

11.1 This Agreement and any issues, disputes or claims (whether contractual or non-contractual) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of England and Wales.

11.2 The Parties agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (whether contractual or non-contractual) that arises out of or in connection with this Agreement or its subject matter or formation.

Signed by the Authority	Name: Signature: Position in Authority:
Signed by the Counterparty	Name: Signature: Position in Counterparty:

SCHEDULE 27

CONDUCT OF CLAIMS

Schedule 27 (*Conduct of Claims*)

1 INDEMNITIES

1.1 This Schedule shall apply to the conduct, by a Party from whom an indemnity is sought under this Contract (the "**Indemnifier**"), of claims made by a third person against a party having (or claiming to have) the benefit of the indemnity (the "**Beneficiary**").

1.2 If the Beneficiary receives any notice of any claim for which it appears that the Beneficiary is, or may become, entitled to indemnification under this Contract (a "**Claim**"), the Beneficiary shall give notice in writing to the Indemnifier as soon as reasonably practicable and in any event within 10 Working Days of receipt of the same.

1.3 Subject to Paragraph 2, on the giving of a notice by the Beneficiary, where it appears that the Beneficiary is or may be entitled to indemnification from the Indemnifier in respect of all (but not part only) of the liability arising out of the Claim, the Indemnifier shall (subject to providing the Beneficiary with a secured indemnity to its reasonable satisfaction against all costs and expenses that it may incur by reason of such action) be entitled to dispute the Claim in the name of the Beneficiary at the Indemnifier's own expense and take conduct of any defence, dispute, compromise or appeal of the Claim and of any incidental negotiations relating to the Claim. If the Indemnifier does elect to conduct the Claim, the Beneficiary shall give the Indemnifier all reasonable cooperation, access and assistance for the purposes of such Claim and, subject to Paragraph 2.2, the Beneficiary shall not make any admission which could be prejudicial to the defence or settlement of the Claim without the prior written consent of the Indemnifier.

1.4 With respect to any Claim conducted by the Indemnifier pursuant to Paragraph 1.3:

(a) the Indemnifier shall keep the Beneficiary fully informed and consult with it about material elements of the conduct of the Claim;

(b) the Indemnifier shall not bring the name of the Beneficiary into disrepute;

(c) the Indemnifier shall not pay or settle such Claim without the prior written consent of the Beneficiary, such consent not to be unreasonably withheld or delayed; and

(d) the Indemnifier shall conduct the Claim with all due diligence.

1.5 The Beneficiary shall be entitled to have conduct of the Claim and shall be free to pay or settle any Claim on such terms as it thinks fit and without prejudice to its rights and remedies under this Contract if:

(a) the Indemnifier is not entitled to take conduct of the Claim in accordance with Paragraph 1.3;

(b) the Indemnifier fails to notify the Beneficiary in writing of its intention to take conduct of the relevant Claim within 10 Working Days of the notice from the Beneficiary or if the Indemnifier notifies the Beneficiary in writing that it does not intend to take conduct of the Claim; or

(c) the Indemnifier fails to comply in any material respect with the provisions of Paragraph 1.4.

2 SENSITIVE CLAIMS

2.1 With respect to any Claim which the Beneficiary, acting reasonably, considers is likely to have an adverse impact on the general public's perception of the Beneficiary (a "**Sensitive Claim**"), the Indemnifier shall be entitled to take conduct of any defence, dispute, compromise or appeal of the Sensitive Claim only with the Beneficiary's prior written consent. If the Beneficiary withholds such consent and elects to conduct the defence, dispute, compromise or appeal of the Sensitive Claim itself, it shall conduct the Sensitive Claim with all due diligence and if it fails to do so, the Indemnifier shall only be liable to indemnify the Beneficiary in respect of that amount which would have been recoverable by the Beneficiary had it conducted the Sensitive Claim with all due diligence.

2.2 The Beneficiary shall be free at any time to give written notice to the Indemnifier that it is retaining or taking over (as the case may be) the conduct of any Claim, to which Paragraph 1.3 applies if, in the reasonable opinion of the Beneficiary, the Claim is, or has become, a Sensitive Claim.

3 RECOVERY OF SUMS

3.1 If the Indemnifier pays to the Beneficiary an amount in respect of an indemnity and the Beneficiary subsequently recovers (whether by payment, discount, credit, saving, relief or other benefit or otherwise) a sum which is directly referable to the fact, matter, event or circumstances giving rise to the Claim, the Beneficiary shall forthwith repay to the Indemnifier whichever is the lesser of:

(a) an amount equal to the sum recovered (or the value of the discount, credit, saving, relief, other benefit or amount otherwise obtained) less any out-of-pocket costs and expenses properly incurred by the Beneficiary in recovering or obtaining the same; and

(b) the amount paid to the Beneficiary by the Indemnifier in respect of the Claim under the relevant indemnity.

4 MITIGATION

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

SCHEDULE 28

STAFF TRANSFER

Schedule 28 (*Staff Transfer*)

1 DEFINITIONS

1.1 In this Schedule, the following definitions shall apply:

"Admission Agreement"	as defined in Part D;
"Fair Deal Employees"	as defined in Part D;
"Former Supplier"	a supplier supplying services to the Authority before any 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);
"New Fair Deal"	the revised Fair Deal position set out in the HM Treasury guidance: *"Fair Deal for staff pensions: staff transfer from central government"* issued in October 2013 including: (a) any amendments to that document immediately prior to the Relevant Transfer Date; (b) any similar pension protection in accordance with the Annexes D1-D3 inclusive to Part D of this Schedule as notified to the Supplier by the Authority;
"Notified Sub-contractor"	a Sub-contractor identified in the Annex to this Schedule to whom Transferring Authority Employees and/or Transferring Former Supplier Employees will transfer on a Relevant Transfer Date;
"Replacement Sub-contractor"	a sub-contractor of the Replacement Supplier to whom Transferring Supplier Employees will transfer on a Service Transfer Date (or any sub-contractor of any such sub-contractor);
"Relevant Transfer"	a transfer of employment to which the Employment Regulations applies;

"Relevant Transfer Date"	in relation to a Relevant Transfer, the date upon which the Relevant Transfer takes place. For the purposes of Part D and its Annexes, where the Supplier or a Sub-contractor was the Former Supplier and there is no Relevant Transfer of the Fair Deal Employees because they remain continuously employed by the Supplier (or Sub-contractor), references to the Relevant Transfer Date shall become references to the Operational Service Commencement Date;
"Service Transfer"	any transfer of the Services (or any part of the Services), for whatever reason, from the Supplier or any Sub-contractor to a Replacement Supplier or a Replacement Sub-contractor;
"Service Transfer Date"	the date of a Service Transfer or, if more than one, the date of the relevant Service Transfer as the context requires;
"Staffing Information"	in relation to all persons identified on the Supplier's Provisional Supplier Personnel List or Supplier's Final Supplier Personnel List, as the case may be, all information required in Annex E2 in the format specified and with the identities of Data Subjects anonymised where possible. The Authority may acting reasonably make changes to the format or information requested in Annex E2 from time to time.
"Statutory Schemes"	means the CSPS, NHSPS or LGPS as defined in the Annexes to Part D of this Schedule;
"Supplier's Final Supplier Personnel List"	a list provided by the Supplier of all Supplier Personnel who will transfer under the Employment Regulations on the Service Transfer Date;
"Supplier's Provisional Supplier Personnel List"	a list prepared and updated by the Supplier of all Supplier Personnel who are at the date of the list wholly or mainly engaged in or assigned to the provision of the Services or any relevant part of the Services which it is envisaged as at the date of such list will no longer be provided by the Supplier;
"Transferring Supplier Employees"	those employees of the Supplier and/or the Supplier's Sub-contractors to whom the Employment Regulations will apply on the Service Transfer Date.

2 INTERPRETATION

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

PART A: NOT USED

PART B: NOT USED

PART C: NO TRANSFER OF EMPLOYEES AT COMMENCEMENT OF SERVICES

1 PROCEDURE IN THE EVENT OF TRANSFER

1.1 The Authority and the Supplier agree that the commencement of the provision of the Services or of any part of the Services will not be a Relevant Transfer in relation to any employees of the Authority and/or any Former Supplier.

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

(a) the Supplier 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 Supplier; and

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

1.3 If an offer referred to in Paragraph 1.2(b) is accepted (or if the situation has otherwise been resolved by the Authority and/or the Former Supplier), the Supplier shall, or shall procure that the Sub-contractor shall, immediately release the person from his/her employment or alleged employment.

1.4 If by the end of the 15 Working Day period specified in Paragraph 1.2(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 Supplier and/or the Sub-contractor may within 5 Working Days give notice to terminate the employment or alleged employment of such person.

2 INDEMNITIES

2.1 Subject to the Supplier and/or the relevant Sub-contractor acting in accordance with the provisions of Paragraphs 1.2 to 1.4 and in accordance with all applicable employment procedures set out in applicable Law and subject also to Paragraph 2.4, the Authority shall:

(a) indemnify the Supplier and/or the relevant Sub-contractor against all Employee Liabilities arising out of the termination of the employment of any employees of the Authority referred to in Paragraph 1.2 made

pursuant to the provisions of Paragraph 1.4 provided that the Supplier takes, or shall procure that the Notified Sub-contractor takes, all reasonable steps to minimise any such Employee Liabilities; and

(b) procure that the Former Supplier indemnifies the Supplier and/or any Notified Sub-contractor against all Employee Liabilities arising out of termination of the employment of the employees of the Former Supplier referred to in Paragraph 1.2 made pursuant to the provisions of Paragraph 1.4 provided that the Supplier takes, or shall procure that the relevant Sub-contractor takes, all reasonable steps to minimise any such Employee Liabilities.

2.2 If any such person as is described in Paragraph 1.2 is neither re employed by the Authority and/or the Former Supplier as appropriate nor dismissed by the Supplier and/or any Sub-contractor within the 15 Working Day period referred to in Paragraph 1.4 such person shall be treated as having transferred to the Supplier and/or the Sub-contractor (as appropriate) and the Supplier shall, or shall procure that the Sub-contractor shall, comply with such obligations as may be imposed upon it under Law.

2.3 Where any person remains employed by the Supplier and/or any Sub-contractor pursuant to Paragraph 2.2, all Employee Liabilities in relation to such employee shall remain with the Supplier and/or the Sub-contractor and the Supplier shall indemnify the Authority and any Former Supplier, and shall procure that the Sub-contractor shall indemnify the Authority and any Former Supplier, against any Employee Liabilities that either of them may incur in respect of any such employees of the Supplier and/or employees of the Sub-contractor.

2.4 The indemnities in Paragraph 2.1:

(a) shall not apply to:

(i) any claim for:

(A) 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

(B) equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,

in any case in relation to any alleged act or omission of the Supplier and/or any Sub-contractor; or

(ii) any claim that the termination of employment was unfair because the Supplier and/or any Sub-contractor neglected to follow a fair dismissal procedure; and

(b) shall apply only where the notification referred to in Paragraph 1.2(a) is made by the Supplier and/or any Sub-contractor to the Authority and, if applicable, Former Supplier within 6 months of the Effective Date.

3 PROCUREMENT OBLIGATIONS

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

PART D: PENSIONS

1 DEFINITIONS

1.1 In this Part D and Part E, the following words have the following meanings and they shall supplement Schedule 1 (Definitions), and shall be deemed to include the definitions set out in the Annexes to this Part D:

"Actuary"	a Fellow of the Institute and Faculty of Actuaries;
"Admission Agreement"	either or both of the CSPS Admission Agreement (as defined in Annex D1: CSPS) or the LGPS Admission Agreement) as defined in Annex D3: LGPS), as the context requires;
"Best Value Direction"	the Best Value Authorities Staff Transfers (Pensions) Direction 2007 or the Welsh Authorities Staff Transfers (Pensions) Direction 2012 (as appropriate);
"Broadly Comparable"	(a) in respect of a pension scheme, a status satisfying the condition that there are no identifiable employees who will suffer material detriment overall in terms of future accrual of pension benefits as assessed in accordance with Annex A of New Fair Deal and demonstrated by the issue by the Government Actuary's Department of a broad comparability certificate; and/or (a) in respect of benefits provided for or in respect of a member under a pension scheme, benefits that are consistent with that pension scheme's certificate of broad comparability issued by the Government Actuary's Department, and "**Broad Comparability**" shall be construed accordingly;
"CSPS"	the schemes as defined in Annex D1 to this Part D;
"Direction Letter/Determination"	has the meaning in Annex D2 to this Part D;
"Fair Deal Eligible Employees"	means each of the CSPS Eligible Employees (as defined in Annex D1 to this Part D), the NHSPS Eligible Employees (as defined in Annex D2 to this Part D) and/or the LGPS Eligible Employees (as

	defined in Annex D3 to this Part D) (as applicable) (and shall include any such employee who has been admitted to and/or remains eligible to join a Broadly Comparable pension scheme at the relevant time in accordance with Paragraph 10 or 11 of this Part D);
"Fair Deal Employees"	any of: (a) Transferring Authority Employees; (b) Transferring Former Supplier Employees; and/or (c) employees who are not Transferring Authority Employees or Transferring Former Supplier Employees but to whom the Employment Regulations apply on the Relevant Transfer Date to transfer their employment to the Supplier or a Sub-Contractor, and whose employment is not terminated in accordance with the provisions of Paragraph 1.4 of Part C; (d) where the Supplier or a Sub-contractor was the Former Supplier, the employees of the Supplier (or Sub-contractor) (e) who at the Relevant Transfer Date are or become entitled to New Fair Deal or Best Value Direction protection in respect of any of the Statutory Schemes or a Broadly Comparable pension scheme provided in accordance with Paragraph 10 of this Part D as notified by the Authority;
"Fund Actuary"	a Fund Actuary as defined in Annex D3 to this Part D;
"LGPS"	the scheme as defined in Annex D3 to this Part D;
"NHSPS"	the schemes as defined in Annex D2 to this Part D; and
"New Fair Deal"	the revised Fair Deal position set out in the HM Treasury guidance: "*Fair Deal for Staff Pensions: Staff Transfer from Central Government*" issued in October 2013 including: any amendments to that document immediately prior to the Relevant Transfer Date; and

any similar pension protection in accordance with the subsequent Annex D1-D3 inclusive as notified to the Supplier by the Authority.

2 PARTICIPATION

2.1 In respect of all or any Fair Deal Employees each of Annex D1: CSPS, Annex D2: NHSPS and/or Annex D3: LGPS shall apply, as appropriate.

2.2 The Supplier undertakes to do all such things and execute any documents (including any relevant Admission Agreement and/or Direction Letter/Determination, if necessary) as may be required to enable the Supplier to participate in the appropriate Statutory Scheme in respect of the Fair Deal Employees and shall bear its own costs in such regard.

2.3 The Supplier undertakes:

(a) to pay to the Statutory Schemes all such amounts as are due under the relevant Admission Agreement and/or Direction Letter/Determination or otherwise and shall deduct and pay to the Statutory Schemes such employee contributions as are required; and

(b) subject to Paragraph 5 of Annex D3: LGPS to be fully responsible for all other costs, contributions, payments and other amounts relating to its participation in the Statutory Schemes, including for the avoidance of doubt any exit payments and the costs of providing any bond, indemnity or guarantee required in relation to such participation.

2.4 Where the Supplier is the Former Supplier (or a Sub-contractor is a sub-contractor of the Former Supplier) and there is no Relevant Transfer of the Fair Deal Employees because they remain continuously employed by the Supplier (or Sub-contractor) at the Operational Service Commencement Date, this Part D and its Annexes shall be modified accordingly so that the Supplier (or Sub-contractor) shall comply with its requirements from the Operational Service Commencement Date or, where it previously provided a Broadly Comparable pension scheme, from the date it is able to close accrual of its Broadly Comparable pension scheme (following appropriate consultation and contractual changes as appropriate) if later. The Supplier (or Sub-contractor) shall make arrangements for a bulk transfer from its Broadly Comparable pension scheme to the relevant Statutory Scheme in accordance with the requirements of the previous contract with the Authority.

3 PROVISION OF INFORMATION

3.1 The Supplier undertakes to the Authority:

(a) to provide all information which the Authority may reasonably request concerning matters referred to in this Part D as expeditiously as possible;

(b) not to issue any announcements to any Fair Deal Employee prior to the Relevant Transfer Date concerning the matters stated in this Part D without the consent in writing of the Authority (such consent not to be unreasonably withheld or delayed); and

(c) retain such records as would be necessary to manage the pension aspects in relation to any current or former Fair Deal Eligible Employees arising on expiry or termination of this Contract.

4 INDEMNITIES

4.1 The Supplier shall indemnify and keep indemnified the Authority, NHS Pensions, any Replacement Supplier and/or any Replacement Sub-contractor on demand from and against all and any Losses whatsoever suffered or incurred by it or them which:

(a) arise out of or in connection with any liability towards all and any Fair Deal Employees in respect of service on or after the Relevant Transfer Date which arises from any breach by the Supplier of this Part D, and/or the CSPS Admission Agreement and/or the Direction Letter/Determination and/or the LGPS Admission Agreement;

(b) relate to the payment of benefits under and/or participation in a pension scheme (as defined in section 150(1) Finance Act 2004) provided by the Supplier or a Sub-contractor on and after the Relevant Transfer Date until the date of termination or expiry of this Contract, including the Statutory Schemes or any Broadly Comparable pension scheme provided in accordance with Paragraphs 10 or 11 of this Part D;

(c) relate to claims by Fair Deal Employees of the Supplier and/or of any Sub-contractor or by any trade unions, elected employee representatives or staff associations in respect of all or any such Fair Deal Employees which Losses:

(i) relate to any rights to benefits under a pension scheme (as defined in section 150(1) Finance Act 2004) in respect of periods of employment on and after the Relevant Transfer Date until the date of termination or expiry of this Contract;

(ii) arise out of the failure of the Supplier and/or any relevant Sub-contractor to comply with the provisions of this Part D before the date of termination or expiry of this Contract; and/or

(d) arise out of or in connection with the Supplier (or its Sub-contractor) allowing anyone who is not an NHSPS Fair Deal Employee to join or claim membership of the NHSPS at any time during the Term.

4.2 The indemnities in this Part D and its Annexes:

(a) shall survive termination of this Contract; and

(b) shall not be affected by the caps on liability contained in Clause 23 (*Limitations on Liability*).

5 DISPUTES

5.1 The Dispute Resolution Procedure will not apply to any dispute (i) between the Authority and/or the Supplier or (ii) between their respective actuaries and/or the Fund Actuary about any of the actuarial matters referred to in this Part D and its Annexes shall in the absence of agreement between the Authority and/or the Supplier be referred to an independent Actuary:

(a) who will act as an expert and not as an arbitrator;

(b) whose decision will be final and binding on the Authority and/or the Supplier; and

(c) whose expenses shall be borne equally by the Authority and/or the Supplier unless the independent Actuary shall otherwise direct.

5.2 The independent Actuary shall be agreed by the Parties or, failing such agreement the independent Actuary shall be appointed by the President for the time being of the Institute and Faculty of Actuaries on the application by the Parties.

6 THIRD PARTY RIGHTS

6.1 The Parties agree Clause 40 (*Third Party Rights*) does not apply and that the CRTPA applies to this Part D to the extent necessary to ensure that any Fair Deal Employee will have the right to enforce any obligation in respect of to him or her by the Supplier under this Part D, in his or her or its own right under section 1(1) of the CRTPA.

6.2 Further, the Supplier must ensure that the CRTPA will apply to any Sub-contract to the extent necessary to ensure that any Fair Deal Employee will have the right to enforce any obligation owed to them by the Sub-contractor in his or her own right under section 1(1) of the CRTPA.

7 BREACH

7.1 The Supplier agrees to notify the Authority should it breach any obligations it has under this Part D and agrees that the Authority shall be entitled to terminate its Contract for material Default in the event that the Supplier:

(a) commits an irremediable breach of any provision or obligation it has under this Part D; or

(b) commits a breach of any provision or obligation it has under this Part D which, where capable of remedy, it fails to remedy within a reasonable time and in any event within 28 days of the date of a notice from the Authority giving particulars of the breach and requiring the Supplier to remedy it.

8 TRANSFER TO ANOTHER EMPLOYER/SUB-CONTRACTORS

8.1 Save on expiry or termination of this Contract, if the employment of any Fair Deal Eligible Employee transfers to another employer (by way of a transfer under the Employment Regulations or other form of compulsory transfer of employment), the Supplier shall or shall procure that any relevant Sub-contractor shall:

(a) notify the Authority as far as reasonably practicable in advance of the transfer to allow the Authority to make the necessary arrangements for participation with the relevant Statutory Scheme(s);

(b) consult with about, and inform those Fair Deal Eligible Employees of, the pension provisions relating to that transfer; and

(c) procure that the employer to which the Fair Deal Eligible Employees are transferred (the "**New Employer**") complies with the provisions of this Part D and its Annexes provided that references to the "Supplier" will become references to the New Employer, references to "Relevant Transfer Date" will become references to the date of the transfer to the New Employer and references to "Fair Deal Employees" will become references to the Fair Deal Eligible Employees so transferred to the New Employer.

9 PENSION ISSUES ON EXPIRY OR TERMINATION

9.1 The provisions of Part E apply in relation to pension issues on expiry or termination of this Contract.

9.2 The Supplier shall (and shall procure that any of its Sub-contractors shall) prior to the termination of this Contract provide all such co-operation and assistance (including co-operation and assistance from the Broadly Comparable pension scheme's Actuary) as the Replacement Supplier and/or NHS Pension and/or CSPS and/or the relevant Administering Authority and/or the Authority may reasonably require, to enable the Replacement Supplier to participate in the appropriate Statutory Scheme in respect of any Fair Deal Eligible Employee that remains eligible for New Fair Deal protection following a Service Transfer.

10 BROADLY COMPARABLE PENSION SCHEME ON RELEVANT TRANSFER DATE

10.1 If the terms of any of Paragraphs 4 of Annex D2: NHSPS or 3.1 of Annex D3: LGPS applies, the Supplier must (and must, where relevant, procure that each of its Sub-contractors will) ensure that, with effect from the Relevant Transfer Date until the day before the Service Transfer Date, the relevant Fair Deal Employees will be eligible for membership of a pension scheme under which the benefits are Broadly Comparable to those provided under the relevant Statutory Scheme, and then on such terms as may be decided by the Authority.

10.2 Such Broadly Comparable pension scheme must be:

(a) established by the Relevant Transfer Date;

(b) a registered pension scheme for the purposes of Part 4 of the Finance Act 2004;

(c) capable of receiving a bulk transfer payment from the relevant Statutory Scheme or from a Former Supplier's Broadly Comparable pension scheme (unless otherwise instructed by the Authority);

(d) capable of paying a bulk transfer payment to the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (unless otherwise instructed by the Authority); and

(e) maintained until such bulk transfer payments have been received or paid (unless otherwise instructed by the Authority).

10.3 Where the Supplier has provided a Broadly Comparable pension scheme pursuant to the provisions of this Paragraph 10, the Supplier shall (and shall procure that any of its Sub-contractors shall):

(a) supply to the Authority details of its (or its Sub-contractor's) Broadly Comparable pension scheme and provide a full copy of the valid certificate of broad comparability (which remains valid as at the Relevant Transfer Date) covering all relevant Fair Deal Employees, as soon as it is able to do so before the Relevant Transfer Date (where possible) and in any event no later than 7 days after receipt of the certificate;

(b) be fully responsible for all costs, contributions, payments and other amounts relating to the setting up, certification of, ongoing participation in and/or withdrawal and exit from the Broadly Comparable pension scheme, including for the avoidance of doubt any debts arising under section 75 or 75A of the Pensions Act 1995;

(c) instruct any such Broadly Comparable pension scheme's Actuary to provide all such co-operation and assistance in agreeing bulk transfer process with the Actuary to the Former Supplier's Broadly Comparable pension scheme or the Actuary to the relevant Statutory Scheme (as appropriate) and to provide all such co-operation and assistance with any other Actuary appointed by the Authority (where applicable). This will be with a view to the bulk transfer terms providing day for day and/or pound for pound (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes) credits in the Broadly Comparable pension scheme in respect of any Fair Deal Eligible Employee who consents to such a transfer; and

(d) provide a replacement Broadly Comparable pension scheme in accordance with this Paragraph 10 with immediate effect for those Fair Deal Eligible Employees who are still employed by the Supplier and/or relevant Sub-contractor and are still eligible for New Fair Deal protection in the event that the Supplier and/or Sub-contractor's Broadly Comparable pension scheme is closed to future

accrual and/or terminated. The relevant Fair Deal Eligible Employees must be given the option to transfer their accrued benefits from the previous Broadly Comparable pension scheme to the new Broadly Comparable pension scheme on day for day and/or pound for pound terms (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes).

10.4 Where the Supplier has provided a Broadly Comparable pension scheme pursuant to the provisions of this Paragraph 10, the Supplier shall (and shall procure that any of its Sub-contractors shall) prior to the termination of this Contract:

(a) allow and make all necessary arrangements to effect, in respect of any Fair Deal Eligible Employee that remains eligible for New Fair Deal protection, following a Service Transfer, the bulk transfer of past service from any such Broadly Comparable pension scheme into the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable). The bulk transfer terms provided shall be on a past service reserve basis which should be calculated allowing for projected final salary at the assumed date of retirement, leaving service or death (in the case of final salary benefits). The actuarial basis for this past service reserve basis should be aligned to the funding requirements of the Broadly Comparable pension scheme in place at the time the bulk transfer terms are offered. The bulk transfer terms shall be subject to an underpin in relation to any service credits awarded in the Broadly Comparable pension scheme in accordance with Paragraph 10.3(c) such that the element of the past service reserve amount which relates to such service credits shall be no lower than that required by the bulk transfer terms that were agreed in accordance with Paragraph 10.3(c) but using the last day of the Fair Deal Eligible Employees' employment with the Supplier or Sub-contractor (as appropriate) as the date used to determine the actuarial assumptions; and

(b) if the transfer payment paid by the trustees of the Broadly Comparable pension scheme is less (in the opinion of the Actuary to the Replacement Supplier's Broadly Comparable pension scheme (or to the relevant Statutory Scheme if applicable)) than the transfer payment which would have been paid had Paragraph 10.4(a) been complied with, the Supplier shall (or shall procure that the Sub-contractor shall) pay the amount of the difference to the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable) or as the Authority shall otherwise direct. The Supplier shall indemnify the Authority or the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (as the Authority directs) for any failure to pay the difference as required under this Paragraph.

11 BROADLY COMPARABLE PENSION SCHEME IN OTHER CIRCUMSTANCES

11.1 If the terms of any of Paragraphs 2.2 of Annex D1: CSPS, 5.2 of Annex D2: NHSPS and/or 3.2 of Annex D3: LGPS apply, the Supplier must (and must, where relevant, procure that each of its Sub-contractors will) ensure that, with effect from the cessation of participation in the Statutory Scheme, until the day before the Service Transfer Date, the relevant Fair Deal Eligible Employees will be eligible for membership of a pension scheme under which the benefits are Broadly Comparable to those provided under the relevant Statutory Scheme at the date of cessation of participation in the relevant Statutory Scheme, and then on such terms as may be decided by the Authority.

11.2 Such Broadly Comparable pension scheme must be:

(a) established by the date of cessation of participation in the Statutory Scheme;

(b) a registered pension scheme for the purposes of Part 4 of the Finance Act 2004;

(c) capable of receiving a bulk transfer payment from the relevant Statutory Scheme (where instructed to do so by the Authority);

(d) capable of paying a bulk transfer payment to the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) (unless otherwise instructed by the Authority); and

(e) maintained until such bulk transfer payments have been received or paid (unless otherwise instructed by the Authority).

11.3 Where the Supplier has provided a Broadly Comparable pension scheme pursuant to the provisions of this Paragraph 11, the Supplier shall (and shall procure that any of its Sub-contractors shall):

(a) supply to the Authority details of its (or its Sub-contractor's) Broadly Comparable pension scheme and provide a full copy of the valid certificate of broad comparability (which remains valid as at the date of cessation of participation in the Statutory Scheme) covering all relevant Fair Deal Eligible Employees, as soon as it is able to do so before the cessation of participation in the Statutory Scheme (where possible) and in any event no later than 7 days after receipt of the certificate;

(b) be fully responsible for all costs, contributions, payments and other amounts relating to the setting up, certification of, ongoing participation in and/or withdrawal and exit from the Broadly Comparable pension scheme, including for the avoidance of doubt any debts arising under section 75 or 75A of the Pensions Act 1995; and

(c) where required to do so by the Authority, instruct any such Broadly Comparable pension scheme's Actuary to provide all such co-operation and assistance in agreeing a bulk transfer process with the Actuary to the relevant Statutory Scheme and to provide all such co-operation and assistance with any other Actuary appointed by the Authority (where applicable). The Supplier must ensure that day for day and/or pound for pound (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes) credits in the Broadly Comparable pension scheme are provided in respect of any Fair Deal Employee who consents to such a transfer from the Statutory Scheme and the Supplier shall be fully responsible for any costs of providing those credits in excess of the bulk transfer payment received by the Broadly Comparable pension scheme; and

(d) provide a replacement Broadly Comparable pension scheme in accordance with this Paragraph 11 with immediate effect for those Fair Deal Eligible Employees who are still employed by the Supplier and/or relevant Sub-contractor and are still eligible for New Fair Deal protection in the event that the Supplier and/or Sub-contractor's Broadly Comparable pension scheme is closed to future accrual and/or terminated. The relevant Fair Deal Eligible Employees must be given the option to transfer their accrued benefits from the previous Broadly Comparable pension scheme to the new Broadly Comparable pension scheme on day for day and/or pound for pound terms (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes).

11.4 Where the Supplier has provided a Broadly Comparable pension scheme pursuant to the provisions of this Paragraph 11, the Supplier shall (and shall procure that any of its Sub-contractors shall) prior to the termination of this Contract allow and make all necessary arrangements to effect, in respect of any Fair Deal Eligible Employee that remains eligible for New Fair Deal protection, following a Service Transfer, the bulk transfer of past service from any such Broadly Comparable pension scheme into the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable). The bulk transfer terms provided shall be sufficient to secure day for day and/or pound for pound credits (as applicable) (or actuarially equivalent where there are benefit differences between the two schemes) in the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable). For the avoidance of doubt, should the amount offered by the Broadly Comparable pension scheme be less than the amount required by the Replacement Supplier's Broadly Comparable pension scheme (or the relevant Statutory Scheme if applicable) to fund the required credits ("**the Shortfall**"), the Supplier or the Sub-contractor (as agreed between them) must pay the Replacement Supplier's Broadly Comparable pension scheme (or relevant Statutory Scheme if applicable) the Shortfall as required, provided that in the absence of any agreement between the Supplier and any Sub-contractor, the Shortfall shall be paid by the Supplier. The Supplier shall indemnify the Authority or the Replacement Supplier's Broadly Comparable pension scheme (or the relevant

Statutory Scheme if applicable) (as the Authority directs) for any failure to pay the Shortfall under this Paragraph.

12 RIGHT OF SET-OFF

12.1 The Authority shall have a right to set off against any payments due to the Supplier under this Contract an amount equal to:

(a) any unpaid employer's contributions or employee's contributions or any other financial obligations under the CSPS or any CSPS Admission Agreement in respect of the CSPS Eligible Employees whether due from the Supplier or from any relevant Sub-contractor or due from any third party under any indemnity, bond or guarantee;

(b) any unpaid employer's contributions or employee's contributions or any other financial obligations under the NHSPS or any Direction Letter/Determination in respect of the NHSPS Eligible Employees whether due from the Supplier or from any relevant Sub-contractor or due from any third party under any indemnity, bond or guarantee; or

(c) any unpaid employer's contributions or employee's contributions or any other financial obligations under the LGPS or any LGPS Admission Agreement in respect of the LGPS Eligible Employees whether due from the Supplier or from any relevant Sub-contractor or due from any third party under any indemnity, bond or guarantee;

and shall pay such set off amount to the relevant Statutory Scheme.

12.2 The Authority shall also have a right to set off against any payments due to the Supplier under this Contract all reasonable costs and expenses incurred by the Authority as result of Paragraphs 12.1 above.

ANNEX D1: CSPS

1 DEFINITIONS

1.1 In this Annex D1: CSPS to Part D: Pensions, the following words have the following meanings:

"CSPS Admission Agreement"	an admission agreement in the form available on the Civil Service Pensions website immediately prior to the Relevant Transfer Date to be entered into for the CSPS in respect of the Services;
"CSPS Eligible Employee"	any CSPS Fair Deal Employee who at the relevant time is an active member or eligible to participate in the CSPS under a CSPS Admission Agreement;
"CSPS Fair Deal Employee"	a Fair Deal Employee who at the Relevant Transfer Date is or becomes entitled to protection in respect of the CSPS in accordance with the provisions of New Fair Deal;
"CSPS"	the Principal Civil Service Pension Scheme available to Civil Servants and employees of bodies under Schedule 1 of the Superannuation Act 1972 (and eligible employees of other bodies admitted to participate under a determination under section 25 of the Public Service Pensions Act 2013), as governed by rules adopted by Parliament; the Partnership Pension Account and its (i) Ill health Benefits Arrangements and (ii) Death Benefits Arrangements; the Civil Service Additional Voluntary Contribution Scheme; and "alpha" introduced under The Public Service (Civil Servants and Others) Pensions Regulations 2014.

2 FUTURE SERVICE BENEFITS

2.1 In accordance with New Fair Deal, the Supplier and/or any of its Sub-contractors to which the employment of any CSPS Fair Deal Employee compulsorily transfers as a result of either the award of this Contract or a Relevant Transfer, if not an employer which participates automatically in the CSPS, shall each secure a CSPS Admission Agreement to ensure that CSPS Fair Deal Employees or CSPS Eligible Employees as appropriate shall be either admitted into, or offered continued membership of, the relevant section of the CSPS that they currently contribute to, or were eligible to join immediately prior to the Relevant Transfer Date or became eligible to join on the Relevant Transfer Date. The Supplier and/or any of its Sub-contractors shall procure that the CSPS Fair Deal Employees continue to accrue benefits in the CSPS in accordance with the provisions governing the relevant section of the CSPS for service from (and including) the Relevant Transfer Date.

2.2 If the Supplier and/or any of its Sub-contractors enters into a CSPS Admission Agreement in accordance with Paragraph 2.1 but the CSPS Admission Agreement is terminated during the term of this Contract for any reason at a time when the Supplier or Sub-contractor still employs any CSPS Eligible Employees, the Supplier shall (and procure that its Sub-contractors shall) at no extra cost to the Authority, offer the remaining CSPS Eligible Employees membership of a pension scheme which is Broadly Comparable to the CSPS on the date those CSPS Eligible Employees ceased to participate in the CSPS in accordance with the provisions of Paragraph 11 of Part D.

ANNEX D2: NHSPS

1 DEFINITIONS

1.1 In this Annex D2: NHSPS to Part D, the following words have the following meanings:

"Direction Letter/Determination"	an NHS Pensions Direction or Determination (as appropriate) issued by the Secretary of State in exercise of the powers conferred by section 7 of the Superannuation (Miscellaneous Provisions) Act 1967 or by section 25 of the Public Service Pensions Act 2013 (as appropriate) and issued to the Supplier or a Sub-contractor of the Supplier (as appropriate) relating to the terms of participation of the Supplier or Sub-contractor in the NHSPS in respect of the NHSPS Fair Deal Employees;
"NHS Broadly Comparable Employees"	means each of the Fair Deal Employees who at a Relevant Transfer Date was a member of, or was entitled to become a member of, or but for their compulsory transfer of employment would have been entitled to be or become a member of, the NHSPS as a result of either: (a) their employment with the Authority, an NHS Body or other employer which participates automatically in the NHSPS; or (b) their employment with a Former Supplier who provides access to either the NHSPS pursuant to a Direction Letter/Determination or to a Broadly Comparable pension scheme in respect of their employment with that Former Supplier (on the basis that they are entitled to protection under New Fair Deal (or previous guidance), having been formerly in employment with the Authority, an NHS Body or other employer who participated automatically in the NHSPS in connection with the Services, prior to being employed by the Former Supplier), but who is now ineligible to participate in the NHSPS under the rules of the NHSPS and in respect of whom the Authority has agreed are to be provided with a Broadly Comparable pension scheme to provide Pension Benefits that are Broadly Comparable to those provided under the NHSPS.

“NHSPS Eligible Employees”	any NHSPS Fair Deal Employee who at the relevant time is an active member or eligible to participate in the NHSPS under a Direction Letter/Determination Letter.
"NHSPS Fair Deal Employees"	means other than the NHS Broadly Comparable Employees, each of the Fair Deal Employees who at a Relevant Transfer Date was a member of, or was entitled to become a member of, or but for their compulsory transfer of employment would have been entitled to be or become a member of, the NHSPS as a result of either: (a) their employment with the Authority, an NHS Body or other employer which participates automatically in the NHSPS; or (b) their employment with a Former Supplier who provides access to either the NHSPS pursuant to a Direction Letter/Determination or to a Broadly Comparable pension scheme in respect of their employment with that Former Supplier (on the basis that they are entitled to protection under New Fair Deal (or previous guidance), having been formerly in employment with the Authority, an NHS Body or other employer who participated automatically in the NHSPS in connection with the Services, prior to being employed by the Former Supplier), and, in each case, being continuously engaged for more than fifty per cent (50%) of their employed time in the delivery of services (the same as or similar to the Services). For the avoidance of doubt, an individual who is in or entitled to become a member of the NHSPS as a result of being engaged in the Services and being covered by an "open" Direction Letter/Determination or other NHSPS "access" facility but who has never been employed directly by the Authority, an NHS Body or other body which participates automatically in the NHSPS is not an NHSPS Fair Deal Employee;
"NHS Body"	has the meaning given to it in section 275 of the National Health Service Act 2006 as amended by section 138(2)(c) of Schedule 4 to the Health and Social Care Act 2012;

"NHS Pensions"	NHS Pensions as the administrators of the NHSPS or such other body as may from time to time be responsible for relevant administrative functions of the NHSPS;
"NHSPS"	the National Health Service Pension Scheme for England and Wales, established pursuant to the Superannuation Act 1972 and the Public Service Pensions Act 2013 governed by subsequent regulations under those Acts including the NHS Pension Scheme Regulations;
"NHS Pension Scheme Regulations"	as appropriate, any or all of the National Health Service Pension Scheme Regulations 1995 (SI 1995/300), the National Health Service Pension Scheme Regulations 2008 (SI 2008/653), the National Health Service Pension Scheme Regulations 2015 (2015/94) and any subsequent regulations made in respect of the NHSPS, each as amended from time to time;
"NHS Premature Retirement Rights"	rights to which any NHSPS Fair Deal Employee (had they remained in the employment of the Authority, an NHS Body or other employer which participates automatically in the NHSPS) would have been or is entitled under the NHS Pension Scheme Regulations, the NHS Compensation for Premature Retirement Regulations 2002 (SI 2002/1311), the NHS (Injury Benefits) Regulations 1995 (SI 1995/866) and section 45 of the General Whitley Council conditions of service, or any other legislative or contractual provision which replaces, amends, extends or consolidates the same from time to time;
"Pension Benefits"	any benefits payable in respect of an individual (including but not limited to pensions related allowances and lump sums) relating to old age, invalidity or survivor's benefits provided under an occupational pension scheme; and

2 MEMBERSHIP OF THE NHSPS

2.1 In accordance with New Fair Deal, the Supplier and/or any of its Sub-contractors to which the employment of any NHSPS Fair Deal Employee compulsorily transfers as a result of either the award of this Contract or a Relevant Transfer, if not an NHS Body or other employer which participates automatically in the NHSPS, shall each secure a Direction Letter/Determination to enable the NHSPS Fair Deal Employees to retain

either continuous active membership of or eligibility for the NHSPS for so long as they remain employed in connection with the delivery of the Services under this Contract.

2.2 Where it is not possible for the Supplier and/or any of its Sub-contractors to secure a Direction Letter/Determination on or before the Relevant Transfer Date, the Supplier must secure a Direction Letter/Determination as soon as possible after the Relevant Transfer Date, and in the period between the Relevant Transfer Date and the date the Direction Letter/Determination is secure, the Provider must ensure that:

(a) all employer's and NHSPS Fair Deal Employees' contributions intended to go to the NHSPS are kept in a separate bank account; and

(b) the Pension Benefits and Premature Retirement Rights of NHSPS Fair Deal Employees are not adversely affected.

2.3 The Supplier must supply to the Authority a complete copy of each Direction Letter/Determination within 5 Working Days of receipt of the Direction Letter/Determination.

2.4 The Supplier must ensure (and procure that each of its Sub-contractors (if any) ensures) that all of its NHSPS Fair Deal Employees have a contractual right to continuous active membership of or eligibility for the NHSPS for so long as they have a right to membership or eligibility of that scheme under the terms of the Direction Letter/Determination.

2.5 The Supplier will (and will procure that its Sub-contractors (if any) will) comply with the terms of the Direction Letter/Determination, the NHS Pension Scheme Regulations (including any terms which change as a result of changes in Law) and any relevant policy issued by the Department of Health and Social Care in respect of the NHSPS Fair Deal Employees for so long as it remains bound by the terms of any such Direction Letter/Determination.

2.6 Where any employee omitted from the Direction Letter/Determination supplied in accordance with Paragraph 2 of this Annex are subsequently found to be an NHSPS Fair Deal Employee, the Supplier will (and will procure that its Sub-contractors (if any) will) treat that person as if they had been an NHSPS Fair Deal Employee from the Relevant Transfer Date so that their Pension Benefits and NHS Premature Retirement Rights are not adversely affected.

2.7 The Supplier will (and will procure that its Sub-contractors (if any) will) provide any indemnity, bond or guarantee required by NHS Pensions in relation to a Direction Letter/Determination.

3 NHS PREMATURE RETIREMENT RIGHTS

3.1 From the Relevant Transfer Date until the Service Transfer Date, the Supplier must provide (and/or must ensure that its Sub-contractors (if any) provide) NHS Premature Retirement Rights in respect of the NHSPS Fair Deal Employees that are identical to the benefits they would have received had they

remained employees of the Authority, an NHS Body or other employer which participates automatically in the NHSPS.

4 NHS BROADLY COMPARABLE EMPLOYEES

4.1 The Supplier shall (and procure that its Sub-contractors shall), with effect from the Relevant Transfer Date, offer the NHSPS Broadly Comparable Employees membership of a pension scheme which is Broadly Comparable to NHSPS on the Relevant Transfer Date in accordance with Paragraph 10 of Part D. For the avoidance of doubt, this requirement is separate from any requirement to offer a Broadly Comparable pension scheme in accordance with Paragraph 5.2 below.

5 BREACH AND CANCELLATION OF ANY DIRECTION LETTER/DETERMINATION(S)

5.1 The Supplier agrees that the Authority is entitled to make arrangements with NHS Pensions for the Authority to be notified if the Supplier (or its Sub-contractors) breaches the terms of its Direction Letter/Determination. Notwithstanding the provisions of the foregoing, the Supplier shall notify the Authority in the event that it (or its Sub-contractor) breaches the terms of its Direction Letter/Determination.

5.2 If the Supplier (or its Sub-contractors, if relevant) ceases to participate in the NHSPS for whatever reason, the Supplier (or any such Sub-contractor, as appropriate) shall offer the NHSPS Eligible Employees membership of a pension scheme which is Broadly Comparable to the NHSPS on the date the NHSPS Eligible Employees ceased to participate in the NHSPS in accordance with the provisions of Paragraph 11 of Part D.

6 COMPENSATION

6.1 If the Supplier (or its Sub-contractor, if relevant) is unable to provide the NHSPS Fair Deal Employees with either membership of:

(a) the NHSPS (having used its best endeavours to secure a Direction Letter/Determination); or

(b) a Broadly Comparable pension scheme,

the Authority may in its sole discretion permit the Supplier (or any of its Sub-contractors) to compensate the NHSPS Fair Deal Employees in a manner that is Broadly Comparable or equivalent in cash terms, the Supplier (or Sub-contractor as relevant) having consulted with a view to reaching agreement with any recognised trade union or, in the absence of such body, the NHSPS Fair Deal Employees. The Supplier must meet (or must procure that the relevant Sub-contractor meets) the costs of the Authority determining whether the level of compensation offered is reasonable in the circumstances.

6.2 This flexibility for the Authority to allow compensation in place of Pension Benefits is in addition to and not instead of the Authority's right to terminate the Contract under Paragraph 7 (*Breach*) of Part D of this Schedule.

7 SUPPLIER INDEMNITIES

7.1 The Supplier must indemnify and keep indemnified the Authority and any Replacement Supplier against all Losses arising out of any claim by any NHSPS Fair Deal Employee or any NHS Broadly Comparable Employees that the provision of (or failure to provide) Pension Benefits and NHS Premature Retirement Rights from the Relevant Transfer Date, or the level of such benefit provided, constitutes a breach of his or her employment rights.

ANNEX D3: LGPS

1 DEFINITIONS

1.1 In this Annex D3: LGPS to Part D, the following words have the following meanings:

"2013 Regulations"	the Local Government Pension Scheme Regulations 2013 (SI 2013/2356) (as amended from time to time);
"Administering Authority"	in relation to the Fund, the relevant administering authority of that Fund for the purposes of the 2013 Regulations;
"Fund Actuary"	the actuary to a Fund appointed by the Administering Authority of the Fund;
"Fund"	the applicable pension fund within the LGPS;
"Initial Contribution Rate"	the applicable percentage of pensionable pay as set out in the 2013 Regulations;
"LGPS"	the Local Government Pension Scheme as governed by the LGPS Regulations, and any other regulations (in each case as amended from time to time) which are from time to time applicable to the Local Government Pension Scheme;
"LGPS Admission Agreement"	an admission agreement within the meaning in Schedule 1 of the 2013 Regulations;
"LGPS Admission Body"	an admission body (within the meaning of Part 3 of Schedule 2 of the 2013 Regulations);
"LGPS Eligible Employees"	any LGPS Fair Deal Employee who at the relevant time is an active member or eligible to participate in the LGPS under an LGPS Admission Agreement;
"LGPS Fair Deal Employees"	any Fair Deal Employee who at the Relevant Transfer Date is or becomes entitled to protection in respect of the LGPS or a pension scheme that is Broadly Comparable to the LGPS in accordance with the provisions in accordance with the provisions of New Fair Deal and/or the Best Value Direction; and
"LGPS Regulations"	the 2013 Regulations and The Local Government Pension Scheme (Transitional Provisions, Savings

and Amendment) Regulations 2014 (SI 2014/525), and any other regulations (in each case as amended from time to time) which are from time to time applicable to the LGPS.

2 SUPPLIER TO BECOME AN LGPS ADMISSION BODY

2.1 In accordance with the principles of New Fair Deal and/or the Best Value Direction, the Supplier and/or any of its Sub-contractors to which the employment of any LGPS Fair Deal Employee compulsorily transfers as a result of either the award of this Contract or a Relevant Transfer, if not a scheme employer which participates automatically in the LGPS, shall each become an LGPS Admission Body by entering into an LGPS Admission Agreement on or before the Relevant Transfer Date to enable the LGPS Fair Deal Employees to retain either continuous active membership of or eligibility for the LGPS on and from the Relevant Transfer Date for so long as they remain employed in connection with the delivery of the Services under this Contract.

2.2 Any LGPS Fair Deal Employees whether:

(a) active members of the LGPS (or a Broadly Comparable pension scheme) immediately before the Relevant Transfer Date; or

(b) eligible to join the LGPS (or a Broadly Comparable pension scheme) but not active members of the LGPS (or a Broadly Comparable pension scheme) immediately before the Relevant Transfer Date

shall be admitted to the LGPS with effect on and from the Relevant Transfer Date. The Supplier shall not automatically enrol or re-enrol for the purposes of the Pensions Act 2008 any LGPS Fair Deal Employees in any pension scheme other than the LGPS unless they cease to be eligible for membership of the LGPS.

2.3 The Supplier will (and will procure that its Sub-contractors (if any) will) provide at its own cost any indemnity, bond or guarantee required by an Administering Authority in relation to an LGPS Admission Agreement.

3 BROADLY COMPARABLE SCHEME

3.1 If the Supplier and/or any of its Sub-contractors is unable to obtain an LGPS Admission Agreement in accordance with Paragraph 2.1 because the Administering Authority will not allow it to participate in the Fund, the Supplier shall (and procure that its Sub-contractors shall), with effect from the Relevant Transfer Date, offer the LGPS Fair Deal Employees membership of a pension scheme which is Broadly Comparable to LGPS on the Relevant Transfer Date in accordance with the provisions of Paragraph 10 of Part D.

3.2 If the Supplier and/or any of its Sub-contractors becomes an LGPS Admission Body in accordance with Paragraph 2.1 but the LGPS Admission Agreement is terminated during the term of this Contract for any reason at a time when the

Supplier or Sub-contractors still employs any LGPS Eligible Employees, the Supplier shall (and procure that its Sub-contractors shall) at no extra cost to the Authority, offer the remaining LGPS Eligible Employees membership of a pension scheme which is Broadly Comparable to the LGPS on the date the LGPS Eligible Employees ceased to participate in the LGPS in accordance with the provisions of Paragraph 11 of Part D.

4 DISCRETIONARY BENEFITS

4.1 Where the Supplier and/or any of its Sub-contractors is an LGPS Admission Body, the Supplier shall (and procure that its Sub-contractors shall) comply with its obligations under regulation 60 of the 2013 Regulations in relation to the preparation of a discretionary policy statement.

5 LGPS RISK SHARING

5.1 Subject to Paragraphs 5.4 to 5.10, if at any time during the term of this Contract the Administering Authority, pursuant to the LGPS Admission Agreement or the LGPS Regulations, requires the Supplier or any Sub-contractor to pay employer contributions or other payments to the Fund in aggregate in excess of the Initial Contribution Rate, the excess of employer contributions above the Initial Contribution Rate for a Contract Year (the "**Excess Amount**") shall be paid by the Supplier or the Sub-contractor, as the case may be, and the Supplier shall be reimbursed by the Authority.

5.2 Subject to Paragraphs 5.4 to 5.9 and 5.11, if at any time during the term of this Contract, the Administering Authority, pursuant to the LGPS Admission Agreement or the LGPS Regulations, requires the Supplier or any Sub-contractor to pay employer contributions or payments to the Fund in aggregate below the Initial Contribution Rate for a Contract Year, the Supplier shall reimburse the Authority an amount equal to A–B (the "**Refund Amount**") where:

A = the amount which would have been paid if contributions and payments had been paid equal to the Initial Contribution Rate for that Contract Year; and

B = the amount of contributions or payments actually paid by the Supplier or Sub-contractor for that Contract Year, as the case may be, to the Fund.

5.3 Subject to Paragraphs 5.4 to 5.10, where the Administering Authority obtains an actuarial valuation and a revised rates and adjustment certificate under the LGPS Regulations and/or the terms of the LGPS Admission Agreement when the LGPS Admission Agreement ceases to have effect and the Supplier or any Sub-contractor is required to pay any exit payment under Regulation 64(2) of the 2013 Regulations (the "**Exit Payment**"), such Exit Payment shall be paid by the Supplier or any Sub-contractor (as the case may be) and the Supplier shall be reimbursed by the Authority.

5.4 The Supplier and any Sub-contractors shall at all times be responsible for the following costs:

(a) any employer contributions relating to the costs of early retirement benefits arising on redundancy or as a result of business efficiency under Regulation 30(7) of the 2013 Regulations or otherwise;

(b) any payment of Fund benefits to active members on the grounds of ill health or infirmity of mind or body under Regulation 35 of the 2013 Regulations or otherwise;

(c) any payment of Fund benefits to deferred or deferred pensioner members on the grounds of ill health or infirmity of mind or body under Regulation 38 of the 2013 Regulations or otherwise;

(d) any employer contributions relating to the costs of early or flexible retirement where the actuarial reduction is waived in whole or in part or a cost neutral reduction is not applied with the consent of the Supplier or any relevant Sub-contractor including without limitation any decision made under Regulation 30(8) of the 2013 Regulations or Schedule 2 of The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014;

(e) any employer contributions relating to the costs of enhanced benefits made at the discretion of the Supplier or any relevant Sub-contractors including without limitation additional pension awarded under Regulation 31 of the 2013 Regulations or otherwise;

(f) any increase to the employer contribution rate resulting from the award of pay increases by the Supplier or relevant Sub-contractors in respect of all or any of the LGPS Eligible Employees in excess of the pay increases assumed in the Fund's most recent actuarial valuation (unless the Supplier and/or any Sub-contractor is contractually bound to provide such increases on the Relevant Transfer Date);

(g) to the extent not covered above, any other costs arising out of or in connection with the exercise of any discretion or the grant of any consent under the LGPS Regulations by the Supplier or any relevant Sub-contractors where a member does not have an absolute entitlement to that benefit under the LGPS;

(h) any cost of the administration of the Fund that are not met through the Supplier's or Sub-contractor’s employer contribution rate, including without limitation an amount specified in a notice given by the Administering Authority under Regulation 70 of the 2013 Regulations;

(i) the costs of any reports and advice requested by or arising from an instruction given by the Supplier or a Sub-contractor from the Fund Actuary; and/or

(j) any interest payable under the 2013 Regulations or LGPS Administration Agreement.

5.5 For the purposes of calculating any Exit Payment, Excess Amount or Refund Amount, any part of such an amount which is attributable to any costs which the Supplier or Sub-contractors are responsible for in accordance with Paragraph 5.4 above shall be disregarded and excluded from the calculation. In the event of any dispute as to level of any cost that should be excluded from the calculation, the opinion of the Fund Actuary shall be final and binding.

5.6 Where the Administering Authority obtains an actuarial valuation and a revised rates and adjustment certificate under the LGPS Regulations and/or the terms of the LGPS Admission Agreement when the LGPS Admission Agreement ceases to have effect and the Supplier or any Sub-contractor receives payment of an exit credit payment under Regulation 64(2) of the 2013 Regulations (the "**Exit Credit**"), the Supplier shall (or procure that any Sub-contractor shall) reimburse the Authority an amount equal to the Exit Credit within 20 Working Days of receipt of the Exit Credit.

5.7 The Supplier shall (or procure that the Sub-contractor shall) notify the Authority in writing within 20 Working Days:

(a) of the end of each Contract Year of any Excess Amount or Refund Amount due in respect of the Contract Year that has just ended and provide a reasonable summary of how the Excess Amount or Refund Amount was calculated; and

(b) of being informed by the Administering Authority of any Exit Payment or Exit Credit that is determined by as being due from or to the Supplier or a Sub-contractor and provide a copy of any revised rates and adjustments certificate detailing the Exit Payment or Exit Credit and its calculation.

5.8 Within 20 Working Days of receiving the notification under Paragraph 5.7 above, the Authority shall either:

(a) notify the Supplier in writing of its acceptance of the Excess Amount, Refund Amount or Exit Payment;

(b) request further information or evidence about the Excess Amount, Refund Amount or Exit Payment from the Supplier; and/or

(c) request a meeting with the Supplier to discuss or clarify the information or evidence provided.

5.9 Where the Excess Amount, Refund Amount or Exit Payment is agreed following the receipt of further information or evidence or following a meeting in accordance with Paragraph 5.8 above, the Authority shall notify the Supplier in writing. In the event that the Supplier and the Authority are unable to agree the amount of the Excess Amount, Refund Amount or Exit Payment then they shall follow the Dispute Resolution Procedure.

5.10 Any Excess Amount or Exit Payment agreed by the Authority or in accordance with the Dispute Resolution Procedure shall be paid by the Authority within timescales as agreed between Authority and Supplier. The amount to be paid by the Authority shall be an amount equal to the Excess Amount or Exit

Payment less an amount equal to any corporation tax relief which has been claimed in respect of the Excess Amount or Exit Payment by the Supplier or a Sub-contractor.

5.11 Any Refund Amount agreed by the Authority or in accordance with the Dispute Resolution Procedure as payable by the Supplier or any Sub-contractor to the Authority, shall be paid by the Supplier or any Sub-contractor forthwith as the liability has been agreed. In the event the Supplier or any Sub-contractor fails to pay any agreed Refund Amount, the Authority shall demand in writing the immediate payment of the agreed Refund Amount by the Supplier and the Supplier shall make payment within 7 Working Days of such demand.

5.12 This Paragraph 5 shall survive termination of this Contract.

PART E: EMPLOYMENT EXIT PROVISIONS

1 PRE-SERVICE TRANSFER OBLIGATIONS

1.1 The Supplier agrees that:

(a) within 20 Working Days of the earliest of:

(i) receipt of a notification from the Authority of a Service Transfer or intended Service Transfer;

(ii) receipt of the giving of notice of early termination or any Partial Termination of this Contract; and

(iii) the date which is 12 months before the end of the Term;

(b) and in any event within 20 Working Days of receipt of a written request from the Authority at any time (provided that the Authority shall only be entitled to make one such request in any 6 month period),

the Supplier shall provide in a suitably anonymised format so as to comply with the DPA, the Supplier's Provisional Supplier Personnel List, together with the Staffing Information and the Supplier shall provide an updated Supplier's Provisional Supplier Personnel List and updated Staffing Information at such intervals as are reasonably requested by the Authority.

1.2 At least 20 Working Days prior to the Service Transfer Date, the Supplier shall provide to the Authority or at the direction of the Authority to any Replacement Supplier and/or any Replacement Sub-contractor:

(a) the Supplier's Final Supplier Personnel List in respect of that Service Transfer, which shall identify which of the Supplier Personnel are Transferring Supplier Employees; and

(b) the Staffing Information in relation to the Supplier's Final Supplier Personnel List referred to in Paragraph 1.2(a) (insofar as such information has not previously been provided).

1.3 The Authority shall be permitted to use and disclose information provided by the Supplier under Paragraphs 1.1 and 1.2 for the purpose of informing any prospective Replacement Supplier and/or Replacement Sub-contractor.

1.4 The Supplier warrants, for the benefit of the Authority, any Replacement Supplier, and any Replacement Sub-contractor that all information provided pursuant to Paragraphs 1.1 and 1.2 shall be true and accurate in all material respects at the time of providing the information.

1.5 From the date of the earliest event referred to in Paragraph 1.1(a), the Supplier agrees, that it shall not, and agrees to procure that each Sub-contractor shall not, assign any person to the provision of the relevant Services who is not listed on the Supplier's Provisional Supplier Personnel List

and shall not without the approval of the Authority (not to be unreasonably withheld or delayed):

(a) replace or re-deploy any Supplier Personnel listed on the Supplier Provisional Supplier Personnel List other than where any replacement is of equivalent grade, skills, experience and expertise and is employed on the same terms and conditions of employment as the person he/she replaces;

(b) make, promise, propose, permit or implement any material changes to the terms and conditions of employment of the listed Supplier Personnel (including pensions and any payments connected with the termination of employment);

(c) increase the proportion of working time spent on the Services (or the relevant part of the Services) by any of the listed Supplier Personnel save for fulfilling assignments and projects previously scheduled and agreed;

(d) introduce any new contractual or customary practice concerning the making of any lump sum payment on the termination of employment of any employees listed on the Supplier's Provisional Supplier Personnel List;

(e) increase or reduce the total number of individuals so engaged, or deploy any other person to perform the Services (or the relevant part of the Services); or

(f) terminate or give notice to terminate the employment or contracts of any persons on the Supplier's Provisional Supplier Personnel List save by due disciplinary process,

and shall promptly notify, and procure that each Sub-contractor shall promptly notify, the Authority or, at the direction of the Authority, any Replacement Supplier and any Replacement Sub-contractor of any notice to terminate employment given by the Supplier or relevant Sub-contractor or received from any persons listed on the Supplier's Provisional Supplier Personnel List regardless of when such notice takes effect.

1.6 During the Term, the Supplier shall provide, and shall procure that each Sub-contractor shall provide, to the Authority any information the Authority may reasonably require relating to the manner in which the Services are organised, which shall include:

(a) the numbers of individuals engaged in providing the Services;

(b) the percentage of time spent by each individual engaged in providing the Services;

(c) the extent to which each employee qualifies for membership of any of the Statutory Schemes or any Broadly Comparable scheme set up pursuant to the provisions of any of the Annexes to Part D (*Pensions*) of this Schedule 28 (*Staff Transfer*) (as appropriate); and

(d) a description of the nature of the work undertaken by each individual by location.

1.7 The Supplier shall provide, and shall procure that each Sub-contractor shall provide, all reasonable cooperation and assistance to the Authority, any Replacement Supplier and/or any Replacement Sub-contractor to support a future procurement process, timely and full provision of the Staffing Information and consultation between employers and to ensure the smooth transfer of the Transferring Supplier Employees on the Service Transfer Date including providing sufficient information in advance of the Service Transfer Date to ensure that all necessary payroll arrangements can be made to enable the Transferring Supplier Employees to be paid as appropriate. Without prejudice to the generality of the foregoing, within 5 Working Days following the Service Transfer Date, the Supplier shall provide, and shall procure that each Sub-contractor shall provide, to the Authority or, at the direction of the Authority, to any Replacement Supplier and/or any Replacement Sub-contractor (as appropriate), in respect of each person on the Supplier's Final Supplier Personnel List who is a Transferring Supplier Employee:

(a) the most recent month's copy pay slip data;

(b) details of cumulative pay for tax and pension purposes;

(c) details of cumulative tax paid;

(d) tax code;

(e) a copy of any personnel file and/or other records regarding the service of the Transferring Supplier Employee;

(f) a complete copy of the information required to meet the minimum record keeping requirements under the Working Time Regulations 1998 and the National Minimum Wage Regulations 1998;

(g) details of any voluntary or involuntary deductions from pay, with supporting data; and

(h) bank/building society account details for payroll purposes.

2 EMPLOYMENT REGULATIONS EXIT PROVISIONS

2.1 The Authority and the Supplier acknowledge that subsequent to the commencement of the provision of the Services, the identity of the provider of the Services (or any part of the Services) may change (whether as a result of termination or Partial Termination of this Contract or otherwise) resulting in the Services (or part of the Services) being undertaken by a Replacement Supplier and/or a Replacement Sub-contractor. Such change in the identity of the supplier of such services may constitute a Relevant Transfer to which the Employment Regulations will apply. The Authority and the Supplier further agree that, as a result of the operation of the Employment Regulations, where a Relevant Transfer occurs, the contracts of employment between the Supplier (or any relevant Sub-contractor) and the Transferring Supplier Employees (except in relation to any contract terms disapplied through operation of

regulation 10(2) of the Employment Regulations) will have effect on and from the Service Transfer Date as if originally made between the Replacement Supplier and/or a Replacement Sub-contractor (as the case may be) and each such Transferring Supplier Employee.

2.2 The Supplier shall, and shall procure that each Sub-contractor shall, comply with all its obligations in respect of the Transferring Supplier Employees arising under the Employment Regulations in respect of the period up to (and including) the Service Transfer Date and shall perform and discharge, and procure that each Sub-contractor shall perform and discharge, all its obligations in respect of all the Transferring Supplier Employees arising in respect of the period up to (and including) the Service Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions and all such sums due as a result of any Fair Deal Employees' participation in the Schemes which in any case are attributable in whole or in part to the period ending on (and including) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between: (i) the Supplier and/or the Sub-contractor (as appropriate); and (ii) the Replacement Supplier and/or Replacement Sub-contractor.

2.3 Subject to Paragraph 2.4, the Supplier shall indemnify the Authority, the Replacement Supplier and any Replacement Sub-contractor against any Employee Liabilities arising from or as a result of:

(a) any act or omission of the Supplier or any Sub-contractor in respect of any Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee whether occurring before, on or after the Service Transfer Date;

(b) the breach or non-observance by the Supplier or any Sub-contractor occurring on or before the Service Transfer Date of:

(i) any collective agreement applicable to the Transferring Supplier Employees; and/or

(ii) any other custom or practice with a trade union or staff association in respect of any Transferring Supplier Employees which the Supplier or any Sub-contractor is contractually bound to honour;

(c) any claim by any trade union or other body or person representing any Transferring Supplier Employees arising from or connected with any failure by the Supplier or a Sub-contractor to comply with any legal obligation to such trade union, body or person arising on or before the Service Transfer Date;

(d) any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not

limited to, PAYE and primary and secondary national insurance contributions:

(i) in relation to any Transferring Supplier Employee, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on and before the Service Transfer Date; and

(ii) in relation to any employee who is not identified in the Supplier's Final Supplier Personnel List, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Supplier to the Authority and/or Replacement Supplier and/or any Replacement Sub-contractor, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising on or before the Service Transfer Date;

(e) a failure of the Supplier or any Sub-contractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Supplier Employees in respect of the period up to (and including) the Service Transfer Date;

(f) any claim made by or in respect of any person employed or formerly employed by the Supplier or any Sub-contractor other than a Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List for whom it is alleged the Authority and/or the Replacement Supplier and/or any Replacement Sub-contractor may be liable by virtue of this Contract and/or the Employment Regulations; and

(g) any claim made by or in respect of a Transferring Supplier Employee or any appropriate employee representative (as defined in the Employment Regulations) of any Transferring Supplier Employee relating to any act or omission of the Supplier or any Sub-contractor in relation to its obligations under regulation 13 of the Employment Regulations, except to the extent that the liability arises from the failure by the Authority and/or Replacement Supplier to comply with regulation 13(4) of the Employment Regulations.

2.4 The indemnities in Paragraph 2.3 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Replacement Supplier and/or any Replacement Sub-contractor whether occurring or having its origin before, on or after the Service Transfer Date, including any Employee Liabilities:

(a) arising out of the resignation of any Transferring Supplier Employee before the Service Transfer Date on account of substantial detrimental changes to his/her working conditions proposed by the Replacement Supplier and/or any Replacement Sub-contractor to occur in the period on or after the Service Transfer Date); or

(b) arising from the Replacement Supplier's failure, and/or Replacement Sub-contractor's failure, to comply with its obligations under the Employment Regulations.

2.5 If any person who is not identified in the Supplier's Final Supplier Personnel list claims, or it is determined in relation to any person who is not identified in the Supplier's Final Supplier Personnel list, that his/her contract of employment (or any rights relating to it, or its termination) has been transferred from the Supplier or any Sub-contractor to the Replacement Supplier and/or Replacement Sub-contractor pursuant to the Employment Regulations, then:

(a) the Authority shall procure that the Replacement Supplier shall, or any Replacement Sub-contractor shall, within 5 Working Days of becoming aware of that fact, give notice in writing to the Supplier; and

(b) the Supplier may offer (or may procure that a Sub-contractor may offer) employment to such person within 15 Working Days of the notification by the Replacement Supplier and/or any and/or Replacement Sub-contractor or take such other reasonable steps as it considers appropriate to deal with the matter provided always that such steps are in compliance with Law.

2.6 If such offer is accepted, or if the situation has otherwise been resolved by the Supplier or a Sub-contractor, the Authority shall procure that the Replacement Supplier shall, or procure that the Replacement Sub-contractor shall, immediately release or procure the release of the person from his/her employment or alleged employment.

2.7 If after the 15 Working Day period specified in Paragraph 2.5(b) has elapsed:

(a) no such offer of employment has been made; or

(b) such offer has been made but not accepted; and

(c) the situation has not otherwise been resolved,

the Authority shall advise the Replacement Supplier and/or Replacement Sub-contractor, as appropriate that it may within 5 Working Days give notice to terminate the employment or alleged employment of such person.

2.8 Subject to the Replacement Supplier and/or Replacement Sub-contractor acting in accordance with the provisions of Paragraphs 2.5 to 2.7, and in accordance with all applicable proper employment procedures set out in applicable Law, the Supplier shall indemnify the Replacement Supplier and/or Replacement Sub-contractor against all Employee Liabilities arising out of the termination of employment pursuant to the provisions of Paragraph 2.7 provided that the Replacement Supplier takes, or shall procure that the Replacement Sub-contractor takes, all reasonable steps to minimise any such Employee Liabilities.

2.9 The indemnity in Paragraph 2.8:

(a) shall not apply to:

(i) any claim for:

(A) 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

(B) equal pay or compensation for less favourable treatment of part-time workers or fixed-term employees,

in any case in relation to any alleged act or omission of the Replacement Supplier and/or Replacement Sub-contractor; or

(ii) any claim that the termination of employment was unfair because the Replacement Supplier and/or Replacement Sub-contractor neglected to follow a fair dismissal procedure; and

(b) shall apply only where the notification referred to in Paragraph 2.5(a) is made by the Replacement Supplier and/or Replacement Sub-contractor to the Supplier within 6 months of the Service Transfer Date.

2.10 If any such person as is described in Paragraph 2.5 is neither re-employed by the Supplier or any Sub-contractor nor dismissed by the Replacement Supplier and/or Replacement Sub-contractor within the time scales set out in Paragraphs 2.5 to 2.7, such person shall be treated as a Transferring Supplier Employee.

2.11 The Supplier shall comply, and shall procure that each Sub-contractor shall comply, with all its obligations under the Employment Regulations and shall perform and discharge, and shall procure that each Sub-contractor shall perform and discharge, all its obligations in respect of any person identified in the Supplier's Final Supplier Personnel list before and on the Service Transfer Date (including the payment of all remuneration, benefits, entitlements and outgoings, all wages, accrued but untaken holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions and pension contributions and such sums due as a result of any Fair Deal Employees' participation in the Schemes and any requirement to set up a broadly comparable pension scheme which in any case are attributable in whole or in part in respect of the period up to (and including) the Service Transfer Date) and any necessary apportionments in respect of any periodic payments shall be made between:

(a) the Supplier and/or any Sub-contractor; and

(b) the Replacement Supplier and/or the Replacement Sub-contractor.

2.12 The Supplier shall, and shall procure that each Sub-contractor shall, use all reasonable endeavours to enable a smooth and timely transfer, and accordingly shall promptly provide to the Authority and any Replacement Supplier and/or Replacement Sub-contractor, in writing such information as is necessary to enable the Authority, the Replacement Supplier and/or Replacement Sub-contractor to carry out their respective duties under regulation 13 of the Employment Regulations. The Authority shall procure that the Replacement Supplier and/or Replacement Sub-contractor, shall promptly provide to the Supplier and each Sub-contractor in writing such information as is necessary to enable the Supplier and each Sub-contractor to carry out their respective duties under regulation 13 of the Employment Regulations.

2.13 Subject to Paragraph 2.14, the Authority shall procure that the Replacement Supplier indemnifies the Supplier on its own behalf and on behalf of any Replacement Sub-contractor and its sub-contractors against any Employee Liabilities arising from or as a result of:

(a) any act or omission of the Replacement Supplier and/or Replacement Sub-contractor in respect of any Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List or any appropriate employee representative (as defined in the Employment Regulations) of any such Transferring Supplier Employee;

(b) the breach or non-observance by the Replacement Supplier and/or Replacement Sub-contractor on or after the Service Transfer Date of:

(i) any collective agreement applicable to the Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List; and/or

(ii) any custom or practice in respect of any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List which the Replacement Supplier and/or Replacement Sub-contractor is contractually bound to honour;

(c) any claim by any trade union or other body or person representing any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List arising from or connected with any failure by the Replacement Supplier and/or Replacement Sub-contractor to comply with any legal obligation to such trade union, body or person arising on or after the Service Transfer Date;

(d) any proposal by the Replacement Supplier and/or Replacement Sub-contractor to change the terms and conditions of employment or working conditions of any Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List on or after their transfer to the Replacement Supplier or Replacement Sub-contractor (as the case may be) on the Service Transfer Date, or to change the terms and conditions of employment or working

conditions of any person identified in the Supplier's Final Supplier Personnel List who would have been a Transferring Supplier Employee but for their resignation (or decision to treat their employment as terminated under regulation 4(9) of the Employment Regulations) before the Service Transfer Date as a result of or for a reason connected to such proposed changes;

(e) any statement communicated to or action undertaken by the Replacement Supplier or Replacement Sub-contractor to, or in respect of, any Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List on or before the Service Transfer Date regarding the Relevant Transfer which has not been agreed in advance with the Supplier in writing;

(f) any proceeding, claim or demand by HMRC or other statutory authority in respect of any financial obligation including, but not limited to, PAYE and primary and secondary national insurance contributions:

(i) in relation to any Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List, to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising after the Service Transfer Date; and

(ii) in relation to any employee who is not a Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List, and in respect of whom it is later alleged or determined that the Employment Regulations applied so as to transfer his/her employment from the Supplier or Sub-contractor, to the Replacement Supplier or Replacement Sub-contractor to the extent that the proceeding, claim or demand by HMRC or other statutory authority relates to financial obligations arising after the Service Transfer Date;

(g) a failure of the Replacement Supplier or Replacement Sub-contractor to discharge or procure the discharge of all wages, salaries and all other benefits and all PAYE tax deductions and national insurance contributions relating to the Transferring Supplier Employees identified in the Supplier's Final Supplier Personnel List in respect of the period from (and including) the Service Transfer Date; and

(h) any claim made by or in respect of a Transferring Supplier Employee identified in the Supplier's Final Supplier Personnel List or any appropriate employee representative (as defined in the Employment Regulations) of any such Transferring Supplier Employee relating to any act or omission of the Replacement Supplier or Replacement Sub-contractor in relation to obligations under regulation 13 of the Employment Regulations.

2.14 The indemnities in Paragraph 2.13 shall not apply to the extent that the Employee Liabilities arise or are attributable to an act or omission of the Supplier and/or any Sub-contractor (as applicable) whether occurring or having its origin before, on or after the Service Transfer Date, including any Employee Liabilities arising from the failure by the Supplier and/or any Sub-contractor (as applicable) to comply with its obligations under the Employment Regulations.

2.15 In the event of disagreement between the Supplier and either the Authority or any Replacement Supplier about whether the Employment Regulations will apply in any given situation which is the same or similar to any of those specified in Paragraph 2.1 (and/or about which individuals will be the subject of the consequent transfer, or when), the Authority may elect, entirely at its discretion, to determine that issue (acting reasonably) (**"a TUPE Exit Determination"**). In the event that the Authority elects to make a TUPE Exit Determination:

2.15.1 the Supplier and the Authority will then proceed on the basis of and in line with the TUPE Exit Determination, and will apply this Part E on the basis of and implementing the TUPE Exit Determination;

2.15.2 the Supplier will procure that its Sub-contractors will proceed on the basis of the TUPE Exit Determination; and

2.15.3 the Authority will procure that any Replacement Supplier which it appoints will also proceed on that basis, and that any Replacement Sub-contractor of such Replacement Supplier will proceed on that basis.

2.16 The Supplier shall, and shall procure that each Sub-contractor shall, provide all reasonable assistance and documentation required by the Authority, any Replacement Supplier and any Replacement Sub-contractor in connection with any query, claim, dispute or proceedings arising after a Service Transfer Date but relating to a Transferring Supplier Employee.

ANNEX E1: LIST OF NOTIFIED SUB-CONTRACTORS

ANNEX E2: STAFFING INFORMATION

EMPLOYEE INFORMATION (ANONYMISED)

Name of Transferor:

Number of individuals in-scope to transfer:

Completion notes

1 *If you have any Key Sub-contractors, please work with them to complete a separate copy of Annex E2 for each Key Sub-contractor.*

2 *This spreadsheet is used to collect information from each current employer (potential transferor) about employees performing the relevant services to help plan for any potential TUPE transfer. Some or all of this information may be disclosed to bidders as part of a procurement process. The information should not reveal the employees' identities.*

3 *If the information cannot be included on this form, attach the additional information, such as relevant policies, and cross reference to the item number and employee number where appropriate.*

EMPLOYEE DETAILS & KEY TERMS							
Details	**Job Title**	**Grade / band**	**Work Location**	**Age at the date when this Staffing Information is provided to the Authority**	**Employment status (for example, employee, fixed-term employee, self-employed, agency worker)?**	**Continuous service date (dd/mm/yy)**	**Date employment started with existing employer**
Emp No 1							
Emp No 2							
Emp No							
Emp No							
Emp No							
Emp No							
Emp No							
Emp No							
Emp No							

	EMPLOYEE DETAILS & KEY TERMS						
Details	**Contract end date (if fixed term contract or temporary contract)**	**Contractual notice period**	**Contractual weekly hours**	**Regular overtime hours per week**	**Mobility or flexibility clause in contract?**	**Previously TUPE transferred to organisation? If so, please specify (i) date of transfer, (ii) name of transferor, and (iii) whether you know or believe this person to be ex public sector**	**Any collective agreements?**
Emp No 1							
Emp No 2							
Emp No							
Emp No							
Emp No							
Emp No							
Emp No							

	ASSIGNMENT	**PAY AND BENEFITS (stating in each case whether the benefit is contractual or non-contractual)**						
Details	**% of working time dedicated to the provision of services under the contract**	**Salary (or hourly rate of pay)**	**Payment interval (weekly / fortnightly / monthly)**	**Bonus payment for previous 12 months (please specify whether contractual or discretionary entitlement)**	**Pay review method**	**Frequency of pay reviews**	**Agreed pay increases**	**Next pay review date**
Emp No 1								
Emp No 2								
Emp No								
Emp No								
Emp No								
Emp No								
Emp No								

	CONTRACTUAL PAY AND BENEFITS							
Details	**Any existing or future commitment to training that has a time-off or financial implication**	**Car allowance (£ per year)**	**Lease or company car details**	**Any other allowances paid (e.g. shift allowance, standby allowance, travel allowance)**	**Private medical insurance (please specify whether single or family cover)**	**Life assurance (xSalary)**	**Long Term Disability / PHI (% of Salary**	**Any other benefits in kind**
Emp No 1								
Emp No 2								
Emp No								
Emp No								
Emp No								
Emp No								
Emp No								

	CONTRACTUAL PAY AND BENEFITS					
Details	**Annual leave entitlement (excluding bank holidays)**	**Bank holiday entitlement**	**Method of calculating holiday pay (i.e. based on fixed salary only or incl. entitlements to variable remuneration such as bonuses, allowances, commission or overtime pay?)**	**Leave and pay entitlements in the event of maternity or paternity or shared parental leave (with details of any active cases)**	**Leave and pay entitlements in the event of sickness (with details of any active long-term sickness absence cases)**	**Redundancy pay entitlement (statutory / enhanced / contractual / discretionary)**
Emp No 1						
Emp No 2						
Emp No						
Emp No						
Emp No						
Emp No						
Emp No						

	PENSIONS					
Details	**Employee pension contribution rate**	**Employer pension contribution rate**	**Please provide the name of the pension scheme and a link to the pension scheme website**	**Is the scheme an occupational pension scheme as defined in the Pension Schemes Act 1993?**	**If the scheme is not an occupational pension scheme, what type of scheme is it? E.g. personal pension scheme?**	**Type of pension provision e.g. defined benefit (CARE or final salary, and whether a public sector scheme e.g. CSPS, NHSPS, LGPS etc. or a broadly comparable scheme) or a defined contribution scheme or an auto enrolment master trust?**
Emp No 1						
Emp No 2						
Emp No						
Emp No						
Emp No						
Emp No						
Emp No						

	PENSIONS					
Details	**If the Employee is in the Local Government Pension Scheme, please supply details of Fund and Administering Authority.**	**If the Employee is in the Civil Service Pension Scheme, please provide details of the Admission Agreement.**	**If the Employee is in the NHSPS, please provide details of the Direction Letter.**	**If the Employee is in a broadly comparable pension scheme, please supply a copy of the GAD certificate of Broad Comparability.**	**Did Fair Deal or any other similar pension protection for ex-public sector employees apply to the employee when they TUPE transferred into your employment? If so, what was the nature of that protection (e.g. right to participate in a public sector pension scheme, or a broadly comparable scheme, or to bulk transfer past pension service into their current scheme)?**	**If Fair Deal, Best Value or other pension protection applied, which public sector employer did they originally transfer out of and when?**
Emp No 1						
Emp No 2						
Emp No						
Emp No						
Emp No						
Emp No						
Emp No						

	OTHER			
Details	**Security Check Level**	**Security Clearance Expiry date**	**Supplementary Security Checks held, such as BPSS, NPSS, CTC,SC etc., with expiry dates**	**Additional info or comments**
Emp No 1				
Emp No 2				
Emp No				
Emp No				
Emp No				
Emp No				
Emp No				

SCHEDULE 29

KEY PERSONNEL

Schedule 29 (*Key Personnel*)

1. This Schedule lists the key roles ("**Key Roles**") and names of the persons who the Supplier shall appoint to fill those Key Roles at the Effective Date ("**Key Personnel**").

Key Role	Name of Key Personnel	Responsibilities/Authorities	Period during which they will be a member of Key Personnel
Client Manager	[redacted]	Responsible for overall delivery of the Contract and liaison with the Authority. Will act as the Supplier Representative for the purposes of Clause 11.3.	All
Project Manager	[redacted]	Responsible for the project management of the Implementation Period.	Duration of the Implementation Period
Lead Developer	[redacted]	Oversees development of the Supplier Interface	Duration of the Implementation Period
Single Point of contact for the development of the Security Management Plan	[redacted]	Development of the Security Management Plan	Duration of the Implementation Period

SCHEDULE 30

DEED OF GUARANTEE

Schedule 30 (*Deed of Guarantee*)

[Note: this Deed of Guarantee is drafted as a parent company guarantee. The Authority is prepared to consider alternative forms of financial protection (e.g. a bank guarantee or performance bond provided they are on equivalent terms to this) but that would need to be on terms acceptable to the Authority.

[Insert the name of the Guarantor]

- and -

[Insert the name of the Beneficiary]

DEED OF GUARANTEE

THIS DEED is executed as a deed and dated [Insert date of execution] (the "**Deed**")

BETWEEN:

(1) **[INSERT NAME OF THE GUARANTOR]** [a company incorporated in [England and Wales] under registered number [insert registered number] whose registered office is at [insert registered office]] [**OR]** [a company incorporated under the laws of [insert country], registered in [insert country] with number [insert number] at [insert place of registration], whose principal office is at [insert office details] (the "**Guarantor**"); and

(2) **[INSERT NAME OF THE AUTHORITY]**, [acting on behalf of the Crown] of [insert the Authority's address] (the "**Authority**").

together the "**Parties**" and each a "**Party**".

BACKGROUND:

(A) The Authority [has awarded] a contract dated [insert date] to [insert details of the Supplier] (the "**Supplier**") for the provision of [insert details of goods or services to be provided] (the "**Guaranteed Agreement**").

(B) It is a condition of the Authority entering into the Guaranteed Agreement that the Supplier procures the execution and delivery to the Authority of a parent company guarantee substantially in the form of this Deed.

(C) The Guarantor has agreed to guarantee the due performance of the Guaranteed Agreement.

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

Definitions

1.1 The **following** definitions apply in this Deed:

"Business Day"	means a day, other than a Saturday, Sunday or public holiday in England, when banks in London are open for business;
"Control"	means the power of a person to secure that the affairs of a body corporate are conducted in accordance with the wishes of that person: (a) by means of the holding of shares or the possession of voting power in relation to that body or any other body corporate; or (b) as a result of any powers conferred by the constitutional or corporate documents, or any other document regulating that body or any other body corporate;
"Guaranteed Agreement"	has the meaning given to it in Recital (A);
"Guaranteed Obligations"	has the meaning given to it in Clause 2.1(a);
"Supplier"	has the meaning given to it in Recital (A);
"VAT"	means value added tax or any equivalent tax chargeable in the UK or elsewhere.

Interpretation

1.2 Unless otherwise stated, any reference in this Deed to:

(a) the "Guarantor", the "Authority", the “Supplier” or any other person shall be construed so as to include their successors in title, permitted assigns and permitted transferees, whether direct or indirect;

(b) "assets" includes present and future properties, revenues and rights of every description;

(c) this "Deed", or any other agreement or instrument is a reference to, this deed or other agreement or instrument as amended, novated, supplemented, extended or restated;

(d) "indebtedness" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

(e) a "person" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust,

joint venture, consortium, partnership or other entity (whether or not having separate legal personality);

(f) the words “including”, “includes”, “in particular”, “for example” or similar shall be construed as illustrative and without limitation to the generality of the related general words; and

(g) a time of day is a reference to London time.

2 GUARANTEE AND INDEMNITY

2.1 The Guarantor:

(a) guarantees to the Authority the due and punctual performance of all of the Supplier's present and future obligations under and in connection with the Guaranteed Agreement if and when they become due and performable in accordance with the terms of the Guaranteed Agreement (the “**Guaranteed Obligations**”);

(b) shall pay to the Authority from time to time on demand all monies (together with interest on such sum accrued before and after the date of demand until the date of payment) that have become payable by the Supplier to the Authority under or in connection with the Guaranteed Agreement but which has not been paid at the time the demand is made; and

(c) shall, if the Supplier fails to perform in full and on time any of the Guaranteed Obligations and upon written notice from the Authority, immediately on demand perform or procure performance of the same at the Guarantor’s own expense.

2.2 The Guarantor, as principal obligor and as a separate and independent obligation and liability from its obligations and liabilities under Clause 2.1, shall indemnify and keep indemnified the Authority in full and on demand from and against all and any losses, damages, costs and expenses suffered or incurred by the Authority arising out of, or in connection with:

(a) any failure by the Supplier to perform or discharge the Guaranteed Obligations; or

(b) any of the Guaranteed Obligations being or becoming wholly or partially unenforceable for any reason,

(c) provided that the Guarantor's liability under this Clause 2.2 shall be no greater than the Supplier's liability under the Guaranteed Agreement was (or would have been had the relevant Guaranteed Obligation been fully enforceable).

3 AUTHORITY PROTECTIONS

Continuing Guarantee

3.1 This Deed is, and shall at all times be, a continuing and irrevocable security until the Guaranteed Obligations have been satisfied or performed in full, 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 the Guaranteed Obligations and may be enforced without first having recourse to any such security.

Preservation of the Guarantor's liability

3.2 The Guarantor's liability under this Deed shall not be reduced, discharged or otherwise adversely affected by:

(a) any arrangement made between the Supplier and the Authority;

(b) any partial performance (except to the extent of such partial performance) by the Supplier of the Guaranteed Obligations;

(c) any alteration in the obligations undertaken by the Supplier whether by way of any variation referred to in Clause 4 or otherwise;

(d) any waiver or forbearance by the Authority whether as to payment, time, performance or otherwise;

(e) 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 Supplier or any other person;

(f) any unenforceability, illegality or invalidity of any of the provisions of the Guaranteed Agreement or any of the Supplier's obligations under the Guaranteed Agreement, so that this Deed shall be construed as if there were no such unenforceability, illegality or invalidity;

(g) any dissolution, amalgamation, reconstruction, reorganisation, change in status, function, Control or ownership, insolvency, liquidation, administration, voluntary arrangement, or appointment of a receiver, of the Supplier or any other person.

Immediate demand

3.3 The Guarantor waives any right it may have to require the Authority to proceed against, enforce any other right or claim for payment against, or take any other action against, the Supplier or any other person before claiming from the Guarantor under this Guarantee.

Deferral of rights

3.4 Until all amounts which may be or become payable under the Guaranteed Agreement or this Deed have been irrevocably paid in full, the Guarantor shall not, as a result of this Deed or any payment performance under this Deed:

(a) be subrogated to any right or security of the Authority;

(b) claim or prove in competition with the Authority against the Supplier or any other person;

(c) demand or accept repayment in whole or in part of any indebtedness due from the Supplier;

(d) take the benefit of, share in or enforce any security or other guarantee or indemnity against the Supplier; or

(e) claim any right of contribution, set-off or indemnity from the Supplier,

without the prior written consent of the Authority (and in such case only in accordance with any written instructions of the Authority).

3.5 If the Guarantor receives any payment or other benefit in breach of Clause 3.4, or as a result of any action taken in accordance with a written instruction of the Authority given pursuant to Clause 3.4, such payment of other benefit, and any benefit derived directly or indirectly by the Guarantor therefrom, shall be held by the Guarantor on trust for the Authority applied towards the discharge of the Guarantor's obligations to the Authority under this Deed.

4 VARIATION OF THE GUARANTEED AGREEMENT

4.1 The Guarantor confirms that it intends that this Deed shall extend and apply from time to time to any variation, increase, extension or addition of the Guaranteed Agreement, however, fundamental, and any associated fees, costs and/or expenses.

5 PAYMENT AND COSTS

5.1 All sums payable by the Guarantor under this Deed shall be paid in full to the Authority in pounds sterling:

(a) without any set-off, condition or counterclaim whatsoever; and

(b) free and clear of any deductions or withholdings whatsoever except as may be required by applicable law which is binding on the Guarantor.

5.2 If any deduction or withholding is required by any applicable law to be made by the Guarantor:

(a) the amount of the payment due from the Guarantor shall be increased to an amount which (after making any deduction or withholding) leaves an amount equal to the payment which would have been due if no deduction or withholding had been required; and

(b) the Guarantor shall promptly deliver to the Authority all receipts issued to it evidencing each deduction or withholding which it has made.

5.3 The Guarantor shall not and may not direct the application by the Authority of any sums received by the Authority from the Guarantor under any of the terms in this Deed.

5.4 The Guarantor shall pay interest on any amount due under this Deed at the applicable rate under the Late Payment of Commercial Debts (Interest) Act 1998, accruing on a daily basis from the due date up to the date of actual payment, whether before or after judgment.

5.5 The Guarantor shall, on a full indemnity basis, pay to the Authority on demand the amount of all costs and expenses (including legal and out-of-pocket expenses and any VAT on those costs and expenses) which the Authority incurs in connection with:

(a) the preservation, or exercise and enforcement, of any rights under or in connection with this Deed or any attempt to do so; and

(b) any discharge or release of this Deed.

6 CONDITIONAL DISCHARGE

6.1 Any release, discharge or settlement between the Guarantor and the Authority in relation to this Deed shall be conditional on no right, security, disposition or payment to the Authority by the Guarantor, the Supplier or any other person being avoided, set aside or ordered to be refunded pursuant to any enactment or law relating to breach of duty by any person, bankruptcy, liquidation, administration, protection from creditors generally or insolvency for any other reason.

6.2 If any such right, security, disposition or payment as referred to in Clause 6.1 is avoided, set aside or ordered to be refunded, the Authority shall be entitled subsequently to enforce this Deed against the Guarantor as if such release, discharge or settlement had not occurred and any such security, disposition or payment has not been made.

7 REPRESENTATIONS AND WARRANTIES

7.1 The Guarantor represents and warrants to the Authority that:

(a) it is duly incorporated with limited liability and is a validly existing company under the laws of its place of incorporation, has the capacity to sue or be sued in its own name, and has power to carry on its business as now being conducted and to own its property and other assets;

(b) it has full power under its constitution or equivalent constitutional documents in the jurisdiction in which it is established to enter into this Deed;

(c) it has full power to perform the obligations expressed to be assumed by it or contemplated by this Deed;

(d) it has been duly authorised to enter into this Deed;

(e) it has taken all necessary corporate action to authorise the execution, delivery and performance of this Deed;

(f) this Deed when executed and delivered will constitute a legally binding obligation on it enforceable in accordance with its terms;

(g) all necessary consents and authorisations for the giving and implementation of this Deed have been obtained;

(h) that its entry into and performance of its obligations under this Deed will not constitute any breach of or default under any contractual, government or public obligation binding on it; and

(i) that it is not engaged in any litigation or arbitration proceedings that might affect its capacity or ability to perform its obligations under this Deed and to the best of its knowledge no such legal or arbitration proceedings have been threatened or are pending against it.

8 ASSIGNMENT

8.1 The Authority shall be entitled by notice in writing to the Guarantor to assign the benefit of this Deed 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 Deed.

8.2 The Guarantor may not assign or transfer any of its rights and/or obligations under this Deed without the prior written consent of the Authority.

9 VARIATION

9.1 No variation of this Deed shall be effective unless it is in writing and signed by the parties.

10 DEMANDS AND NOTICES

10.1 Any demand or notice served by the Authority on the Guarantor under this Deed shall be in writing, addressed to:

(a) For the Attention of [insert details]

(b) [Address of the Guarantor in England and Wales]

10.2 or such other address in England and Wales as the Guarantor has from time to time notified to the Authority in writing in accordance with the terms of this Deed as being an address or facsimile number for the receipt of such demands or notices.

10.3 Any notice or demand served on the Guarantor or the Authority under this Deed shall be deemed to have been served:

(a) if delivered by hand, at the time of delivery; or

(b) if posted, at 10.00 a.m. on the second Business Day after it was put into the post.

10.4 In proving service of a notice or demand on the Guarantor it shall be sufficient to prove that delivery was made, or that the envelope containing the notice or

demand was properly addressed and posted as a prepaid first class recorded delivery letter.

10.5 Any notice purported to be served on the Authority under this Deed shall only be valid when received in writing by the Authority.

11 ENTIRE AGREEMENT

11.1 This Deed constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

11.2 The Guarantor acknowledges that it has not entered into this Deed in reliance upon, nor has it been induced to enter into this Deed 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 Deed.

12 WAIVER

12.1 No failure or delay by the Authority to exercise any right or remedy provided under this Deed or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

12.2 Any waiver by the Authority of any terms of this Deed, or of any Guaranteed Obligations, shall only be effective if given in writing and then only for the purpose and upon the terms and conditions, if any, on which it is given.

13 SEVERANCE

13.1 If any provision or part-provision of this Deed is or becomes invalid, illegal or unenforceable for any reason, such provision or part-provision shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of this Deed.

14 THIRD PARTY RIGHTS

14.1 A person who is not a Party to this Deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 (as amended, updated or replaced from time to time) to enforce any of its terms but this does not affect any third party right which exists or is available independently of that Act.

15 GOVERNING LAW AND JURISDICTION

15.1 This Deed and any issues, disputes or claims (whether contractual or non-contractual) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the laws of England and Wales.

15.2 The Guarantor irrevocably agrees for the benefit of the Authority that the courts of England shall have jurisdiction to settle any dispute or claim

(whether contractual or non-contractual) that arises out of or in connection with this Deed or its subject matter or formation.

15.3 Nothing contained in Clause 15.2 shall limit the rights of the Authority to take proceedings against the Guarantor in any other court of competent jurisdiction, nor shall the taking of any such proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not (unless precluded by applicable law).

15.4 The Guarantor irrevocably waives any objection which it may have now or in the future to the courts of England being nominated for the purpose of this Clause on the ground of venue or otherwise and agrees not to claim that any such court is not a convenient or appropriate forum.

15.5 [The Guarantor irrevocably appoints [Insert name of agent] of [Insert address of agent] as its agent to receive on its behalf in England or Wales service of any proceedings under this Clause 15. Such service shall be deemed completed on delivery to such agent (whether or not it is forwarded to and received by the Guarantor) and shall be valid until such time as the Authority has received prior written notice that such agent has ceased to act as agent. If for any reason such agent ceases to be able to act as agent or no longer has an address in England or Wales, the Guarantor shall appoint a substitute acceptable to the Authority and deliver to the Authority the new agent's name and address within England and Wales.]

Executed as a deed by [insert the name of the Guarantor] acting by [insert name of Director] a director, in the presence of a witness:

……	……
[Signature of Witness]	[Signature of Director]
	Name of Director:
	……
Name of Witness:	……
Address of Witness:	……
	……
Occupation of Witness:	……

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SCHEDULE 31

PROCESSING PERSONAL DATA

Schedule 31 (*Processing Personal Data*)

1.1 This Schedule shall be completed by the Controller, who may take account of the view of the Processor, however the final decision as to the content of this Schedule shall be with the Authority at its absolute discretion.

1.2 The contact details of the Authority's Data Protection Officer are: DPO@justice.gov.uk.

1.3 The contact details of the Supplier's Data Protection Officer are: data.protection@Vodafone.com

1.4 The Processor shall comply with any further written instructions with respect to processing by the Controller.

1.5 Any such further instructions shall be incorporated into this Schedule.

Description	**Details**
Identity of Controller for each Category of Personal Data	**The Authority is Controller and the Supplier is Processor** The Parties acknowledge that in accordance with Clause 21.2 to 21.16 and for the purposes of the Data Protection Legislation, the Authority is the Controller and the Supplier is the Processor of the following Personal Data: • The Personal Data will be limited to the following details of users accessing the Video Hearings Service: o The Internet Protocol (IP) Address (which is a unique address that identifies a device on the internet or a local network); and o The Calling Line Identification (CLI) Number **The Parties are Independent Controllers of Personal Data** The Parties acknowledge that for the purposes of managing and administering the Contract, they are Independent Controllers for the purposes of the Data Protection Legislation in respect of: • Business contact details of Supplier Personnel, • Business contact details of any directors, officers, employees, agents, consultants and contractors of the Authority (excluding the Supplier Personnel)

	engaged in the performance of the Authority's duties under this Contract).
Duration of the processing	The Contract Period and (to the extent relevant) the Termination Assistance Period.
Nature and purposes of the processing	The nature of the processing is using the IP Address and Calling Line Identification Number to enable individuals to connect to the Video Hearings Service. The purpose of the processing is to provide and operate the Video Hearings Service.
Type of Personal Data	• The IP Address of Users accessing the Video Hearings Service • The Calling Line Identification Number of Users accessing the Video Hearings Service
Categories of Data Subject	Judiciary, staff, and external parties involved in Video Hearings in a professional capacity Private citizens - including witnesses, plaintiffs, and defendants Any other Users – e.g. members of the press and other observers. Categories may include, but is not limited to the following: • IP Address • Personal identification numbers
Plan for return and destruction of the data once the processing is complete UNLESS requirement under law to preserve that type of data	Personal Data should not be processed for longer than necessary in accordance with Clause 21.28 of the Contract. All Personal Data will be destroyed within 12 months of the same being collected.

Locations at which the Supplier and/or its Sub-contractors process Personal Data under this Contract	All data to be processed within the UK.
Protective Measures that the Supplier and, where applicable, its Sub-contractors have implemented to protect Personal Data processed under this Contract Agreement against a breach of security (insofar as that breach of security relates to data) or a Personal Data Breach	**Note that all measures agreed must comply with the requirements in Schedule 5** Under the operation of a mature ISO 27001 certified Information Security Management System, a range of policies and procedures are in place relating to protecting the confidentiality, integrity, and availability of its information assets and those of its clients. Specific policies in place include: • A.18.1 Data Protection Policy • A.18.1.3 Document Management Protection of Records policy • Protection of data is also supported by business continuity and contingency plans, data backup procedures, avoidance of viruses and hackers, access control to systems and information security incident reporting. • All employees and contractors receive appropriate training about Information Security. The consequences of breaching information security policy are set out in the organisation's disciplinary policy and in contracts and agreements with third parties.

ANNEX 1: JOINT CONTROLLER AGREEMENT

1 Joint Controller Status and Allocation of Responsibilities

1.1 With respect to Personal Data under Joint Control of the Parties, the Parties envisage that they shall each be a Data Controller in respect of that Personal Data in accordance with the terms of this Annex 1 (*Joint Controller Agreement*) in replacement of Clause 21.2-21.16 (*Where one Party is Controller and the other Party is Processor*) and 21.18-21.29 (*Independent Controllers of Personal Data*). Accordingly, the Parties each undertake to comply with the applicable Data Protection Legislation in respect of their Processing of such Personal Data as Data Controllers.

1.2 The Parties agree that the [Supplier/Authority]:

(a) is the exclusive point of contact for Data Subjects and is responsible for all steps necessary to comply with the UK GDPR regarding the exercise by Data Subjects of their rights under the UK GDPR;

(b) shall direct Data Subjects to its Data Protection Officer or suitable alternative in connection with the exercise of their rights as Data Subjects and for any enquiries concerning their Personal Data or privacy;

(c) is solely responsible for the Parties' compliance with all duties to provide information to Data Subjects under Articles 13 and 14 of the UK GDPR;

(d) is responsible for obtaining the informed consent of Data Subjects, in accordance with the UK GDPR, for Processing in connection with the Services where consent is the relevant legal basis for that Processing; and

(e) shall make available to Data Subjects the essence of this Joint Controller Agreement (and notify them of any changes to it) concerning the allocation of responsibilities as Joint Controller and its role as exclusive point of contact, the Parties having used their best endeavours to agree the terms of that essence. This must be outlined in the [Supplier's/Authority's] privacy policy (which must be readily available by hyperlink or otherwise on all of its public facing services and marketing).

1.3 Notwithstanding the terms of Paragraph 1.2, the Parties acknowledge that a Data Subject has the right to exercise their legal rights under the Data Protection Legislation as against the relevant Party as Data Controller.

2 Undertakings of both Parties

2.1 The Supplier and the Authority each undertake that they shall:

(a) report to the other Party every [x] months on:

(i) the volume of Data Subject Access Requests (or purported Data Subject Access Requests) from Data Subjects (or third parties on their behalf);

(ii) the volume of requests from Data Subjects (or third parties on their behalf) to rectify, block or erase any Personal Data;

(iii) any other requests, complaints or communications from Data Subjects (or third parties on their behalf) relating to the other Party's obligations under applicable Data Protection Legislation;

(iv) any communications from the Information Commissioner or any other regulatory authority in connection with Personal Data; and

(v) any requests from any third party for disclosure of Personal Data where compliance with such request is required or purported to be required by Law;

that it has received in relation to the subject matter of the Contract during that period;

(b) notify each other immediately if it receives any request, complaint or communication made as referred to in Paragraphs 2.1(a)(i) to (v); and

(c) provide the other Party with full cooperation and assistance in relation to any request, complaint or communication made as referred to in Paragraphs 2.1(a)(iii) to (v) to enable the other Party to comply with the relevant timescales set out in the Data Protection Legislation.

(d) not disclose or transfer the Personal Data to any third party unless necessary for the provision of the Services and, for any disclosure or transfer of Personal Data to any third party, (save where such disclosure or transfer is specifically authorised under this Contract or is required by Law) that disclosure or transfer of Personal Data is otherwise considered to be lawful processing of that Personal Data in accordance with Article 6 of the UK GDPR or EU GDPR (as the context requires). For the avoidance of doubt to which Personal Data is transferred must be subject to equivalent obligations which are no less onerous than those set out in this Annex.

(e) request from the Data Subject only the minimum information necessary to provide the Services and treat such extracted information as Confidential Information.

(f) ensure that at all times it has in place appropriate Protective Measures to guard against unauthorised or unlawful processing of the Personal Data and/or accidental loss, destruction or damage to

the Personal Data and unauthorised or unlawful disclosure of or access to the Personal Data

(g) take all reasonable steps to ensure the reliability and integrity of any of its Personnel who have access to the Personal Data and ensure that its Personnel:

(i) are aware of and comply with their duties under this Annex 1 (*Joint Controller Agreement*) and those in respect of Confidential Information

(ii) are informed of the confidential nature of the Personal Data, are subject to appropriate obligations of confidentiality and do not publish, disclose or divulge any of the Personal Data to any third party where that Party would not be permitted to do so;

(iii) have undergone adequate training in the use, care, protection and handling of personal data as required by the applicable Data Protection Legislation;

(h) ensure that it has in place Protective Measures as appropriate to protect against a Data Loss Event having taken account of the:

(i) nature of the data to be protected;

(ii) harm that might result from a Data Loss Event;

(iii) state of technological development; and

(iv) cost of implementing any measures.

(i) ensure that it has the capability (whether technological or otherwise), to the extent required by Data Protection Legislation, to provide or correct or delete at the request of a Data Subject all the Personal Data relating to that Data Subject that the Supplier holds;

(j) ensure that it notifies the other Party as soon as it becomes aware of a Data Loss Event;

(k) where the Personal Data is subject to UK GDPR, not transfer such Personal Data outside of the UK unless the prior written consent of the non-transferring Party has been obtained and the following conditions are fulfilled:

(i) the transfer is in accordance with Article 45 of the UK GDPR or DPA 2018 Section 73; or

(ii) the transferring Party has provided appropriate safeguards in relation to the transfer (whether in accordance with Article 46 of the UK GDPR or DPA 2018 Section 75) as agreed with the non-transferring Party which could include the International Data Transfer Agreement or International Data

Transfer Agreement Addendum to the European Commission's SCCs as published by the Information Commissioner's Office (as appropriate), as well as any additional measures;

(iii) the Data Subject has enforceable rights and effective legal remedies;

(iv) the transferring Party complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the non-transferring Party in meeting its obligations); and

(v) the transferring Party complies with any reasonable instructions notified to it in advance by the non-transferring Party with respect to the processing of the Personal Data; and

(l) where the Personal Data is subject to EU GDPR, not transfer such Personal Data outside of the EU unless the prior written consent of non-transferring Party has been obtained and the following conditions are fulfilled:

(i) the transfer is in accordance with Article 45 of the EU GDPR; or

(ii) the transferring Party has provided appropriate safeguards in relation to the transfer in accordance with Article 46 of the EU GDPR as determined by the non-transferring Party which could include relevant parties entering into Standard Contractual Clauses in the European Commission's decision 2021/914/EU as well as any additional measures;

(iii) the Data Subject has enforceable rights and effective legal remedies;

(iv) the transferring Party complies with its obligations under the EU GDPR by providing an adequate level of protection to any Personal Data that is transferred (or, if it is not so bound, uses its best endeavours to assist the non-transferring Party in meeting its obligations); and

(v) the transferring Party complies with any reasonable instructions notified to it in advance by the non-transferring Party with respect to the processing of the Personal Data.

2.2 Each Joint Controller shall use its reasonable endeavours to assist the other Controller to comply with any obligations under applicable Data Protection Legislation and shall not perform its obligations under this Annex in such a way as to cause the other Joint Controller to breach any of its' obligations under applicable Data Protection Legislation to the extent it is aware, or ought

reasonably to have been aware, that the same would be a breach of such obligations

3 Data Protection Breach

3.1 Without prejudice to Paragraph 3.2, each Party shall notify the other Party promptly and without undue delay, and in any event within 48 hours, upon becoming aware of any Personal Data Breach or circumstances that are likely to give rise to a Personal Data Breach, providing the other Party and its advisors with:

(a) sufficient information and in a timescale which allows the other Party to meet any obligations to report a Personal Data Breach under the Data Protection Legislation;

(b) all reasonable assistance, including:

(i) co-operation with the other Party and the Information Commissioner investigating the Personal Data Breach and its cause, containing and recovering the compromised Personal Data and compliance with the applicable guidance;

(ii) co-operation with the other Party including taking such reasonable steps as are directed by the Authority to assist in the investigation, mitigation and remediation of a Personal Data Breach;

(iii) co-ordination with the other Party regarding the management of public relations and public statements relating to the Personal Data Breach;

(iv) providing the other Party and to the extent instructed by the other Party to do so, and/or the Information Commissioner investigating the Personal Data Breach, with complete information relating to the Personal Data Breach, including, without limitation, the information set out in Paragraph 3.2.

3.2 Each Party shall take all steps to restore, re-constitute and/or reconstruct any Personal Data where it has lost, damaged, destroyed, altered or corrupted as a result of a Personal Data Breach as if it was that Party's own data at its own cost with all possible speed and shall provide the other Party with all reasonable assistance in respect of any such Personal Data Breach, including providing the other Party, as soon as possible and within 48 hours of the Personal Data Breach relating to the Personal Data Breach, in particular:

(a) the nature of the Personal Data Breach;

(b) the nature of Personal Data affected;

(c) the categories and number of Data Subjects concerned;

(d) the name and contact details of the Supplier's Data Protection Officer or other relevant contact from whom more information may be obtained;

(e) measures taken or proposed to be taken to address the Personal Data Breach; and

(f) describe the likely consequences of the Personal Data Breach.

4 Audit

4.1 The Supplier shall permit:

(a) the Authority, or a third-party auditor acting under the Authority's direction, to conduct, at the Authority's cost, data privacy and security audits, assessments and inspections concerning the Supplier's data security and privacy procedures relating to Personal Data, its compliance with this Annex 1 and the Data Protection Legislation.

(b) the Authority, or a third-party auditor acting under the Authority's direction, access to premises at which the Personal Data is accessible or at which it is able to inspect any relevant records, including the record maintained under Article 30 of the UK GDPR by the Supplier so far as relevant to the Contract, and procedures, including premises under the control of any third party appointed by the Supplier to assist in the provision of the Services.

4.2 The Authority may, in its sole discretion, require the Supplier to provide evidence of the Supplier's compliance with Paragraph 4.1 in lieu of conducting such an audit, assessment or inspection.

5 Impact Assessments

5.1 **The Parties** shall:

(a) provide all reasonable assistance to each other to prepare any Data Protection Impact Assessment as may be required (including provision of detailed information and assessments in relation to processing operations, risks and measures);

(b) maintain full and complete records of all Processing carried out in respect of the Personal Data in connection with this Contract, in accordance with the terms of Article 30 of the UK GDPR.

6 ICO Guidance

6.1 The Parties agree to take account of any guidance issued by the Information Commissioner and/or any relevant Central Government Body. The Authority may on not less than 30 Working Days' notice to the Supplier amend this Contract to ensure that it complies with any guidance issued by the Information Commissioner and/or any relevant Central Government Body.

7 Liabilities for Data Protection Breach

7.1 If financial penalties are imposed by the Information Commissioner on either the Authority or the Supplier for a Personal Data Breach ("**Financial Penalties**") then the following shall occur:

(a) If in the view of the Information Commissioner, the Authority is responsible for the Personal Data Breach, in that it is caused as a result of the actions or inaction of the Authority, its employees, agents, contractors (other than the Supplier) or systems and procedures controlled by the Authority, then the Authority shall be responsible for the payment of such Financial Penalties. In this case, the Authority will conduct an internal audit and engage at its reasonable cost when necessary, an independent third party to conduct an audit of any such data incident. The Supplier shall provide to the Authority and its third party investigators and auditors, on request and at the Supplier's reasonable cost, full cooperation and access to conduct a thorough audit of such data incident;

(b) If in the view of the Information Commissioner, the Supplier is responsible for the Personal Data Breach, in that it is not a breach that the Authority is responsible for, then the Supplier shall be responsible for the payment of these Financial Penalties. The Supplier will provide to the Authority and its auditors, on request and at the Supplier's sole cost, full cooperation and access to conduct a thorough audit of such data incident; or

(c) If no view as to responsibility is expressed by the Information Commissioner, then the Authority and the Supplier shall work together to investigate the relevant data incident and allocate responsibility for any Financial Penalties as outlined above, or by agreement to split any Financial Penalties equally if no responsibility for the Personal Data Breach can be apportioned. In the event that the Parties do not agree such apportionment then such Dispute shall be referred to the Dispute Resolution Procedure set out in Schedule 23 (Dispute Resolution Procedure).

7.2 If either the Authority or the Supplier is the defendant in a legal claim brought before a court of competent jurisdiction ("**Court**") by a third party in respect of a Personal Data Breach, then unless the Parties otherwise agree, the Party that is determined by the final decision of the court to be responsible for the Personal Data Breach shall be liable for the losses arising from such breach. Where both Parties are liable, the liability will be apportioned between the Parties in accordance with the decision of the Court.

7.3 In respect of any losses, cost claims or expenses incurred by either Party as a result of a Personal Data Breach (the "**Claim Losses**"):

(a) if the Authority is responsible for the relevant breach, then the Authority shall be responsible for the Claim Losses;

(b) if the Supplier is responsible for the relevant breach, then the Supplier shall be responsible for the Claim Losses; and

(c) if responsibility is unclear, then the Authority and the Supplier shall be responsible for the Claim Losses equally.

7.4 Nothing in Paragraphs 7.2-7.3 shall preclude the Authority and the Supplier reaching any other agreement, including by way of compromise with a third party complainant or claimant, as to the apportionment of financial responsibility for any Claim Losses as a result of a Personal Data Breach, having regard to all the circumstances of the breach and the legal and financial obligations of the Authority.

8 Termination

8.1 If the Supplier is in material Default under any of its obligations under this Annex 1 (*Joint Controller Agreement*), the Authority shall be entitled to terminate this Contract by issuing a Termination Notice to the Supplier in accordance with Clause 30 (*Termination Rights*).

9 Sub-Processing

9.1 In respect of any Processing of Personal performed by a third party on behalf of a Party, that Party shall:

(a) carry out adequate due diligence on such third party to ensure that it is capable of providing the level of protection for the Personal Data as is required by this Contract, and provide evidence of such due diligence to the other Party where reasonably requested; and

(b) ensure that a suitable agreement is in place with the third party as required under applicable Data Protection Legislation.

10 Data Retention

The Parties agree to erase Personal Data from any computers, storage devices and storage media that are to be retained as soon as practicable after it has ceased to be necessary for them to retain such Personal Data under applicable Data Protection Legislation and their privacy policy (save to the extent (and for the limited period) that such information needs to be retained by a Party for statutory compliance purposes or as otherwise required by this Contract), and taking all further actions as may be necessary to ensure its compliance with Data Protection Legislation and its privacy policy.

SCHEDULE 32

Intellectual Property Rights

Schedule 32 (*Intellectual Property Rights*)

1 INTELLECTUAL PROPERTY RIGHTS

1.1 Except as expressly set out in this Contract:

(a) the Authority shall not acquire any right, title or interest in or to the Intellectual Property Rights of the Supplier or its licensors, namely:

(i) the Supplier Software;

(ii) the Third Party Software;

(iii) the Third Party IPRs; and

(iv) the Supplier Background IPRs;

(b) the Supplier shall not acquire any right, title or interest in or to the Intellectual Property Rights of the Authority, the Service Recipient or their licensors, including:

(i) the Authority Software;

(ii) the Authority Data; and

(iii) the Authority Background IPRs;

(c) Specially Written Software and Project Specific IPRs (except for any Know-How, trade secrets or Confidential Information contained therein) shall be the property of the Authority.

1.2 Where either Party acquires, by operation of law, title to Intellectual Property Rights that is inconsistent with the allocation of title set out in Paragraph 1.1, it shall assign in writing such Intellectual Property Rights as it has acquired to the other Party on the request of the other Party (whenever made).

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

1.4 Unless otherwise agreed in writing, the Parties shall record all Specially Written Software and Project Specific IPRs in Annex 1 to this Schedule 32 (*Intellectual Property Rights*) and shall keep Annex 1 updated during the Term.

2 TRANSFER AND LICENCES GRANTED BY THE SUPPLIER

Specially Written Software and Project Specific IPRs

2.1 Subject to Paragraph 2.17 (*Patents*) the Supplier hereby agrees to transfer to the Authority, or shall procure the transfer to the Authority of, all rights (subject to Paragraph 1.1(a) (*Intellectual Property Rights*)) in the Specially Written Software and the Project Specific IPRs including (without limitation):

(a) the Documentation, Source Code and the Object Code of the Specially Written Software; and

(b) all build instructions, test instructions, test scripts, test data, operating instructions and other documents and tools necessary for maintaining and supporting the Specially Written Software (together the "**Software Supporting Materials**");

but not including any Know-How, trade secrets or Confidential Information.

2.2 The Supplier:

(a) shall:

(i) inform the Authority of all Specially Written Software and any element of Project Specific IPRs that constitutes a modification or enhancement to Supplier Software or Third Party Software; and

(ii) deliver to the Authority the Specially Written Software and the software element of Project Specific IPRs in both Source Code and Object Code forms together with relevant Documentation and all related Software Supporting Materials within 7 days of the issue of a Milestone Achievement Certificate in respect of the relevant Deliverable and shall provide updates of the Source Code and of the Software Supporting Materials promptly following each new release of the Specially Written Software, in each case on media that is reasonably acceptable to the Authority; and

(iii) without prejudice to Paragraph 2.11 (*Third Party Software and Third Party IPRs*), provide full details to the Authority of any Supplier Background IPRs or Third Party IPRs which are embedded in or which are an integral part of the Specially Written Software or any element of Project Specific IPRs;

(b) acknowledges and agrees that the ownership of the media referred to in Paragraph 2.2(a)(ii) shall vest in the Authority upon their receipt by the Authority; and

(c) shall execute all such assignments as are required to ensure that any rights in the Specially Written Software and Project Specific IPRs are properly transferred to the Authority.

Supplier Software and Supplier Background IPRs

2.3 The Supplier shall not use any Supplier Non-COTS Software or Supplier Non-COTS Background IPR in the provision of the Services unless it is detailed in Schedule 12 (*Software*) or sent to the Board for review and approval granted by the Authority.

2.4 The Supplier hereby grants to the Authority and the Service Recipient:

(a) subject to the provisions of Paragraph 2.17 (*Patents*) and Clause 31.13(b) (*Consequences of expiry or termination*), perpetual, royalty-free and non-exclusive licences to use (including but not limited to the right to load, execute, store, transmit, display and copy (for the purposes of archiving, backing-up, loading, execution, storage, transmission or display)):

(i) the Supplier Non-COTS Software for which the Supplier delivers a copy to the Authority for any purpose relating to the Services (or substantially equivalent services) or for any purpose relating to the exercise of the Authority's (or any other Central Government Body's) business or function; and

(ii) the Supplier Non-COTS Background IPRs for any purpose relating to the Services (or substantially equivalent services) or for any purpose relating to the exercise of the Authority's (or any other Central Government Body's) business or function;

(b) a licence to use the Supplier COTS Software for which the Supplier delivers a copy to the Authority and Supplier COTS Background IPRs on the licence terms identified in a letter in or substantially in the form set out in Annex 1 to Schedule 12 (*Software*) and signed by or on behalf of the Parties on or before the Effective Date provided always that the Authority shall remain entitled to sub-license and to assign and novate the Supplier COTS Software and Supplier COTS Background IPRs on equivalent terms to those set out in Paragraphs 2.7 (*Authority's right to sub-licence*) and 2.8 (*Authority's right to assign/novate sub-licences*) in relation to the Supplier Non-COTS Software and Supplier Non-COTS Background IPRs; and

(c) a perpetual royalty-free non-exclusive licence to use without limitation any Know-How, trade secrets or Confidential Information contained within the Specially Written Software or the Project Specific IPRs.

2.5 At any time during the Term or following termination or expiry of this Contract, the Supplier may terminate the licence granted in respect of the Supplier Non-COTS Software under Paragraph 2.4(a)(i) or in respect of the Supplier Non-COTS Background IPRs under Paragraph 2.4(a)(ii) by giving 3 months' notice in writing (or such other period as agreed by the Parties) if the Authority, Service Recipient or any person to whom the Authority grants a sub-licence pursuant to Paragraph 2.7 (*Authority's right to sub-license*) commits any material breach of the terms of Paragraph 2.4(a)(i) or 2.4(a)(ii) or 2.7(a)(ii) (as the case may be) which, if the breach is capable of remedy, is not remedied within 20 Working Days after the Supplier gives the Authority written notice specifying the breach and requiring its remedy.

2.6 In the event the licence of the Supplier Non-COTS Software or the Supplier Non-COTS Background IPRs is terminated pursuant to Paragraph 2.5, the Authority shall:

(a) immediately cease all use of the Supplier Non-COTS Software or the Supplier Non-COTS Background IPRs (as the case may be);

(b) at the discretion of the Supplier, return or destroy documents and other tangible materials to the extent that they contain any of the Supplier Non-COTS Software and/or the Supplier Non-COTS Background IPRs, provided that if the Supplier has not made an election within 6 months of the termination of the licence, the Authority may destroy the documents and other tangible materials that contain any of the Supplier Non-COTS Software and/or the Supplier Non-COTS Background IPRs (as the case may be); and

(c) ensure, so far as reasonably practicable, that any Supplier Non-COTS Software and/or Supplier Non-COTS Background IPRs that are held in electronic, digital or other machine-readable form ceases to be readily accessible (other than by the information technology staff of the Authority) from any computer, word processor, voicemail system or any other device containing such Supplier Non-COTS Software and/or Supplier Non-COTS Background IPRs.

Authority's right to sub-license

2.7 Subject to Paragraph 2.17 (*Patents*) the Authority may sub-license:

(a) the rights granted under Paragraph 2.4(a) (*Supplier Software and Supplier Background IPRs*) to a third party (including for the avoidance of doubt, any Replacement Supplier) provided that:

(i) the sub-licence is on terms no broader than those granted to the Authority;

(ii) the sub-licence authorises the third party to use the rights licensed in Paragraph 2.4(a) (*Supplier Software and Supplier Background IPRs*) only for purposes relating to the Services (or substantially equivalent services) or for any purpose relating to the exercise of the Authority's (or any other Central Government Body's) business or function; and

(iii) the sub-licensee shall have executed a confidentiality undertaking in favour of the Supplier in or substantially in the form set out in Annex 2 to Schedule 12 (*Software*); and

(b) the rights granted under Paragraph 2.4(a) (*Supplier Software and Supplier Background IPRs*) to any Approved Sub-Licensee to the extent necessary to use and/or obtain the benefit of the Specially Written Software and/or the Project Specific IPRs provided that:

(i) the sub-licence is on terms no broader than those granted to the Authority; and

(ii) the Supplier has received a confidentiality undertaking in its favour in or substantially in the form set out in Annex 2 Schedule 12 (*Software*) duly executed by the Approved Sub-Licensee.

Authority's right to assign/novate licences

2.8 The Authority may assign, novate or otherwise transfer its rights and obligations under the licences granted pursuant to Paragraph 2.4(a) (*Supplier Software and Supplier Background IPRs*) to:

(a) a Central Government Body; or

(b) to any body (including any private sector body) which performs or carries on any of the functions and/or activities that previously had been performed and/or carried on by the Authority.

2.9 Any change in the legal status of the Authority which means that it ceases to be a Central Government Body shall not affect the validity of any licence granted in Paragraph 2.4 (*Supplier Software and Supplier Background IPRs*). If the Authority ceases to be a Central Government Body, the successor body to the Authority shall still be entitled to the benefit of the licence granted in Paragraph 2.4 (*Supplier Software and Supplier Background IPRs*).

2.10 If a licence granted in Paragraph 2.4 (*Supplier Software and Supplier Background IPRs*) is novated under Paragraph 2.8 (*Authority's right to assign/novate licences*) or there is a change of the Authority's status pursuant to Paragraph 2.9, the rights acquired on that novation or change of status shall not extend beyond those previously enjoyed by the Authority.

Third Party Software and Third Party IPRs

2.11 The Supplier shall not use in the provision of the Services (including in any Specially Written Software or in the software element of Project Specific IPRs) any Third Party Non-COTS Software or Third Party Non-COTS IPRs unless detailed in Schedule 12 (*Software*) or approval is granted by the Authority following a review by the Board and has in each case either:

(a) first procured that the owner or an authorised licensor of the relevant Third Party Non-COTS IPRs or Third Party Non-COTS Software (as the case may be) has granted a direct licence to the Authority and Service Recipient on a royalty-free basis to the Authority and Service Recipient and on terms no less favourable to the Authority than those set out in Paragraphs 2.4(a) and 2.5 (*Supplier Software and Supplier Background IPRs*) and Paragraph 2.8 (*Authority's right to assign/novate licences*); or

(b) complied with the provisions of Paragraph 2.12.

2.12 If the Supplier cannot obtain for the Authority and Service Recipient a licence in respect of any Third Party Non-COTS Software and/or Third Party Non-COTS IPRs in accordance with the licence terms set out in Paragraph 2.11(a), the Supplier shall:

(a) notify the Authority in writing giving details of what licence terms can be obtained from the relevant third party and whether there are alternative software providers which the Supplier could seek to use; and

(b) use the relevant Third Party Non-COTS Software and/or Third Party Non-COTS IPRs only if the Authority has first approved in writing either:

(i) the terms of the licence from the relevant third party; or

(ii) use without a licence, with reference to the acts authorised and the specific IPR involved. In spite of any other provisions of the Contract and for the avoidance of doubt, award of this Contract by the Authority and the ordering of any Deliverable under it does not constitute an authorisation by the Crown under Sections 55 and 56 of the Patents Act 1977 Section 12 of the Registered Designs Act 1949 or Sections 240 – 243 of the Copyright, Designs and Patents Act 1988.

2.13 The Supplier shall:

(a) notify the Authority in writing of all Third Party COTS Software and Third Party COTS IPRs that it uses and the terms on which it uses them; and

(b) unless instructed otherwise in writing by the Authority in any case within 20 Working Days of notification pursuant to Paragraph 2.12 use all reasonable endeavours to procure in each case that the owner or an authorised licensor of the relevant Third Party COTS Software and Third Party COTS IPRs grants a direct licence to the Authority on terms no less favourable (including as to indemnification against IPRs Claims) than those on which such software is usually made commercially available by the relevant third party.

2.14 Should the Supplier become aware at any time, including after termination, that the Specially Written Software and/or the Project Specific IPRs contain any Intellectual Property Rights for which the Authority does not have a suitable licence, then the Supplier must notify the Authority within 10 days of what those rights are and which parts of the Specially Written Software and the Project Specific IPRs they are found in.

Termination and Replacement Suppliers

2.15 For the avoidance of doubt, the termination or expiry of this Contract shall not of itself result in any termination of any of the licences granted by the Supplier or relevant third party pursuant to or as contemplated by this Paragraph 2.

2.16 The Supplier shall, if requested by the Authority in accordance with Schedule 25 (*Exit Management*) and at the Supplier's cost:

(a) grant (or procure the grant) to any Replacement Supplier of:

(i) a licence to use any Supplier Non-COTS Software, Supplier Non-COTS Background IPRs, Third Party Non-COTS IPRs and/or Third Party Non-COTS Software on a royalty-free basis to the Replacement Supplier and on terms no less favourable than those granted to the Authority in respect of the relevant Software and/or IPRs pursuant to or as contemplated by this Paragraph 2 subject to receipt by the Supplier of a confidentiality undertaking in its favour in or substantially in the form set out in Annex 2 to Schedule 12 (*Software*) duly executed by the Replacement Supplier;

(ii) a licence to use any Supplier COTS Software and/or Supplier COTS Background IPRs, on terms no less favourable (including as to indemnification against IPRs Claims) than those on which such software is usually made commercially available by the Supplier; and/or

(b) use all reasonable endeavours to procure the grant to any Replacement Supplier of a licence to use any Third Party COTS Software and/or Third Party COTS IPRs on terms no less favourable (including as to indemnification against IPRs Claims) than those on which such software is usually made commercially available by the relevant third party.

Patents

2.17 Where a patent owned by the Supplier is necessarily infringed by the use of the Specially Written Software or Project Specific IPRs by the Authority or any Replacement Supplier, the Supplier hereby grants to the Authority and the Replacement Supplier a non-exclusive, irrevocable, royalty-free, worldwide patent licence to use the infringing methods, materials or software solely for the purpose for which they were delivered under this Contract.

3 LICENCES GRANTED BY THE AUTHORITY

3.1 Subject to Paragraph 3.3, the Authority hereby grants to the Supplier a royalty-free, non-exclusive, non-transferable licence to use the Authority Software, the Authority Background IPRs, the Specially Written Software and the Project Specific IPRs and the Authority Data for the purpose of using or exploiting the Specially Written Software and the Project Specific IPRs, including (but not limited to) the right to grant sub-licences to Sub-contractors provided that:

(a) any relevant Sub-contractor has entered into a confidentiality undertaking with the Supplier on the same terms as set out in Clause 19 (*Confidentiality*); and

(b) the Supplier shall not, without the Authority's prior written consent, use the Authority Software, Authority Background IPRs and the Authority Data for any other purpose or for the benefit of any person other than the Authority.

3.2 On the expiry of the licence granted pursuant to Paragraph 3.1 any sub-licence granted by the Supplier in accordance with Paragraph 3.1 shall terminate automatically and the Supplier shall:

(a) immediately cease all use of the Authority Software, the Authority Background IPRs, the Specially Written Software, the Project Specific IPRs and the Authority Data (as the case may be);

(b) at the discretion of the Authority, return or destroy documents and other tangible materials that contain any of the Authority Software, the Authority Background IPRs, the Specially Written Software, the Project Specific IPRs and the Authority Data, provided that if the Authority has not made an election within 6 months of the termination of the licence, the Supplier may destroy the documents and other tangible materials that contain any of the Authority Software, the Authority Background IPRs, the Specially Written Software, the Project Specific IPRs and the Authority Data (as the case may be); and

(c) ensure, so far as reasonably practicable, that any Authority Software, Authority Background IPRs, the Specially Written Software, the Project Specific IPRs and Authority Data that are held in electronic, digital or other machine-readable form ceases to be readily accessible from any Supplier computer, word processor, voicemail system or any other Supplier device containing such Authority Software, Authority Background IPRs, the Specially Written Software, the Project Specific IPRs and/or Authority Data.

3.3 The Supplier may use or exploit the Specially Written Software and/or the Project Specific IPRs provided that:

(a) the Supplier must always offer a price and solution to the Authority which is in accordance with the Charges;

(b) where the Supplier proposes to exploit Specially Written Software and/or the Project Specific IPRs, that it provides a detailed proposal of its plans for exploitation of the Specially Written Software and/or the Project Specific IPRs and the forecast returns, including (but not limited to) details of the goods and services to be offered by the Supplier which use the Specially Written Software and/or the Project Specific IPRs, the target markets and territory, the estimated level of orders, the marketing strategy; full details of the estimated costs, prices, revenues and profits; impact assessment

on services delivered under the Contract; and any other information that would reasonably be required by the Authority to enable it to consider the commercial, legal and financial implications to the Parties of the proposal and any further information which the Authority may reasonably request;

(c) where the Supplier proposes to discount the prices offered to the Authority in return for the right to exploit Specially Written Software and/or the Project Specific IPRs, that it provides clear evidence to demonstrate how the exploitation plans and financial information provided under Paragraph 3.3(b) above have been applied to the price for the Deliverables offered to the Authority and other potential users;

3.4 The Supplier acknowledges and agrees that the Authority is under an obligation to comply with procurement Laws and state aid rules when considering proposals for alternative IPR arrangements and the Authority will need to consider its position and approach on a case by case basis.

4 FURTHER LICENCES TO USERS

The Supplier expressly acknowledges that any and all Intellectual Property Rights required for a User to access and use the Video Hearings Service as envisaged by this Contract are granted pursuant to this Schedule and that no other licence terms shall apply.

ANNEX 1: SPECIALLY WRITTEN SOFTWARE AND PROJECT SPECIFIC IPRS

Name of Specially Written Software and Project Specific IPRs	**Details**
Supplier Interface	The Supplier Interface is the programme interface between the Video Engine and the Authority VH Application